

# Global Investment Performance Standards (GIPS®) for Verifiers When Verifying Asset Owners Adopting Release

The Exposure Draft of the Global Investment Performance Standards (GIPS®) for Verifiers When Verifying Asset Owners was available for public comment from 19 February 2025 through 21 April 2025. We received comments from three organizations, two of which gave permission to have their comment letters posted. Every comment was evaluated and considered when updating the GIPS Standards for Verifiers When Verifying Asset Owners. The proposed changes were then reviewed with the GIPS Standards Technical Committee and the GIPS Standards Verification Subcommittee. This Adopting Release includes key topics and describes our rationale for the changes we made to the GIPS Standards for Verifiers When Verifying Asset Owners.

## 1. Testing Procedures

We asked respondents whether they agreed with the testing procedures outlined in the exposure draft. Overall, the feedback was positive, with most respondents expressing agreement. One respondent recommended clarifying how total asset owner assets are calculated to ensure they accurately reflect all assets under the asset owner's investment management responsibility. Another respondent suggested including additional guidance on testing net performance. These points were reviewed with the GIPS Standards Technical Committee and Verification Subcommittee, and we agreed that such clarifications would be best addressed in a supporting handbook—similar to the GIPS Standards Handbook for Asset Owners.

## 2. Laws and Regulations

In the Exposure Draft, we asked whether verifiers should be required to have knowledge of the laws and regulations applicable to asset owners, noting that such a requirement does not exist for verifiers of firms. One respondent shared that while the question prompted discussion, they ultimately concluded that this should not be a requirement. Another respondent opposed expanding the requirements and recommended alignment with the GIPS Standards for Verifiers. A third respondent strongly supported the need for verifiers to possess more specific knowledge of the unique aspects, features, and characteristics of asset owners. After reviewing these comments, the GIPS Standards Technical Committee and Verification Subcommittee agreed that verifiers should not be required to have knowledge of laws and regulations specific to asset owners beyond the existing requirement concerning the calculation and presentation of performance. This approach maintains consistency with the GIPS Standards for Verifiers.

## 3. Composite of Total Funds

In the Exposure Draft, we asked whether respondents preferred the term “composite of total funds” over “total fund composite.” Two out of three respondents found “composite of total funds” to be clearer and less likely to cause confusion. The GIPS Standards Technical Committee and Verification Subcommittee agreed with this feedback and supported changing the terminology to “composite of total funds.”

## Effective Date

The GIPS Standards for Verifiers When Verifying Asset Owners will become effective on 1 January 2026. From that date forward, verifiers conducting engagements with asset owners must follow the requirements outlined in the GIPS Standards for Verifiers When Verifying Asset Owners.

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