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Comment on:

EXPOSURE DRAFT
GUIDE FOR BEST PRACTICES IN RETURN ATTRIBUTION REPORTING

GIPS Standards Technical Committee CFA Institute
915 East High Street, Ste. 100
Charlottesville, VA 22902

14 November 2025

Dear Members of the GIPS Standards Technical Committee

Thank you for the opportunity to comment on this draft exposure draft. Please find our answers to the questions below as well as some general comments on the end of the document.

Question 1: Should firms disclose that the policy for selecting representative portfolios is available upon request?
Yes. This should be recommended but not required since composite returns are already the natural "starting point" for selecting representative portfolios for the strategy. A requirement should be, that the chosen portfolio is a member of the respective composite.

Question 2: Does your firm show attribution for periods greater than one year? If so, what is the longest period shown? Are there challenges with presenting attribution periods greater than one year that are not addressed in this Guide?
No, we do not show longer than 1 year attribution.
Challenges faced in our operational practice are:

- calculation time exponentially increasing with longer periods.
- different segments may not be present/relevant for strategy/composite, but would still be shown in the attribution. This could potentially lead to difficulties interpreting the actual results.

Question 3: For periods greater than one year, does your firm calculate attribution on an annualized or cumulative basis? What factors influence your decision?
We do not calculate attribution for more than one year.

Question 4: Is there any other information related to cash that firms should disclose?
No. Generally inclusion of cash should be required in the return attribution. Exceptions would be carve-out portfolios. The reason being cash is generally a part of a portfolio, e.g. reinvestment of received coupons/dividend, etc. If not included in the attribution, this would lead to certain degree to "cherry picking" what is not the spirit of the GIPS.

Question 5: Is there any other information about currencies that firms should disclose?
The recommendation is sufficient.

Question 6: Please share if there is any additional information about the treatment of leverage and derivatives in return attribution that should be disclosed.
Position vs. exposure weight of derivatives should always be disclosed for return attribution.

General comments
Section 1:

- The return contribution for the benchmark should be added to the return attribution.
- Additionally, we would treat the use of a model portfolio the same as a representative client portfolio because a client portfolio loaded into an attribution calculation engine is a “model portfolio” as well. (What is the definition of a representative client portfolio?)
- “Firms should present attribution effects that reflect the investment strategy” should be a requirement and not only a recommendation in our view since with constant changing segment definitions a firm is cherry picking how to report the results, e.g. a weak selection is changed into a weak allocation effect by simply changing the segment definitions.

Appendix A: The equity attribution displayed partially incorrect, as
the second formula should read
$S_i = W_i(P_i - B_i)$
P_i =The portfolio return of segment i

Third formula should read
$I_i = (w_i - W_i)(B_i - B)$
B_i =The benchmark return of segment i
B =The benchmark total return

Yours sincerely

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