

We do not have significant concerns with the draft as we do support the recommendations. However, our general question would be about the disclosure recommendations.

What is meant by disclosure – where, how, how often, etc.? For example, are these (calculation frequency, attribution effects methodology, TBR vs Buy Hold, etc.) disclosure recommendations for external material like New Business Books, and Quarterly Attribution Reports? We have these disclosures during initial account setup, or in RFPs. Does this suffice, or is the recommendation for additional footnotes, or extra methodology pages in appendices? Clarity on specific materials would be helpful.

Beyond that, we do have a few comments that we would be happy to contribute further in discussions.

Page 5 –

- **Question 2 (length)** - Consideration around the pitfalls of longer-dates attribution analysis periods.
- **Question 3 (annualization)** – Would like to contribute/weigh-in on annualization discussions and considerations.

Page 8

- **Investment Strategy Effects** - Concern with the plainness of “only effects that reflect the investment strategy should be presented”. Given that we’re bottoms-up investors, one could argue that an allocation effect born from our investment process does not reflect the investment strategy. The guidance as written is too specific.

Page 9

- **Return Contribution** – it would be helpful to include additional guidance on the challenges of compounding and guided towards forward looking, backward looking, or midpoint/avg.

Page 10

- **Geometric Excess Return** – Prefer calling it Geometric Relative Return.

Page 11

- **Interaction** – reference to an “united cross product” called interaction. Concern with how this is framed, as we may consider our external publishing of attribution to use dynamic IT treatment someday (advocating for a less standard model). At the

bottom of the page, it lists the ways we should avoid the treatment of the IE. Prefer if the language allowed for alignment of the IE to an investment decision, based upon the manager being higher or lower weight in each segment or group.

Page 12

- **FV/Pricing** – the second to last paragraph on the page lists that the portfolio should use benchmark pricing, in holding base mode. We encourage this section to be more open-open.

Page 14

- **Recommendation** – Clarification on the compounding logic (e.g., Frongello) with the treatment of the residual, as the section preceding the recommendation states “firms may choose to eliminate residuals by smoothing or linking algorithm”.

Page 15

- **Treatment of Cash** – This sentence seems too precise “if cash management is no part of investment strategy, then cash should not be included in the return attribution.” Excluding cash from the attribution would make attribution disconnected from other sections (i.e., not matching published returns).
- **Currency Considerations** – Currency effects – concern with the language as it seems that we should only provide currency effects when it’s part of the investment decision making process. Currency effect in Brinson attribution for equity mandates has often been a problem, especially in EM mandates where firms hold a lot of ADRs.

Page 16

- **Input Data Differences / Recommendation** – Do we need to quantify the FV effect? May we encourage alternative language? As it reads, “a firm may use a data source to price its portfolios that is different from that used by the benchmark provider. If input data differences cannot be eliminated, *firms should disclose such differences when they are material.*” Beyond FV, we also need to quantify tax differences between the portfolio and benchmark. Or, is the recommendation/footnote that’s described on page 17 sufficient?