

Building investor trust through GIPS compliant performance reporting

A comprehensive and transparent presentation of investment performance has become one of the key factors for investment managers in winning new clients. Compliance with the Global Investment Performance Standards (GIPS®) is an optimal solution to this challenge. The experts at PwC help you implement GIPS and provide independent verification of GIPS compliance.

Your benefits:

- *You're able to demonstrate that the way you present investment performance meets the globally accepted best practice standards*
- *You can provide prospective clients with reliable and independently verified investment performance reports*
- *You can identify areas for optimisation in your investment performance systems and process*

How we work with you:

- *We evaluate the compliance of your investment performance measurement and reporting methodology, processes and systems with GIPS.*
- *We help you identify areas for improvement.*
- *We provide your GIPS office with technical coaching and useful templates (e.g. GIPS policies handbook, internal control plan).*
- *We help design your GIPS-compliant performance reporting and marketing activities.*
- *We share our experience from other GIPS clients to give you a benchmark against your peers.*

Client challenges

If you want to provide assurance to your investors of the quality of your investment performance measurement and reporting, you need to present performance in line with best practice standards. Compliance with the Global Investment Performance Standards (GIPS®) is now a requirement of institutional investors selecting investment managers, and is also gaining increasing acceptance in private banking and in the field of alternative investments.

Why PwC is the right partner for you

Our dedicated Swiss Investor Trust Team is made up of specialists with an investment management background. They have been involved in various standard-setting bodies, committees and working groups related to GIPS. The team has a proven track record in investment performance and GIPS compliance projects. Over the years we have served numerous investment managers in Switzerland and abroad, both in institutional asset management and private banking, and in the field of alternative investments. We draw on this technical expertise to give you best practice advice on how to gain the confidence of existing and prospective clients by remaining GIPS-compliant.

PwC has a comprehensive approach to help you implement GIPS successfully

Find out more

www.pwc.ch/gips

Your contact

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Our team will support you all the way through your GIPS compliance project. We recommend applying the following proven approach to a GIPS implementation project:

Health check

- This initial feasibility study addresses the critical success factors for GIPS compliance. It includes a thorough gap analysis of the feasibility of the GIPS implementation and reviews the relevant internal business processes to see whether they support GIPS. We will provide recommendations on the further actions and structure of the implementation phase of the GIPS project. You will receive the results of this analysis and our recommendations in form of a health-check report.

Implementation

- During the implementation phase, we will coach you in areas such as GIPS policies and procedures, setting up the composite structure, finding practical solutions to GIPS technical issues, and the content of GIPS composite reports.

This phase will also include a detailed evaluation of an IT solution to support GIPS compliance. On completion of individual milestones we also perform a “pre-verification” of the implementation results. This ensures that there will be no unpleasant surprises during the formal verification.

Verification

- A formal verification of GIPS compliance gives potential investors additional assurance and security as to the quality of the GIPS compliance processes and presented performance. Undergoing GIPS verification not only fulfils this need, but is also current market practice in Switzerland. The verification phase is structured taking into account the results of the GIPS implementation and pre-verification. On completion of the verification we issue a verification attest and a memorandum on internal controls, with recommendations on any further improvements and a benchmarking analysis of your GIPS compliance set-up against your peers.

Health check

Assess status and prepare a gap analysis and implementation plan. Basis for go/no-go decision.

Key areas:

- GIPS policies and definitions
- Composite construction
- Calculation methodology
- Availability and quality of underlying historical data
- IT support
- Internal controls

Implementation

Implementation of the measures defined during health check:

- GIPS policies
- Definition of composites
- Collection and processing of historical portfolio data
- Setting up IT support
- Setting up GIPS-compliant reporting
- Launching internal controls and compliance process
- Continuous pre-verification

Verification

- Review and tests of internal control procedures and IT support
- Test of composite allocations and completeness
- Test of performance calculation and other statistics
- Review of composite reports
- Verification attest report
- Management report on internal controls