

**Response Form for the
Exposure Draft of the
Verification Procedures for the
CFA Institute ESG Disclosure Standards
for Investment Products and
Verifier Independence Guidelines**

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 Verification Procedures for the CFA Institute ESG Disclosure Standards for Investment Products (the “Verification Procedures”) provide verifiers with a minimum set of procedures required to provide limited assurance on an investment product’s compliant presentation. The Exposure Draft also provides guidelines on verifier independence. The goal for this Exposure Draft is to elicit feedback on the proposed requirements within the Verification Procedures and Verifier Independence Guidelines. Please refer to the “Providing Feedback” guidelines for submitting comments. **All comments must be received by 21 September 2021 in order to be considered.**

Providing Feedback

Public commentary on the Exposure Draft will help shape the final version of the Verification Procedures and Verifier Independence Guidelines. Comments should be provided in this Response Form, found [here](#) on the CFA Institute website, and submitted to standards@cfainstitute.org.

The deadline for providing feedback is 21 September 2021. **Comments received after 21 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 standards@cfainstitute.org by 5:00 PM E.T. on 21 September 2021.**

General Information (required)

Respondent: <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>	ACA Group
Stakeholder Group: <i>(Please select the stakeholder group with which you most closely identify.)</i>	Service Provider
Region: <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>	Global
Country: <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>	United States
Confidentiality Preference: <i>(Please select your preference for whether or not your response is published on the CFA Institute website.)</i>	yes, my response may be published

QUESTIONS

1. Do you agree that the minimum period for which a verification may be conducted should be one year?

<QUESTION_01>

No, the minimum period is irrelevant for purposes of providing an opinion on whether the investment product is compliant with the ESG Disclosure Standards. The compliance statement for a verified product includes a date range for the verification so it is clear what period is covered by the verification.

<QUESTION_01>

2. Are there any other attributes that a verifier should have in order to be qualified?

<QUESTION_02>

No.

<QUESTION_02>

3. Do you agree with the testing procedures? If not, please tell us which testing procedures you disagree with as well as the testing procedures you would recommend. Also, are there other areas of testing that should be added?

<QUESTION_03>

Yes

<QUESTION_03>

4. Are the examples of what is and what is not a material change to ESG-related features helpful? If you do not believe they are helpful, do you have suggested examples that should be included?

<QUESTION_04>

Yes, they are helpful. Also consider adding something more general such as any change that would result in obtaining client or shareholder approval or disclosure in regulatory filings, including fund prospectus'.

<QUESTION_04>

5. Do you believe that it is appropriate for the compliant presentation to include information that is not subject to the verification? If so, do you believe information in the compliant presentation that is not subject to testing should be required to be identified as not subject to testing?

<QUESTION_05>

Yes. We believe this will be a common occurrence, particularly with firms that also claim compliance with the GIPS standards. It should be very clear what information is not subject to testing to avoid misinterpretation of what the verification covers.

<QUESTION_05>

6. Are the examples of what is and what is not a material error are helpful? If you do not believe they are helpful, do you have suggested examples that should be included?

<QUESTION_06>

Yes

<QUESTION_06>

7. Should any professional guidance be included here?

<QUESTION_07>

Nothing to add.

<QUESTION_07>

8. There is no option for allowing a verification report to be issued with a modified conclusion. Do you agree with this approach, or should we allow a verifier to issue a verification report with a modified conclusion? Please provide your rationale.

<QUESTION_08>

Yes, we agree with the approach to not allow for a modified conclusion. The verifier must determine if the investment product is or is not in compliance with the ESG Disclosure Standard. As there is no requirement to provide investors with the verification report, a report with a modified conclusion could result in misleading investors that the firms complies with all of the requirements of the standards.

<QUESTION_08>

9. Do you agree with the proposed language for a management assertion? If not, please provide suggested language.

<QUESTION_09>

ENTER RESPONSE HERE

<QUESTION_09>

10. Do you agree with the Guiding Principles for Verifier Independence? Should any additional Guiding Principles be added?

<QUESTION_10>

Yes, we agree. Nothing additional to add.

<QUESTION_10>

11. Are there any other services that could create independence issues that should be included?

<QUESTION_11>

No.

<QUESTION_11>

12. Should any other issues be included for determining a verifier's independence?

<QUESTION_12>

No.

<QUESTION_12>

13. Do you have any other suggestions that we should consider in the Verification Procedures or Verifier Independence Guidelines?

<QUESTION_13>

No.

<QUESTION_13>