

# GIPS® STANDARDS NEWSLETTER

**April 2023 Edition**

## **Registration is Now Open! 27th Annual GIPS® Standards Conference**

Join us 17–18 October in Chicago to reconnect with colleagues as industry and regulatory experts discuss the latest trends and challenges in investment performance. Register by 30 June for our best rates.

[Register Now](#)

Is your firm interested in being a conference sponsor? Contact [Jonathan.Gentry@cfainstitute.org](mailto:Jonathan.Gentry@cfainstitute.org).



## **CFA Institute Seeks Volunteers for GIPS Standards Committees and ESG Technical Committee**

CFA Institute is actively recruiting volunteers to serve on the following committees and subcommittees:

- GIPS Standards Technical Committee
- GIPS Standards Asset Owner Subcommittee
- GIPS Standards Interpretations Subcommittee
- GIPS Standards Verification Subcommittee
- GIPS Standards Promotion Subcommittee

- GIPS Standards for Fiduciary Management Providers Technical Committee
- GIPS Standards United States Investment Performance Committee (USIPC)
- Environmental, Social, and Governance (ESG) Technical Committee

In addition, CFA Institute is seeking to fill the Chair position on the GIPS Standards Asset Owner Subcommittee and the GIPS Standards Verification Subcommittee.

Volunteers are welcome to apply for multiple roles but will not be selected to serve on more than one committee or subcommittee within the GIPS standards volunteer bodies at the same time. Volunteers may serve on a GIPS standards committee or subcommittee and on an ESG committee or subcommittee.

For current volunteers wishing to apply as a member of a different committee or subcommittee, you must agree to rotate off your current committee or subcommittee as of 31 August 2023 before applying for upcoming volunteer positions. If your volunteer term is expiring as of 31 August 2023, you may apply for any open volunteer role, including for your current committee or subcommittee.

In addition to volunteer qualifications, the Nominations Committees will consider qualifications, geographic diversity, and employer diversity. Volunteers are appointed as individuals, not as representatives of their employer, and thus cannot assign a proxy to serve in their absence.

For this cycle, we are using a new volunteer platform. The [CFA Institute Community](#) (powered by Higher Logic) houses all volunteer application details and information for the committee/subcommittee positions mentioned above.

To get started, you will need to:

- [Login](#) (or create a login) with your CFA Institute credentials
  - If you already have a CFA Institute log-in, we encourage you to use it. If not, you can create a new account.
- Agree to the [Terms and Conditions](#) of the community platform
- Create your [community](#) and [volunteer](#) profiles
- Apply to the [volunteer opportunities](#) that interest you.

Once completed, check out the [CFA Institute Café](#) and [introduce yourself](#) to fellow community members. It's a great new way to interact and network!

The deadline to apply for a volunteer position is 15 May 2023 by 17:00 US EDT. If you have any questions, please email [volunteers@cfainstitute.org](mailto:volunteers@cfainstitute.org). If you have

questions about the community platform, please email [communitymanager@cfainstitute.org](mailto:communitymanager@cfainstitute.org).

### **Guidance Statement on Benchmarks for Asset Owners Released**

The GIPS Standards Technical Committee has approved and issued the [Guidance Statement on Benchmarks for Asset Owners](#). The Exposure Draft of this Guidance Statement was available for public comment from 23 June 2022 through 22 August 2022. Although the GIPS Standards Handbook for Asset Owners incorporated some of the benchmark guidance, this Guidance Statement contains additional guidance and is a more comprehensive resource for asset owners when selecting benchmarks and disclosing information about benchmarks.

This Guidance Statement has an effective date of 30 June 2023. The [Adopting Release](#) explains key differences between the Exposure Draft and the final Guidance Statement.

### **Annual GIPS Compliance Notification Form Deadline Is 30 June 2023**

Organizations that claim compliance with the GIPS standards are required to notify CFA Institute of their claim of compliance by submitting a GIPS Compliance Notification Form. Organizations that are newly claiming compliance with the GIPS standards must submit the GIPS Compliance Notification Form before publicly claiming compliance. Once an organization claims compliance, it must submit an updated GIPS Compliance Notification Form annually, between 1 January and 30 June of each year. Required information includes the name of the organization, contact details for a primary and secondary contact, and whether or not the organization has been verified within the past 24 months. Answers to other questions, including types of portfolios managed and total assets that are managed, are optional.

Organizations submitting a GIPS Compliance Notification Form for the first time should use the [Initial Form link](#). Organizations submitting an annual update should use the [Update Form link](#).

To begin the annual update process, enter your organization's name and one individual's contact information from the prior year's form. A link to the form will be emailed to this contact, who can then update the information.

If you receive an error message or both contacts listed on the previous form are no longer with your organization, please email us at [gipscompliance@cfainstitute.org](mailto:gipscompliance@cfainstitute.org), and we will assist you.

### **Annual Asset Manager Code Compliance Notification Form Deadline Is 30 June 2023**

Many organizations that claim compliance with the GIPS standards also claim compliance with the Asset Manager Code™ (AMC). Organizations that claim

compliance with the AMC are also required to notify CFA Institute annually, similar to the GIPS standards annual notification process. Notification forms are due 30 June 2023. Firms and asset owners can find the AMC Compliance Notification Form on the CFA Institute website.

Organizations submitting an AMC Compliance Notification Form for the first time should use the [Initial Form link](#). Organizations submitting an annual update should use the [Update Form link](#).

To begin the annual update process, enter your organization's name and one individual's contact information from the prior year's form. A link to the form will be emailed to this contact, who can then update the information.

If you receive an error message or both contacts listed on the previous form are no longer with your organization, please email us at [industrystandards@cfainstitute.org](mailto:industrystandards@cfainstitute.org), and we will assist you.

## **Handbook of Artificial Intelligence and Big Data Applications in Investments**

### **AI and Big Data Applications in Investments**

On 27 March 2023, CFA Institute published the "Handbook of Artificial Intelligence and Big Data Applications in Investments" Release 1. The handbook provides a cutting-edge, industry perspective of artificial intelligence (AI) and big data tools in the investment industry and discusses early adopters' experiences and battle-tested solutions.

Executives from Robeco, Goldman Sachs, and Neuberger Berman share their tried-and-tested tools, common pitfalls, and successful mitigation strategies to help readers understand this landscape and choose approaches that best fit their strategic priorities. The handbook is full of key definitions and supporting exhibits.

Read [the handbook](#) to increase your knowledge of how to integrate AI and big data into the investing ecosystem.

### **The Role of NLP Tools in Investment Management**

Describing a litany of foundational and state-of-the-art natural language processing (NLP) tools for investment professionals, the second part of the handbook shares best practices for open-source models and proprietary fine-tuning.

The handbook argues that NLP, a specific form of machine learning, has a natural place in an asset manager's decision-making framework, because the key to NLP's popularity is simply that the majority of "unstructured" data is in text format.

Executives from Alliance Bernstein, Applied-AI.com, Off-Script Systems, and Two Centuries Investments discuss practical examples of NLP applications in asset management, how institutional ESG investors are using NLP, as well as emerging

applications under development.

Read [the handbook](#) to learn practical ways that leading firms have incorporated NLP at scale to prompt investment actions and boost broader strategies, and look out for Release 2 at the end of April 2023!

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