

Global Legal Entity Identifier Foundation **Annual Report 2016**





LEI: THE CENTRAL BANK OF THE RUSSIAN FEDERATION (BANK OF RUSSIA)



LEI: RESERVE BANK OF AUSTRALIA



LEI: ALLIANZ TOGO ASSURANCES SA



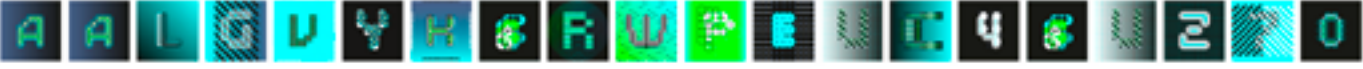
LEI: UBS AG



LEI: NARODOWY BANK POLSKI



LEI: FORD ESPAÑA SL



LEI: BANCO CENTRAL DO BRASIL



LEI: BANCA D'ITALIA



LEI: SAUDI ARABIAN MONETARY AUTHORITY



LEI: BANCO NACIONAL DE MÉXICO, S.A.



LEI: DEUTSCHE BUNDESBANK



LEI: BANK OF ENGLAND ASSET PURCHASE FACILITY FUND LIMITED

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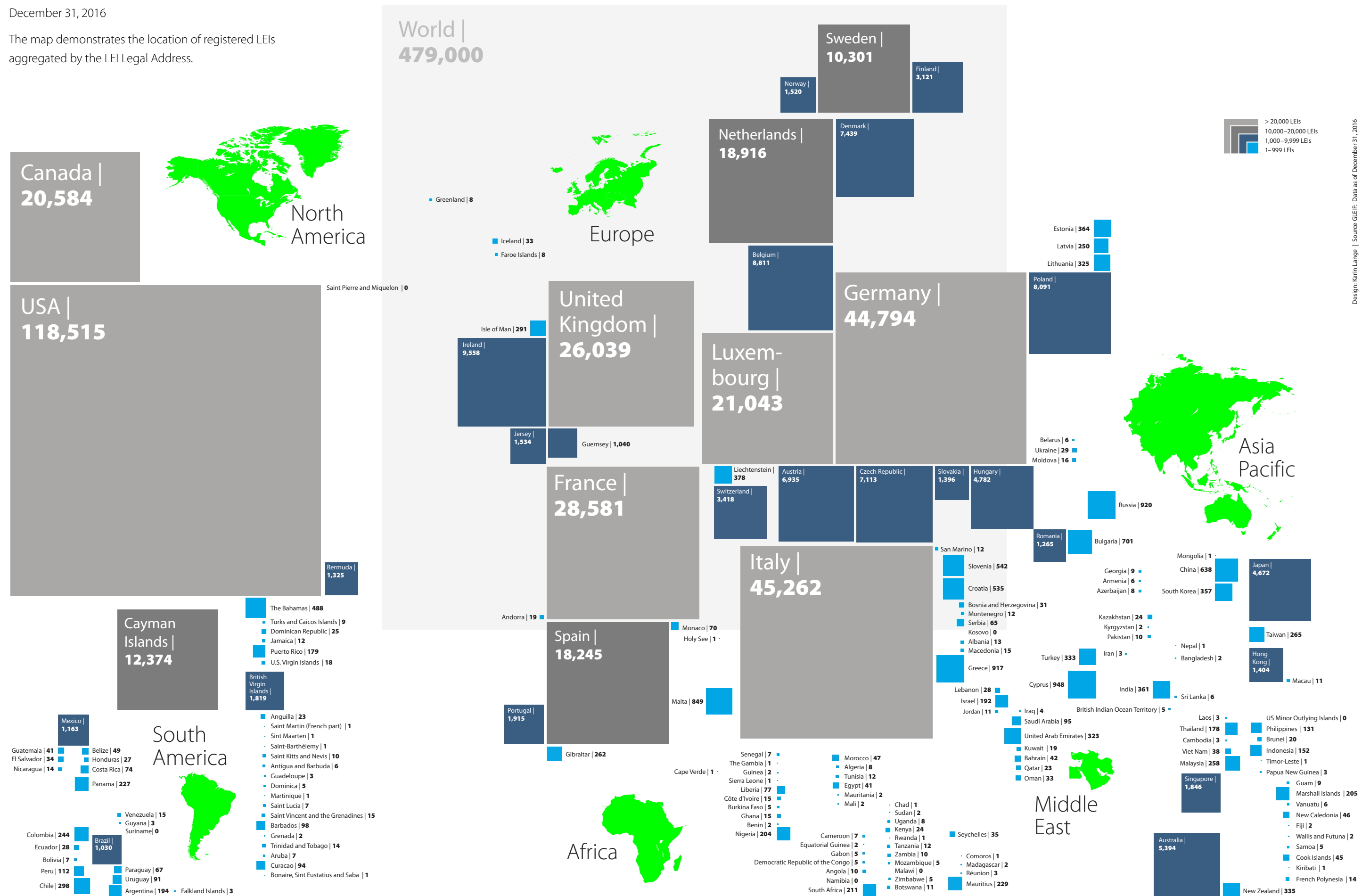
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The map demonstrates the location of registered LEIs aggregated by the LEI Legal Address.



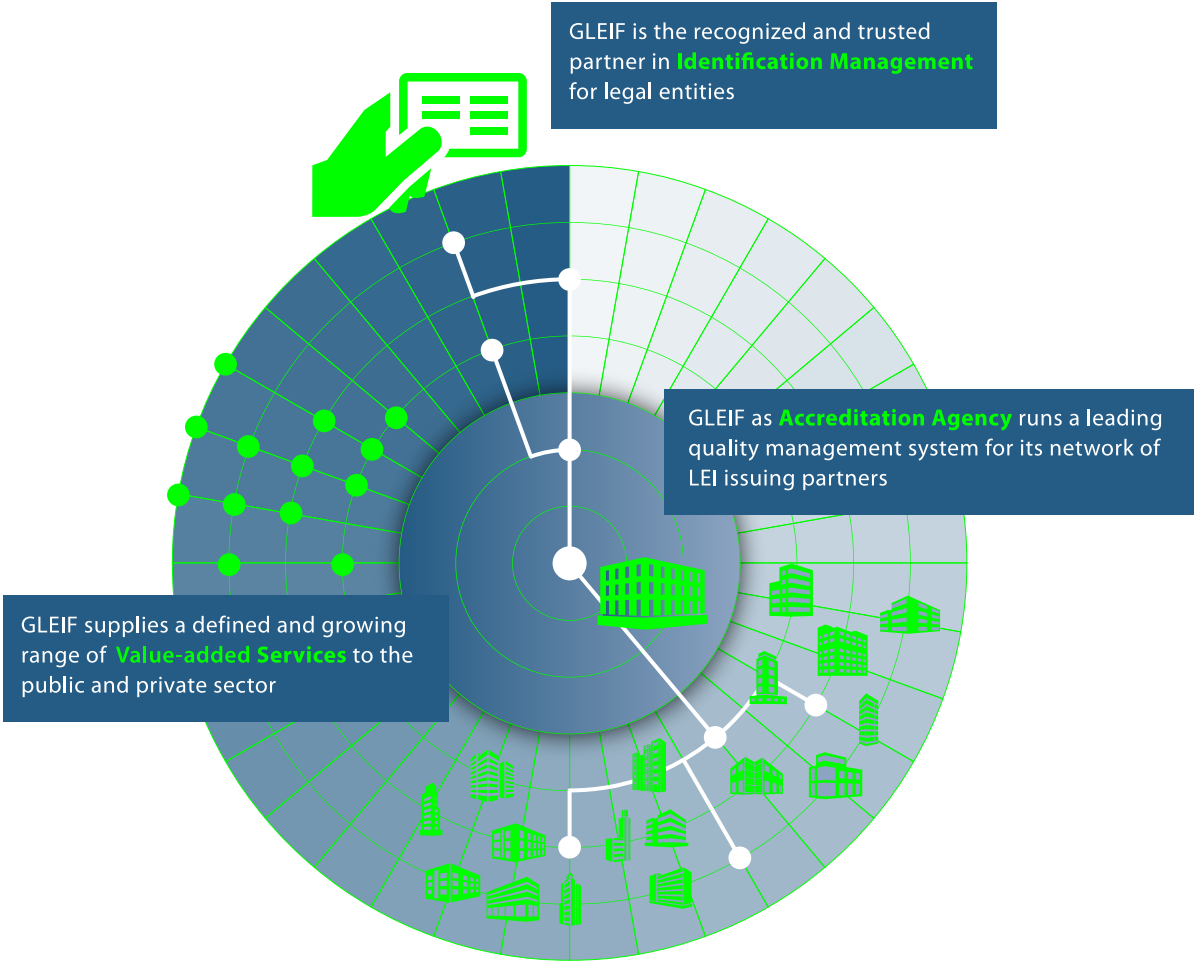


The city of Basel is the legal domicile of the Global Legal Entity Identifier Foundation (GLEIF) and the Financial Stability Board (FSB).





Overview of GLEIF and Global LEI System



GLEIF at a Glance

Established by the Financial Stability Board in June 2014, the Global Legal Entity Identifier Foundation (GLEIF) is tasked to support the implementation and use of the Legal Entity Identifier (LEI). The LEI is a 20-character, alphanumeric code to uniquely identify legally distinct entities that engage in financial transactions.

The Foundation is overseen by the LEI Regulatory Oversight Committee (LEI ROC) which represents public financial market authorities from around the world aiming at driving forward transparency within the global financial markets and for financial transactions.

As a not-for-profit organization with a global mandate, GLEIF makes available the only global online source that provides open, standardized and high-quality legal entity reference data via its Global LEI Index.

GLEIF is uniquely positioned in the entity identification market.

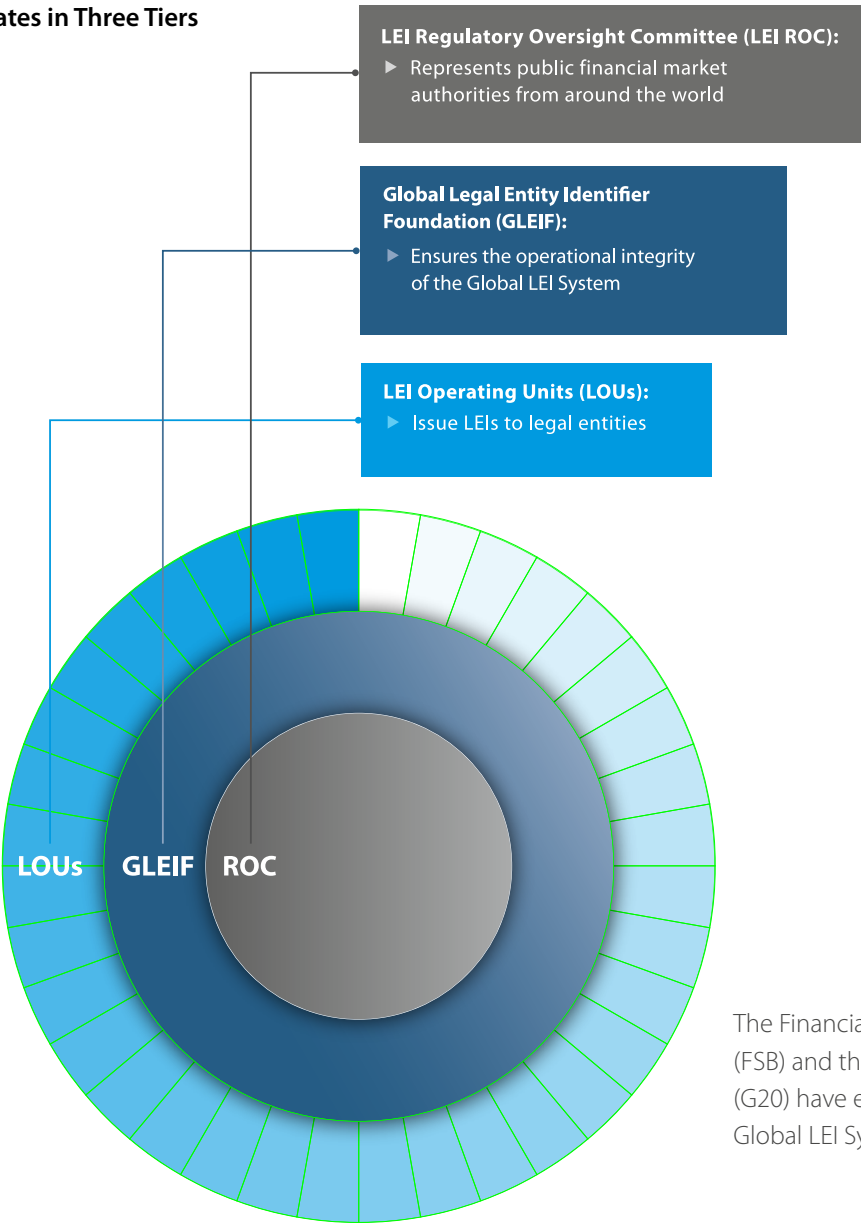
Global LEI System

The Global LEI System was established following the global financial crisis in 2008 with a governance structure embedding the LEI as global identifier. The Global LEI System provides, through GLEIF, unique identification of legal entities participating in financial transactions across the globe. LEI issuers – also referred to as Local Operating Units (LOUs) – are the organizations authorized to issue LEIs to legal entities engaging in financial transactions.

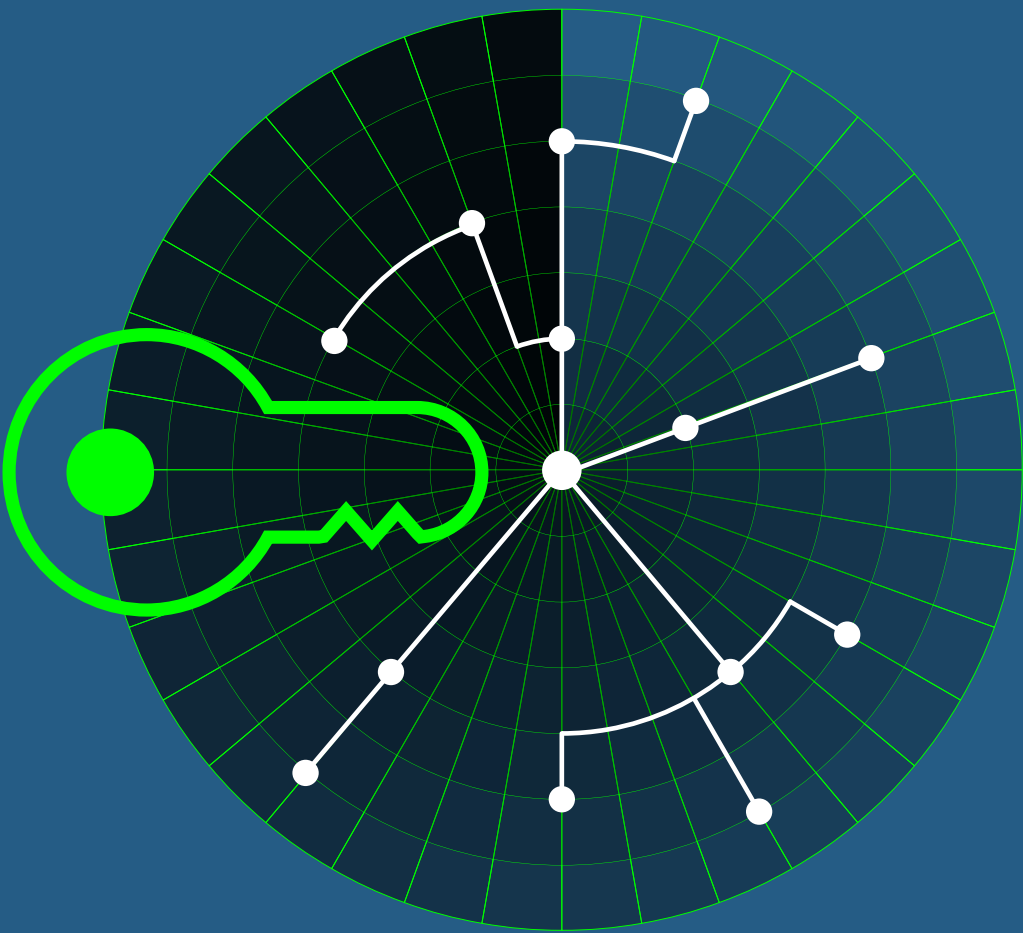
GLEIF services ensure the operational integrity of the Global LEI System through, for example, its rigorous Accreditation Program for LEI issuers and its Data Quality Management Program making the LEI data available as a broad public good.

Against this backdrop, GLEIF supports the implementation of a Global LEI System ensuring the governance principles of the Global LEI System are upheld.

The Global LEI System Operates in Three Tiers



The Financial Stability Board (FSB) and the Group of Twenty (G20) have endorsed the LEI, Global LEI System and GLEIF.



GLEIF Vision:  
**One Identity Behind Every Business**

Each business worldwide should have only one identity. This identity should include a digital identity.

GLEIF Mission:  
**Open, Reliable Data**

GLEIF manages a network of partners to provide trusted services and open, reliable data for unique legal entity identification worldwide.

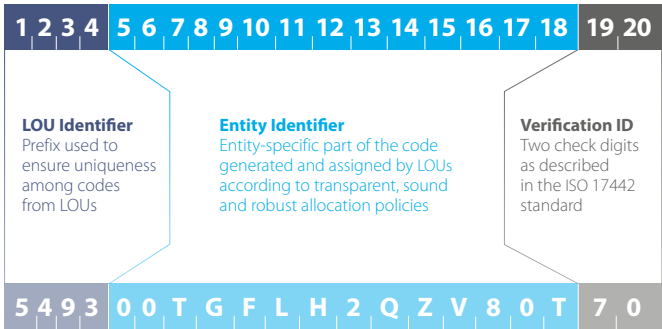
**The LEI system should provide identity management by issuing LEIs for legal entities, and by providing quality-assured links into other identity management systems.**

Dealing with a multitude of identities often poses a challenge to companies and public administrations. Lack of standardized solutions for identification management may affect operational efficiency. A single legal entity identity and interoperability of identifiers may serve an organization’s activities.

GLEIF aims to help overcome challenges by enabling smarter, less costly and more reliable decisions about who to do business with.



What is the LEI



Example: ABB Sécheron S.A., Switzerland

Unique 20-digit alphanumeric code based on ISO 17442 standard assigned to legal entities.



LEI: ABB SÉCHERON S.A., SWITZERLAND

ISO 17442: the LEI Code Structure

The Global LEI System is designed to uniquely and unambiguously identify participants in financial transactions.

The International Organization for Standardization (ISO) 17442 standard defines a set of attributes or legal entity reference data that are the most essential elements of identification. The Legal Entity Identifier (LEI) code itself is neutral, with no embedded intelligence or country codes that could create unnecessary complexity for users.

Four key principles underlie the LEI:

- It is a global standard
- A single, unique identifier is assigned to each legal entity
- It is supported by high data quality
- It is a public good, available free of charge to all users

Once a legal entity has obtained an LEI, it will be published together with the related LEI reference data by the organization that has issued the LEI. This means the full data on the entire LEI population is publicly available for unrestricted use by any interested party at all times.

The ISO 17442 standard specifies the minimum reference data, which must be supplied for each LEI:

- The official name of the legal entity as recorded in the official registers
- The registered address of that legal entity
- The country of formation
- The codes for the representation of names of countries and their subdivisions
- The date of the first LEI assignment; the date of last update of the LEI information; and the date of expiry, if applicable

Additional information may be registered as agreed between the legal entity and its LEI issuing organization.

For the management of the identifiers a structured numbering system is used. Based on the ISO 17442 requirements, it has been further developed by the LEI Regulatory Oversight Committee (LEI ROC), implementing the recommendations of the Financial Stability Board:

How an LEI can help a business to get fit for the future:

- Improved risk management
- Increased operational efficiency
- More accurate calculation of exposures
- Simplified regulatory reporting
- Ensured counterparties for any business process
- Unique counterparty identification globally

GLEIF Focus on Core Services in 2016

In 2016, GLEIF worked towards expanding its service portfolio to the benefit of users of the LEI data. Thus, the LEI remains the industry standard best suited to providing open and reliable data for unique legal entity identification management.

Accreditation of LEI Issuers

In its role as accreditation agency, GLEIF evaluates the suitability of organizations seeking to operate as issuers of LEIs. LEI issuers supply registration, renewal and other services, and act as the primary interface for legal entities wishing to obtain an LEI.

Accreditation is a rigorous evaluation process carried out by GLEIF. Candidate organizations must meet the requirements set out in the Master Agreement, which is the contractual framework governing the relationship between GLEIF and LEI issuing organizations.

Besides, GLEIF follows two key principles: ensure open and free access to apply to become an LEI issuer, and fair and consistent treatment of each applicant in that process.

The model focuses on GLEIF’s independent assessment of an applicant’s financial, operational and information technology controls. GLEIF also actively tests applicants’ technical resources and abilities to ensure that the LEI issuer can perform all the required operations. After this comprehensive assessment is undertaken and if the applicant successfully completed all requirements, the CEO makes a recommendation to the Board of Directors which consults with the LEI ROC. Upon approval, the LEI issuer is granted a GLEIF accreditation certificate.

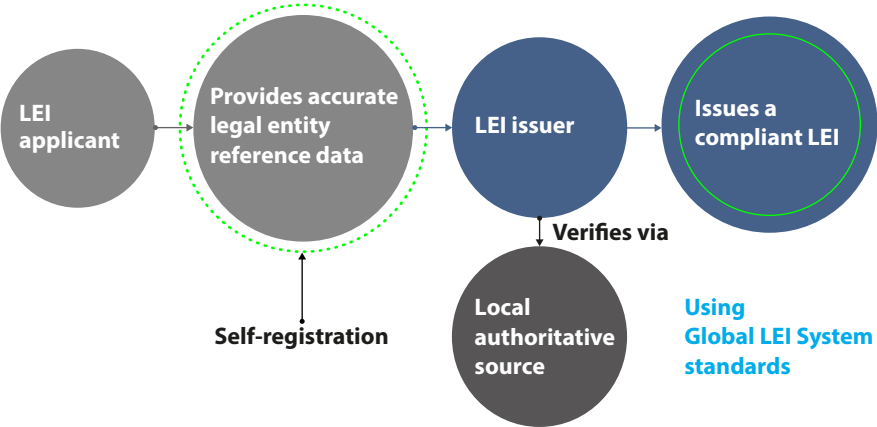
Applicants represent organizations such as private sector and public sector organizations, business registers, smaller and larger organizations. GLEIF ensures equal opportunity to become a partner of the Global LEI System by meeting the requirements of the Master Agreement, thus maintaining a federated system of service providers.

Data Quality Management

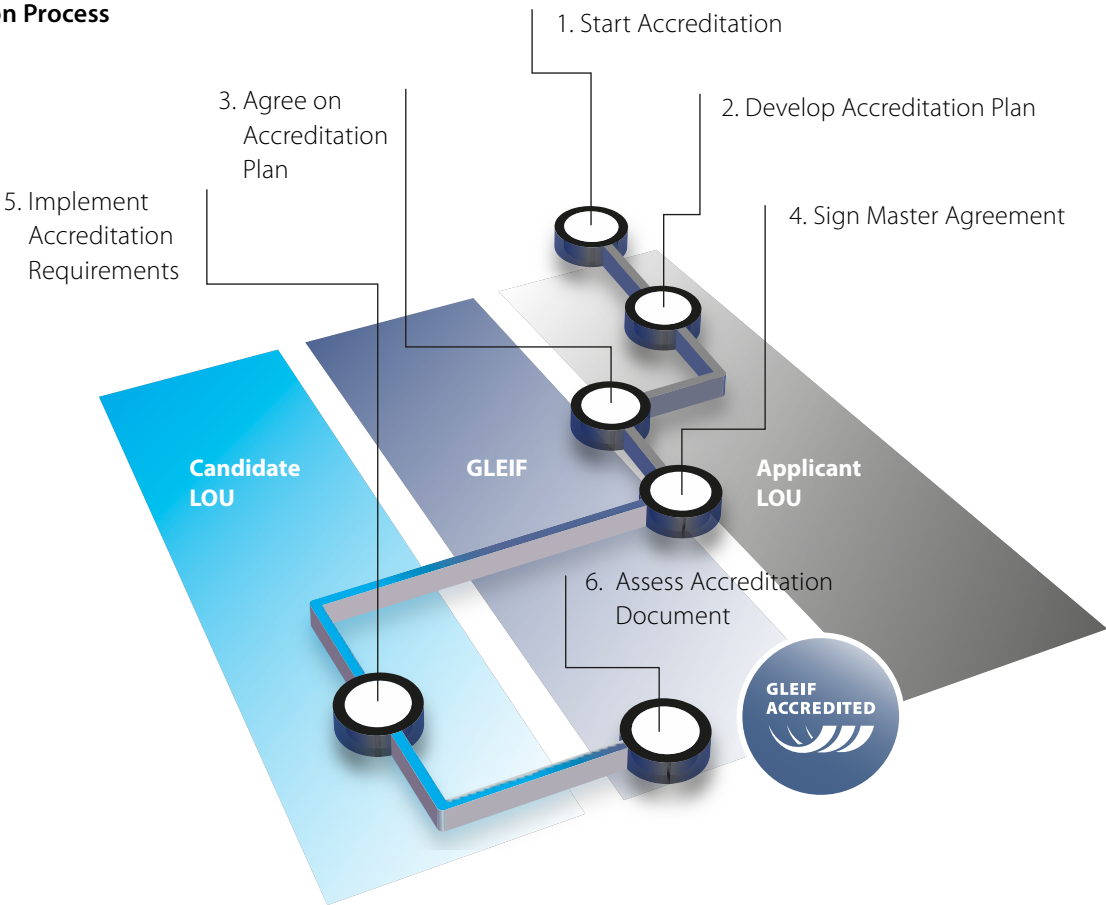
Facilitating high data quality lies at the heart of GLEIF’s activities. The Data Quality Management Program was established by GLEIF to cope with the demand of high-quality data from the market.

Based on a set of clearly defined criteria, the program allows the quality of the LEI data pool to be monitored, assessed and further optimized. Monthly Data Quality Reports published on the GLEIF website illustrate the high performance in terms of data quality.

With the new Data Challenge Facility – a centralized online service – any user of LEI data can substantiate doubts regarding the uniqueness of an LEI code or accuracy and completeness of the related reference data thus contributing to ensuring that the publicly available LEI data pool remains a unique key to standardized information on legal entities worldwide.



GLEIF Accreditation Process



GLEIF Data Quality Reports



GLEIF publishes monthly Data Quality Reports.



Direct and Ultimate Parent Project – Level 2 Data

The Global LEI System is designed to help answer three questions with regards to legal entities:

- 1. Who is who?
- 2. Who owns whom?
- 3. Who owns what?

The information available with the legal entity reference data to date, for example the official name of a legal entity and its registered address, is referred to as Level 1 data. It provides the answer to the question of “who is who”. In a next step, the LEI data pool is enhanced to include the Level 2 data that will answer the question of “who owns whom”. Answers on “who owns what” will be given at a later stage in the process.

According to the LEI ROC policy on Level 2 data issued in March 2016, the Direct and Ultimate Parent Project (Level 2 data project) collects data on direct and ultimate parents of legal entities. GLEIF is responsible for managing this project and for developing the organizational and technical standards required by the LEI issuing organizations to collect the parent information.

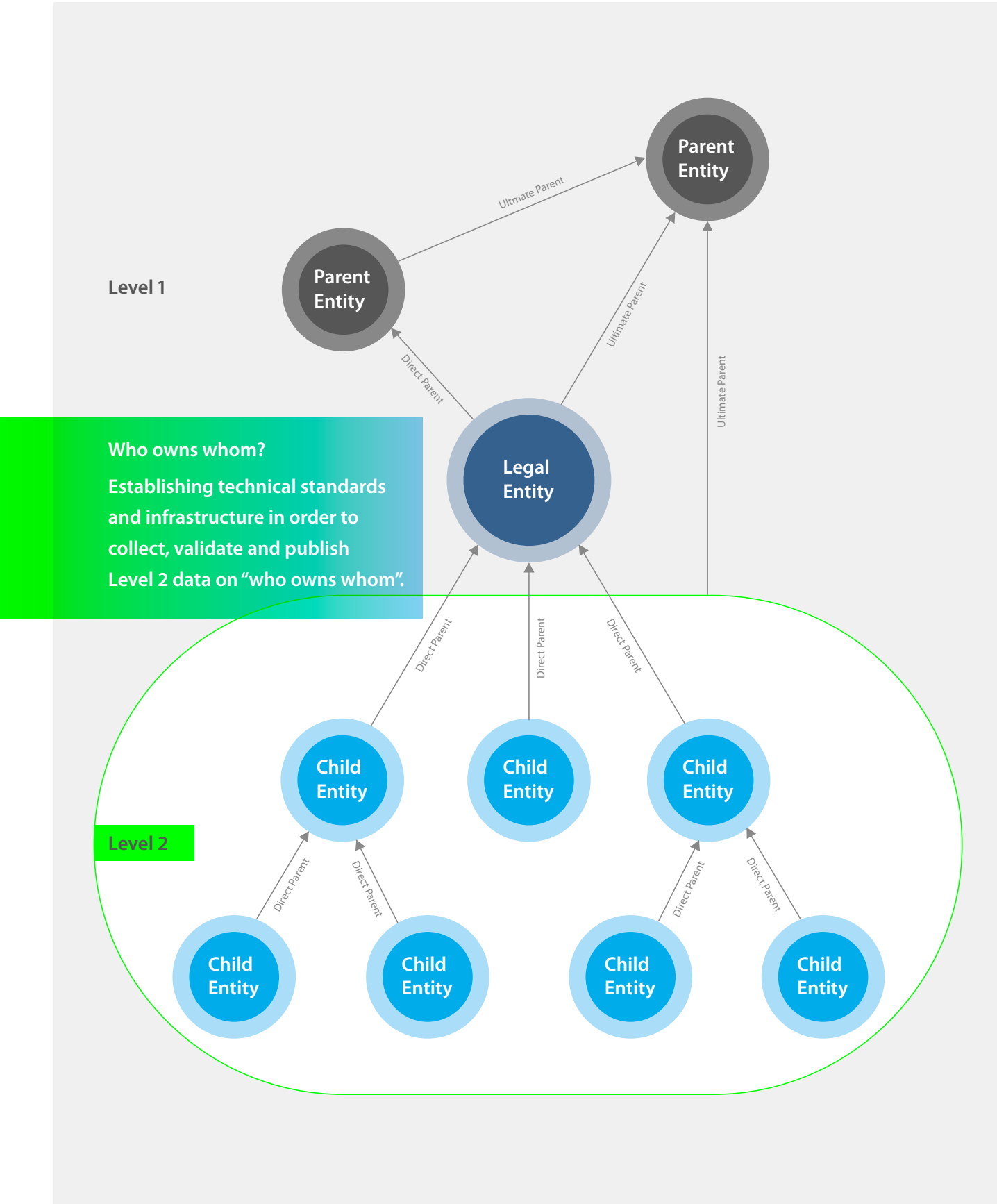
With the collapse of Lehman Brothers in 2008, regulators struggled to track the connections that exist between companies scattered across different jurisdictions because the bank services were delivered by almost 3,000 different legal entities around the world. Many of these are listed on national registries. However, since registries are extremely fragmented it is difficult for regulators, auditors and shareholders to form a complete picture of activities of a company.

The Level 2 data project responds to these challenges by “connecting the corporate dots”. GLEIF will start to publish the so-called relationship data in the course of 2017 allowing that entities owned by individual companies can be researched.

“The 2008 financial crisis, and more recently the leak of the Panama papers, has made apparent the importance of increasing transparency in the financial markets. Once parent information for the entire LEI population is available, GLEIF will provide a unique and free data source that allows corporate dots to be connected globally based on open, standardized and high-quality LEI data.”

Stephan Wolf, CEO GLEIF

Direct and Ultimate Parent



Benefits of the LEI for the Public and Private Sector

Public Sector

The LEI represents a broad public good. It adds value when used by regulators and public authorities worldwide:

- Free of charge use of LEI high-quality financial data for statistical research
- Assessing systemic risks and maintaining financial stability
- Conducting market surveillance and enforcement
- Standardized reporting to regulators (such as derivatives, securities, insurance, pension funds)
- Reporting to regulators on AML (anti-money-laundering), CFT (combating the financing of terrorism) and sanction regimes
- Liquidation and/or resolution actions
- Other areas: government payments, collateral management of central banks, public procurement, international tax reporting, reliable sourcing

Private Sector

Up until now, legal entity reference data has been proprietary, siloed and non-standardized. The LEI changes that.

The LEI can be used for applications, inter alia, in:

- Risk management
- Compliance management
- Client relationship management
- Procurement management
- Data management

The LEI can enable, inter alia:

- Free of charge availability of high-quality LEI data for the users
- Clear and unique identification of legal entities for financial transactions for the identification of a counterparty, a collateral provider, a guarantor etc.
- Analysis of underlying and external exposures (reference names in collateralized debt obligations, mutual funds and vendor products)
- Reduced counterparty risks and operational risks
- Increased internal and external reporting capabilities at lower cost
- Standardized identification management to lower error rates and decrease costs for client and supplier relationship management
- Cost savings through increased operational efficiency
- Onboarding of new clients through fast access to business card information
- Identification of client exposure through linking internal information with LEI data
- Easier mapping of legal entity reference data from multiple suppliers to save IT and data operations costs
- Better support for procurement processes of the supplier data
- Higher data quality across operational systems reducing data management costs, since LEI data is quality-assured



Performance in 2016



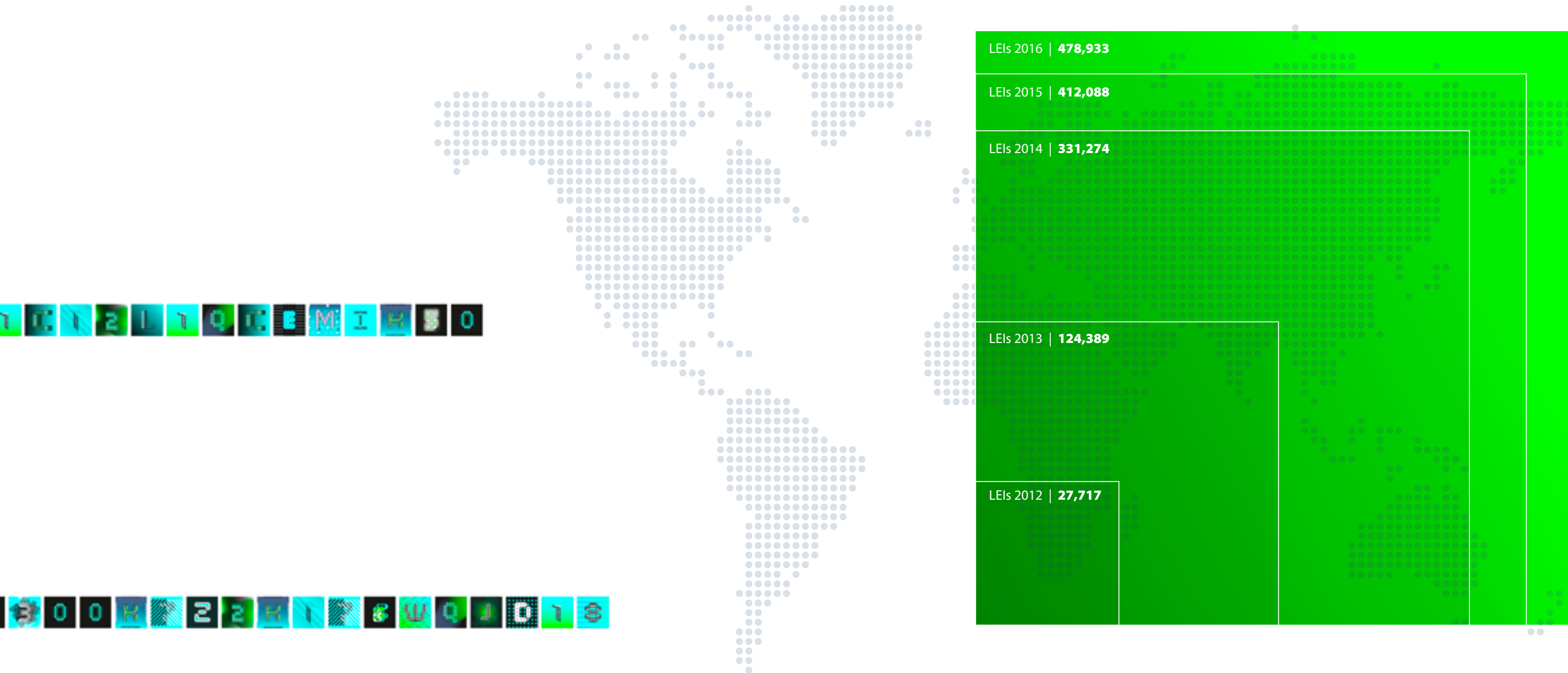
Stable Growth

GLEIF focused on further sustaining its operational capacities throughout 2016 and implemented relevant projects successfully.

The number of issued LEIs by the LEI issuing organizations of the Global LEI System demonstrated a balanced development throughout 2016. The growth rate in terms of LEI adoption was 17% in 2016.

There were 478,933 registered LEIs globally at the end of 2016. The largest LEI adoption has been observed in the regions of Europe and the United States due to mandating the use of the LEI by regulation. In 2016, LEIs were issued in four new jurisdictions of Africa: Central African Republic, Congo, Libya and Togo. There is a continuous trend of diversification of LEI issuance worldwide.

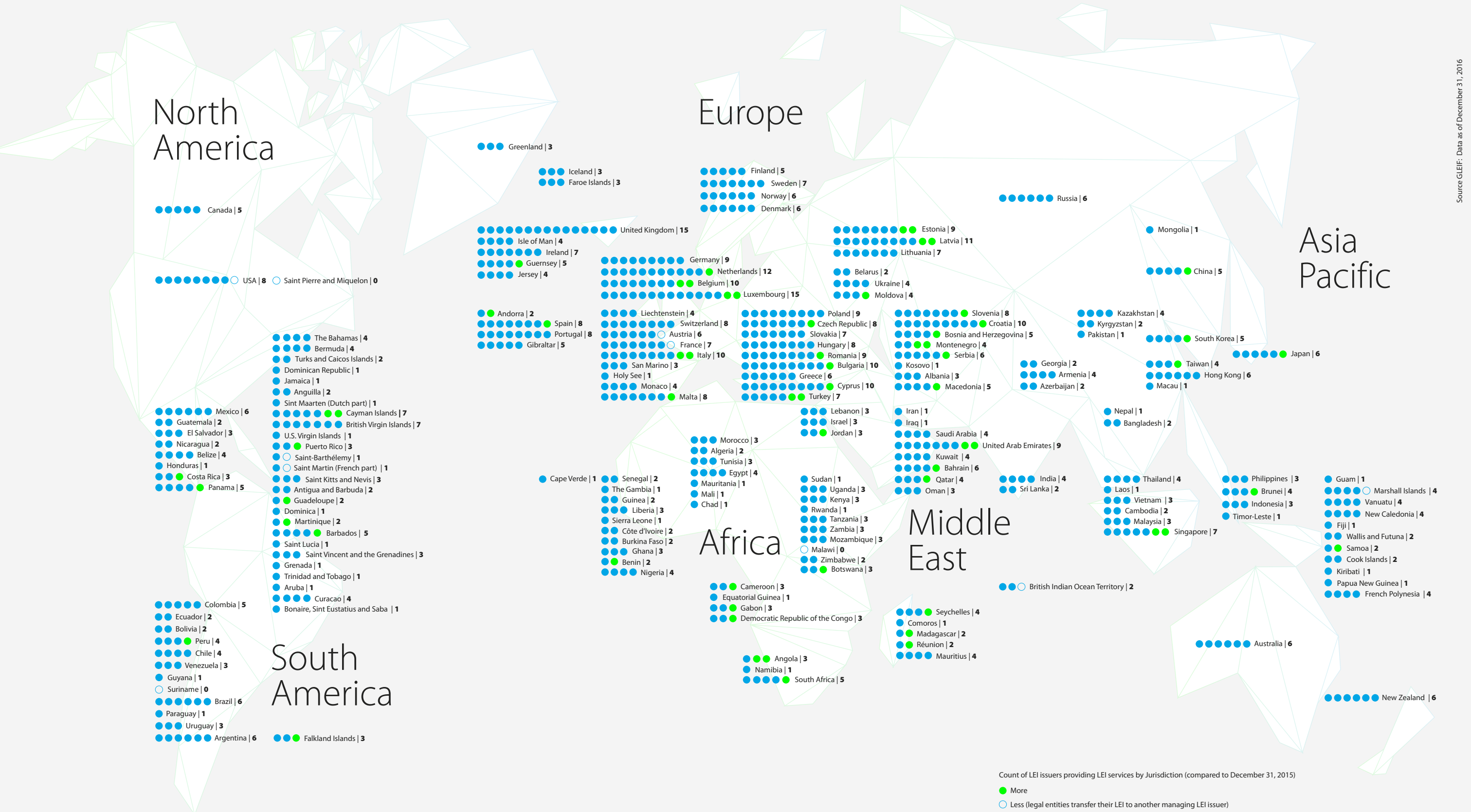
Development of LEI Registration worldwide



Source GLEIF. Data as of December 31, 2016

Number of LEI Issuing Organizations Servicing a Country

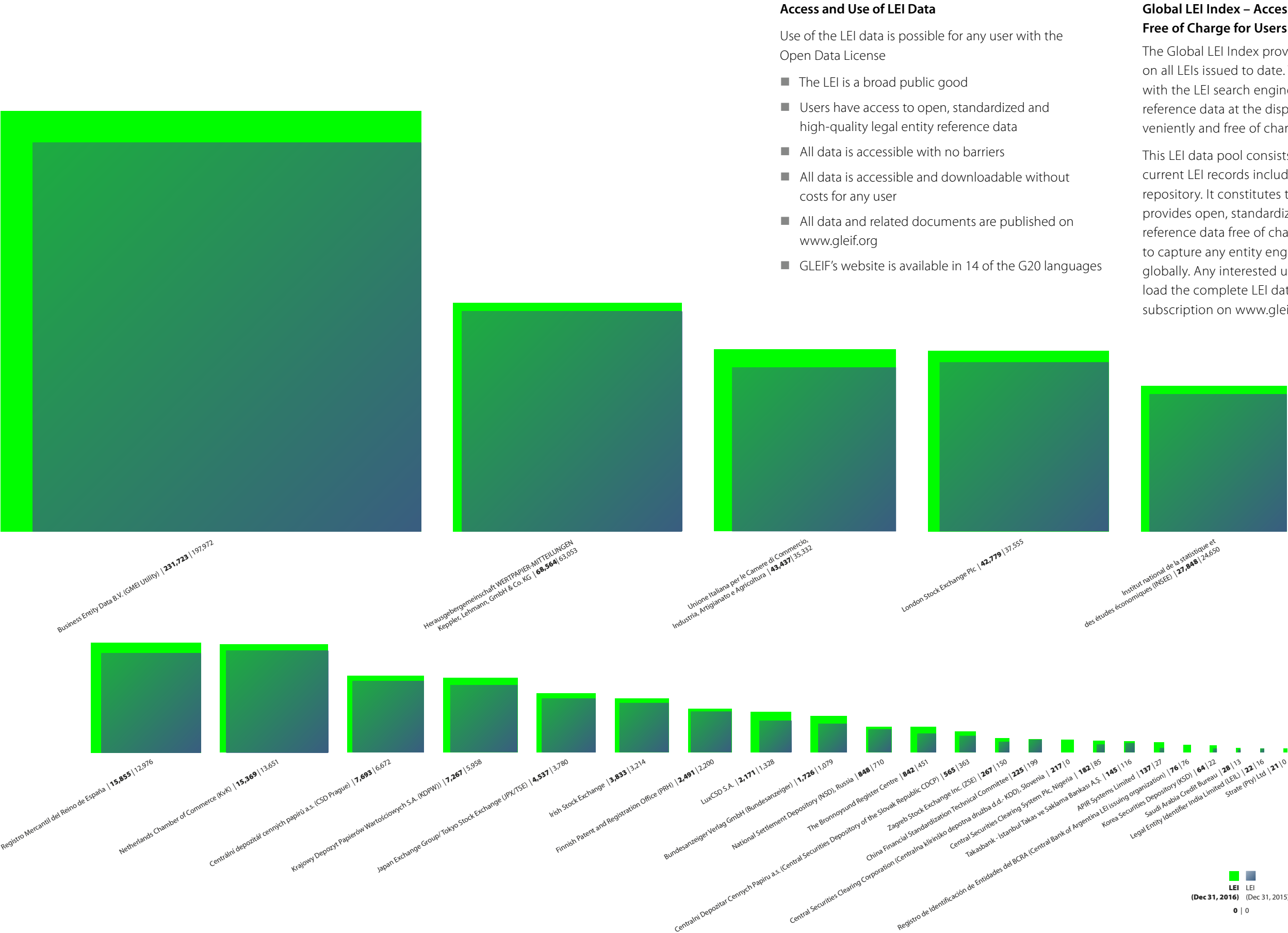
December 31, 2016





Number of Registered LEIs by LEI Issuer

December 31, 2016



GLEIF International Website with LEI Search Engine

The GLEIF website with the LEI search engine is now available in 14 of the G20 languages, enabling more convenient and accurate searching of the data of legal entities.

Japanese



私たちは、よりスマートで、費用が少なく、信頼性のある取引相手の決定を可能にします









Korean



누구와 비즈니스를 아껴 나갈 것인지에 대해 보다 낮은 비용으로 더욱 스마트하고 믿을 수 있는 결정을 내릴 수 있습니다









Russian



Наш фонд предоставляет возможность принимать более взвешенные, эффективные и разумные решения относительно того, с кем вести бизнес









Turkish



Kimle iş yapılabileceği konusunda daha akıllıca, daha düşük maliyetli ve daha güvenilir kararlar verilmesini sağlıyoruz









Italian



Consentiamo di scegliere i partner commerciali in maniera più avveduta e affidabile, riducendo i costi









French



Nous permettons des prises de décisions plus intelligentes, moins coûteuses et plus fiables sur les intervenants avec lesquels une transaction est conclue









Portuguese



Permitimos uma tomada de decisões mais inteligente, menos onerosa e mais confiável sobre com quem devemos fazer negócios









Indonesian



Kami memungkinkan pengambilan keputusan yang lebih cerdas, lebih hemat biaya, dan lebih terpercaya tentang siapa yang akan menjadi rekan bisnis kita



Chinese



누구와 비즈니스를 아껴 나갈 것인지에 대해 보다 낮은 비용으로 더욱 스마트하고 믿을 수 있는 결정을 내릴 수 있습니다



Arabic



نعمل على تفعيل قرارات أكثر ذكاء وأقل تكلفة وأكثر موثوقية حول المؤسسات التي يمكن القيام بأعمال تجارية معها



Polish



Umożliwiamy podejmowanie inteligentniejszych, mniej kosztownych i trafniejszych decyzji o potencjalnych kontrahentach



German



Wir ermöglichen klügere, wirtschaftlichere und verlässlichere Entscheidungen über die Wahl des Vertragspartners in einem Geschäft



English



We enable smarter, less costly and more reliable decisions about who to do business with



Spanish



Facilitamos la toma de unas decisiones más inteligentes, menos costosas y más fiables sobre con quién hacer negocios





## Chairman's Report



Gerard Hartsink

### Dear Stakeholder,

2016 was another dynamic year and I am pleased to announce that the GLEIF operational performance showed excellent results.

GLEIF delivers added value for the global community of LEI users through its service portfolio. LEI adoption and participation in the Global LEI System by LEI issuers and other stakeholders increased further in 2016.

Our objective is to further develop and maintain the LEI system as broad public good to identify legally distinct entities in financial transactions, free of charge and intellectual property rights and available for the users of the public and private sector.

The Board of Directors cooperated intensively with the GLEIF Executive Management that realized successfully the high priority projects agreed with the Regulatory Oversight Committee.

### Financial Performance

In 2016 a gross revenue of US\$ 6.5 million with a net surplus of US\$ 14.7 thousand was generated that will be added to the retained surplus of GLEIF. This financial result is in line with the objectives of GLEIF as a not-for-profit organization. The LEI fee had to be maintained at US\$ 19 for the approved budget of 2017. Given the implementation of regulations, higher LEI volumes in terms of new issuance and a higher renewal rate are expected to take effect at the beginning of 2018.

The Board of Directors is supportive of the joint efforts of GLEIF, the LEI issuers and the LEI ROC to improve the renewal rate across jurisdictions and finding countermeasures for the

increasing lapsed LEI rate. Through this, the Global LEI System can sustain its unique high data quality regime for the benefit of the users.

### GLEIF Strategy

The Board of Directors approved the GLEIF Strategy 2020 for the private sector in its meeting of October 2016. It includes full coverage of the capital and money markets, strategic projects in adjacent markets such as for supply chain management and the launch of the research project Global LEI System 2.0 including dealing with challenges related to KYC (know your customer) and DLT (distributed ledger technology). The Board of Directors approved a new communications plan to target specific market participants and use cases.

### Cooperation with the Partners of the Global LEI System

Engaging in an intensive dialogue with the Global LEI System partners was decisive in bringing forward the top priority projects of GLEIF for the increased use of current services and for developing additional services for the LEI system. The Accreditation Program and issuing accreditation certificates to three LEI issuers was realized in 2016 as well as the full implementation of GLEIF's important Data Quality Management Program. In addition, the Direct and Ultimate Parent Project was prepared and launched at the end of 2016.

The Board of Directors held regular meetings with the Executive Committee of the LEI ROC and the LEI ROC Chair and two Vice-Chairs participating as observers in the Board of Directors meetings. In addition, the CEO had frequent meetings with the LEI issuing organizations for continued improvements of the LEI services. The feedback of the LEI ROC and the LEI issuers contributed to further optimizing GLEIF services.

### Governance

The Board of Directors held seven meetings throughout 2016 including four in-person meetings. The Board of Directors was supported by five Board Committees: the Audit and Finance Committee, the Governance Committee, the Technology and Operations Standards Committee, the Committee of Chairs and the newly established Business Development Committee.

Since the Foundation by its Statutes acts with a high degree of transparency, the minutes of the Board of Directors meetings are published to ensure that any stakeholder can follow the dialogue and conclusions of the Board of Directors.

The Board of Directors approved the Foundation's bylaws that form part of the governance framework of the GLEIF in October 2016. After the approval of the bylaws by the Swiss Supervisory Authority for Foundations, they are published on the GLEIF website.

In 2016, a Code of Conduct of the Board of Directors was developed to embrace ethical standards for professional behavior to be published on the GLEIF website.

### Regulatory Landscape

The regulatory community is an important driver for LEI adoption. By requiring the LEI for entity identification in their rulemaking, the Global LEI System is strengthened.

Following the conclusions made at the joint meeting of the GLEIF Board of Directors and the LEI ROC Executive Committee in October 2016, joint actions will be needed to spread the use of the LEI not only in the public sector, but also in the private sector to ensure that the LEI indeed becomes a broad public good as expected by the FSB as Founder of GLEIF.

### Promotion

The Board of Directors and the LEI ROC concluded that all Members of the Board of Directors and all the LEI ROC members should act as ambassadors for the promotion of the value of the LEI in their jurisdiction and/or industry. In 2016 the Directors, the LEI ROC members and the CEO have given public speeches for many audiences of the private and/or public sector.

The CEO, the Board of Directors and the LEI ROC held several meetings in 2016 to find common solutions, exchange ideas on LEI promotion and to respond to demands of the private and public sector.

### Other Stakeholders

While effective cooperation within the Global LEI System is considered decisive for its success, the Board of Directors welcomed GLEIF's increased engagement with market participants from a broad range of industry sectors. Finding synergies with partners demonstrate the planned LEI-to-BIC mapping project and the LEI-to-ISIN mapping project which both were initiated in 2016 as first examples of "who owns what" projects.

### Outlook

The Board of Directors concluded that favorable regulatory developments and higher market acceptance will trigger increased issuance and renewal of LEIs. More promotion activities of the LEI ROC and the GLEIF are required to achieve this goal.

In 2017, GLEIF plans to deliver the completion of the certification of more than 20 LEI issuer candidates and to implement the Direct and Ultimate Parent Project in close cooperation with the LEI issuers. In addition, GLEIF will implement its Strategy 2020 as approved by the Board of Directors.

We support a fruitful dialogue with the partners and stakeholders of the Global LEI System for all future endeavors.

### Conclusion

We would like to express our sincere thanks and appreciation to all partners and organizations that have supported the projects of GLEIF.

We have challenges ahead to achieve a strong and sustainable Global LEI System and we are convinced that together with all our Global LEI System partners and stakeholders we will be able to achieve the objectives of our Foundation.

Gerard Hartsink  
Chairman



## Chief Executive Officer's Report

I am pleased to report that GLEIF had a strong year in terms of reaching major project targets, thus further sustaining its operations and services.

The year 2016 was marked by three major GLEIF accomplishments:

- Implementation of GLEIF Accreditation Program
- Rolling out GLEIF's unique Data Quality Management Program
- Paving the way for Level 2 launch for collecting relationship data of direct and ultimate parents and start testing phase with five first-mover LEI issuers

The organization is considered as having undergone the transition from a start-up to a fully fledged organization offering a wide range of services to its users.

In 2016, the GLEIF Executive Management team focused on increasing participation in the Global LEI System via its Accreditation Program and other stakeholder groups for market participants interested in entity identity management. GLEIF delivered a broader portfolio of services to meet risk mitigation through accurate data quality management and an assurance mechanism supported by the right technology to the benefits of our users. Cost-efficiency of our core services has been achieved by strong financial discipline and our commitment to optimization.

I thank our stakeholders for their continued focus on broadening our reach and expanding our suite of services that address the needs of users and markets, further strengthening the LEI as broad public good of the Global LEI System.

### GLEIF Strategy 2020

The GLEIF Board of Directors adopted a new Strategy 2020 which focuses on LEI adoption in financial and capital markets including forward-looking projects to make the LEI a benefit also for adjacent markets such as supply chain management. Together with our partners, we will work hard to reach our objectives and overcome challenges for further expansion.

We look forward to engaging with representatives from the private and public sector to foster value creation using one true identity for entity identification systems to the benefit of users around the world and across industries.

### Partnerships

Effective partnerships were expanded with existing and new LEI issuing organizations, data vendors and other market participants contributing to the visibility of the organization.

A partnership with SWIFT, the Registration Authority of the BIC standard, to promote LEI-to-BIC mapping facilities allowing for an easy mapping of routing information available in the payment and securities messages to the relevant LEI are crucial to respond to market demands.

Further, in 2016 GLEIF concluded with the Association of National Numbering Agencies (ANNA) to launch an LEI-to-ISIN mapping project in 2017. In addition, GLEIF continued to work closely with the LEI ROC to monitor LEI inclusion in international data reporting standards and with XBRL Global to include the LEI in the XBRL taxonomy.

### Growth

By the end of 2016, GLEIF's data pool, the online Global LEI Index, included around 479,000 LEIs. GLEIF generated a gross revenue of US\$ 6.5 million and a net surplus of US\$ 14.7 thousand meeting its goals as not-for-profit organization. We are pleased to see the continued trend of diversification of LEI issuers worldwide. Due to the postponed regulation of MiFID II/MiFIR, the LEI fee was maintained at US\$ 19 for 2016. Reducing the LEI fee remains a strong objective for GLEIF in the coming years on the way to making the LEI accessible as a broad public good and attractive for users across industries.

Growth prospects are positive with regard to the implementation of the Direct and Ultimate Parent Project (Level 2) for which successful testing was launched in the fourth quarter of 2016.



### GLEIF Team

There are 24 GLEIF staff members from 14 nations. More than 60% of our positions are held by women. Executive Management holds 35% male and 65% female positions. We strive for further diversity and excellence for our team in the future.

In April 2016, GLEIF invited for its opening of the Frankfurt Office the Board of Directors and LEI ROC members to a workshop. It was an opportunity to exchange ideas and learn from each other, and going into more details with regards to GLEIF key projects and way of working.

### Accreditation

At the end of 2016, GLEIF had a total of 28 organizations enrolled in its Accreditation Program.

In the fourth quarter, three LEI issuing organizations successfully completed the accreditation process and were issued a GLEIF accreditation certificate:

- Krajowy Depozyt Papierow Wartosciowych (KDPW Poland)
- Legal Entity Identifier India Limited (LEIL India)
- Asociación Mexicana de Estándares para el Comercio Electrónico A.C. (GS1 Mexico)

Accreditation, constituting a complex evaluation process carried out by GLEIF for organizations interested in issuing LEIs worldwide, will remain one of the key priorities in 2017. >

## Level 2 Data “Who Owns Whom” Prototype

GLEIF and five first-mover LEI issuers have successfully concluded a prototype exercise to test the end-to-end process of collecting and validating data of the direct and ultimate parents of legal entities that have an LEI. With the prototype exercise, all aspects of the process, developed to collect, validate and eventually publish information on direct and ultimate parents of legal entities, were successfully tested. The participating LEI issuers worked with selected actual legal entities that have obtained an LEI to collect the parent information.

The prototype exercise confirmed that a proven and robust process is now in place that facilitates the inclusion of parent information in the publicly available LEI data pool in accordance with the LEI ROC agreed timelines. In 2017, GLEIF will start publishing, as a first step, data on direct and ultimate parents collected by the LEI issuing organizations participating in the prototype exercise.

## IT Services

During 2016, GLEIF launched the new LEI Upload allowing LEI issuers to control their uploads to GLEIF as needed, achieving up-to-date LEI data considered in GLEIF's Concatenated Files. Compliance with data standards is now checked during the upload process and non-compliant files are immediately rejected to further strengthen the data accuracy.

In 2016 GLEIF introduced digital certificates for signing e-mails for GLEIF staff and Members of the Board of Directors. This improves reliability and trust in e-mails exchange across the organization, curbing the risk associated with falsifying e-mails by hackers.

## Service Management and Data Quality Management

Service management is the basis on which GLEIF builds its capabilities of delivering high-quality services to ensure highest standards of data quality for the users of the LEI.

## Data Quality Management Program Launched

After the data quality concept including objectives and criteria, were approved in 2015, GLEIF successfully launched its Data Quality Management Program in February 2016, a major milestone towards further ensuring the high quality of LEI data. GLEIF publishes monthly aggregated data quality reports by measuring the data quality criteria with defined and published data quality rule settings, so-called data quality checks.

## Continuous Process Improvements Established

Since February 2016 the data quality rule settings have been refined based on feedback from LEI issuers via the data quality feedback process. Also, the accreditation process as well as other GLEIF processes have been improved. GLEIF will continue this approach with the ISO 20000 standard for all its processes and services.

## Service: Challenge Management

Implemented in the third quarter as part of the GLEIF Data Quality Management Program, the challenge facility offers speedy updates of the LEI data records including related reference data via a central facility available for all users on the GLEIF website.

This centralized online service further contributes to ensuring that the publicly available LEI data pool remains a unique key to standardized information on legal entities worldwide.

GLEIF implemented a process to analyze and remediate challenges as appropriate supported by monitoring and reporting of the challenge management service levels.

## Service: Check for Duplicates

In the fourth quarter, GLEIF implemented highly sophisticated algorithms in an easy to use API to increase data quality by avoiding duplicates in the Global LEI System.

## Service Reportings for Self-assessment

By implementing Service Reportings, GLEIF monitors and reports transparently on its own performance of its services. GLEIF publishes monthly a service performance report and also shows daily the availability of its services.

LEI issuers are obliged to report on their service performance to GLEIF. Started in the fourth quarter 2016, they provide reports via the GLEIF Communications Portal. An escalation process for service level breaches has been implemented.

## State Transition Rules for Level 2 and for CDF 2.0

To support the LEI issuers and the data users, GLEIF published state transition rules in an easily understandable way of describing use cases for Level 2 and Common Data File 2.0.

## Communications

### Launch of the International GLEIF Website

In July 2016, GLEIF launched its international website which is now available in 14 languages: Arabic, Chinese (Mandarin), English, French, German, Indonesian, Italian, Japanese, Korean, Polish, Portuguese (Latin American version), Russian, Spanish and Turkish.

In December 2016, GLEIF relaunched its website based on a new concept to increase user-friendliness and easy access to key GLEIF services.

### Communications Campaign to Announce Rollout of the Direct and Ultimate Parent Project

In the fourth quarter, GLEIF deployed its social media channels (blog, LinkedIn, Twitter) and website to make available comprehensive information on the progress of the “who owns whom” project. For this purpose, GLEIF also hosted its first public webinar on December 7, 2016 available as a webcast on the GLEIF website.

## Promotion

Progress has been made on all fronts in promoting the LEI in the public and private sector. Executive Management and the Board of Directors agreed on a common, consistent promotion communication. The Chair and the CEO participated in several market events primarily in the United States and Europe, and also in the Middle East and Asia.

GLEIF Executive Management newly brought to the attention of the Board of Directors and the LEI ROC the issue of high rate of lapsed LEIs in certain jurisdictions. The Board of Directors and Executive Management together with the LEI ROC committed to closely cooperate on tackling this issue in 2017.

## Outlook

The MiFID II/MiFIR regulation, expected to come into effect on January 3, 2018, will require an LEI for all participants of a trade conducted in the European Union, e.g. investment firms, their clients and issuers of traded instruments to fulfil the reporting obligations. Insurance companies, under Solvency II, were required from June 2016 to have an LEI. Central Securities Depositories (CSDs) required LEIs including all their participants and settlement banks by the end of 2016. Other initiatives, such as the promotion of the LEI for US government procurement are gaining relevance.

Our strategic initiatives have a common theme: integration of the LEI as a commonly accepted standard on a global scale. To that end, we continue to invest in technology, infrastructure and communications.

In our view, the overall market demand for LEIs keeps on growing rapidly as the demands for proper controls and accountability continue to increase from regulators, public authorities, auditors, businesses, academia, NGOs and the general public. Increasingly, companies look for entity identification solutions to increase operational efficiency and decrease operational risks.

The LEI, as a non-proprietary, reliable identifier servicing a complete data validation regime and high-quality data free of charge, increasingly offers a solution.

Increased LEI adoption will increase the demand on LEI issuers to conform to market expectations and it is our obligation to ensure we provide support while, at the same time, ensuring that the overall operational controls and performance metrics are effectively executed.

With the continued support of our Board of Directors, the LEI issuers and our stakeholders, we are fully engaged in our mission to provide services for a unique legally distinct identifier for entities engaged in financial transactions as a broad public good free of charge for the users of the private and public sector.



Stephan Wolf  
Chief Executive Officer



Directors’ Report

Presentation of the Annual Report 2016

The Board of Directors is pleased to present the GLEIF Annual Report 2016 highlighting the core decisions taken by the Board of Directors, GLEIF’s key activities as well as the statements of financial results and the auditor’s report for the period from January 1 to December 31, 2016.

Principal Activities

In 2016 GLEIF increased its services to ensure that the LEI data, to identify unique legally distinct entities that engage in financial transactions, will be made available as a broad public good applied in the business processes of users of the public sector and of the private sector.

We are pleased to state that GLEIF operations are fully sustained and that the organization is no longer considered to be in a start-up phase.

The Board of Directors approved in 2016 28 applicant LEI issuers (including the pre-LOUs endorsed by the LEI ROC) to start the accreditation process under the Master Agreement. We are pleased to report that three of them were fully accredited in December 2016 to receive the GLEIF accreditation certificate.

Stakeholders

The Board of Directors aims to take into consideration the interests and contributions of a multitude of stakeholders of the public and private sector that are already users or potential users of the LEI.

The LEI ROC, as GLEIF’s overseer, is a major stakeholder for the Board of Directors as well as other public authorities that may have an interest as users of the Global LEI System.

The Board of Directors encourages that the views of current and potential stakeholders of the private sector are taken into account for the next steps of implementing the GLEIF Strategy for the private sector. Many stakeholders that may be interested have been approached in 2016 so that their views can be taken into account in the decision process of the Board of Directors.

The Board of Directors supports existing and new forms of cooperation with authorities and market participants including an open dialogue among those parties to foster LEI adoption globally. The Board of Directors believes that for a

successful adoption of the LEI from business-to-government processes, top level support of the public and private sector is required together with a concerted action for each implementation project.

Strategic Objectives and Vision

The Board of Directors approved the GLEIF Strategy 2020 for the private sector including a communication plan in its meeting on October 27, 2016. In the same meeting, the new vision statement for GLEIF was endorsed by the Board of Directors.

The GLEIF Statutes stipulate in Article 10 that GLEIF should not influence legislation or rule making which creates limitations for the GLEIF to formulate a strategy for the LEI for the public sector. The LEI ROC and its members formulate policies on the use for and adoption of the LEI for public purposes and in their jurisdictions. The LEI ROC supports that GLEIF responds to public consultations to promote the LEI for the use of the LEI by the public sector.



The adoption of the GLEIF Strategy 2020 constitutes a milestone towards broader LEI adoption and towards GLEIF efforts in responding to market and demands of market participants.

The capability to offer the online LEI data consisting of high-quality, standardized and reliable data of legal entities free of charge for users makes GLEIF unique.

The Board of Directors looks forward to GLEIF’s further engagement with market participants and welcomes projects launched within the approved Strategy.

The Board of Directors believes that both the public and private sector can achieve tremendous benefits from using the non-proprietary LEI data for their identity management systems.

The Board of Directors supports GLEIF’s continued exchange and cooperation with the LEI ROC to ensure that the value of the Global LEI System and of the LEI is known to regulators and governments of jurisdictions globally.

Promotion of LEI Adoption

The positioning of the LEI in identification management is crucial for the global LEI adoption. We believe in the capabilities of GLEIF to drive innovation in this field suitable for the demands of the digital age. Those demands are increasing reality for the public and private sector for an increasing number of digital G2G, B2G and B2B processes of the digital ecosystem.

Regulators and legislators play a key role by mandating the LEI for regulatory reporting, for supervisory and compliance purposes and for the public sector at large.

The Board of Directors and the LEI ROC Executive Committee concluded in their joint meeting in October 2016 that, within the requirements set out in Article 10 of the Statutes, Members of the Board of Directors and LEI ROC Plenary members act as ambassadors to promote the LEI in their jurisdiction and/or industry. It was agreed that concerted actions of both would be needed to reach the common goal of increased LEI adoption in financial markets and for financial transactions. As ambassadors, the Members of >





the Board of Directors and members of the LEI ROC are expected to ensure there is a global understanding in both the public and private sector of the mission and benefits of the Global LEI System.

Directors and Their Interests

The Members that serve on the Board of Directors are published on the GLEIF website.

Directors sign a Director’s agreement for their services to the Board of Directors and annually acknowledge their responsibilities under the GLEIF Conflict of Interest Policy.

Implementation of Core Activities in Line with Strategic Objectives

In 2016, the Board of Directors focused its oversight duty on the organization’s three main priorities:

- the implementation of the **GLEIF Accreditation Program** with the LEI issuing organizations
- the implementation of the **GLEIF Data Quality Management Program** to provide accurate and reliable data to its users
- the preparation of the implementation of the **Level 2 data project** to gradually enhance the LEI data to include information on their direct and ultimate parents

These priorities were successfully implemented with target schedules met by the Executive Management in close cooperation with the LEI issuers.

The Board of Directors welcomes that three LEI issuing organizations were prepared to receive the GLEIF accreditation certificate.

The Board of Directors is pleased that GLEIF has relaunched its website in 14 languages of the G20 including the LEI search function.

Strengthened Governance Framework

2016 constitutes a successful year in terms of further strengthening the Foundation’s governance structure.

The Board of Directors approved the Foundation’s bylaws. The bylaws were presented to the Swiss Supervisory Authority for Foundations for endorsement.

The Board of Directors appointed in 2016 Vice-Chairs for the Board of Directors and the Board Committees who shall ensure the continuity of processes, support the Chair for his/her duties and serve as a Chair in the absence of the Chair of a respective meeting.

The Secretariat of the Board of Directors was established in January 2016 to support the international Board of Directors and ensure efficient board processes.

Succession Planning

The Board of Directors approved five new Directors for a term of two years starting from June 2016 with a public call of interested candidates based on the principles of Article 13 of the Statutes from the regions Europe, Asia, North America (including Mexico) and the region of Central and South America, Africa, Oceania, and the Middle East. As required in Article 13 of the Statutes, the Board of Directors thereby upholds the principles of diversity in terms of sector representation, skills and geographic representation of the Board of Directors’ composition. The Board of Directors consisted of 17 Members at the end of 2016.

The Board of Directors approved in its meeting in October 2016 that eight Directors with a term of three years were allowed to serve an additional term of two years from June 2017 to June 2019.

The Board of Directors thanks the Directors Mr. Tim Smucker and Mr. Sergio Chodos for the services they delivered to GLEIF for the period from the GLEIF’s establishment in June 2014 to June 2016.

Induction

To prepare the new Directors for their tasks, an induction program was adopted in June 2016. All five new Directors completed this induction program successfully.

A workshop, conducted at the new GLEIF office premises in Frankfurt, constituted an opportunity for all Directors to meet the Executive Management and staff in person while receiving a closer insight of the organization’s core projects and workflows.

Staff Diversity

The Board of Directors welcomes the success of the CEO to establish a strong Executive Management and team of in total 24 members by the end of 2016 representing an appropriate diversity in terms of nationalities and gender.

Financial Results

The Board of Directors approved the Financial Report of 2016 taken into account the independent auditor’s report on the audit of the financial statements of April 5, 2017.

The Board of Directors decided to add the net surplus of US\$ 14.7 thousand to the organizational capital of GLEIF.

The Board of Directors does not expect significant surpluses to be realized in the future, as GLEIF is to operate on a not-for-profit basis. The common objective is to reduce the GLEIF fee over time. The Board of Directors decided to maintain the LEI fee for new and renewed LEIs at US\$ 19 for the budget year 2017. This is a consequence of the expected moderate growth of new LEIs in 2017, the too high level of lapsed LEIs and the need to cover the costs of the agreed projects.

Going Concern

The Board of Directors formed a judgment, at the time of approving the financial statements at its meeting on April 5, 2017, considering the organization’s internal control system, that GLEIF, within its mandate, has adequate resources in place to continue its operations in the foreseeable future.

In making this judgment, the Board of Directors considered that, in some jurisdictions, the renewal rate of LEIs for regulatory reporting needs to be increased. The Board of Directors understands that the GLEIF received additional mandates in 2016 and 2017 from the LEI ROC for which the revenues for GLEIF are not yet clear at the time of the approval of the financial statements. Notwithstanding, the Board of Directors views these risks to be manageable given the availability of sufficient funds for current and planned projects.

Internal Control

In 2016 the Board of Directors approved a set of policies required to have appropriate control of the tasks delegated to the CEO. The General Counsel, appointed as Chief Compliance Officer in 2016, ensures that internal controls are in place together with the Head of Accreditation and Audit Services who performs internal audits on a regular basis and reports the findings and recommendations to the Audit and Finance Committee.

The Audit and Finance Committee is charged with the approval of the audit plan and reviews the internal audits and the findings of the external audits by EY.

External Auditor

The Board of Directors approved the terms of engagement including the engagement letter and the scope of the 2016 financial audit in its meeting in February 2016. All Directors confirmed that as far as the Directors were aware, there was no relevant audit information of which the external auditor is unaware. On recommendation of the Audit and Finance Committee, the Board of Directors accepted the Financial Report of 2015 and approved the 2015 Annual Report in its meeting on April 14, 2016.

The Board of Directors confirmed the appointment of EY as the external auditor for the 2016 audit engagement as required in Article 25 of the Statutes in its meeting on June 22, 2016.

Services

The Board of Directors ensured in 2016 that the Executive Management delivered the LEI data in the Global LEI Index free of charge and intellectual property including the option of a bulk download of all LEIs to the users of the public and private sector.

Further optimizing and delivering high data quality and several additional services for their users formed a key achievement of GLEIF in 2016.

By order of the Board of Directors  
Chairman



Governance Statement



GLEIF continues its commitment to act as a not-for-profit organization with the highest integrity of its operation and interaction with stakeholders guided by the High Level Principles laid out in the GLEIF Statutes and Annexes. The Board of Directors will seek to maintain the highest standards of governance and incorporate the best governance practices into its framework and operational processes.

The Board of Directors developed a Code of Conduct to be made available on the GLEIF website which sets out the rules applicable in matters of professional ethics and behavior of Directors to act in the best interest of the Foundation.

The Board of Directors embraces GLEIF’s commitment to the principles of the International Open Data Charter aiming to foster greater coherence and collaboration to promote the increased adoption and implementation of shared open data principles and standards globally and across sectors.

Against this background, the Statutes of GLEIF, the bylaws, the Board minutes, the Code of Conduct of the Board of Directors and the Board of Directors’ policies are published on the GLEIF website to ensure transparency as required in Article 6 of the Statutes.

Board of Directors Meetings

The Chairman conducted seven Board of Directors meetings to allow a constant exchange among Members and adequate oversight of the expanding operations of the Foundation.

The Chair and two Vice-Chairs of the LEI ROC are ex officio members of the Board of Directors and participated in all Board of Directors meetings in 2016.

The GLEIF Chairman and the CEO have bi-weekly meetings with the LEI ROC Chair and the two Vice-Chairs. The Board of Directors had two joint meetings with the Executive Committee of the LEI ROC in 2016. In addition, the GLEIF Chairman and CEO were invited to report on the progress made by GLEIF during two LEI ROC Plenary meetings in 2016.

The new Board Directors participated in an induction program. This included trainings sessions with the Secretary of the Board of Directors to understand the duties of a Director of a Swiss foundation.

Stakeholders

LEI Regulatory Oversight Committee (LEI ROC)

The GLEIF is subject to the oversight of the LEI ROC. The members of the LEI ROC Plenary and their decisions taken are published on [www.leiroc.org](http://www.leiroc.org).

The relationship between the LEI ROC and the GLEIF are laid out in Articles 30 and 31 of the GLEIF Statutes. Both adhere to the Memorandum of Understanding that further specifies the processes and responsibilities between the GLEIF and the LEI ROC and is published on the GLEIF website.

Members of the Board of Directors

The Members of the Board of Directors serve on an unpaid basis and are entitled to reimbursement of their GLEIF-related expenses as stipulated in Article 19 of the Statutes and the Board Travel and Expense Policy.

The Members of the Board of Directors are eligible for a term of two years of office as of June 26, 2014. The Board of Directors approved that eight of the 16 Directors would be allowed to serve for a term of three years in order to meet the staggering requirements of Article 17 of the Statutes.

Two Members of the Board of Directors, Mr. Tim Smucker and Mr. Sergio Chodos, resigned in 2016 in accordance with Article 21 of the Statutes.

Succession of Directors

The Governance Committee conducted throughout 2016 a detailed succession analysis taking into account sector representation, skills and geographical representation as required in Article 13 of the Statutes. Consequently, the appointment and replacement process as well as the transition of Directors was further defined in consultation with the LEI ROC based on Article 31 of the Statutes. The selection process of new Directors is conducted under strict confidentiality taking into account the Swiss privacy rules. Rigorous steps taken in the search process led to the appointment of five new Directors for a Board of Directors in line with the provisions of Article 13 of the Statutes as laid out above. The Chair presented the approved candidates for a “no objection declaration” to the ROC Chair as required in Article 31 of the Statutes. The new Directors started their duties from the June 2016 Board of Directors meeting.

Board Self-Assessment

In 2016, the Members of the Board of Directors participated in an annual self-assessment process.

The Board of Directors reviewed the self-assessment methodology as well as the respective Performance Evaluation Questionnaire (PEQ) for the Board of Directors and its Board Committees. Each Director was tasked to evaluate the Board of Directors and each Board Committee of which the Director participated. The Governance Committee provided requested feedback on its findings and recommendations to the Board of Directors.

Transparency

The Board of Directors adheres to its Statutes, bylaws and, by self-assessment, to the CPSS-IOSCO Principle 2 for Financial Market Infrastructures to ensure a clear and transparent governance framework. As mentioned above, the Board of Directors makes all available governance documents such as Statutes, the bylaws and Board of Directors meeting minutes publicly available as required in Article 6 of the Statutes.

Board Committees

The GLEIF Board of Directors was supported in its oversight function by five Board Committees. The Board Committees meet as often as considered necessary to review and advise the Board of Directors on matters related to their mandate.

The Chairs of the Board Committees actively report their findings and recommendations to the Board of Directors.

The Board of Directors decided to dissolve the Joint Promotion Committee and the Master Agreement Committee. The Board of Directors approved the establishment of a Business Development Committee.

The following Board Committees supported the Board of Directors by December 31, 2016 with the following functions:

■ Committee of Chairs (CoC)

The CoC supports the Chairman with the agenda of the Board of Directors and with the annual remuneration of the GLEIF Executive Management.

■ Audit and Finance Committee (AFC)

The AFC reviews the internal audit plan and the external audit engagement. It assesses the internal control system of GLEIF as well as the internal audit reports on a regular basis and prepares for and recommends to the Board of Directors the annual financial and operational audit plan.

■ Governance Committee (GC)

The GC is charged with advising the Chairman and the Board of Directors to ensure proper governance and compliance with the Statutes and bylaws.

■ Business Development Committee (BDC)

The BDC is tasked to review the proposed strategic plans, competitor analysis and promotion plans prepared by the CEO and reviews the implementation of GLEIF’s strategic objectives.

■ Technology and Operations Standards Committee (TOPS)

The TOPS provides oversight and counsel for the technical and operational standards and for the architecture of the Global LEI System.

LEI Issuing Organizations

GLEIF operates the Global LEI System together with its LEI issuing partners. The GLEIF is required to provide support and oversight of the LEI issuers’ operations to ensure that these perform within the mandates of the governing Master Agreement with adequate internal controls, data quality metrics and cost recovery requirements.

In 2016, the LEI issuers actively implemented requirements of the Master Agreement within the GLEIF Accreditation Program.

The GLEIF Executive Management and the LEI issuers had monthly meetings to progress this task to its current level of services.

Other Interested Stakeholders

The Board of Directors will take the interests of private sector businesses, NGOs, consumers and academia into consideration in its planning activities.

A structured dialogue of the Executive Management with user groups of the LEIs was continued in 2016 such as with data and technology vendors, several large statistical users and other stakeholders.



Regulatory Developments

For the successful advancement of the Global LEI System, the regulatory community plays an integral role. It is the prerogative of the authorities acting in individual jurisdictions to mandate the use of the LEI for entity identification.

The year 2016 was marked by a stabilizing LEI population with an increase of 17% in LEI adoption. Regulators in additional jurisdictions requested or mandated the use of the LEI mainly in the financial market sector. However, there is a trend to view the LEI – a non-proprietary, reliable identifier – as a suitable solution for identity management systems across organizations and across markets such as in capital and money markets and for cross-border payment services and public procurement.

The Board of Directors noticed that a substantial increase of new LEIs was delayed due to the postponed regulation of MiFID II/MiFIR for the European Union. Upon its implementation, which is planned for the beginning of 2018, an increased LEI adoption is expected.

GLEIF continued to closely monitor initiatives relevant to legal entity identification in regulatory reporting and supervision during 2016. The Board of Directors noticed that some legislators or rule makers start with new identification systems without evaluating the value of the LEI.

In general, current and proposed rulemaking including the usage of the LEI across regions was further enhanced in 2016 and an overview thereof is available on the GLEIF website.

GLEIF aims to further support authorities in facilitating the attainment of financial stability objectives such as:

- Increased transparency of the data of legal entities in financial transactions and of the direct and ultimate parent of company groups
- Improved compliance and risk management
- Better assessment of micro and macro prudential risks
- Increased market surveillance and enforcement
- Facilitation of orderly resolution
- Containing market abuse and curbing financial fraud
- Higher quality and accuracy of financial data

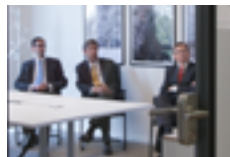
The support at top level of public authorities of the G20 jurisdictions and beyond is crucial to gather a critical mass for the Global LEI System and for the LEI to become a broad public good.



LEI: LYXOR MAP SIERRA EUROPE FEEDER FUND



GLEIF Key Partner Events and Meetings in 2016







Global Legal Entity Identifier Foundation  
Basel, Switzerland

Financial Statements 2016

for the Period from January 1 to December 31, 2016

**Statement of Comprehensive Income**  
for the Period from January 1 to December 31, 2016

	Notes	Jan. to Dec. 2016	Jan. to Dec. 2015
		US\$	US\$
Fee revenues	3.1	6,245,640	5,860,775
Wages and salaries		-2,700,694	-1,559,610
Social contributions and expenses for pensions and care		-376,780	-144,354
Personnel expenses	3.2	-3,077,474	-1,703,964
Other operating expenses	3.3	-3,348,252	-3,394,594
Other operating income	3.4	201,019	262,294
Amortization and depreciation expense	4.5/4.6	-165,030	-93,825
<b>Operating surplus</b>		<b>-144,097</b>	<b>930,686</b>
Subsidies and donations	3.5	158,354	206,219
Financial income/expense	3.6	479	-481
<b>Net surplus</b>		<b>14,736</b>	<b>1,136,424</b>
Changes of components of net equity	3.2		
from actuarial gains and losses in pension and similar obligations		-5,087	-9,825
Items that will not be reclassified to net surplus		-5,087	-9,825
<b>Other comprehensive income</b>		<b>-5,087</b>	<b>-9,825</b>
<b>Total comprehensive income</b>		<b>9,649</b>	<b>1,126,599</b>



**Balance Sheet**  
for the Period Ending December 31, 2016

Assets	Notes	Dec. 31, 2016	Dec. 31, 2015
		US\$	US\$
Receivables from LEI issuer fees	4.1	1,409,636	1,971,322
Current financial assets	4.2	5,203	44,749
Other assets	4.3	470,701	437,968
Cash and cash equivalents	4.4	5,071,643	3,752,821
<b>Current assets</b>		<b>6,957,183</b>	<b>6,206,860</b>
Intangible fixed assets	4.5	146,079	10,907
Tangible fixed assets	4.6	468,347	534,653
Financial assets	4.2	108,979	117,292
<b>Non-current assets</b>		<b>723,405</b>	<b>662,852</b>
		<b>7,680,588</b>	<b>6,869,712</b>
<b>Liabilities and equity</b>			
Payables due to vendors	4.7	853,295	657,175
Liabilities due to Board Directors	6.1	74,868	164,268
Deferred revenue	4.8	2,885,533	2,723,600
Other financial liabilities	4.9	218,892	39,512
Other payables	4.10	671,199	515,072
<b>Current liabilities</b>		<b>4,703,787</b>	<b>4,099,627</b>
Provision for pension costs	3.2	39,249	14,368
Payables due to vendors	4.7	100,308	26,315
Financial liabilities	4.9	10,892	15,070
Deferred subsidies	3.5	170,552	68,181
<b>Non-current liabilities</b>		<b>321,001</b>	<b>123,934</b>
Paid-in Foundation capital		55,927	55,927
Other reserves		-14,912	-9,825
Retained surplus		2,614,785	2,600,049
<b>Organizational capital</b>	4.11	<b>2,655,800</b>	<b>2,646,151</b>
		<b>7,680,588</b>	<b>6,869,712</b>

### Cash Flow Statement

for the Period from January 1 to December 31, 2016

	Notes	Jan. to Dec. 2016	Jan. to Dec. 2015
		US\$	US\$
Surplus		14,735	1,136,424
Amortization and depreciation expense		165,030	93,825
Increase (decrease) of provisions		19,596	4,544
Financial income/expense		-479	456
Other non-cash expenses and income		160,052	24,407
Decrease/increase of receivables and other current assets		523,162	-611,964
Increase/decrease of liabilities to vendors and other operating liabilities		764,372	1,032,072
Interest received		2,322	0
<b>Cash flow from operating activities</b>		<b>1,648,790</b>	<b>1,679,764</b>
Acquisition of intangible and tangible fixed assets	4.5/4.6	-233,896	-619,728
Acquisition/settlement of financial assets	4.2	48,978	-121,088
<b>Cash flow from investing activities</b>		<b>-184,918</b>	<b>-740,816</b>
Repayment of finance lease liabilities		-3,796	-612
Proceeds from other financing liabilities		-818	6,962
Interest paid		-347	-379
<b>Cash flow from financing activities</b>		<b>-4,961</b>	<b>5,971</b>
<b>Total cash flow effects on cash and cash equivalents</b>		<b>1,458,911</b>	<b>944,919</b>
Effect of changes in exchange rates on cash and cash equivalents		-140,089	-28,148
Cash and cash equivalents at beginning of period		3,752,821	2,836,050
<b>Cash and cash equivalents at end of period</b>	4.4	<b>5,071,643</b>	<b>3,752,821</b>

### Statement of Changes in Organizational Capital

	Notes	Paid-in Foundation capital	Other reserves, actuarial gains and losses from pension obligations	Retained surplus	Organizational capital
		US\$	US\$	US\$	US\$
<b>Balance as of December 31, 2014</b>	4.11	<b>55,927</b>	<b>0</b>	<b>1,463,625</b>	<b>1,519,552</b>
Net surplus		0	0	1,136,424	1,136,424
Other comprehensive income		0	-9,825	0	-9,825
Total comprehensive income		0	-9,825	1,136,424	1,126,599
<b>Balance as of December 31, 2015</b>	4.11	<b>55,927</b>	<b>-9,825</b>	<b>2,600,049</b>	<b>2,646,151</b>
Net surplus		0	0	14,736	14,736
Other comprehensive income		0	-5,087	0	-5,087
Total comprehensive income		0	-5,087	14,736	9,649
<b>Balance as of December 31, 2016</b>	4.11	<b>55,927</b>	<b>-14,912</b>	<b>2,614,785</b>	<b>2,655,800</b>

Notes to the Financial Statements 2016

1. Information on GLEIF

The accompanying financial statements present the operations of Global Legal Entity Identifier Foundation with its registered office in Basel, Switzerland (hereinafter: “GLEIF” or “the Foundation”).

GLEIF is a foundation according to Swiss civil law, and registered under no. CHE-200.595.965 in the commercial register of Basel-Stadt, Switzerland. The address of the Foundation is Bäumleingasse 22, 4051 Basel, Switzerland. In February 2015, GLEIF began operating a permanent establishment in Frankfurt am Main, Germany, where the main operating activities of the Foundation are now located. GLEIF was founded on June 26, 2014 by the Financial Stability Board, an association under Swiss law. The purpose of GLEIF is to establish, maintain and monitor the Global Legal Entity Identifier System (“Global LEI System”) which provides a worldwide unique identification number (the “LEI”) for all parties of financial transactions.

The establishment of this system has been required by the Heads of State and Government of the Group of Twenty, calling the Financial Stability Board to coordinate the work among the regulatory bodies. Prior to the foundation of GLEIF, the Financial Stability Board established the Regulatory Oversight Committee (“LEI ROC”) which had set forth requirements for the structure of the Global LEI System and for the managing, monitoring and standard setting functions, as well as the internal structure and the funding of GLEIF. The LEI ROC has, as stipulated in Article 4 of the Statutes, the regulatory oversight of the Global LEI System including the activities of GLEIF, in the broad public interest.

GLEIF is under supervision of the Swiss Supervisory Authority for Foundations since the establishment of the GLEIF in June 2014.

The financial statements have been authorized for publication by the Board of Directors on April 5, 2017.



2. Basis of Presentation and Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). GLEIF also prepares a set of statutory financial statements in accordance with the Swiss Code of Obligations.

These financial statements are presented in US dollars (US\$), with rounding to the nearest dollar, unless otherwise stated.

The financial statements are prepared on the historical cost basis, unless otherwise stated in the accounting policies.

The accounting policies set out below are unchanged from the prior period and have been applied consistently throughout both periods.

2.1 Foreign Currency

The functional currency of GLEIF is the US dollar, as the Foundation generates its revenues and receives almost all cash flows from the LEI issuers (also referred to as Local Operating Units (“LOUs”)) in this currency.

Transactions that are denominated in a currency other than the US dollar are recorded at the spot exchange rate at the date when the underlying transactions are initially recognized. At the end of the reporting period, foreign currency-denominated monetary assets and liabilities are retranslated into US dollars applying the spot exchange rate prevailing at that date. Gains and losses arising from these foreign currency revaluations are recognized in income.

The exchange rates of the most significant foreign currencies are:

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Swiss franc to US dollar	0.9816	1.0048
Euro to US dollar	1.0541	1.0887

2.2 Revenue Recognition

The revenue of GLEIF is based on arrangements with the LEI issuers to pay to GLEIF a fixed service fee for each LEI issued or renewed in the respective calendar year. The license period of an LEI is one year from the date of issuance or renewal. During this period, the LEI issuer is responsible to manage and maintain the integrity and accuracy of the LEI entry data and of the related changes. The services provided by GLEIF to the LEI issuers relate to quality assurance, standardization, and certain other work with regard to the LEI issuers management of LEIs. Accordingly, the revenue of GLEIF is related to the service periods of the LEIs. On a straight-line basis, GLEIF recognizes the revenue over the terms of the contracts between the LEI issuers and the LEI users, and defers the revenue which is allocated to the portion of the LEI service periods remaining after the balance sheet date. The outstanding portion of the LEI service periods is estimated based on quarterly performance reports of each LEI issuer.

2.3 Government Grants

A government grant or assistance is recognized only when there is reasonable assurance that GLEIF will comply with any conditions attached to the grant and the grant will be received. The grant is recognized as income over the period necessary to match with the related costs, for which they are intended to compensate, on a systematic basis. A grant receivable as compensation for costs already incurred or for immediate financial support, with no future related costs, is recognized as income in the period in which it is receivable. A grant relating to assets (capitalised expenditure) is recognized as deferred income (liability), and released in accordance with the amortization of the related assets.

2.4 Interest

Interest income and expense are recognized using the effective interest method. The effective interest rate is established on initial recognition of the financial asset or liability and is not revised subsequently.

2.5 Income Taxes

Since 2015, the Foundation’s activities are located in Basel, Switzerland and in Frankfurt am Main, Germany. GLEIF is free from Swiss income taxes based on an assessment of the tax authority Basel-Stadt, Switzerland. In Germany, the activities of GLEIF to manage and monitor the Global LEI System are free from corporate and trade tax on income by law.

2.6 Provisions

A provision is recognized in the balance sheet when the Foundation has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are recognized at present value by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money. When a contract becomes onerous, the present obligation under the contract is recognized as a provision and measured at the lower of the expected cost of fulfilling the contract and the expected cost of terminating the contract as far as they exceed the expected economic benefits of the contract. Additions to provisions and reversals are generally recognized in the income statements.

Provisions for pension obligations are recognized by using the projected unit credit method, based on reasonable assumptions for the long-term expected rate of salary increases and benefit increases, demographic assumptions and long-term interest rates as of the balance sheet date. The related plan assets are recognized at their fair value, in accordance with IAS 19.

2.7 Lease Commitments

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

Finance Leases

GLEIF recognizes assets held under finance leases at the fair value at the inception of the lease or if lower, at the present value of the minimum lease payments. The related liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between interest expenses and capital redemption of the liability.

Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating Leases

GLEIF recognizes operating lease payments as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognized in the period in which they are incurred. Lease incentives and similar arrangements of incentives are taken into account when calculating the straightlined expense.

2.8 Tangible Fixed Assets

GLEIF items of tangible fixed assets are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of each item. Tangible fixed assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives of all items of tangible fixed assets are as follows:

Technical and computer equipment	3 to 5 years
Motor vehicles	6 years
Office equipment	6 to 10 years
Apartment equipment	3 to 5 years

2.9 Intangible Fixed Assets

Separately acquired items of intangible fixed assets are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of each item. After initial measurement, intangible fixed assets are measured at cost less accumulated amortization and any accumulated impairment losses. Amortization is charged on a straight-line basis over the estimated useful lives of the intangible fixed assets.

The estimated useful lives of intangible assets are as follows:

Software	3 to 5 years
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As at the end of the current fiscal year, GLEIF did not have intangible assets with an indefinite useful life.

2.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets of the Foundation mainly include cash and cash equivalents, long- and short-term security deposits and receivables from LEI issuers’ fees. Financial liabilities of the Foundation mainly comprise payables to vendors, and to employees and Board Directors. GLEIF does not make use of the option to designate financial assets or financial liabilities at fair value through profit or loss at inception (Fair Value Option). Based on their nature, financial instruments are classified as financial assets and financial liabilities measured at cost or amortized cost and financial assets and financial liabilities measured at fair value.

Financial instruments are recognized on the balance sheet when GLEIF becomes a party to the contractual obligations of the instrument. Regular way purchases or sales of financial assets, i.e. purchases or sales under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned, are accounted for at the trade date.

Initially, financial instruments are recognized at their fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are only included in determining the carrying amount, if the financial instruments are not measured at fair value through profit or loss. Subsequently, financial assets and liabilities are measured according to the category – cash and cash equivalents, available-for-sale financial assets, loans and receivables, financial liabilities measured at amortized cost – to which they are assigned.

**Cash and Cash Equivalents:** The Foundation considers all highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and have less than three months maturity from the date of acquisition to be cash equivalents. Cash and cash equivalents are measured at cost.

**Loans and Receivables:** Financial assets classified as loans and receivables are measured at amortized cost using the effective interest method less any impairment losses. Impairment losses on trade and other receivables are recognized using separate allowance accounts.

**Financial Liabilities:** The Foundation measures financial liabilities at amortized cost using the effective interest method.

### 2.11 Accounting Pronouncements Applied in the Financial Statements

GLEIF has applied all IFRS accounting pronouncements which are effective for this reporting period. The Foundation has not adopted standards already issued but not yet effective for this reporting period.

### 2.12 Not Yet Adopted Recent Accounting Pronouncements

The following pronouncements issued by the IASB are not yet effective and have not yet been adopted by the Foundation:

In July 2014, the IASB published the final version of IFRS 9: Financial Instruments. The new standard will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 introduces a single approach for the classification and measurement of financial assets according to their cash flow characteristics and the business model they are managed in, and provides a new impairment model based on expected credit losses. IFRS 9 also includes new regulations regarding the application of hedge accounting to better reflect an entity's risk management activities especially with regard to managing non-financial risks. The new standard is effective for annual reporting periods beginning on or after January 1, 2018, while early application is permitted. The impacts of adopting IFRS 9 on the Foundation's financial statements will depend on the volume and structure of the financial transactions in its future development.

In May 2014, the IASB issued IFRS 15: Revenue from Contracts with Customers. According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the Foundation expects to be entitled in exchange for those goods or services. Revenue is recognized when, or as, the customer obtains control of the goods or services. IFRS 15 also includes guidance on the presentation of contract balances, that is assets and liabilities arising from contracts with customers, depending on the relationship between the entity's performance and the customer's payment. In addition, the new standard requires a set of quantitative and qualitative disclosures to enable users of the financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. IFRS 15 supersedes IAS 11: Construction Contracts and IAS 18: Revenue as well as related interpretations. The standard is effective for annual periods beginning on or after January 1, 2018; early application is permitted. Based on the current revenue structure of GLEIF, the Foundation assesses that the adoption of IFRS 15 will not have a material impact on the financial statements.

In January 2016, the IASB issued IFRS 16, Leases. It supersedes IAS 17 and related interpretations. The new standard eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and depreciation of lease assets separately from interest on lease liabilities in the income statement. The new stand will be effective for annual periods beginning on or after January 1, 2019. Early application is permitted, when IFRS 15 is also applied. Based on the current lease contracts which are mainly classified as operating lease in accordance with IAS 17, the Foundation assesses that the adoption will cause a significant increase of assets and related lease liabilities.

GLEIF does not plan to adopt any new pronouncement prior to the regular effective date.

### 2.13 Critical Accounting Estimates

The financial statements are prepared in accordance with IFRS as issued by the IASB. The significant accounting policies, as described above and in this section, are essential to understanding the Foundation's results of operations, financial positions and cash flows. Certain of these accounting policies require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates may have a material impact on the results of operations, financial positions and cash flows.

**Revenue Recognition on Service Contracts:** The allocation of revenue relating to the Foundation's service contracts with LEI issuers to the appropriate accounting periods is based on reasonable estimates of the timing of the underlying LEI service contracts between the LEI issuers and the LEI users. The Foundation receives quarterly reports from the LEI issuers detailing the number of LEIs renewed or newly issued by the LEI issuers. GLEIF has applied estimates, assuming that the issuance and the renewal of each LEI, and the related start of a standard one-year service period, is distributed on a straight-line basis within the reported quarters. Changes in these estimates may lead to an increase or decrease of revenue.



3. Statement of Comprehensive Income

3.1 Fee Revenues

The revenues split in regions (based on the legal seat of the LEI issuers) as follows:

	Jan. to Dec. 2016	Jan. to Dec. 2015
	US\$	US\$
Europe	6,149,061	5,779,770
Asia	89,572	77,960
Other regions	7,007	3,045
Fee revenues	6,245,640	5,860,775

While a significant portion of the overall GLEIF fees are from LEI issuers with a legal seat in Europe, the underlying cash flows of the GLEIF are generated by a very geographically diverse population of LEI registrants. As a result, the GLEIF does not have a material concentration of its cash flows given the location of LEI registrants.

3.2 Personnel Expenses

	Jan. to Dec. 2016	Jan. to Dec. 2015
	US\$	US\$
Wages and salaries	2,700,694	1,559,610
Social contributions and expenses for pension and care	376,780	144,354
Personnel expenses	3,077,474	1,703,964

The personnel expenses consist of the fixed and accrued variable remuneration as well as the bonus accrual for employees employed by the Foundation. Social, pension and care contributions are also included as part of these expenses.

As of year end 2016 GLEIF employed 24 (2015: 15) employees. The average headcount for 2016 is 22 (2015: 9) employees.

Pension Plan

Under Swiss law, GLEIF has to arrange for an affiliation contract with a pension fund for the Swiss employees to comply with legal requirements. The pension fund has to provide at least occupational benefits according to law.

In 2015 GLEIF set up a pension plan in Switzerland with AXA Vorsorgestiftung, as a collective foundation. Based on the plan rules and pension law in Switzerland the plan qualifies as a defined benefit scheme under IFRS. The insurance plan is contribution-based. The plan contains a cash balance benefit formula. Under Swiss law, the pension fund guarantees the vested benefit amount as confirmed annually to members.

The collective foundation of AXA guarantees a 40% coverage of the retirement accounts covered by an insurance. The other assets are pooled for all affiliated companies. The collective foundation can adjust risk and cost contributions according to the circumstances. The employer has to cover at least half of all contributions. The collective foundation is able to withdraw from the contract with the employer. In that case, the company needs to affiliate with another pension institution.

GLEIF recognized pension cost of US\$ 35,841 (2015: US\$ 7,200) within personnel expenses and net interest expenses of US\$ 198 (2015: US\$ 25), and paid employer and employee contributions of US\$ 15,149 (2015: US\$ 5,238) to the scheme.

Actuarial losses of US\$ 6,548 (2015: US\$ 566 gains) from the return on plan assets, net of US\$ 1,461 gains (2015: US\$ 10,391 losses) from the defined benefit obligation have been recognized as other comprehensive income

The defined benefit obligation amounts to US\$ 75,876 at December 31, 2016 (December 31, 2015: US\$ 28,034), net of the plan assets of US\$ 36,627 (December 31, 2015: US\$ 13,666). A net pension liability of US\$ 39,249 (December 31, 2015: US\$ 14,368) has been recognized in the balance sheet as at December 31, 2016.

The weighted average duration of the obligation is 18.9 (18.3) years. The employee and employer contributions expected for the next fiscal year are US\$ 15,352 each.

For the calculation of the defined benefit obligation a discount rate of 0.7% (2015: 0.8%) and a long-term salary increase rate of 1.0% (1.0%) is used. Mortality, risk of disability, and turnover rates are set in accordance with the statistical database BVG 2015.

For the most important parameters which influence the pension obligation of the employer a sensitivity analysis has been performed. The discount rate and the assumption for salary increases are modified by a certain percentage. Sensitivity on mortality is calculated by changing the mortality with a constant factor for all age groups, resulting in a change of the longevity for the ages by one year longer or shorter as the baseline value. The sensitivity analysis results are as follows:

	Dec. 31, 2016	Dec. 31, 2016
	US\$	US\$
<b>Defined benefit obligation with a change of</b>		
discounting rate by +0.25% / -0.25%	72,404	79,669
future salary increases by -0.25% / +0.25%	77,071	77,537
life expectancy -1 year / + 1year	75,549	76,426

Investment of assets is carried out by the governing bodies of the AXA Vorsorgestiftung or by mandated parties. The structure of the plan assets is as follows:

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Cash and cash equivalents	366	137
Equity instruments	9,157	3,416
Debt instruments	5,494	2,050
Real estate	3,663	1,367
Other	3,296	1,230
Total plan assets at fair value (quoted market price)	<b>21,967</b>	<b>8,200</b>
Total plan assets at fair value (non-quoted market price)	<b>14,651</b>	<b>5,466</b>
<b>Plan asset classes</b>	<b>36,627</b>	<b>13,666</b>

### 3.3 Other Operating Expenses

	Jan. to Dec. 2016	Jan. to Dec. 2015
	US\$	US\$
Rental	402,995	183,920
External contractors	503,559	384,177
Travel and entertainment	461,485	534,794
IT consulting and development	112,508	322,313
IT service and maintenance	191,529	103,505
Telephone and communication, office expenses	95,702	75,675
Consulting and advice	580,929	293,558
Legal advice	253,790	812,381
Tax advice, accounting and audit	361,469	335,733
Staff training expenses	21,640	0
Insurance premiums	19,932	15,015
Currency losses	276,989	260,151
Board remuneration	0	50,000
Other	65,725	23,372
<b>Other operating expenses</b>	<b>3,348,252</b>	<b>3,394,594</b>

The currency losses result from payment of invoices in foreign currency as well as the translation of monetary balances as at the end of 2016.

Currency gains of US\$ 124,823 (2015: US\$ 233,882) are shown within the other operating income, resulting in a net currency loss of US\$ 152,166 (2015: US\$ 26,269 net currency gain).

The IT consulting and development item includes US\$ 35,366 research costs.



Operating Leases

The future minimum lease payments under non-cancellable operating leases for each of the following periods is as follows:

	Office building	Employee apartment
	US\$	US\$
Minimum lease payments		
Not later than one year	322,877	3,636
Later than one year and not later than five years	914,818	0
Total future minimum lease payments	1,237,695	3,636

In April 2015 GLEIF entered into an operating lease agreement to rent office premises located in Bleichstrasse 59, Frankfurt am Main. The lease period is fixed for five years commencing on November 1, 2015 with the option to renew for a further five years. The option is expected to be exercised 12 months before the end of the initial five-year contract period.

The agreement grants a seven-months rent-free period as an incentive to GLEIF. This incentive will be amortized over the initial five-year rental period. The rent will be increased annually in accordance with the customer price index in Germany, the first change may apply in January 2017.

In July 2015 GLEIF entered into an operating lease agreement to rent an apartment located in Frankfurt am Main. The lease period is unlimited, however it is fixed for one year commencing on August 1, 2015. After the conclusion of the fixed period, GLEIF has an option to terminate the agreement with an advance notice period of two months.

3.4 Other Operating Income

	Jan. to Dec. 2016	Jan. to Dec. 2015
	US\$	US\$
Currency gains	124,823	233,882
Release of prior-year liabilities	73,074	7,356
Refunds and reimbursements	1,572	21,056
Other	1,550	0
Other operating income	201,019	262,294

3.5 Subsidies and Donations

	Jan. to Dec. 2016	Jan. to Dec. 2015
	US\$	US\$
Subsidy granted in 2015	20,359	206,219
Subsidy granted in 2016	137,995	0
Income from subsidies and donations	158,354	206,219

In 2016 and 2015 GLEIF received assistance from a government authority of the region of Hessen, Germany (“Hessisches Ministerium für Wirtschaft, Verkehr und Landesentwicklung”). The assistance was limited to a maximum of EUR 250,000 in each year. In order to receive the assistance GLEIF was required to incur certain qualifying expenditure. GLEIF complied fully with the terms of the subsidy and in turn received the full amount of EUR 250,000 (US\$ 260,725 in 2016 and US\$ 274,400 in 2015). GLEIF has not benefited from any other form of government assistance. There are no unfulfilled conditions or other contingencies attaching to government assistance that has been recognized.

The portions of the subsidies attributable to capital expenditures (tangible and intangible fixed assets), advance payments and deferred expenses have been deferred, and is amortized over the useful life of the related fixed assets. The total cash flow from the subsidy is as follows:

	Jan. to Dec. 2016	Jan. to Dec. 2015
	US\$	US\$
Subsidy income	137,995	206,219
Deferred subsidies	122,730	68,181
Cash flow from subsidies	260,725	274,400

The cash flow of the subsidies and donations is presented within the cash flow from operations.

3.6 Financial Income/Expense

	Jan. to Dec. 2016	Jan. to Dec. 2015
	US\$	US\$
Interest income	2,322	0
Interest expenses	-1,843	-481
Financial result	479	-481

## 4. Balance Sheets

### 4.1 Receivables from LEI issuers' Fees

As in the prior year, all receivables from LEI issuers fees will be due after the balance sheet date. As of the balance sheet date, there are no indications that the receivables will not be settled.

### 4.2 Current and Non-Current Financial Assets

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Security deposits due within one year	4,585	25,170
Receivables due from vendors	162	15,557
Other current financial assets	456	4,022
<b>Current financial assets</b>	<b>5,203</b>	<b>44,749</b>

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Deposit due later than one year		
office premises	108,979	112,556
employee apartment	0	4,736
<b>Non-current financial assets</b>	<b>108,979</b>	<b>117,292</b>

The balance outstanding as at December 31, 2016 relates mainly to security deposits for the operating lease contracts that the Foundation entered into during 2015.

The outstanding deposits receivable analysis is as follows:

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Deposits receivable not later than one year	4,585	25,170
Deposits receivable later than one year and not later than five years	108,979	117,292
<b>Total deposits receivable</b>	<b>113,564</b>	<b>142,462</b>

GLEIF management has assessed the fair value of the security deposit balances to be equal to their carrying amounts as the market deposit rates are as low as 0%.

### 4.3 Other Current Assets

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Advance payments for software development expenses	186,330	0
VAT refunds		
Germany	130,742	255,497
Switzerland	16,590	86,593
Russia	195	0
Prepaid IT licenses and maintenance	65,007	28,304
Annual newsletter subscriptions	24,493	23,480
Prepaid insurances	12,973	14,973
Prepaid travel expenses	7,300	6,084
Other prepaid expenses	14,713	15,123
Receivables due from employees	12,358	0
Reimbursements due from social organizations	0	7,914
<b>Other current assets</b>	<b>470,701</b>	<b>437,968</b>

### 4.4 Cash and Cash Equivalents

The position consists of current bank accounts and cash on hand.

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
UBS Group AG	4,950,657	3,627,800
Sparkasse Langen-Seligenstadt	120,843	124,482
Cash on hand	143	539
<b>Cash and cash equivalents</b>	<b>5,071,643</b>	<b>3,752,821</b>

4.5 Intangible Fixed Assets

The carrying amounts of all intangible fixed assets are as follows:

	Global LEI System IT solutions	Other intangible assets	Total
	US\$	US\$	US\$
<b>2015</b>			
Accumulated cost	0	16,239	<b>16,239</b>
Accumulated depreciation	0	-5,332	<b>-5,332</b>
Carrying amount as of Dec. 31, 2015	0	10,907	<b>10,907</b>
<b>Reconciliation</b>			
Carrying amount as of Jan. 1, 2015	–	–	–
Additions	0	16,239	<b>16,239</b>
Depreciation	0	-5,332	<b>-5,332</b>
Carrying amount as of Dec. 31, 2015	0	10,907	<b>10,907</b>
<b>2016</b>			
Accumulated cost	150,251	16,753	<b>167,004</b>
Accumulated depreciation	-11,975	-8,950	<b>-20,925</b>
Carrying amount as of Dec. 31, 2016	138,276	7,803	<b>146,079</b>
<b>Reconciliation</b>			
Carrying amount as of Jan. 1, 2016	0	10,907	<b>10,907</b>
Additions	150,251	514	<b>150,765</b>
Depreciation	-11,975	-3,618	<b>-15,593</b>
Carrying amount as of Dec. 31, 2016	138,276	7,803	<b>146,079</b>

The Global LEI System IT solutions contain specific developed software for the maintenance and quality assurance of the Global LEI System databases as well as data exchange tools for the communication between GLEIF and the LEI issuers.

The other intangible assets contain standard software licenses.

All intangible fixed assets stem from external developments or purchases.

4.6 Tangible Fixed Assets

The carrying amount of all tangible fixed assets are as follows:

	Technical and computer equipment	Office equipment	Apartment equipment	Motor vehicles	Finance lease assets	Total
	US\$	US\$	US\$	US\$	US\$	US\$
<b>2015</b>						
Accumulated cost	307,243	216,217	9,564	70,466	19,657	<b>623,147</b>
Accumulated depreciation	-36,743	-38,245	-6,972	-5,874	-660	<b>-88,494</b>
Carrying amount as of Dec. 31, 2015	270,500	177,972	2,592	64,592	18,997	<b>534,653</b>
<b>Reconciliation</b>						
Carrying amount as of Jan. 1, 2015	–	–	–	–	–	–
Additions	307,243	216,217	9,564	70,466	19,657	<b>623,147</b>
Depreciation	-36,743	-38,245	-6,972	-5,874	-660	<b>-88,494</b>
Carrying amount as of Dec. 31, 2015	270,500	177,972	2,592	64,592	18,997	<b>534,653</b>
<b>2016</b>						
Accumulated cost	354,912	251,678	9,564	70,466	19,657	<b>706,277</b>
Accumulated depreciation	-128,917	-79,039	-7,760	-17,621	-4,593	<b>-237,930</b>
Carrying amount as of Dec. 31, 2016	225,995	172,639	1,804	52,845	15,064	<b>468,347</b>
<b>Reconciliation</b>						
Carrying amount as of Jan. 1, 2016	270,500	177,972	2,592	64,592	18,997	<b>534,653</b>
Additions	47,669	35,461	0	0	0	<b>83,130</b>
Depreciation	-92,174	-40,794	-788	-11,747	-3,933	<b>-149,436</b>
Carrying amount as of Dec. 31, 2016	225,995	172,639	1,804	52,845	15,064	<b>468,347</b>

The finance lease contract concerns specific computer equipment, the contract terms are disclosed under note 4.9. Legal ownership will not be transferred under these terms.

No asset is pledged as security for liabilities of the Foundation. Nevertheless, in accordance with general purchase conditions in Germany, most vendors will withhold the legal ownership of assets delivered until the purchase price is fully paid.



4.7 Payables to Vendors

**Payables Due within Three Months:** The majority of the current payables to vendors including accrued payables, are due or will become due within three months after the balance sheet date. Normal payment terms agreed with the vendors range between 7 and 30 days after invoicing.

**Payables Due Later than Three Months:** US\$ 135,432 (December 31, 2015: US\$ 48,598) payables relate to a deferred rent liability which reflects the amortization of an initial seven-month rent-free period over the five-year initial fixed rental period. This accrued liability is split into a long-term portion of US\$ 100,308 (December 31, 2015: US\$ 26,315) and a short-term portion of US\$ 35,124 (December 31, 2015: US\$ 22,283) of which US\$ 26,343 (December 31, 2015: US\$ 22,283) are due between four and twelve months after the balance sheet date. This liability is recognized with its present value by using an appropriate interest rate for corporate bonds.

4.8 Deferred Revenue

The deferred revenue is accrued in accordance with the outstanding portions of LEI service periods within the Global LEI System. See section 2.2 above.

4.9 Financial Liabilities

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Leasing liabilities falling due later than one year and not later than five years	10,892	15,070
<b>Long-term financial liabilities</b>	<b>10,892</b>	<b>15,070</b>
Leasing liability portion falling due within one year after the balance sheet date	3,699	3,745
Short-term bank liabilities	5,130	6,507
Liabilities due to LEI issuers	210,063	29,260
<b>Current financial liabilities</b>	<b>218,892</b>	<b>39,512</b>
<b>Total financial liabilities</b>	<b>229,784</b>	<b>54,582</b>

The short-term bank liabilities reflect the balances on the Foundation's credit card accounts. The liabilities due to LEI issuers arise from the annual true-up of the volume of LEIs managed by the LEI issuers. If the effective annual fee is lower than the amounts paid in advance, GLEIF issues a credit for such an overpayment.

Finance Lease

In September 2015 GLEIF entered into a finance lease agreement to rent certain items of office equipment. The rental period is five years commencing November 2015. The interest rate has been calculated to approximately 2.02% over the rental period. The rental payments are equal and are payable monthly over the rental period. The ownership of the equipment does not pass to the Foundation at any time during the rental period.

The gross minimum lease payments and the related present values are as follows:

	Dec. 31, 2016	Dec. 31, 2016
	Present value	Gross amount
	US\$	US\$
<b>Finance lease liabilities due</b>		
Within one year	3,699	3,957
Later than one year and not later than five years	10,892	11,212
<b>Total finance lease liabilities</b>	<b>14,591</b>	<b>15,169</b>

4.10 Other Payables

	Dec. 31, 2016	Dec. 31, 2015
	US\$	US\$
Wage and church tax payables	47,774	86,062
Social security liabilities	36,729	35,344
Outstanding vacation	66,769	52,476
Variable salary	264,990	169,598
Bonuses	226,117	163,265
Other liabilities due to employees	24,275	8,327
Other	4,545	0
<b>Other payables</b>	<b>671,199</b>	<b>515,072</b>

The variable remuneration to the GLEIF employees accrued for in 2016 in accordance with the employment contracts. The bonuses to employees are accrued in accordance with Board and management decisions.

The outstanding vacation liability in 2016 reflects the accrued salary and social contribution payments for the respective time.

4.11 Organizational Capital

The Foundation’s initial paid-in Foundation capital in an amount of CHF 50,000 was contributed by the Financial Stability Board, according to Article 7 of the GLEIF Statutes. With consent of the GLEIF Board of Directors, the Financial Stability Board is permitted, but not obliged, to make additional contributions.

The total comprehensive income earned in 2016 will be allocated to the Foundation’s reserves.

According to Article 10 of the GLEIF Statutes, any surplus generated by GLEIF is dedicated to pursue the purposes of the Foundation. Any distribution payment to Directors, employees or third parties, other than those made with the consent of the GLEIF Board of Directors and in accordance with the Foundation’s purpose, is not permitted.

The Foundation’s capital does not entitle the Founder to receive distributions, or any repayment of the capital contributed.

Together with the retained surplus and other reserves, the total organizational capital is US\$ 2,655,800. According to the Statutes, GLEIF must operate on a not-for-profit basis. In order to ensure the sustainable performance of the Foundation, the GLEIF Board and Management believe that a reasonable level of total capital reserve is necessary.

5. Financial Instruments

5.1 Additional Disclosures on Financial Instruments

The following table presents the fair values and carrying amounts of each category of financial assets and financial liabilities:

	Dec. 31, 2016	Dec. 31, 2015
	Carrying amount	Carrying amount
	US\$	US\$
Financial assets measured at cost or amortized cost		
Long-term security deposits	108,979	117,292
Receivables from LEI issuer fees	1,409,636	1,971,322
Cash and cash equivalents	5,071,643	3,752,821
Other non-derivative financial assets	5,203	44,749
	6,595,461	5,886,184
Financial liabilities measured at cost or amortized cost		
Payables due to vendors	953,603	683,490
Liabilities due to Board Directors	74,868	164,268
Finance lease liability	14,591	18,815
Liabilities due to banks	5,130	6,507
Liabilities due to LEI issuers	210,063	29,260
	1,258,255	902,340

All financial assets and liabilities are measured at cost or amortized cost.

The carrying amounts of cash and cash equivalents, LEI issuers fee and other receivables and vendor payables with a remaining term of up to twelve months, other current financial assets and liabilities represent a reasonable approximation of their fair values, mainly due to the short-term maturities of these instruments. The carrying amount of the long-term security deposit represents a reasonable approximation of its fair value as the current market deposit rates are as low as 0%.

Net losses of financial instruments are US\$ 83,036 for 2016 (2015: US\$ 22,786). The amounts presented consist of US\$ 147,125 net foreign currency losses from the realization and valuation of the financial assets and liabilities mentioned above, and of US\$ 64,088 gains from release of accrued liabilities.

Total interest income, interest expense and total expenses from financial instruments are:

	Jan. to Dec. 2016	Jan. to Dec. 31. 2015
	US\$	US\$
Total interest income	2,322	0
Total interest expense	1,574	144
Total bank transaction expenses	4,384	9,714

The bank transaction expenses are presented under the operating expenses.

5.2 Financial Risk Management

The Foundation's operating business as well as its intended future investment and financing activities are affected by changes in foreign exchange rates, and interest rates. In order to optimize the allocation of the financial resources, GLEIF identifies, analyzes and manages the associated market risks. The Foundation seeks to manage and control these risks primarily through its regular operating and financing activities.

Foreign Currency Exchange Rate Risk

The intended operating structure of GLEIF exposes the Foundation to foreign currency exchange rate risks, particularly regarding fluctuations between the US dollar and the Swiss franc as well as the Euro, in the ordinary course of business. Based on an annual budget and monthly interim statements, the Foundation plans the future financial disbursements in each significant transaction currency to mitigate the risk exposure to unpredicted and unwanted currency exchange earnings.

IFRS 7 requires a presentation of the effects of hypothetical changes of currency relations on surplus and equity using a sensitivity analysis. The changes of currency prices are related to all financial instruments outstanding at the end of the reporting period. To determine the net foreign currency risk the financial instruments are categorized according to their foreign currency, and a 10% increase or decrease is assumed for the transaction currency. The following table shows the effect for the two main foreign transaction currencies:

	Effect on equity	Effect on surplus
	US\$	US\$
10% increase of transaction currency		
Swiss franc	18,043	18,043
Euro	166,213	166,213
	184,256	184,256
10% decrease of transaction currency		
Swiss franc	-18,043	-18,043
Euro	-166,213	-166,213
	-184,256	-184,256

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk arises whenever interest terms of financial assets and liabilities are different. Due to the short-term structure of a majority of financial assets and liabilities in the balance sheet as of December 31, 2016, the interest rate risk exposure of GLEIF is low.

Liquidity Risk

Liquidity risk results from the Foundation's potential inability to meet its financial liabilities, in particular for ongoing cash requirements from operating activities.

Due to the quarterly installments agreed in the arrangements with the major LEI issuers, and the repeating cash structure of the most important operating expenses, the GLEIF management is able to mitigate liquidity risks.

Credit Risk

Credit risk from fee receivables and other financial receivables includes the risk that receivables will be collected late or not at all. These risks are analyzed and monitored by the management. The Foundation mitigates the default risks by assessing the financial strength of an LEI issuer candidate during the accrediting and monitoring processes. However, default risk cannot be excluded with absolute certainty. The maximum default risk amount is the carrying amount of the financial asset. No collateral or insurance is agreed with regard to the default risk.

GLEIF has a primary banking relationship and therefore concentrates the majority of its cash holdings with one bank.



## 6. Other Information and Disclosures

### 6.1 Related Party Transactions

Related individuals of GLEIF include the Members of the GLEIF Board of Directors, the Chief Executive Officer and the Executive Management, and the members of the Regulatory Oversight Committee. Related organizations include the Financial Stability Board.

The following table discloses the current and prior year transactions with related parties, and the payables due December 31, 2016, and 2015:

	Jan. to Dec. 2016	Dec. 31, 2016	Jan. to Dec. 2015	Dec. 31, 2015
	Expenses	Liabilities	Expenses	Liabilities
	US\$	US\$	US\$	US\$
<b>Board Directors</b>				
Remuneration and bonus	0	0	50,000	50,000
Travel expense reimbursement	268,798	74,868	323,033	114,268
<b>Key management personnel</b>				
Fixed remuneration	887,729	22,265	636,852	772
Variable remuneration and bonus	226,103	226,103	275,571	200,413
Travel expense reimbursement	80,315	1,665	110,527	7,614
<b>Other related parties</b>				
Remuneration	55,800	0	0	0
Travel expenses reimbursement	15,306	0	0	0
	<b>1,534,051</b>	<b>324,901</b>	<b>1,395,983</b>	<b>373,067</b>

The Directors did not receive remuneration for their services as Members of the GLEIF Board of Directors, with the exception of the reimbursement of their travel costs. In 2015, the Board Chair received a separate remuneration for activities exceeding the usual scope of the Foundation which was approved in line with Article 19 of the GLEIF Statutes.

The 2016 and 2015 travel reimbursement expenses and liabilities for the Directors include claimed expenses as well as accrued expenses for outstanding reimbursement. In 2016, US\$ 64,000 accrued liabilities for 2015 Board of Directors travel expenses are released.

The key management personnel of GLEIF consist of the CEO, the CFO, the Head of Business Operations and the General Counsel.

Short term receivables due from key management personnel amount to US\$ 11,291 (December 31, 2015: US\$ 0), resulting from wage tax corrections.

The expenses for the pension scheme for Swiss employees in the favor of the Executive Management are US\$ 35,841 (2015: US\$ 7,200).

Other related parties consist of a US consulting firm which provides consulting services to GLEIF. The owner and managing director is a member of the Board of Directors.

### 6.2 Observance of the Requirements of the GLEIF Statutes

The purpose of GLEIF is to act as the operational arm of a global Legal Entity Identifier system, and thereby support on a not-for-profit basis the implementation of a global Legal Entity Identifier in the form of a reference code to identify unique legally distinct entities that engage in financial transactions, as per Article 3 of the GLEIF Statutes. The Board of Directors observed that all expenses and disbursements of GLEIF were made to pursue the purpose of the Foundation, in accordance with Swiss law and the GLEIF Statutes.

### 6.3 Auditor Fees

Fees related to professional services rendered by the Foundation's independent auditors, Ernst & Young Ltd., Basel/Switzerland, for fiscal year 2016 are US\$ 45,561 for 2016 audit services.

### 6.4 Subsequent Events

GLEIF is not aware of any significant subsequent event after the balance sheet date that would require disclosure.

7. Board of Directors, Secretary and Chief Executive Officer

The Board of Directors consisted of the following individuals on December 31, 2016:

			Term
<b>Gerardus Hartsink</b> (Chair of the Board)	Hilversum, the Netherlands		3 years
<b>Nabil Al-Mubarak</b>	Riyadh, Saudi Arabia		2 years
<b>Jefferson Braswell</b>	San Francisco, United States of America		3 years
<b>Bo Chen</b>	Beijing, China		3 years
<b>Sergio Chodos</b>	Washington, D.C., United States of America	resigned September 2016	2 years
<b>Arthur Cousins</b>	Johannesburg, South Africa		2 years
<b>Robin Doyle</b>	New York, United States of America		3 years
<b>Daniel Goroff</b>	New York, United States of America	nominated June 2016	2 years
<b>Hiroshi Kawagoe</b>	Tokyo, Japan		2 years
<b>Paul Kennedy</b>	Beecroft, Australia	nominated June 2016	2 years
<b>Wolfgang König</b>	Gelnhausen, Germany		3 years
<b>Alfredo Reyes Krafft</b>	Mexico City, Mexico	nominated June 2016	2 years
<b>Hyoung-Seok Lim</b>	Seoul, Republic of Korea		2 years
<b>Ravi Mathur</b>	Gurgaon, India		3 years
<b>Bruno Schütterle</b>	Bad Ragaz, Switzerland		3 years
<b>Timothy P. Smucker</b>	North Laureance, United States of America	resigned June 2016	2 years
<b>Christopher Taggart</b>	London, United Kingdom		3 years
<b>Elemer Terták</b>	Brussels, Belgium	nominated June 2016	2 years
<b>Kam Keung Tse</b>	Hong Kong, China	nominated June 2016	2 years

The first Directors were nominated in December 2013 by the Founder, the Financial Stability Board, and appointed at the inception of the Foundation on June 26, 2014 as per Article 14 of the GLEIF Statutes. Article 17 of the GLEIF Statutes stipulates that Directors are eligible for a term of two years, renewable (with consent of the Board of Directors) for an additional term of two years. To initiate a staggered rotation half of the initial Board of Directors were allowed to serve for a period of three years. The Board of Directors approved in its meeting in October 2016 that all eight Directors with a term of three years were allowed to serve an additional term of two years from June 2017 to June 2019.

For all subsequent Directors, a nomination procedure is coordinated by the Chairman of the Board of Directors. Irrespective of this procedure, the Founder has the right to remove or nominate a Board Director based on a re-commendation of the LEI ROC, as defined in Article 15 of the GLEIF Statutes.

The Board of Directors appointed Thomas Sprecher, Zurich, Switzerland, as Secretary of the Board on June 26, 2014. The Chief Executive Officer is Stephan Wolf, residing in Wiesbaden, Germany. He started in his role in October 2014.

Signing authorities have been established as per Article 35 “Signatures” of the GLEIF Statutes.

Basel, April 5, 2017

Independent Auditor’s Report

## Independent Auditor's Report



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To the Board of Directors of

**Global Legal Entity Identifier Foundation, Basle**

Zurich, 5 April 2017

## Independent auditor's report on the audit of the financial statements

### Opinion

In accordance with the terms of our engagement, we have audited the financial statements of the Global Legal Entity Identifier Foundation (GLEIF), which comprise the statement of financial position as of 31 December 2016 and the statement of comprehensive income, statement of changes in organizational capital and statement of cash flows for the year then ended 2016, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the GLEIF as of 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the GLEIF in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information included in the GLEIF's 2016 Annual Report

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Board of Directors is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the GLEIF's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and



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using the going concern basis of accounting unless the Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the GLEIF's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the GLEIF's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the GLEIF to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young Ltd

John Alton  
Licensed audit expert  
(Auditor in charge)

Daniel Rohrer  
Licensed audit expert

### Enclosure

- ▶ Financial statements (the statement of comprehensive income, balance sheet, cash flow statement, statement of changes in organizational capital and notes)



Overview of the Directors, the CEO, the LEI ROC Chairs and the Executive Management

As of December 31, 2016, the Board of Directors was comprised of 17 Directors inclusive of the Chairman and appointed by the FSB on a recommendation of the LEI ROC from industry and regulatory organizations who bring their expertise and experience to the GLEIF. Their contributions were instrumental in establishing the GLEIF in 2014.

All Members of the Board of Directors serve the Global LEI System on an unpaid basis. They are eligible for reimbursement of reasonable expenses relating to their responsibilities as governed by Article 19 of the Statutes and the GLEIF Board of Directors Expense Policy.

GLEIF Board Directors	Board of Directors	Committee of Chairs	Audit & Finance Committee	Governance	Technology & Operations Committee	Business Development
Gerard Hartsink	Chair	Chair		●		
Nabil Al-Mubarak	●		Vice-Chair	●		
Jefferson Braswell	●	●			Chair	●
Bo Chen	●			●	●	
Arthur Cousins	●				Vice-Chair	
Robin Doyle	●	●	Chair	Vice-Chair		
Daniel Goroff	●		●			Vice-Chair
Hiroshi Kawagoe	●		●		●	●
Paul Kennedy	●			Chair	●	
Wolfgang König	Vice-Chair	Vice-Chair			●	
Alfredo R. Krafft	●		●			
Hyoung-Seok Lim	●		●			
Ravi Mathur	●				●	●
Bruno Schütterle	●		●			●
Chris Taggart	●				●	●
Elemer Tertak	●		●			●
Kam Keung Tse	●					Chair

Composition of the Board of Directors as of 31 December, 2016.

Directors of the Board  
as of December 31, 2016



Director: Gerard Hartsink  
Role: Chairman



Director: Bo Chen  
Affiliation: China Financial Computerization  
Role: General Manager



Director: Alfredo Reyes Krafft  
Affiliation: Lex Informática Abogados  
Role: Founding Partner and Chairman



Director: Jefferson Braswell  
Affiliation: Tahoe Blue Ltd  
Role: Founding Partner & Chief Executive Officer



Director: Elemér Terták  
Affiliation: DG FISMA, European Commission  
Role: Former Principal Adviser



Director: Robin Doyle  
Affiliation: JPMorgan Chase  
Role: Managing Director for Corporate Regulatory Strategy & Policy



Director: Arthur Cousins  
Affiliation: SADC regional payment project  
Role: Project Coordinator



Director: Wolfgang König  
Affiliation: Johann Wolfgang Goethe University Frankfurt am Main  
Role: Chair of Business Administration in the Institute for Information Systems



Director: Hiroshi Kawagoe  
Affiliation: Sumitomo Mitsui Banking Corporation  
Role: General Manager



Director: Hyoungh-Seok Lim  
Affiliation: Korea Institute of Finance  
Role: Research Fellow



Director: Nabil Al-Mubarak  
Affiliation: Saudi Credit Bureau  
Role: Chief Executive Officer



Director: Paul Kennedy  
Affiliation: Macquarie University  
Role: Honorary Fellow



Secretary: Thomas Sprecher  
Affiliation: Niederer, Kraft & Frey AG  
Role: Partner



Director: Chris Taggart  
Affiliation: OpenCorporates Association  
Role: Co-Founder & Chief Executive Officer



Director: Bruno Schütterle  
Affiliation: Independent  
Role: Independent Consultant



Director: Ravi Mathur  
Affiliation: GS1 India  
Role: Chief Executive Officer



Director: Kam Keung Tse  
Affiliation: Tradelink Electronic Commerce Limited  
Role: Chief Executive Officer



Director: Daniel L. Goroff  
Affiliation: Alfred P. Sloan Foundation  
Role: Vice President and Program Director

Chief Executive Officer



Stephan Wolf  
Chief Executive Officer – GLEIF

LEI ROC Chairs



LEI ROC Chair: Joseph Tracy  
Affiliation: Federal Reserve Bank of New York, USA  
Role: Executive Vice President and Special Advisor to the President



LEI ROC Vice-Chair: Michael Ritter  
Affiliation: Deutsche Bundesbank, Germany  
Role: Head of Central Credit Register



LEI ROC Vice-Chair: Daisuke Yamazaki  
Affiliation: Financial Services Agency, Japan  
Role: Director for Trade Reporting, Office of International Affairs

GLEIF Executive Management



Virginia Flynn  
Head of Accreditation & Audit Services



Sven Schumacher  
General Counsel & Chief Compliance Officer



Clare Rowley  
Head of Business Operations



Veronika Schoehl  
Head of the Board Secretariat



Karla McKenna  
Head of Standards



Meral Ruesing  
Head of Communications



Anja Lechner  
Head of Service Management



Christoph Schneider  
Head of IT Development & Operations



Overview of Professional Advisors

Advisor	Country of Origin	Type of Service
Niederer, Kraft & Frey AG	Switzerland	Legal Services Board Secretary
CMS von Erlach Poncet Ltd.	Switzerland	Legal Services Trademark LEI issuer Contracts
WP StB Christian Hecht	Germany	Accounting & Tax Services
Format A AG until 01.2017	Switzerland	Invoicing Tax Services Payroll
Ernst & Young Ltd (EY)	Switzerland	Statutory Audit

General Information

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Karin Lange: lange-di.com

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