



# Global Legal Entity Identifier Foundation

## Annual Report 2018



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# Get to Know GLEIF

**LEI is the linchpin that connects the dots across the universe of entity identification.**

**GLEIF is agnostic to any particular commercial or political interests.**

## This is GLEIF

Established by the Financial Stability Board (FSB), the Global Legal Entity Identifier Foundation (GLEIF) is a not-for-profit organization tasked to facilitate the implementation and use of the Legal Entity Identifier (LEI) worldwide.

GLEIF manages the only open, non-proprietary entity identification system that is designed as a public good for users of the public and private sectors. By doing so, it enables people and businesses to make smarter, less costly and more reliable decisions about who to do business with. With the Global LEI Index, the largest global online source that provides open, standardized and high-quality legal entity reference data, users can access information on entity and ownership data. Accurate entity data and clarity on corporate ownership structures help users to manage risks, work efficiently and grow business.

## About the LEI

**The Legal Entity Identifier (LEI) is a 20-character, alphanumeric code based on the ISO 17442 standard.**

**The LEI uniquely identifies legal entities that engage in financial transactions, thereby helping to create greater transparency in the marketplace.**

**Accepted as standard for global use, the LEI has become a reporting requirement for several market regulatory organizations.**

## Our vision

The LEI is the linchpin that connects the dots across the universe of entity identification. We believe that ultimately there should be one identity behind every business. Having an LEI will help to achieve this objective. We are on a journey to increase the rate of LEI adoption so that in the future, the Global LEI Index will capture an increasing number of entities engaging in financial transactions globally, providing a 360-degree view.

## Our mission

Our mission is to provide trusted services and open, reliable data for unique legal entity identification worldwide. We do this by managing our network of partners, known as the LEI issuing organizations, ensuring the integrity of the Global Legal Entity Identifier (LEI) System.

Following the global financial crisis 2008, the goal of the drivers of the LEI initiative – namely the Group of Twenty (G20), the Financial Stability Board and many regulators around the world – was to use the LEI to create transparency in financial markets and for financial transactions. As demonstrated with the current LEI population, these efforts have generated excellent results. To date, 1.3 million LEIs have been assigned to legal entities globally to uniquely identify counterparties to transactions mainly for regulatory reporting. GLEIF believes that broad LEI adoption in the private sector generates significant advantages for the wider business community.

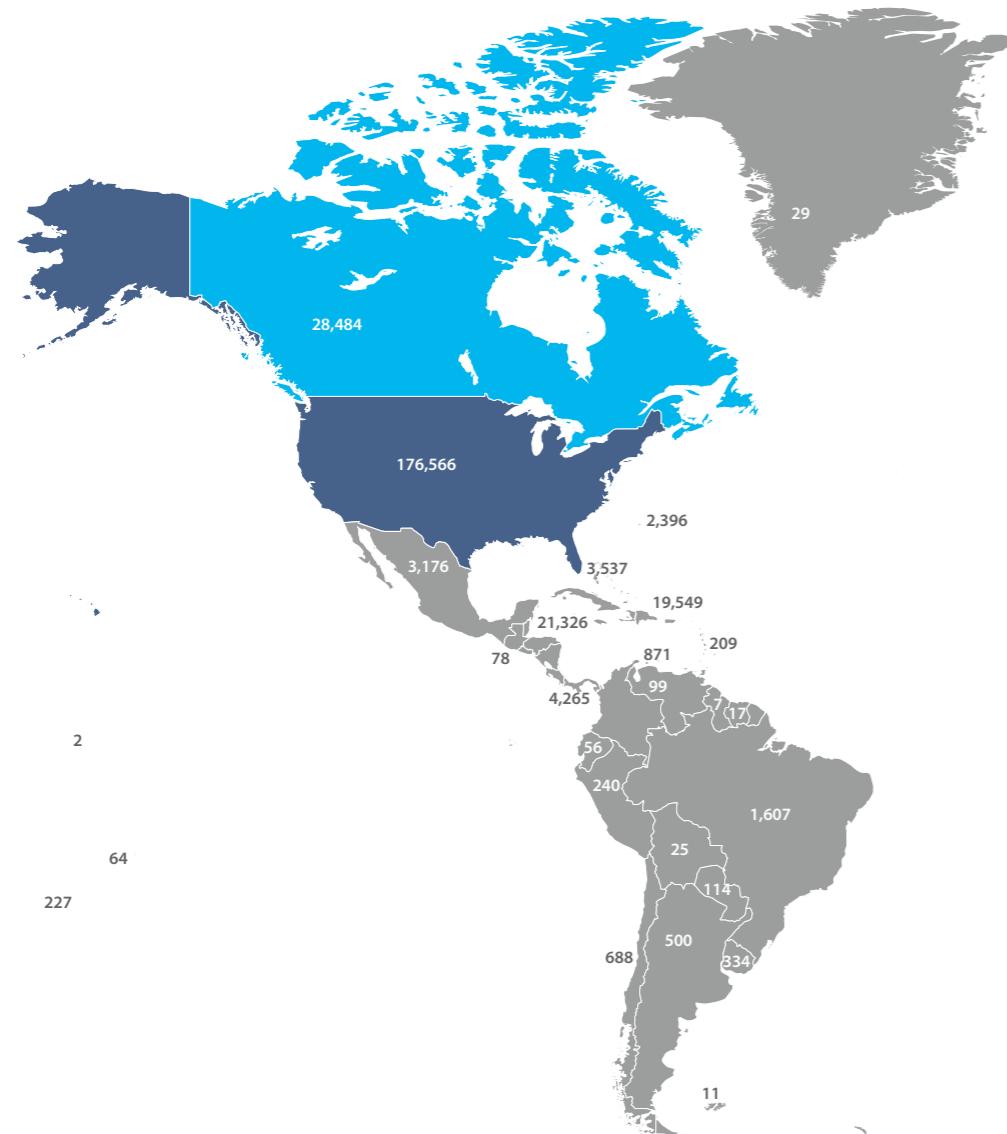
**GLEIF is overseen by the LEI Regulatory Oversight Committee (LEI ROC) represented by public authorities from around the globe. The responsibility for governance lies with the GLEIF Board of Directors comprised of 18 independent directors.**

# LEIs Worldwide

## Growth of the LEI data pool

**At the end of 2018, the total LEI population exceeded 1.3 million worldwide. This constitutes a growth of nearly 40% year on year.**

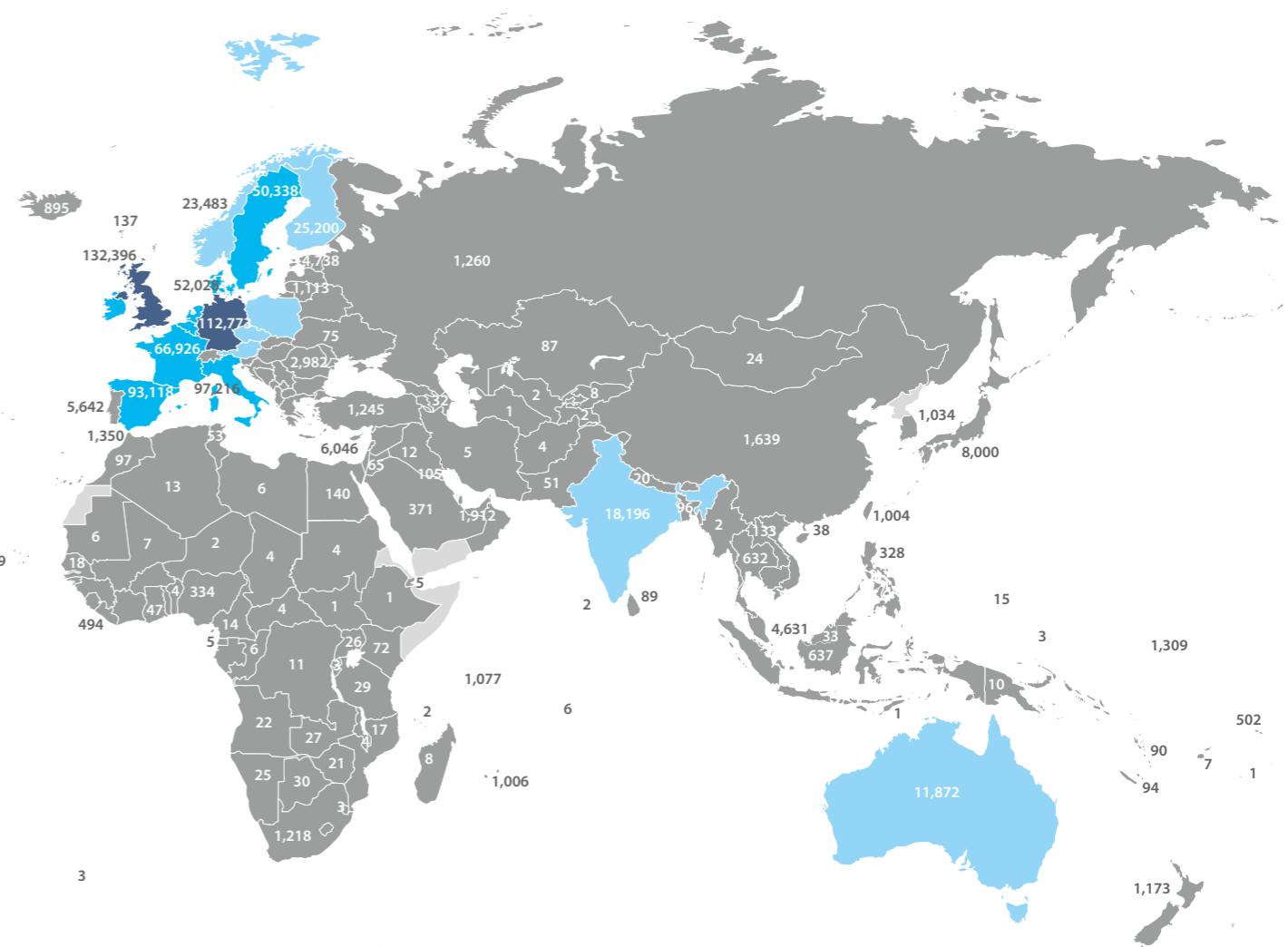
**This map shows the total number of active LEIs by jurisdictions at the end of 2018.**



## **Global LEI Index brings efficiency, transparency and trust to legal entity identification**

The Global LEI Index contains historical and current LEI records in one central repository. Its reference data provides the information on a legal entity identifiable with an LEI. Each LEI contains information about an entity's ownership structure and thus answers the questions of "who is who" and "who owns whom". The LEI data pool also features information on other identifiers that have been mapped to the LEI.

The publicly available LEI data pool can be regarded as a global directory, which greatly enhances transparency in the global marketplace.



Users can access and search the complete LEI data pool free of charge. Taking advantage of the Global LEI Index empowers the wider business community. This includes data suppliers and their customers, software providers, vendors and fintech organizations, to cut costs, simplify and accelerate operations, and gain a deeper insight into the global marketplace.

# 2018 Highlights

GLEIF in numbers

**1,516**

processed requests in  
data quality

**17.6**  
**million**

revenue

**36**

staff members from

**21**

countries

**~2,500**

daily file downloads (Golden  
Copy and Concatenated File)

**3,107**

data challenges managed

**3,841**

service desk inquiries managed

**240+**

jurisdictions and territories\*  
with LEI service availability

**>99%**

LEI data quality score

**1.3+**  
**million**

legal entities with an LEI  
worldwide

**+37%**

growth of LEI data pool in 2018

**+91%**

growth of relationship data

**389**

data quality reports issued

\*Based on the ISO 3166-2 standard.

# 2018 Highlights

GLEIF's core services

NEW

## Certification of LEI Mapping Service

Provides users with accurate cross-referencing of key entity identifiers, free of charge.

NEW

## LEI Search Tool 2.0

Enhanced functionality enables identification of corporate ownership structures and pinpoints other identifiers that are mapped to an LEI.

NEW

## LEI Look-up API

Provides users with faster, customized and automated access to the legal entity identifier data pool in realtime.

NEW

## Golden Copy File

Data users obtain frequently updated information on LEIs and related reference data in a ready-to-use format.

## LEI Business Statistics

Access to key facts and figures on the global LEI population.

## Accreditation Certification Service

Ensuring quality and performance standards for LEI services.

## Regulatory Use of the LEI Worldwide

Providing an overview on regulatory activities globally, including the use of the LEI.

## Free Level 2 Ownership Data: "Who Owns Whom"

Users have access to the only free global ownership data source connecting the corporate dots based on open, standardized and high-quality LEI data.

## Global Registration Authority List

Reference to over 690 (business) registers. Users of the LEI data can identify the authoritative source associated with a legal entity creating more reliability and usability of the LEI data.

## Data Quality Management Program

Monitoring and ensuring high-quality data for users.

## First Entity Legal Forms Code List

Over 1,600 entity legal forms and 50 jurisdictions: richer data delivers improved user experience and more global marketplace insight.

# Chairman's Report



Gerard Hartsink

**Dear Stakeholder,**

**After LEI registration had doubled last year, stable growth continued in 2018 at nearly 40%, further expanding the Global LEI System. For GLEIF, 2018 has been a year of taking stock. I am pleased to see our Foundation matures with its challenges. GLEIF achieved the consolidation of major projects that are instrumental for the strategic success of the organization.**

GLEIF delivers added value for the LEI users globally with its diversified suite of services. The LEI identifies legal entities that are parties to financial transactions. GLEIF's services are free of charge and intellectual property rights. GLEIF makes available the hierarchy and ownership data of legal entities. This is essential to better understand businesses and their relationships with other private or public-sector entities. GLEIF thereby delivers its services as mandated by its founder, the Financial Stability Board.

I am pleased to see that GLEIF services are being optimized day by day. With the LEI data pool, users are able to source additional information relevant to an LEI record, such as enriched reference data or mapping to other industry identifiers.

As highlighted by many audiences addressing identification management, it remains of critical importance that users can rely on accurate, complete and up-to-date legal entity data. There is no other global, open source system of legal entities with such a strict regime of regular data verification to ensure high-quality data.

Our mandate is to further implement the LEI as a global standard and as a broad public good for the benefit of users in the public and private sectors.

## Cooperation

Deepening the dialogue with the partners of the Global LEI System is vital to implement GLEIF's objectives as well as future projects.

In 2018, the Board of Directors held regular meetings with the Executive Committee of our overseer, the LEI ROC. We advanced discussions on, inter alia, fund relationships and individuals acting in a business capacity.

**"There is no other global, open source system of legal entities with such a strict regime of regular data verification to ensure high-quality data."**

Gerard Hartsink, GLEIF

Our CEO had frequent meetings with the LEI issuing organizations to ensure the continuous high performance of the LEI services. Exchanges with the LEI ROC and the LEI issuers contributed to optimizing services and ensuring the highest possible quality of the LEI data.

The Board of Directors is pleased about the growing number of business relations with stakeholders that support the LEI program in the capital and money markets, the financial services industry, the supply chain and the digital economy. These relations will ensure the continuous growth in LEI issuance to the benefit of all users.

GLEIF's active participation in several public consultations, 35 in total in 2018, further increases GLEIF's visibility and demonstrates the value creation of the LEI in many areas of the public sector. I welcome the fact that GLEIF harnesses opportunities to further engage with market participants. The structured dialogue established with the GIFI Stakeholder Group in 2018 stands for such an initiative. The LEI contains all the data elements needed to automate KYC and AML checks for financial institutions and other businesses and can facilitate faster screening against sanctions lists.

## GLEIF strategy

Building on our sustained progress, both financially and across service development, we embarked on delivering the next phase of the GLEIF strategy during the second half of 2018. The Board of Directors reviewed the GLEIF strategy in October 2018 and determined that there was significant opportunity for GLEIF to leverage its insight into prevalent market challenges and develop a broader range of solutions to create efficiencies with the LEI in several areas. The CEO and his team carried forward many strategic initiatives, whose progress the Board of Directors assessed throughout 2018.

As an example, the new Mapping Certification program, launched during the first half of the year, shows how GLEIF takes the lead in offering a free of charge service that enables the mapping of the LEI with other identification systems of businesses and objects. I look forward to seeing more initiatives materialize in GLEIF's strategic focus areas of banking services, the supply chain and the digital economy in the months to come. The LEI can add value in modernizing trade finance and create savings for businesses, as highlighted by the 2017 McKinsey & Company and GLEIF white paper. The supply chain is becoming increasingly global and digital, which requires a stronger system for the identification of trading partners for public and private purposes. The LEI is a promising candidate because it is a high-quality identifier for legal entities provided free of charge to any user. I also see merit in further advancing LEI use for digital applications, such as blockchain and KYS for consumer protection when buying goods and services from web merchants.

**"Financial institutions, among others, are well aware of the potential cost savings associated with a universal identification system."**

Gerard Hartsink, GLEIF

The LEI ROC Progress Report published in April 2018 recommended that individual jurisdictions may overcome the difficulties associated with the simultaneous existence of several domestic identity mechanisms by adopting the LEI. This would allow countries to leverage the infrastructure developed by the Global LEI System in particular for all cross-border challenges.

#### **Financial condition**

The financial state of the Foundation remains robust, which ensures preparedness for the future. From US\$ 17.6 million in revenues, the largest increase was generated in early 2018, primarily triggered by EU regulation mandating the LEI for regulatory reporting (EU MiFID II/MIFIR). The Board of Directors decided to add the net surplus of US\$ 8.4 million to the organizational capital in line with our purpose as a not-for-profit organization. The Board of Directors approved lowering GLEIF's LEI fee from US\$ 17 in 2018 to US\$ 11 for the 2019 budget.

I believe, as Chairman of the Foundation, it is critical that our internal levels of cash reserves are managed in such a way as to ensure the sustainability of operations, respond to future risks and implement programs that contribute to the purpose of GLEIF.

Our Board of Directors supports the joint efforts of GLEIF, the LEI issuers and the LEI ROC members to improve the LEI renewal rates and reduce the increasing lapsed LEI rates that occur in some jurisdictions. Through these improvements, the Global LEI System can sustain its unique high data quality regime for the benefit of the users.

#### **Governance**

GLEIF has a robust governance structure that, in adhering to applicable legal and financial requirements, provides what we consider an adequate level of governance, combined with high standards of transparency and independence.

The Board of Directors held seven meetings during 2018, including four in-person meetings. The minutes of the Board of Directors meetings are published on the GLEIF website. This enables our stakeholders to follow the dialogue and conclusions of the Board of Directors.

The Board of Directors, supported by the Governance Committee, made considerable progress on succession planning during 2018. Consequently, the appointment process as well as the transition of Directors is guaranteed.

**"The supply chain is becoming increasingly global and digital. This requires a stronger system for the identification of trading partners for public and private purposes. The LEI is a promising candidate because it is a high-quality identifier of legal entities that is provided free of charge to any user."**

Gerard Hartsink, GLEIF

The selection of new Directors is undertaken under strict confidentiality according to Swiss privacy rules. The Board of Directors' composition reflects GLEIF's global mandate in terms of geographic, sector and skill representation and follows the rules set out in the GLEIF Statutes. The Board of Directors decided in 2018 to extend the term of office from two to three years, renewable, to support reducing the turnover in the Board of Directors, ensuring the knowledge and network of the Directors will be available longer for the Foundation.

#### **Thanks**

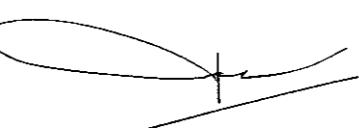
As Chairman, I would also like to take this opportunity to thank our three Directors, who have been Members of our Board of Directors since the establishment of GLEIF in June 2014, Arthur Cousins, Hiroshi Kawagoe and Hyoung-Seok Lim, for their valuable contributions to and stewardship of the organization over many years. Also, I would like to thank Paul Kennedy, former Chair of the Governance Committee, who resigned from the Board of Directors, for his leadership. I wish them every success in their future endeavors.

#### **Future prospects**

We are on a journey to increase the rate of LEI adoption so that in the future our LEI services will capture an increasing number of legal entities globally, including relevant relationship data, to provide a 360-degree view of corporate structures. GLEIF is evolving to meet the challenges of the market and, as a critical online repository, leading the development of trusted open source entity identification. In 2018, we laid the foundations for an expanded range of services. I look to the CEO and his team with anticipation as we bring multiple initiatives to market in 2019.

Balancing our users' needs today with our plans for future services is central to our long-term success. Maintaining high data quality lies at the heart of our strategy, and we continue to build our business portfolio to meet their changing demands. There is still much to do, but I am confident we have the right team to deliver sustainable growth. I extend to you, our Directors, the LEI ROC, GLEIF management and staff, my sincere thanks for your continued support.

We can only maintain a strong Global LEI System by working together with our partners to achieve the objectives of our Foundation to make the LEI a broad public good for the benefit of any user. We are convinced of the value of the LEI for entity identification worldwide and the potential of this global standard to be tapped for various business processes.



Gerard Hartsink

Chairman

# CEO's Report



Stephan Wolf

The year 2018 was pivotal for GLEIF. Recognizing the opportunity to deliver more for our users, we expanded key services and advanced our growth initiatives. This in turn is opening up new avenues to increase participation in the Global LEI System, so that more people and businesses make use of the LEI. We believe in the power of the LEI as a global standard for legal entity identification, responding to the needs of the digital age.

With over 1.3 million entities in our Global LEI Index, we service the largest open online repository with standardized high-quality entity data. By the end of 2018, the majority of LEI registrants reported parent information. We will continue increasing the wealth of information with ownership data to identify corporate families, and this free of charge. I am proud to say that the number of accredited LEI issuers has grown by 65% year on year and GLEIF is now overseeing 33 organizations globally.

In 2018, our organization has made great progress specifically within the following areas.

## More services

GLEIF enables people and businesses to make smarter, less costly and more reliable decisions about who to do business with. GLEIF meets these objectives by offering a broad range of services to the public and we do this in cooperation with our partners, the LEI issuing organizations. We continued to deliver our strategic goals throughout 2018, and laid the foundations for an exciting range of services for our users.

In 2018, GLEIF has provided in total 23 services. GLEIF implemented a Service Management System with the aim of receiving ISO 20000 certification. In this way, we ensure a reliable, timely and efficient service delivery as well as service operation to continue to be a credible partner for our stakeholders.

Without doubt, GLEIF's Certification of Mapping Service constitutes an essential milestone in 2018. Together with SWIFT, we introduced the first open source BIC-to-LEI mapping in early 2018.

The mapping service performed seamlessly during the year. Market participants are now enabled to link and cross-reference these key entity identifiers free of charge. This significantly streamlines entity verification processes and reduces data management costs relevant for any client relationship management or due diligence for KYC and KYS processes. We also partnered with the Association of National Numbering Agencies (ANNA) at the end of the year, in a new global initiative where the ISIN, an international identifier for financial instruments, is mapped to the LEI. Linking these two ISO standards will enable firms to aggregate the data and gain a view of their securities exposure. Planned for 2019, the ISIN-to-LEI mapping table will be freely available.

We aim to replicate such successful cooperation with other stakeholders. It is a great opportunity for organizations that have their own identifiers to make legal entity identification more efficient, cut costs and, at the same time, deliver more insight into the marketplace.

On this occasion, I would like to highlight that XBRL developed a prototype of a GLEIF Annual Report available at [www.xbrl.org](http://www.xbrl.org). The Annual Report 2018 will be available in inline XBRL and HTML format on our website, digitally signed by the Chair, the CEO and our auditor Ernst & Young (EY) – a first example of its kind. GLEIF strives to make digital signing with the LEI available to all by proposing a standard way to embed the LEI in digital certificates as a new separate part of the ISO 17442 standard which currently is under revision.

## Better usability and access to data

Fast and easy access to data is not our users' only expectation. They also want accurate data that is fresh and up-to-date. I'm very encouraged to see that GLEIF has made essential steps in making the wealth of information of LEI data more accessible and usable.

Our new GLEIF LEI "Look-up" application programming interface (API) contributes to meeting these goals. Any user can obtain realtime updates for free. The new API allows organizations to set up fast, customized and automated access to the Global LEI Index. Going forward, the application will continue to evolve and we will achieve this through our stakeholders' feedback.

**"Integrating the LEI into other entity verification methods, including solutions based on digital certificates and blockchain technology, will allow anyone to easily connect all records associated with an organization and identify who owns whom. By becoming the common link, the LEI will provide certainty of identity in any online interaction, making it easier for everyone to participate in the global digital marketplace."**

Stephan Wolf, GLEIF

**"GLEIF is on a journey to increase LEI adoption so that in the future, via our database, anyone can get a 360-degree view of the business landscape. This enables smarter, less costly and more reliable decisions about who to do business with, while bringing simplicity to onboarding and transacting."**

Stephan Wolf, GLEIF

To improve the user experience, the new LEI Search 2.0 was launched and is currently in beta testing. This is essential for users since it offers more functionality, including the option to identify corporate ownership structures or pinpoint other identifiers that have been mapped to an LEI. The new Golden Copy Files, together with the delta files, also help LEI data users to get frequently updated information on LEIs and related reference data in an easy-to-use format. It is clear to envision the value delivered by these services growing considerably over time. In the area of standardization, GLEIF worked on developing semantically correct models of the LEI and its reference data, to ensure the use of consistent models of the LEI within several standards.

GLEIF offers improved access and usability to a unique, free data source that allows corporate dots to be connected globally. We expect the organization to be prepared, since new solutions require continuous investment for the resilience of our operations.

#### **Reliable data**

All these measures contribute to higher data quality and increased trust in the system. We further expanded our Data Quality Management Program in 2018. And we continue to be transparent about our own data governance. With our new data quality team, we kicked off projects that help to continue delivering accurate entity information in our data pool. The recent introduction of new data quality criteria and performance checks is instrumental to increasing the use and reliability of the LEI reference data.

We are committed to ensuring our data quality score remains well over 99%, and we will not stop raising the bar. Major data quality initiatives will materialize in the coming months so that we keep on making available trusted, reliable entity data for our users. This lies at the heart of our mission.

#### **Performance**

After a strong uptick in LEI issuance of nearly 100% as against the previous year, 2018 was a period of steady growth, at around 40%. GLEIF consolidated important projects as outlined above. GLEIF generated accumulated revenue of US\$ 17.6 million in 2018 with a net surplus of US\$ 8.4 million. Notably, in the first quarter of 2018 the overall renewal rate of close to 70% remained essentially stable, while projections foresee a decreasing renewal rate for 2019. Further mitigating future risks will be ensured through stable cash reserves. The LEI fee, that GLEIF receives from the LEI issuers, was lowered from US\$ 19 to US\$ 17 in the approved budget for 2018. In 2019, the LEI fee will be further reduced to US\$ 11. Further lowering prices remains critical to establishing the LEI as a global standard worldwide. We will continue to address the issue of lapsed LEIs, and decreasing trends for renewal of LEIs in some jurisdictions, with the Board of Directors and the LEI ROC.

Our goal is to deliver a broad portfolio of services to our users. We reflect our commitment by providing expertise and reliability throughout our organization and the management of the Global LEI System.

#### **Drive to innovation**

In an increasingly globalized digital economy, organizations need a standard for entity identification that can be applied globally. The LEI offers this solution.

In our research paper "A New Future for Legal Entity Identification" we show how integrating the LEI as a common link will provide certainty of identity in any online interaction. This makes it easier for everyone to participate in the global digital marketplace. The LEI can help to save costs and remove friction in any business transaction where verification of identity is needed. In 2018, GLEIF and the Data Foundation carried out comprehensive research on the entity identification systems across the U.S. government. The results showed how LEI adoption could streamline entity identification and produce benefits within and beyond financial markets. We also see great merit in having the LEI embedded in solutions based on digital certificates and blockchain technology. The use cases for the LEI are wide.

In 2018, I saw market participants from various industries take an interest in our organization since they are looking for entity identification solutions to increase their operational efficiency and generate additional revenue. Many view the LEI more and more as a driver for growth, since with it, entity identification for any business active in the global marketplace gets easier and more cost efficient.

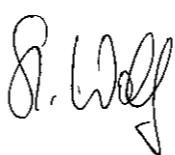
#### **Looking ahead**

Embracing a system where legal entity identification can be assured, in an open, interoperable and instant digital format, all stakeholders will be able to transact with far greater confidence.

The delivery of our strategy has continued to be an important priority over the last six months. Our focus has been on developing solutions to meet our users' needs. This, combined with continued operational excellence and rigorous financial management, is ensuring we build a sustainable future.

We are committed to working together with our partners to advance the Global LEI System. By listening to our users, we can best learn and adapt to their needs.

Innovative strategies and new ideas will consistently help us raise the bar to the maximum. Without the passion of our people and the continuous engagement of our stakeholders we would not be here where we are today. I also want to thank our Board of Directors and the LEI ROC for their continuous guidance and support.



Stephan Wolf

Chief Executive Officer

# Performance

The global LEI data volume exceeded 1.3 million at the end of 2018. Nearly 40% more legal entities worldwide registered for an LEI. LEIs allow unique identification of organizations entering into financial transactions. The use of the LEI as a trusted entity identifier adds value for the public and private sectors.

## LEI for regulatory use

LEIs are a regulatory reporting requirement in many jurisdictions worldwide.

In 2018, the largest LEI adoption was attributable to mandating LEIs by regulation particularly in Europe's capital and money markets notably through the Markets in Financial Instruments Directive II (MiFID II) and Markets in Financial Instruments Regulation (MiFIR) of the European Union, requiring LEIs for transaction reporting since June 2018. The LEI as a standard gained traction particularly for counterparty identification, such as in the United States where it must be used by companies transacting with European counterparties, in India where it is used to identify credit borrowers over a certain size, and in Hong Kong and Singapore where it serves as a regulatory identifier. In 2018, India, Mexico and Turkey required LEIs for OTC derivatives reporting. LEIs were also required in Malaysia's large value payment system, to name just a few examples.

The use of the LEI as a standard for entity identification adds value to regulators and public authorities in particular for improved data integrity, systemic risk analysis, reporting and market surveillance.

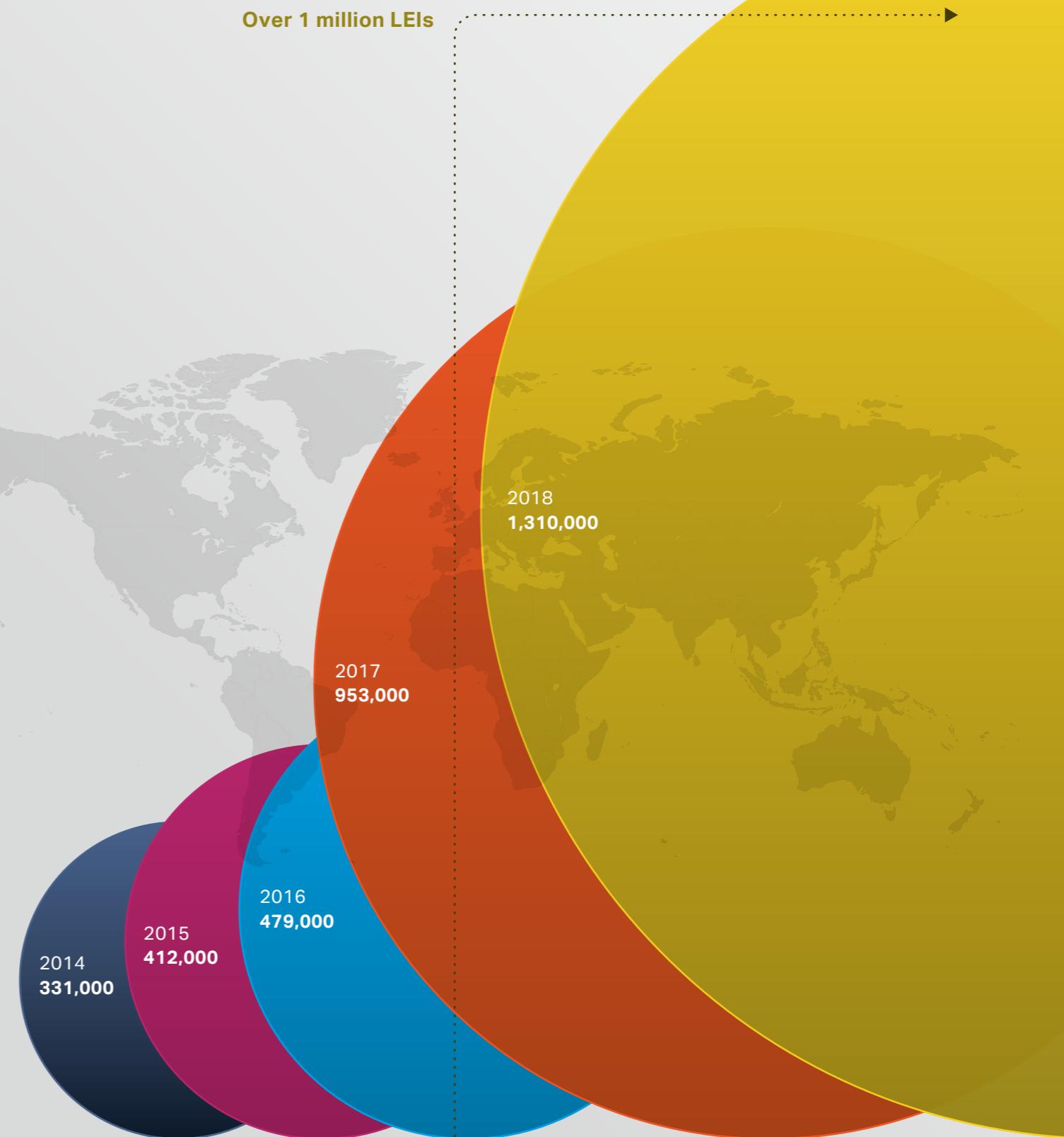
## LEI for business use

Beyond regulation, the LEI generates significant advantages for many actors in the private sector. The benefits for the wider business community grow in line with the rate of LEI adoption.

Up until now, legal entity reference data has been proprietary, siloed and non-standardized, leading to inefficiencies and confusion in business processes and business relations. The LEI changes that. The LEI is key to entity data management and often functions as a primary link to centralize entity data from various silos across an organization, creating a single and complete record of each entity the organization does business with. The LEI can create efficiencies for the entire business community in any market segment supporting a multitude of applications, such as risk management, compliance, procurement and client relationship management. As a primary link for entity verification, the LEI will provide certainty of identity in any online interaction, making it easier for everyone to participate in the global digital marketplace.

## Growth LEI data volume 2014–2018

This chart demonstrates the significant increase of entities worldwide having an LEI.



# Growth of LEI issuance 2017–2018

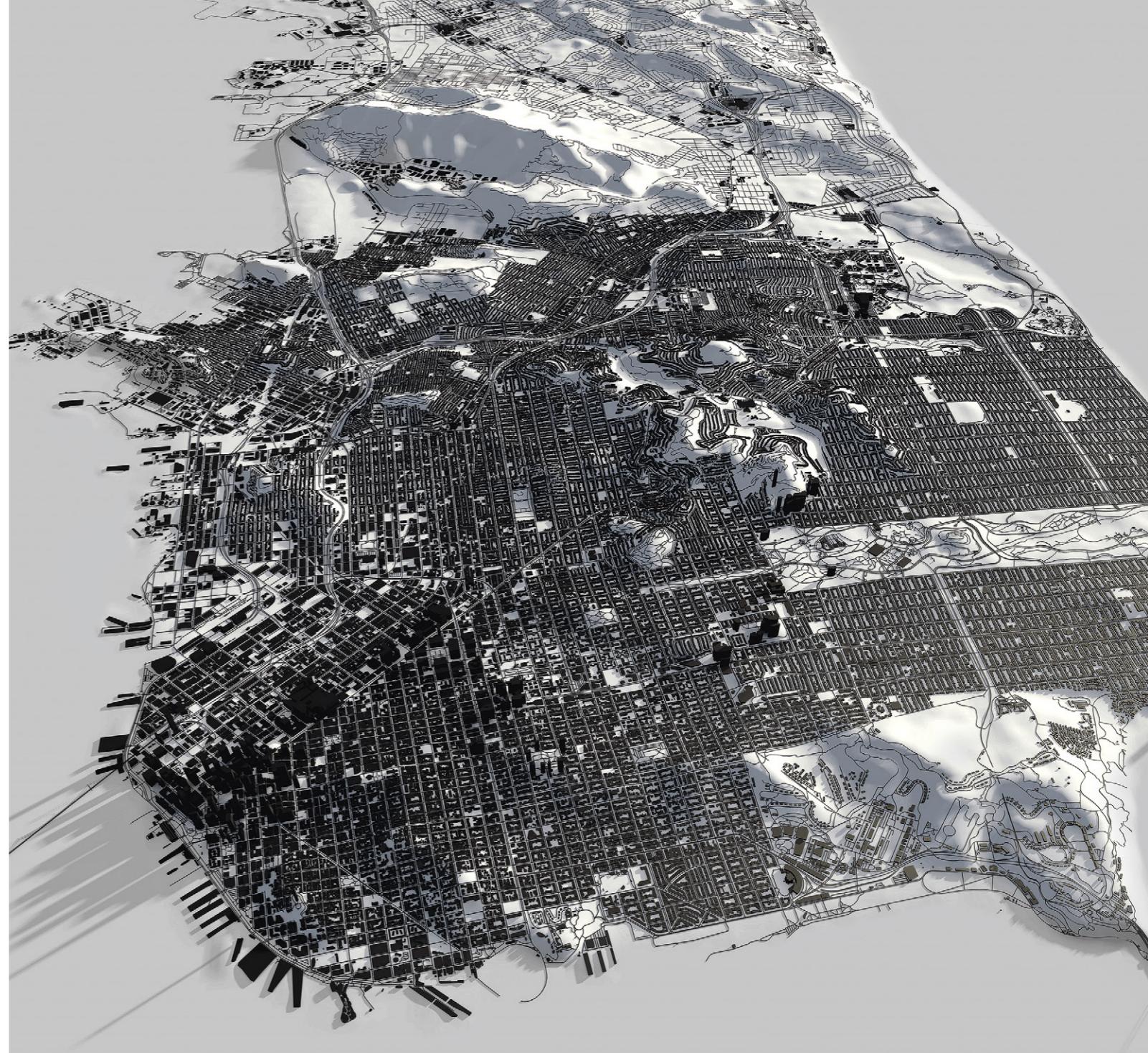
The chart below shows the growth of the number of LEIs issued by LEI issuer from 2017 to 2018.

	LEI	LEI
	Dec. 31, 2018	Dec. 31, 2017 <sup>1</sup>
GMEI Utility, a service of BED B.V.	<b>408,933</b>	345,812
London Stock Exchange LEI Limited (London Stock Exchange)	<b>162,829</b>	128,971
Herausgebergemeinschaft WERTPAPIER-MITTEILUNGEN Keppler, Lehmann GmbH & Co.KG (WM Datenservice)	<b>126,948</b>	107,081
InfoCamere SCpA, Societa' Consortile di Informatica delle Camere di Commercio Italiane per Azioni (InfoCamere)	<b>92,712</b>	60,404
Kamer van Koophandel (KvK; Netherlands Chamber of Commerce)	<b>91,566</b>	76,046
Colegio de Registradores de la Propiedad, Mercantiles y Bienes Muebles de España (CORPME)	<b>87,660</b>	53,283
Bloomberg Finance L.P. (Bloomberg)	<b>63,205</b>	32,008
Institut national de la statistique et des études économiques (Insee)	<b>60,663</b>	38,636
Bundesanzeiger Verlag GmbH (Bundesanzeiger Verlag)	<b>36,333</b>	23,380
EQS Group AG (EQS)	<b>33,554</b>	3,859
GS1 AISBL	<b>27,929</b>	—
Patentti- ja Rekisterihallitus (Finnish Patent and Registration Office (PRH))	<b>23,447</b>	16,521
Krajowy Depozyt Papierów Wartościowych S.A. (KDPW)	<b>15,992</b>	12,444
Legal Entity Identifier India Limited (LEIL)	<b>15,238</b>	2,046
Centrální depozitář cenných papírů a.s. (CSD Prague)	<b>14,661</b>	11,702
The Irish Stock Exchange Plc (Irish Stock Exchange)	<b>8,869</b>	5,913
LuxCSD S.A (LuxCSD)	<b>7,308</b>	5,542
Tokyo Stock Exchange, Inc. (Japan Exchange Group/Tokyo Stock Exchange (JPX/TSE))	<b>6,973</b>	6,312
Office fédéral de la statistique (Federal Statistical Office)	<b>5,987</b>	1,898
KDD - Centralna klirinško depotna družba d.d. (Central Securities Clearing Corporation, Slovenia)	<b>3,528</b>	1,676
Ubisecure Oy	<b>2,575</b>	—
Centrálny depozitár cenných papierov SR, a.s. (CSD Slovakia)	<b>1,561</b>	950
China Financial Standardization Technical Committee	<b>1,419</b>	715
Asociación Mexicana de Estándares para el Comercio Electrónico A.C. (GS1 Mexico)	<b>1,277</b>	150
National Settlement Depository, Russia	<b>1,082</b>	965
Zagrebačka burza d.d. (Zagreb Stock Exchange, ZSE)	<b>984</b>	654
İstanbul Takas ve Saklama Bankası Anonim Şirketi (Takasbank)	<b>960</b>	347
Korea Securities Depository (KSD)	<b>651</b>	378
Strate (Pty) Ltd (Strate)	<b>396</b>	213
Saudi Credit Bureau (SACB / Moa'rif)	<b>320</b>	173
Central Securities Clearing System Plc (CSCS Nigeria)	<b>265</b>	249
AJPES	<b>51</b>	—
Depozitarul Central SA (Romania)	<b>10</b>	—
GS1 Germany <sup>2</sup>	<b>—</b>	14,446
Central Bank of Argentina LEI issuing organization <sup>3</sup>	<b>—</b>	77

1) LEI issuers with no LEI number were not operating yet in 2017 and were accredited in 2018.

2) LEI issuer transferred managed LEIs to GS1 AISBL.

3) LEI issuer ceased LEI operations.



## McKinsey & Company and GLEIF white paper

**"The Legal Entity Identifier: The Value of the Unique Counterparty ID"**  
(October 2017)

For companies of varying sizes across different industries, the LEI can enable cost savings, expedited payments and improved customer experience. While the value of LEI use is clear, the adoption of LEIs depends on achieving the network effect within industry subgroups. This effect can begin with further discussion among beneficiaries and other stakeholders. As new use cases for the LEI take hold and companies and the banking institutions financing their activities work with each other to encourage the adoption of the LEI, the benefits and business value will grow, and easier counterparty identification will open the door to further automation and digitization of financial and commercial transactions around the globe.

# Performance

## Robustness of the Global LEI System

**"We believe in the power of the LEI as a global standard for legal entity identification, responding to the needs of the digital age."**

Stephan Wolf, CEO

### The role of the LEI issuing organizations

LEI issuers – also referred to as Local Operating Units (LOUs) – act as the primary interface for legal entities wishing to obtain an LEI.

Only organizations duly accredited by GLEIF are authorized to issue LEIs.

### Accreditation ensures operational excellence

The Accreditation Certification Service is the process by which GLEIF evaluates the suitability of organizations seeking to operate within the Global LEI System as LEI issuers.

From 2017 to 2018, the number of accredited LEI issuers has grown by over 65%. Today, GLEIF oversees 33 organizations globally.

The LEI issuers represent a diverse grouping, which includes governments, depositories and private and public organizations.

GLEIF also continues to receive new applications from organizations seeking to participate in the Global LEI System.

# Facts and figures

## LEI issuance by LEI issuer in 2018

The chart shows the accumulated number of LEIs issued by LEI issuing organizations in the Global LEI System at the end of 2018.

### > 1,000,000 LEI

GMEI Utility, a service of BED B.V.	408,933
London Stock Exchange	162,829
WM Datenservice	126,948

### 10,000–100,000 LEI

InfoCamere	92,712
KvK; Netherlands Chamber of Commerce	91,566
CORPME	87,660
Bloomberg	63,205
Insee	60,663
Bundesanzeiger Verlag	36,333
EQS	33,554
GS1 AISBL	27,929
PRH	23,447
KDPW	15,992
LEIL	15,238
CSD Prague	14,661

### 1,000–10,000 LEI

Irish Stock Exchange	8,869
LuxCSD	7,308
JPX/TSE	6,973
Federal Statistical Office	5,987
Central Securities Clearing Corporation, Slovenia	3,528
Ubisecure Oy	2,575
CSD Slovakia	1,561
China Financial Standardization Technical Committee	1,419
GS1 Mexico	1,277
National Settlement Depository, Russia	1,082

### 0–1,000 LEI

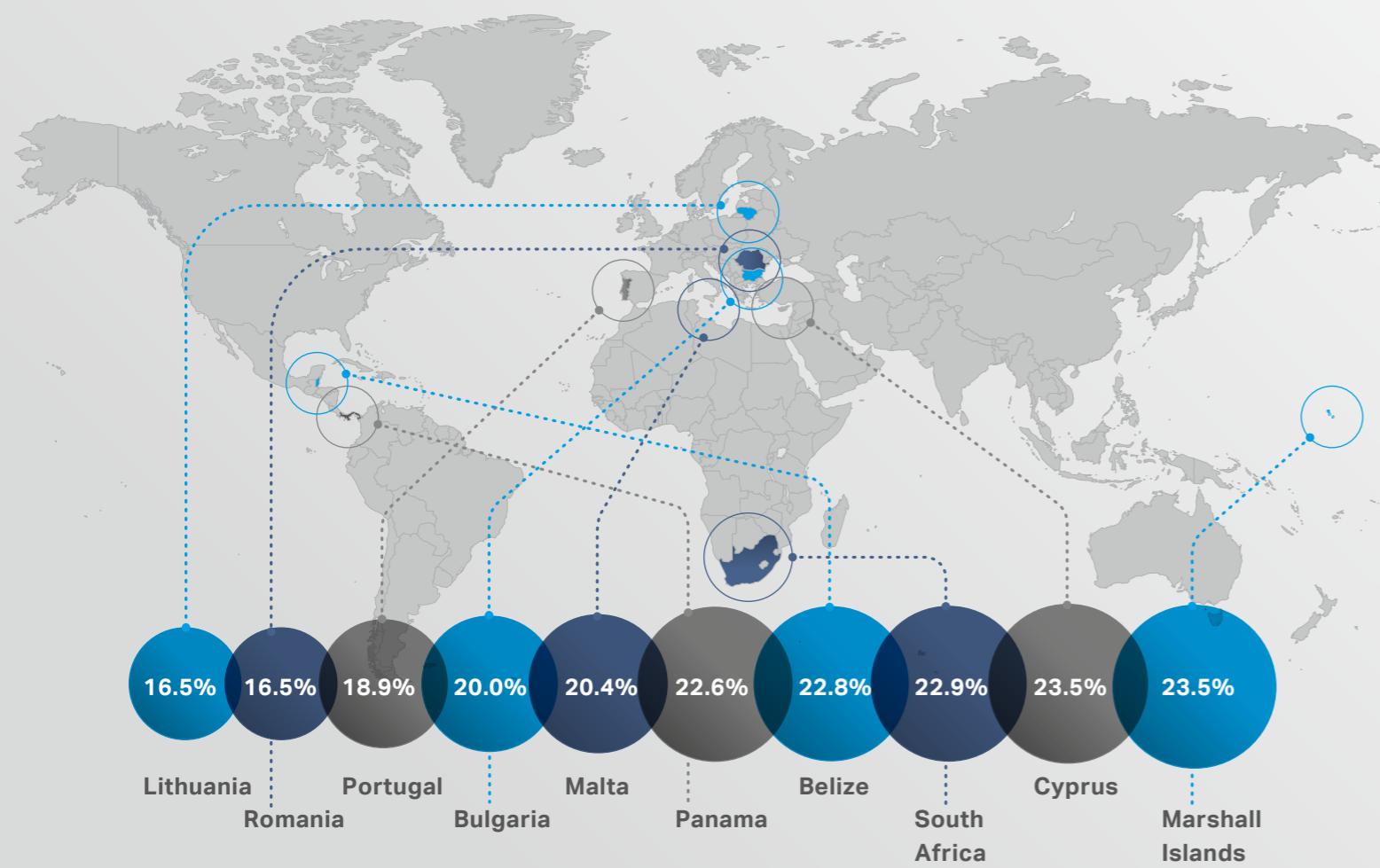
Zagreb Stock Exchange, ZSE	984
Takasbank	960
KSD	651
Strate	396
SACB / Moa'rif	320
CSCS Nigeria	265
AJPES	51
Depozitarul Central SA (Romania)	10

# Facts and figures

## Competition in the Global LEI System

GLEIF evaluates the level of competition between LEI issuers operating in a jurisdiction. It is measured by the concentration score. The lower the concentration score, the stronger the competition in a jurisdiction.

The chart below identifies the top 10 most competitive markets of those LEI issuers with more than 1,000 LEIs by the end of 2018.



Concentration scores of jurisdictions. Most competitive (least concentrated) markets from left to right.

## LEI renewal: ensuring data accuracy

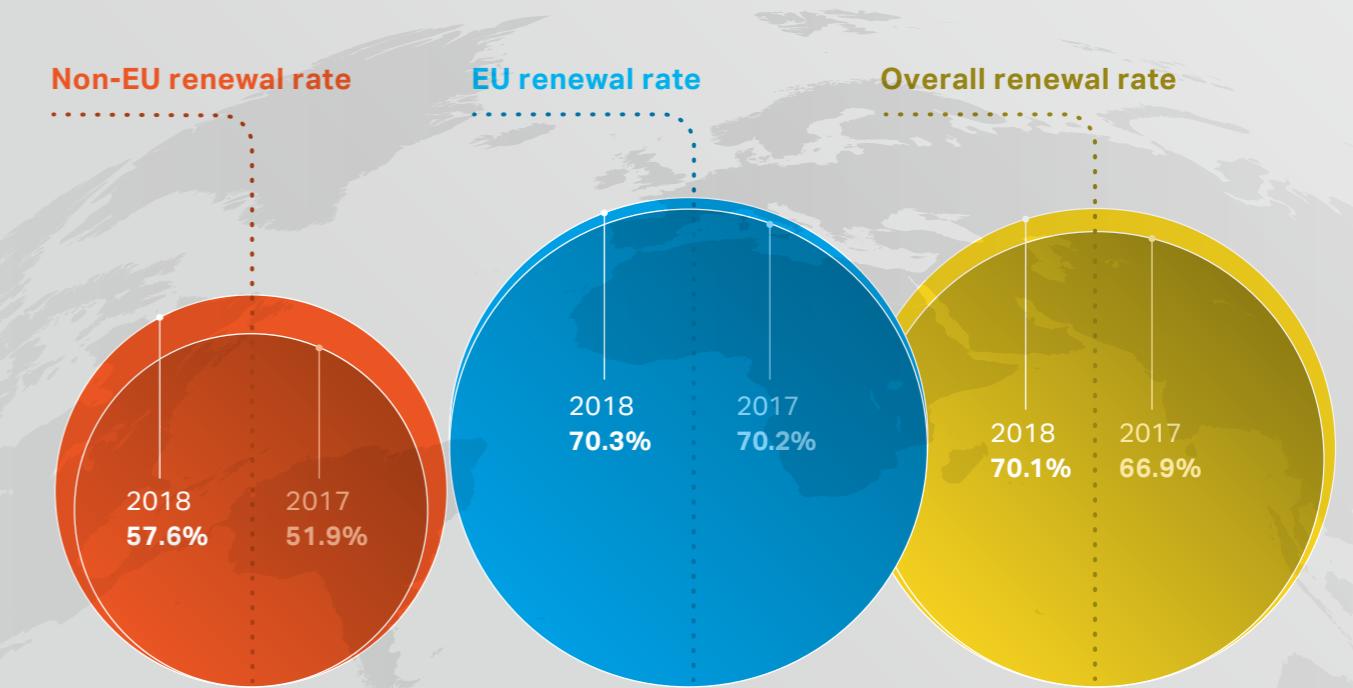
GLEIF views the timely renewal of LEIs as being of vital importance for the Global LEI System. This way, the LEI data remains accurate and up-to-date for its users.

GLEIF's Data Quality Management Program focuses on further optimizing the quality, reliability and usability of LEI data for its users. Data quality is also ensured via the annual LEI renewal process. The annual LEI renewal process ensures that the legal entity and the LEI issuing organization review and revalidate the legal entity reference data at least once per year. The Global LEI System is unique in providing absolute transparency on the time frame as to when data has last been verified.

## Annual LEI renewal rate comparison

At the end of 2018, the overall renewal rate in the Global LEI System stood at 70.1%. The renewal rate remained stable at 70.3% in the EU and improved in non-EU jurisdictions to 57.6% during 2018.

The chart below shows the annual renewal rate in the EU vs. non-EU jurisdictions and the overall renewal rates of jurisdictions with more than 1,000 LEIs.



# Directors' Report

The Board of Directors of the Global Legal Entity Identifier Foundation takes great pleasure in presenting the fourth Annual Report of the Foundation and the audited financial statements for the financial year from December 31, 2017 to December 31, 2018.

The financial statements are prepared in accordance with applicable laws and regulations. Pursuant to Swiss accounting law, accounting standards are the International Financial Reporting Standards (IFRS) for the financial audit.

GLEIF is a Swiss foundation. The Board of Directors has a global, multi-sector set-up in line with GLEIF's mandate of the G20 and FSB. The Board of Directors oversees the GLEIF strategy and activities, exercising its powers in the best interest for the purpose of the Foundation. GLEIF is subject to the oversight of the LEI Regulatory Oversight Committee (LEI ROC).

## Board of Directors meetings

In 2018, the Board of Directors held seven meetings of which four were in-person meetings to ensure oversight of the Foundation's operations and continued dialogue between Directors and the CEO supported by his management team.

Pursuant to Article 16 of the Statutes, ex officio Board members, namely the Chair and two Vice-Chairs of the LEI ROC, participated as observers in the Board of Directors meetings.

The Board of Directors held two meetings with the LEI ROC Executive Committee. In addition, the GLEIF Chair and CEO were invited to report on the status of relevant activities and projects in two LEI ROC Plenary meetings. The GLEIF Chair and the CEO had biweekly meetings with the LEI ROC Chair and the two Vice-Chairs.

## Board of Directors of GLEIF



Back row: Alfredo Reyes Krafft | Nabil Al-Mubarak | Kam Keung Tse | Bo Chen | Jefferson Braswell | Robin Doyle | Elemér Terták | Ravi Mathur | Henrique de Rezende Vergara | Christopher Taggart

Front row: Thomas Sprecher | Changmin Chun | Monika Singer | Wolfgang König | Gerard Hartsink | Hiroshi Nakatake | Sandra Boswell | Bruno Schütterle | Daniel Goroff





## Board of Directors

On December 31, 2018, the Board of Directors of the Foundation consisted of 18 Directors from 4 regions mentioned in the GLEIF Statutes and 15 jurisdictions.

1. Gerard Hartsink, Chair (Netherlands)
2. Nabil Al-Mubarak (Saudi Arabia)
3. Jefferson Braswell (United States of America)
4. Bo Chen (China)
5. Changmin Chun (Korea)
6. Robin Doyle (United States of America)
7. Daniel Goroff (United States of America)
8. Hiroshi Nakatake (Japan)
9. Sandra Boswell (Australia)
10. Wolfgang König (Germany)
11. Alfredo Reyes Krafft (Mexico)
12. Ravi Mathur (India)
13. Bruno Schütterle (Switzerland)
14. Monica Singer (South Africa)
15. Christopher Taggart (United Kingdom)
16. Elemér Terták (Hungary)
17. Kam Keung Tse (Hong Kong, China)
18. Henrique de Rezende Vergara (Brazil)

## Retirement, reappointment and appointment of Directors

Since the last report, the following changes took place in the Board of Directors of the Foundation.

### Reappointment of Directors

The following four Directors were reappointed as Directors of the Foundation for a second term of office from June 2018 to June 2021:

1. Kam Keung Tse (Hong Kong, China),
2. Daniel Goroff (United States of America)
3. Paul Kennedy (Australia)
4. Elemér Terták (Hungary)

Pursuant to Article 17 and 20 of the Statutes, the following Director was reappointed to serve for an exceptional term of office:

1. Nabil Al-Mubarak (Saudi Arabia) was reappointed as Director of the Foundation for an exceptional term from June 2018 to June 2020.

The following four Directors were reappointed for an exceptional term of office from June 2019 to June 2020 to avoid that eight Directors would retire in June 2019:

1. Gerard Hartsink (Netherlands) was reappointed as Director of the Foundation and Chair of the Board of Directors.
2. Jefferson Braswell (United States of America) was reappointed as Director of the Foundation and Chair of the Technology Operations and Standards Committee.
3. Robin Doyle (United States of America) was reappointed as Director of the Foundation and Chair of the Audit and Finance Committee.
4. Wolfgang König (Germany) was reappointed as Director of the Foundation, Vice-Chair of the Board of Directors and Chair of the Business Development Committee.

### Retirement and resignation of Directors

Pursuant to provisions set out in the by-laws under II.8., the following Directors retired by rotation from the Board of Directors in June 2018 after their second term of office had ended:

1. Arthur Cousins (South Africa)
2. Hiroshi Kawagoe (Japan)
3. Hyoung Seok-Lim (Korea)

Pursuant to Article 21 of the Statutes, Paul Kennedy (Australia), Director of the Foundation and Chair of the Governance Committee, resigned on October 9, 2018.

### Appointment of Directors

Pursuant to Article 15 of the Statutes, the following Directors were appointed to the Board of Directors for a term from June 2018 to June 2021:

1. Monica Singer (South Africa)
2. Hiroshi Nakatake (Japan)
3. Changmin Chun (Korea)
4. Sandra Boswell (Australia)



## Principal activities

In 2018, the Board of Directors focused its oversight on the core activities of the Foundation. These include the strategy of the Foundation, the budget and the use of resources, and the internal controls for operations and processes. The Board of Directors reviewed the implementation of relevant policies and internal audit recommendations supported by the Audit and Finance Committee.

The Directors are of the opinion that GLEIF made substantial progress demonstrating added-value use cases for the LEI as a global standard for entity identification. This further contributes to making the LEI a broad public good for the benefit of both public and private sector users, as required by GLEIF's Statutes.

The Board of Directors ensured that users from the public and private sectors were able to use the LEI data of the Global LEI Index free of charge. At the end of the year, GLEIF oversaw 33 LEI issuing organizations globally that were approved for accreditation by the Board of Directors. As the Global LEI System matures, accreditation has expanded its focus towards the Annual Accreditation Verification program. This is a key component of GLEIF's oversight function and provides for a 360-degree review of LEI issuers' operational and financial health. It is important that GLEIF ensures LEI issuers consistently comply with the internal controls necessary to protect and control LEI general and reference data integrity.

The Directors supported GLEIF's investments to expand its services and increase user experience. This includes the ramping up of IT applications such as the optimization of the LEI search tool, safeguarding the extension of the collection of relationship data (direct and ultimate parent information) as well as important projects in the area of data governance. Overall, ensuring high-end services and strong data quality remains key.

During the year, the Directors oversaw the approach to implementing the vision and strategy of GLEIF. In October 2018, the Directors took stock of the steps taken and evaluated the short, medium and long-term balance between goals and resources. The Board of Directors approved adjusted business objectives for 2022.

The Board of Directors approved the budget for 2019, including the LEI fee for GLEIF of US\$ 11 applicable for the year 2019. The Directors endorsed the GLEIF "Request for Proposal" for the development and public discussion of a GLEIS 2.0 not covered by the budget 2019.

## Advocacy and cooperation

The Board of Directors values the constructive dialogue with the LEI ROC Executive Committee. GLEIF, together with the LEI ROC, will continue to review the best cooperation model for the users of the LEI from the public sector that may have an interest. Continued advocacy is required at both the national and international levels as well as cooperation between the public and private sector institutions to target user needs effectively. Regulators play a key role in mandating the LEI for regulatory reporting, for supervisory and compliance purposes, and for the use of the LEI by the public sector at large.

The Board of Directors looks forward to GLEIF engaging with market participants across industries to make use of the LEI for the capital and money markets, in particular payments, the financial services industry, the supply chain and the digital economy. The Board of Directors welcomes projects launched such as expanding mapping services with the business, industry and company identifiers of legal entities. The Board of Directors encourages GLEIF's engagement with the LEI ROC and the LEI issuers to promote keeping the LEI reference data up-to-date.

GLEIF provides key services for the identification management of legal entities. We believe GLEIF will further drive innovation by delivering solutions for the demands of the digital age. Those demands are particularly real for e-government purposes, the supply chain and the digital economy.

## Commitment to transparency and open data

The Board of Directors upholds the principles of transparency in accordance with Article 6 of the Statutes. This shall ensure the Foundation applies uniform global operational standards and protocols that deliver global uniqueness of the LEI and seamless access to high-quality reference data for users.





GLEIF actively supports the International Open Data Charter, which aims to foster greater coherence and collaboration to promote the increased adoption of shared open data principles, standards and good practice across sectors globally.

The Foundation operates with a high degree of transparency and publishes all relevant information on its website in line with the governance principles of the Global LEI System and general policies as approved by the LEI ROC.

#### **Sound management**

The Board of Directors is satisfied that the Foundation promotes prudent management to ensure the best use of resources and sustainable funding. The Directors believe that the CEO and his team conducted relevant investments to improve the GLEIF services and keep data quality standards high.

Quality assurance and continuous improvement needs to stay at the heart of the activities of the Foundation. The Board of Directors believes that GLEIF's planned certification to ISO 20000 supports these goals.

#### **Compliance and internal control**

The Foundation is governed by the Statutes, including its annexes and policies. The Directors reviewed the Annual Compliance Report of the Chief Compliance Officer (CCO). The Board of Directors acknowledged the CCO's opinion that the overall compliance risk of GLEIF with respect to significant exceptions or omissions is low.

#### **Going concern**

The Board of Directors approved the Annual Report including the Financial Statements for the financial year 2018. The Board of Directors is satisfied that the Annual Report 2018 gives a true and fair view of the state of affairs of GLEIF, its performance, business and financial condition.

Furthermore, so far as each of the Board of Directors is aware, there is no relevant audit information of which the auditors were unaware. The selected accounting policies were applied consistently. The internal controls and financial controls were adequate and the systems in place ensured compliance with applicable laws. The Directors assess that GLEIF is in good financial health. GLEIF has the capacity to expand and grow performance within its chosen markets. The revenue shall be used exclusively in furtherance of the Foundation's not-for-profit purpose.

The Board of Directors recognizes the number of planned projects to strengthen services and LEI use cases. The Board of Directors views potential project risks as manageable and considers available funds to be adequate.

By order of the Board of Directors

Chairman

# **Governance Statement**

**GLEIF is a not-for-profit foundation under Swiss law. Established by the Financial Stability Board (FSB) in June 2014, GLEIF is mandated to develop and maintain the Global LEI System and facilitate the use of the LEI globally driving forward transparency within global financial markets and for financial transactions. The Heads of State and Government of the Group of Twenty (G20) endorsed at the 2012 Los Cabos Summit the framework for the development of a Global LEI System for parties to financial transactions, with a global governance framework representing the public interest.**

GLEIF is overseen by the Regulatory Oversight Committee (LEI ROC) representing public authorities from around the globe. GLEIF is under supervision of the Swiss Supervisory Board of Foundations. The Board of Directors is responsible for the activities of the Foundation and delegates tasks with guidance on policies and procedures to the CEO.

GLEIF's governance reflects its mandate of the G20 and FSB to ensure the LEI becomes a broad public good for the benefit of the users of the public and private sectors globally. GLEIF, by its Statutes, is agnostic to any commercial or political interests. Guided by the High-Level Principles laid out in the GLEIF Statutes and Annexes, GLEIF continues its commitment to high standards of governance throughout the organization and the integrity of its operation and interaction with stakeholders. This shall ensure GLEIF remains an important foundation, realizing its purpose for the Global LEI System.

GLEIF's dedicated oversight system underscores its global dimension. The LEI ROC has 71 members and 19 observers comprised of regulatory organizations from more than 50 countries. Together with the diverse composition of the Board of Directors, represented by 18 directors from 15 jurisdictions and several sectors, GLEIF expresses its unique global governance framework.

**LEIs trace their origins to the 2008 financial crisis, when regulators and capital market players needed to quickly assess the extent of market participants exposed to Lehman Brothers and each of its hundreds of subsidiaries.**

**This laid bare the critical need for a system to identify and understand exposures at the legal entity level instead of the aggregate, parent-company level. If it had been available at the time, a system that assigns an electronic, standard entity identifier to legally distinct parties would have helped to fill this gap. In order to remedy this, the Financial Stability Board (FSB), together with the finance ministers and central bank governors represented in the G20, advocated developing a universal LEI for any legal entity involved in financial transactions.**



## Decision-making of the Board of Directors

The Board of Directors is the highest governing body of the Foundation. It oversees GLEIF while exercising its powers in the best interest of the Foundation. The Board of Directors makes decisions independently and on its own authority and judgment. The Board of Directors determines the Foundation's policies, controls and implementation of the strategy and evaluates the short, medium and long-term balance between goals and resources.

The Board of Directors held seven meetings in 2018. The Chair and two Vice-Chairs of the LEI ROC participated in all Board of Directors meetings during 2018. The minutes of the Board meetings are published on the GLEIF website.

## Composition of the Board of Directors

The composition of the Board of Directors is designed to reflect the global mandate of GLEIF. Guided by Article 13 of the Statutes, the Board of Directors is determined to represent all regions of the world. It follows a specific formula of geographic, sector and skills representation ensuring the right balance of excellence and diversity in the composition of the Board of Directors. The Board of Directors may be composed of up to 25 independent Directors, which govern the Foundation and oversee management.

## Director nominations

Directors are nominated within an open and transparent process. According to Article 15 of the Statutes, the nomination procedure is coordinated by the Chair, who is supported by the Governance Committee. Newly appointed Directors are subject to a "no objection declaration" of the LEI ROC. Pursuant to Article 17 of the Statutes, Directors are eligible to hold office for a three-year term, renewable for an additional term of three years.

The Board of Directors nominates a Chair and Vice-Chair of the Board of Directors and the Board Committees. In its recruitment practice, the Board of Directors is committed to anti-discrimination across any category of diversity including gender, ethnicity, disability and sexual orientation.

## Director service

Directors serve on an unpaid basis according to Article 19 of the Statutes. They are reimbursed for travel costs incurred in the performance of their mandate. Each Member signs a Director's Agreement for his/her services to the Board of Directors and acknowledges annually his/her responsibilities under the GLEIF Conflict of Interest Policy.

## Committees of the Board of Directors

The Board of Directors has six specialized Committees. The Committees meet at least four times a year, and as deemed necessary. The Committees provide recommendations to the Board of Directors and review the implementation of relevant projects in their respective areas. The Chairs of the Committees actively report their findings and recommendations in each meeting of the Board of Directors.

### Committee of Chairs (CoC)

The CoC supports the preparation of agendas of the Board of Directors and provides counsel to the Chair and the CEO. The CoC also assesses the annual remuneration of GLEIF's management and oversees the policy positions of GLEIF.

### Audit and Finance Committee (AFC)

The AFC's main role is to oversee all material aspects of the Foundation's financial reporting, budget and financial planning, accounting policies, internal controls and internal audit that promote good financial stewardship. The AFC assesses the external auditor's independence and reviews the annual financial statements for recommendation to the Board of Directors.

### Governance Committee (GC)

The GC provides counsel to the Chair of the Board of Directors to support the proper governance of GLEIF, in particular with respect to compliance with applicable policies, Statutes and by-laws. The GC also recommends succession plans for Directors and ensures that the Board of Directors and its Committees have an appropriate composition.

### Business Development Committee (BDC)

The BDC oversees GLEIF's strategic objectives and monitors the implementation of its strategy. The BDC also makes recommendations with regard to GLEIF promotion plans and the Board of Directors' ambassador program.

### Technology and Operations Standards Committee (TOPS Committee)

The TOPS Committee provides oversight and counsel for the technical and operational standards and architecture of the Global LEI System. The TOPS Committee also delivers guidance with regard to GLEIF's technology strategy and major technical projects and reviews the security and resilience of the core platform.



### Competition in the Global LEI System

The Board of Directors established an ad hoc Committee on Competition in 2017 to assess the level of competition in the Global LEI System. The Board of Directors viewed that the ad-hoc Committee of Competition fulfilled its mandate by issuing a competition report to the Board. Based on available facts and numerical analysis, the Committee assessed there was no immediate risk to the competition in the Global LEI System. As a consequence, the Board of Directors dissolved the ad-hoc Committee on Competition in June 2018. Given the relevance of continuous competition in the Global LEI System, a respective status report will be reviewed by the Board of Directors at least once per year.

### Statutes: Term of office of Directors

Directors viewed the need to extend the term of office of Directors from a term of two years to a term of three years in order to reduce turnover and keep the knowledge and network of Directors available longer for the Board of Directors. Relevant amendments of Article 17 and, respectively, Article 20 of the Statutes were adopted in June 2018. The term of office of three years is now in line with the term of office of the LEI ROC Executive Committee members, as included in Article 10c of the LEI ROC Charter of 5 November 2012.

This is the first amendment since the establishment of GLEIF. The amended Statutes came into force on August 7, 2018 after the approval of this amendment by the Swiss Supervisory Board of Foundations.

### Succession

The Board of Directors made relevant decisions on succession for the Board of Directors to ensure sustainability supported by the counsel of the Governance Committee. The Board of Directors established a Board Alumni Network to give former Directors the opportunity to support GLEIF, in their capacity as ambassadors, promoting the LEI in relevant jurisdictions and/or industries according to the approved GLEIF strategy.

### Self-assessment

The Board of Directors undertakes a periodic review of its performance by self-assessment. The assessment focuses on the effectiveness and efficiency of the Board of Directors and its Committees.

In 2018, each Director participated in the self-assessment. The Governance Committee conducted a review of the self-assessment methodology and assessed the results of the Board of Directors and its Committees and provided requested feedback on its findings to the Board of Directors. At the end of 2018, the Board of Directors launched a public Request for Proposal in order to conduct an external review of its Governance Program in 2019.

### External audit process

The annual financial statements of GLEIF are prepared in accordance with the International Financial Reporting Standards (IFRS). As a Swiss foundation, GLEIF is also obliged to prepare the annual Financial Statements in accordance with the Swiss Code of Obligations (CO) that are filed with the Swiss Supervisory Board of Foundations. Both include the independent auditor's report with an unqualified opinion.

Upon recommendation of the Audit and Finance Committee, the Board of Directors approves the terms of engagement including the engagement letter and scope of the financial audit for each calendar year.

The Audit and Finance Committee reviews the findings of the external audit of Ernst & Young (EY) before the Board of Directors adopts the annual financial statements.

The external auditor is present during the Board of Directors meeting when the annual financial statements or audit opinions are discussed and when deemed appropriate.

### Oversight

GLEIF is overseen by the LEI ROC and has a mandate of the FSB to ensure the implementation of the LEI as broad public good for the unique identification of legal entities participating in financial transactions worldwide.

GLEIF maintains an open and constructive dialogue with the LEI ROC. The cooperation model between the LEI ROC and GLEIF is laid out in the GLEIF Statutes. Both signed a Memorandum of Understanding, published on the GLEIF website, specifying the processes and responsibilities between GLEIF and the LEI ROC. The members of the LEI ROC Plenary and their decisions taken are published at [www.leiroc.org](http://www.leiroc.org).



# LEI for Business Value

The LEI offers solutions to a number of challenges facing market participants.

## Use case: LEI in capital markets

As estimated by the joint research of McKinsey & Company and GLEIF, broader, global adoption of Legal Entity Identifiers (LEIs) could yield annual savings of over US\$ 150 million within the investment banking industry and up to US\$ 500 million for banks in the issuance of letters of credit.

Annual savings in investment banking would include at least 10% of total operational costs for onboarding clients and trading processing through the use of the LEI.

## LEI benefits the entire life cycle of the client relationship in capital markets

LEIs can help reduce operational costs in many capital market processes.

Introducing LEIs into capital market onboarding and securities trade processing could reduce annual trade processing and onboarding costs by 10% as estimated by the joint research of McKinsey & Company and GLEIF. This would lead to a 3.5% reduction in overall capital market operations costs, amounting to over US\$ 150 million in annual savings for the global investment banking industry alone. The LEI's primary value in this segment is derived from reducing the cost of onboarding clients and of middle- and back-office activities related to the processing of stocks, bonds and other securities trades. All such activities could be simplified and streamlined if LEI use were more broadly adopted throughout the life cycle of the client relationship. The use of the LEI would also reduce the time spent on data correction and reconciliation.

Internal operational teams increasingly deploy the LEI as the primary identifier that aggregates and reconciles client trade-relations information, which is often stored in disparate internal systems and tagged under different client ID numbers. They have found that internal communications and trade reconciliation-related tasks have been simplified and expedited through its use.

## Onboarding of clients with the LEI: Benefits for banks

Clear and accurate counterparty identification remains essential for banks. Banks are beginning to use the LEI as an effective identifier for their client onboarding. This is particularly true for activities relating to know your customer (KYC) requirements and documentation management.

### Challenges

In KYC processes, banks work to verify their clients' identity by conducting robust due diligence. The lack of consistency within these processes means that banks spend considerable time and resources on these efforts. To further complicate the matter, different areas of the bank may use different identifiers for the same client, and vendors engaged by the bank to assist in the collection of KYC-related information may use their own identifiers as well. What should be a simple task is, in fact, a complex, time-consuming and resource-intensive effort.

In addition to this, there can be adverse consequences for the client. For example, if a client needs to raise money quickly, they may put in an order to sell a bond or a stock. However, the bank may struggle to immediately locate the documents due to them being tagged with an account number instead of a legal entity ID, and as a consequence, could block the client's account from trading.

### Solutions

If all players in the process tagged client information with an LEI, it would be much more efficient and transparent. Beyond simplifying processes and ensuring better customer service, LEIs can also expand full time equivalent (FTE) capacity and enable banks to do business with clients faster. Typically, investment banks employ 1,000 to 1,500 FTEs who focus on onboarding and, according to McKinsey, the average onboarding process takes 120 days. If the LEI was adopted more broadly, the onboarding time could be materially shortened so that banks can start trading with their clients much sooner and the onboarding team could be made available for other functions.

Banks that have yet to adopt the LEI in trade processing or onboarding could reap benefits in terms of efficiency, speed and improved client service. The benefits to all banks would be significantly enhanced if a greater number of legal entities obtained LEIs. More specifically, they could expect to gather additional revenue by shortening "time to market" for trading with customers while simultaneously improving the client experience.

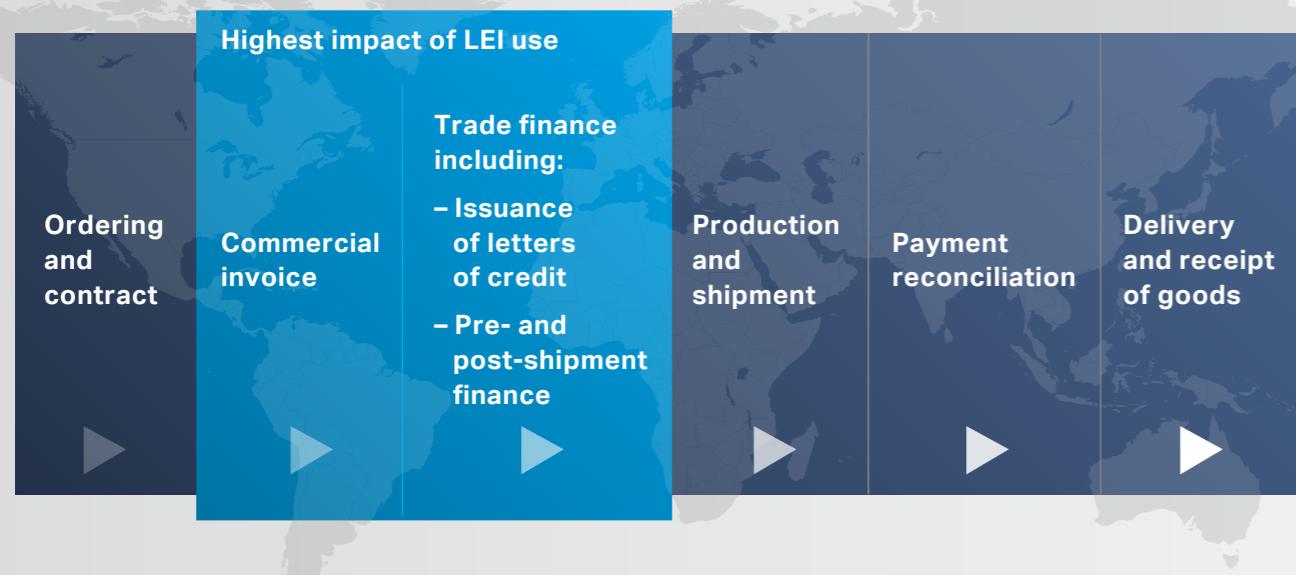
# LEI for Business Value

The LEI offers solutions to a number of challenges in the area of trade finance.

## Use case: LEI in trade finance

Banks in trade financing could save up to US\$ 500 million per annum overall by using the LEI in the issuance of letters of credit.

### Key steps in international B2B trade



### From counterparty identification to business value: The use of the LEI in trade finance

LEIs would enable faster processing of letters of credit and better identification of sellers on e-invoicing networks.

#### Challenges

The commercial transaction life cycle is complex. It involves ordering goods, sending invoices for the goods, obtaining trade financing, producing the goods, reconciling payments and delivering/receiving the goods. The list is endless. The McKinsey & Company and GLEIF white paper found that the use of an LEI could have a considerable impact on the invoicing and trade finance element of this life cycle.

Throughout the commercial transaction life cycle, several manual, time-consuming activities are required to complete the transaction. This is especially true of international transactions. In particular, verifying the identities of counterparties often involves a great deal of manual processing.

#### Solutions

- LEIs could automate identity verification.
- LEIs could enable the digitization of several activities required in the invoicing and trade finance steps of a commercial transaction.
- LEIs could potentially reduce the time required to exchange payments.

LEIs would enable the immediate, digitized identification of entities and would allow banks to dramatically curtail the time and resources spent on background checks and investigations.

#### Challenges

Trade finance encompasses a broad range of products and services that facilitate international trade. In the application most relevant to LEIs, buyers obtain letters of credit or bills of exchange from their banks to facilitate payments to sellers, and sellers use purchase orders or invoices to obtain financing for production and purchase. The process of acquiring and using letters of credit is particularly time-consuming and typically involves multiple steps, many of which require identity checks and reconciliation. To mitigate risk and comply with anti money laundering (AML) regulations, both the buyer's bank and the seller's bank must conduct several counterparty checks. These controls currently rely too heavily on manual processing and paper documentation. Moreover, banks use a number of databases to perform these checks but they can only search by entity name, which creates significant risk, since multiple entities may have similar names.

# LEI for Business Value

**Creating a common language for more trust in business relations**

## Solutions

These manual checks could be streamlined considerably and made far less costly through the adoption of the LEI. LEIs would enable the immediate, digitized identification of entities and would allow banks to dramatically curtail the time and resources spent on background checks and investigations. These efficiencies would be compounded by reducing the incidence of false positives based on AML and other compliance lists. Rather than searching by name, institutions could simply search the relevant databases using each entity's unique LEI – or, in an advanced stage, using a single database.

In addition to facilitating AML efforts, the use of the LEI can mitigate fraud risk. Using an entity's LEI, a seller's bank could trace outstanding invoices to identify suspicious activity like multiple invoices for the same shipment.

## LEI benefits for banks in trade financing

The LEI makes the following two key activities in a complicated process far simpler:

- Verification of entities and tracking an entity's history. On an annual basis, banks could potentially collectively save between US\$ 250 million and US\$ 500 million per annum if LEIs were used to identify international entities and to automate the tracing of their history for the issuance of letters of credit, based on McKinsey & Company and GLEIF research. At its maximum potential, these savings could represent 4% of the current global trade operations cost base. The lower end of this estimate assumes high adoption in Europe and North America with low adoption in Asia, while the higher end of the estimate assumes high adoption globally.
- The use of the LEI would also facilitate better risk management by allowing banks to maintain a more holistic view of the transacting entity.

## Use case: LEI mapping to other identifiers

**The new LEI mapping service enables accurate cross-referencing of key entity identifiers, free of charge. This leads to enhanced customer functionality, streamlined entity verification and reduced data management costs.**

## Challenges

To conduct business digitally, counterparties must be identified without ambiguity. Many businesses use mapping solutions to do this. These match entity identifier A against entity identifier B to ensure that both are recognized as referring to the same organization. However, the kind of mapping needed to pinpoint the entities businesses are dealing with has not always been totally accurate or transparent enough.

## Solutions

In May 2018, GLEIF launched the GLEIF Certification of Mapping Service. The Certification of Mapping Service is a new, free of charge certification process. It ensures that organizations that map the LEI to their own identifiers use reasonable methodologies and/or processes to do so accurately. Data vendors and other organizations benefit significantly from mapping their applicable identifiers to the LEI, as this provides enhanced functionality to their customers.

## Quality-assured mapping process

GLEIF's Certification of Mapping Service evaluates the mapping processes and algorithms applied by organizations seeking to link other identification schemes to the LEI. Any organization wishing to gain certification must follow an established process.

The Certification of Mapping Service also supports the integrity of the Global LEI System by ensuring that quality controls associated with mapping identifiers to the LEI meet or exceed requirements defined by GLEIF.

## GLEIF Certification of Mapping process



The diagram demonstrates the six steps of the GLEIF Certification of Mapping Service.

Following certification, the mapping partner is required to maintain these quality standards and, at regular intervals, GLEIF performs validation activities to confirm that the output continues to meet GLEIF's required performance standards. GLEIF also publishes a relationship file that matches the applicable identifier against the LEI. Data users may access this information via the GLEIF website for integration into their existing data platforms.

## Solutions

The LEI connects to key reference information describing a legal entity including its ownership structure. With it, businesses benefit from the world's strictest regime of regular data verification. By mapping an alternate identifier to the LEI, a business automatically has access to the open and high-quality LEI reference data. This protects its investment in existing software and processes while providing added value based on the reliable and trusted LEI data.

By mapping an entity's alternative identifiers against their corresponding LEI, data vendors and other organizations can provide enhanced functionality and a smoother, frictionless experience to their customers. The resulting interoperability across parallel ID platforms leads to more streamlined entity verification processes and significant reductions in data management costs. Certification, and the subsequent publication by GLEIF of publicly available, open source relationship files that match identifiers against corresponding LEIs, eases the process of gathering, aggregating and reconciling counterparty information. In this way, a common language for business is created. One that will help everyone to trust who they work with, whatever identifier they use. It is easy to understand how this can be valuable in many instances, including compliance, regulatory reporting, client relationship management and, of course, due diligence. The benefits of a certified process for mapping identifiers to LEIs can be enjoyed across any industry that relies on accurate entity verification and that values enhanced transparency in the global marketplace. In summary, the GLEIF Certification of Mapping Service responds to the pressing market demand for more streamlined entity verification processes confirmed with a GLEIF research study<sup>1</sup>.

### Successful pilot: Business identifier code (BIC)-to-LEI mapping

In February 2018, GLEIF and SWIFT successfully pioneered the certification process with the launch of the first monthly open source relationship file that matches the Business Identifier Code (BIC) assigned to an organization against its LEI. The BIC-to-LEI relationship files are built upon a mapping process established by SWIFT and certified by GLEIF.

This cooperation demonstrates how market participants can work with GLEIF to cross-reference key entity identifiers, completely free of charge. The open source BIC-to-LEI relationship file is an important step towards consolidating information and will significantly reduce the cost associated with entity verification to date. If this successful cooperation is replicated between GLEIF and many other organizations that have their own identifiers, the result will be far greater transparency and a more easily accessible insight into the global marketplace for market participants, who will also be empowered to cut costs and simplify and accelerate operations thanks to standardization across entity verification platforms. This represents a significant opportunity for all stakeholders to make legal entity identification more efficient.

<sup>1)</sup> GLEIF's research findings on the challenges of entity identification in financial services, see GLEIF website research report "A New Future for Legal Entity Identification," GLEIF, May 2018.

# Partnerships

## GLEIF's engagement with partners globally

### Bringing stakeholders together: Debating topics of common interest

GLEIF participated in almost 50 conferences, roundtables and promotional meetings in 2018. GLEIF believes in the value of having an open dialogue with many stakeholders interested in the LEI as a global standard all over the world. This way, we can best understand market needs. Also, the continuous exchange of views helps to develop use cases for the best possible application of the LEI for identification management.

During 2018, we continued to engage with our stakeholder groups, including data and technology vendors, large statistical users as well as the Globally Important Financial Institutions (GIFI). We also established and deepened our engagement with partners in the area of payments, the digital economy and the supply chain.

### Basel

2018-01-31 | Board of Directors meeting

Each year, a Board of Directors meeting is held in Basel, Switzerland where GLEIF has its registered domicile.



### San Francisco

2018-05-15 | Board of Directors meeting

2018-05-16 | Joint meeting of the LEI ROC Executive Committee and the Board of Directors

2018-05-17 | GLEIF Identity Management Workshop. The LEI, a global framework for legal entity identification initiated by the G20.

This workshop, hosted by GLEIF, brought together representatives from the public sector and the technology industry to find common ground on the use of the LEI for innovative solutions.

### Riyadh, Saudi Arabia

2018-02-08 | Meet the Market event

Saudi Credit Bureau (SIMAH) hosted the LEI Meet the Market event with representatives from the banking, finance, investment and insurance sectors.

### New York

2018-05-22 | Globally Important Financial Institutions (GIFI) stakeholder group meeting

The GIFI stakeholder group meeting hosted by GLEIF facilitated the exchange of views on the needs of financial institutions in the area of identification management.



### Paris

2018-06-25 | Board of Directors meeting

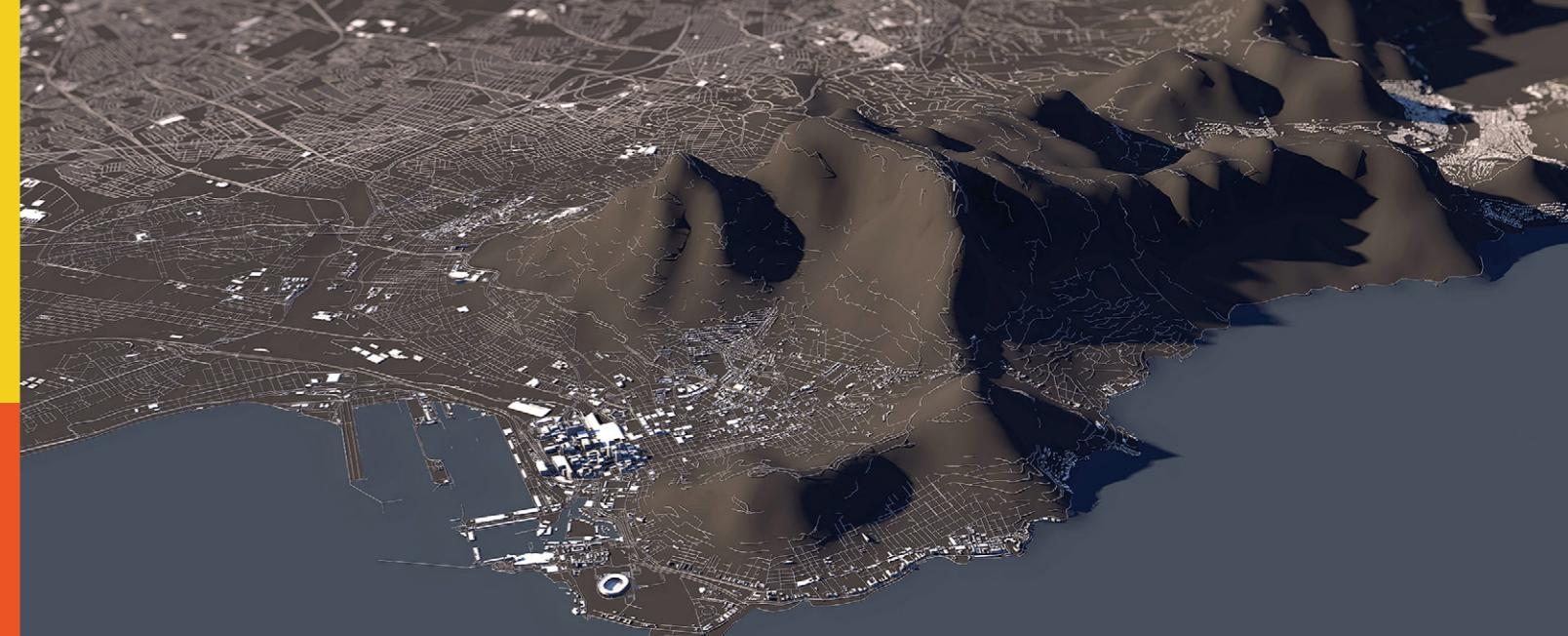
2018-06-27 | Meet the Market event

Bank of France, National Institute of Statistics and Economic Studies (INSEE) and GLEIF hosted a Meet the Market event aimed at representatives of local market participants in Paris.

### Cape Town

2018-10-25 | Board of Directors meeting

2018-10-26 | Joint meeting of the LEI ROC Executive Committee and the Board of Directors



**Global Legal Entity Identifier Foundation  
Basel, Switzerland**

# **Financial Statements 2018**

**for the Period from January 1 to December 31, 2018**

# Statement of Comprehensive Income

for the Period from January 1 to December 31, 2018

	Notes	Jan. to Dec. 2018	Jan. to Dec. 2017
		US\$	US\$
Fee revenue	3.1	17,555,899	7,786,002
Wages and salaries		-4,288,884	-3,404,031
Social contributions and expenses for pensions and care		-618,341	-456,337
Personnel expenses	3.2	-4,907,225	-3,860,368
Other operating expenses	3.3	-4,779,514	-4,058,493
Other operating income	3.4	772,018	539,527
Amortization and depreciation expense	4.5/4.6	-344,735	-214,955
<b>Operating surplus</b>		<b>8,296,443</b>	<b>191,713</b>
Subsidies and donations	3.5	40,482	61,454
Financial income/expense	3.6	12,470	-300
<b>Net surplus</b>		<b>8,349,395</b>	<b>252,867</b>
Changes of components of net equity from actuarial gains and losses in pension and similar obligations	3.2	3,312	44,426
Items that will not be reclassified to net surplus		3,312	44,426
<b>Other comprehensive income</b>		<b>3,312</b>	<b>44,426</b>
<b>Total comprehensive income</b>		<b>8,352,707</b>	<b>297,293</b>

# Balance Sheet

as of December 31, 2018

Assets	Notes	Dec. 31, 2018	Dec. 31, 2017
		US\$	US\$
Receivables from LEI issuers	4.1	2,204,883	4,889,942
Current financial assets	4.2	14,780	5,217
Other assets	4.3	479,660	177,236
Cash and cash equivalents	4.4	9,833,545	3,323,743
<b>Current assets</b>		<b>12,532,868</b>	<b>8,396,138</b>
Intangible fixed assets	4.5	703,028	397,337
Tangible assets	4.6	256,965	365,818
Financial assets	4.2	118,376	123,990
<b>Non-current assets</b>		<b>1,078,369</b>	<b>887,145</b>
		<b>13,611,237</b>	<b>9,283,283</b>
<b>Liabilities and equity</b>			
Payables due to vendors	4.7	943,989	808,738
Liabilities due to Board Directors	6.1	20,489	29,678
Deferred revenue	4.8	0	3,958,284
Other financial liabilities	4.9	70,199	146,650
Other payables	4.10	1,145,425	1,172,911
<b>Current liabilities</b>		<b>2,180,102</b>	<b>6,116,261</b>
Provision for pension costs	3.2	20,693	22,371
Payables due to vendors	4.7	32,475	74,362
Financial liabilities	4.9	3,550	8,098
Deferred subsidies	3.5	68,617	109,098
<b>Non-current liabilities</b>		<b>125,335</b>	<b>213,929</b>
Paid-in Foundation capital		55,927	55,927
Other reserves		32,826	29,514
Retained surplus		11,217,047	2,867,652
<b>Organizational capital</b>	4.11	<b>11,305,800</b>	<b>2,953,093</b>
		<b>13,611,237</b>	<b>9,283,283</b>

# Cash Flow Statement

for the Period from January 1 to December 31, 2018

	Notes	Jan. to Dec. 2018	Jan. to Dec. 2017
		US\$	US\$
Surplus		8,349,395	252,867
Amortization and depreciation expense		344,735	214,955
Increase (decrease) of provisions		1,686	27,174
(Gains)/losses from the disposal of fixed assets		-17,061	0
Financial income/expense		-12,470	300
Other non-cash expenses and income		336,162	-251,063
Decrease/increase of receivables and other current assets		2,305,145	-3,276,455
Increase/decrease of liabilities to vendors and other operating liabilities		-4,007,682	1,265,472
Interest received		13,635	1,624
<b>Cash flow from operating activities</b>		<b>7,313,545</b>	<b>-1,765,126</b>
Receipts from the disposal of intangible and tangible fixed assets		26,194	0
Acquisition of intangible and tangible fixed assets	4.5/4.6	-519,780	-242,554
<b>Cash flow from investing activities</b>		<b>-493,586</b>	<b>-242,554</b>
Repayment of finance lease liabilities		-4,242	-3,991
Proceeds from other financing liabilities		-9,124	13,880
Interest paid		-1,238	-1,098
<b>Cash flow from financing activities</b>		<b>-14,604</b>	<b>8,791</b>
<b>Total cash flow effects on cash and cash equivalents</b>		<b>6,805,355</b>	<b>-1,998,889</b>
Effect of changes in exchange rates on cash and cash equivalents		-295,553	250,989
Cash and cash equivalents at beginning of period		3,323,743	5,071,643
<b>Cash and cash equivalents at end of period</b>	4.4	<b>9,833,545</b>	<b>3,323,743</b>

# Statement of Changes in Organizational Capital

	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, 2016</b>	<b>55,927</b>	<b>-14,912</b>	<b>2,614,785</b>	<b>2,655,800</b>
Net surplus		0	252,867	252,867
Other comprehensive income		44,426	0	44,426
Total comprehensive income		44,426	252,867	297,293
<b>Balance as of December 31, 2017</b>	<b>55,927</b>	<b>29,514</b>	<b>2,867,652</b>	<b>2,953,093</b>
Net surplus		0	8,349,395	8,349,395
Other comprehensive income		3,312	0	3,312
Total comprehensive income		3,312	8,349,395	8,352,707
<b>Balance as of December 31, 2018</b>	<b>55,927</b>	<b>32,826</b>	<b>11,217,047</b>	<b>11,305,800</b>

# Notes to the Financial Statements 2018

## 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 St. Alban-Vorstadt 5, 4002 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 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 the supervision of the Swiss Supervisory Board of Foundations since the establishment of GLEIF in June 2014.

The financial statements were authorized for publication by the Board of Directors on April 3, 2019.

## 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, 2018	Dec. 31, 2017
	US\$	US\$
Swiss franc to US dollar	1.0161	1.0249
Euro to US dollar	1.1450	1.1993

### 2.2 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates and excluding taxes or duty. Revenue is recognized over the term of the license period on an accrual basis.

The revenue of GLEIF is based on arrangements with the LEI issuers to pay to GLEIF a fixed service fee for each LEI issued and served by the respective issuer.

The license period of an LEI is one year from the date of issuance or renewal. During this period, the LEI issuers are responsible for managing and maintaining 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 that 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.

The service contracts until 2018 agreed with the LEI issuers in the past years ("commitment letter") set forth a fixed annual service fee for each LEI issued or renewed in the respective calendar year. Quarterly or annual advances are paid by the LEI issuer during the year, and only the final invoice or credit note is accounted for as a receivable or payable in the balance sheet. The revenue portion deferred to the next fiscal year from these kind of arrangements is shown as a separate deferral liability.

During 2018, the new "master agreement" arrangement has been implemented for all of the LEI issuers. Under this contract, the LEI issuer pays a quarterly service fee based on all active LEIs under its management at the end of the quarter. According to the revenue recognition assumptions described above, 50% of the service fee charged after the end of each quarter is not recognized until the subsequent quarter. For service fees under this new agreement, GLEIF only reflects in the balance sheet the 50% portion of the quarterly service fee relating to the services rendered for the ending quarter as revenue during the period, the remaining 50% that has neither been earned nor billed at the end of the quarter is not shown in the balance sheet and only recognized in the subsequent quarter.

### 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 (capitalized 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 straight-lined expense.

## **2.8 Tangible fixed assets**

GLEIF tangible fixed asset items 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 intangible fixed asset items 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 fixed 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 market place 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, 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 that 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 that are effective for this reporting period. The Foundation has not adopted standards already issued but not yet effective for this reporting period.

#### **IFRS 9**

From January 1, 2018 the final version of IFRS 9, Financial Instrument is effective. The new standard replaces 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 classification and measurement of financial instruments under the new standard had no material impact on the Foundation's financial statements.

#### **IFRS 15**

From January 1, 2018 the new standard of IFRS 15 is effective: 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.

Based on the current revenue structure of GLEIF, the adoption of IFRS 15 had no material impact on the financial statements.

#### **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:

#### **IFRS 16**

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. With the new standard, the lessee is asked to report all of its lease contracts and related liabilities on the balance sheet, with minor exceptions. Simultaneously, the lessee is also required to recognize an asset for the right to use of the leased item equal to the present value of future lease payments and other directly related costs. For short-term leases and/or low-value underlying assets, exceptions in the accounting methodology can be applied.

The new standard will be effective for annual periods beginning on or after January 1, 2019. GLEIF did not adopt the standard prior to the regular effective date.

Based on the current lease contracts, it is expected that the adoption will cause a material increase of assets and related lease liabilities relating to real estate leases by GLEIF, which were classified as operating leases in accordance with IAS 17. Operating lease expenses will be replaced by a depreciation on right-of-use assets and expenses on the lease liabilities, there will be no material net effect on the income statement in 2019.

As per the transition date, it is expected that US\$ 600,045 right-of-use assets and US\$ 671,440 of corresponding liabilities will be recorded. The difference is not expected to materially impact the organization capital because of the simultaneous reversal of the already accrued expenses of US\$ 71,395.

### 3. Statement of comprehensive income

#### 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.

#### 3.1 Fee revenue

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

	Jan. to Dec. 2018	Jan. to Dec. 2017
	US\$	US\$
Europe	16,204,315	7,561,198
Asia	311,716	109,602
North and South America	956,137	103,443
Other regions	83,731	11,759
<b>Fee revenues</b>	<b>17,555,899</b>	<b>7,786,002</b>

While a significant portion of the overall GLEIF fees are from LEI issuers with a legal seat in Europe, the underlying cash flows of GLEIF are generated by a very geographically diverse population of LEI registrants. Within Europe, 52% of the revenue is concentrated on three LEI issuers.

#### 3.2 Personnel expenses

	Jan. to Dec. 2018	Jan. to Dec. 2017
	US\$	US\$
Wages and salaries	4,288,884	3,404,031
Social contributions and expenses for pension and care	618,341	456,337
<b>Personnel expenses</b>	<b>4,907,225</b>	<b>3,860,368</b>

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 2018, GLEIF employed 36 (2017: 34) employees. The average headcount for 2018 is 35 (2017: 29) 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 policy. 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\$ 9,845 (2017: US\$ 34,071) within personnel expenses and net interest expenses of US\$ 163 (2017: US\$ 374), and paid employer and employee contributions of US\$ 8,103 (2017: US\$ 8,385) to the scheme.

Actuarial gains of US\$ 8,679 (2017: US\$ 53,432) from the defined benefit obligation, net of US\$ 5,367 losses (2017: US\$ 9,006) from the return on plan assets have been recognized as other comprehensive income.

The defined benefit obligation amounts to US\$ 56,301 at December 31, 2018 (December 31, 2017: US\$ 47,124), net of the plan assets of US\$ 35,608 (December 31, 2017: US\$ 24,753). A net pension liability of US\$ 20,693 (December 31, 2017: US\$ 22,371) has been recognized in the balance sheet as at December 31, 2018.

The weighted average duration of the obligation is 17.2 (2017: 18.8) years. The employee and employer contributions expected for the next fiscal year are US\$ 6,637 each.

For the calculation of the defined benefit obligation a discount rate of 1.0% (2017: 0.7%) and a long-term salary increase rate of 1.0% (2017: 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 that 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, 2018	Dec. 31, 2018
	US\$	US\$
<b>Defined benefit obligation with a change of</b>		
discounting rate by +0.25% / -0.25%	53,958	58,876
future salary increases by -0.25% / +0.25%	56,288	56,941
life expectancy -1 year / +1 year	55,845	56,755

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

	Dec. 31, 2018	Dec. 31, 2017
	US\$	US\$
Cash and cash equivalents	356	248
Equity instruments	8,902	6,188
Debt instruments	5,341	3,713
Real estate	3,561	2,475
Other	3,205	2,228
Total plan assets at fair value (quoted market price)	21,365	14,852
Total plan assets at fair value (non-quoted market price)	14,243	9,901
<b>Plan asset classes</b>	<b>35,608</b>	<b>24,753</b>

### 3.3 Other operating expenses

	Jan. to Dec. 2018	Jan. to Dec. 2017
	US\$	US\$
Rental	491,806	485,768
Contractors	462,414	507,917
Travel and entertainment	836,886	476,651
IT consulting and development	191,422	204,277
IT service and maintenance	363,857	259,617
Website translation expenses	338,501	328,008
Telephone and communication, office expenses	106,349	118,834
Consulting and advice	655,940	500,540
Legal advice	255,473	198,393
Tax advice, accounting and audit	218,690	480,998
Staff training expenses	47,126	17,400
Insurance premiums	20,402	20,017
Currency losses	725,329	219,407
Risk allowances	0	195,000
Other	65,318	45,666
<b>Other operating expenses</b>	<b>4,779,514</b>	<b>4,058,493</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 2018. Currency gains of US\$ 387,315 (2017: US\$ 451,851) are shown within the other operating income, resulting in a net currency loss of US\$ 338,014 (2017: US\$ 232,444 net currency loss).

The consulting and advice item includes US\$ 131,711 (2017: US\$ 100,633) of research costs.

In 2017, GLEIF changed its value added tax (VAT) assessment related to the revenues recognized on the service contracts with certain LEI issuers in the current and previous year. The Foundation had accrued US\$ 195,000 for potential losses related to European LEI issuers who have not yet provided a VAT registration number. This accrual was not used and reversed in 2018, shown under other operating income.

### Operating leases

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

	Dec. 31, 2018	Dec. 31, 2018
	US\$	US\$
Office building		Employee apartment
<b>Minimum lease payments</b>		
Not later than one year	358,539	5,924
Later than one year and not later than five years	298,783	0
<b>Total future minimum lease payments</b>	<b>657,322</b>	<b>5,924</b>

In April 2015, GLEIF entered into an operating lease agreement to rent office premises located at 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 agreement grants a seven-month 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 occurred in 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 was fixed for one year commencing on August 1, 2015. After the conclusion of the fixed period, GLEIF had an option to terminate the agreement with an advance notice period of two months. The termination of this contract was realized at the end of April 2019.

### 3.4 Other operating income

	Jan. to Dec. 2018	Jan. to Dec. 2017
	US\$	US\$
Currency gains	387,315	451,851
Release of prior-year liabilities	319,627	37,368
Refunds and reimbursements	52,619	49,838
Other	12,457	470
<b>Other operating income</b>	<b>772,018</b>	<b>539,527</b>

## 4. Balance sheets

Within the other operating income the release of a US\$ 195,000 VAT accrual for European LOUs as well as additional administration cost of US\$ 40,000 are included as a one-off occurrence. In addition an accrual of US\$ 50,000 for operating expenses was reversed, which, retrospectively, had to be reclassified as an intangible asset.

The refunds and reimbursements include an insurance compensation for stolen assets in the amount of US\$ 26,887.

### 3.5 Subsidies and donations

	Jan. to Dec. 2018	Jan. to Dec. 2017
	US\$	US\$
Subsidy granted in 2015	15,656	20,359
Subsidy granted in 2016	24,826	41,095
<b>Income from subsidies and donations</b>	<b>40,482</b>	<b>61,454</b>

In 2016 and 2015, GLEIF received assistance from a government authority of the region of Hesse, 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 have 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 are amortized over the useful life of the related fixed assets.

### 3.6 Financial income/expense

	Jan. to Dec. 2018	Jan. to Dec. 2017
	US\$	US\$
Interest income	13,461	4,092
Interest expense	-991	-4,392
<b>Financial result</b>	<b>12,470</b>	<b>-300</b>

### 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 and thus, allowances are not considered material and therefore not recorded.

### 4.2 Current and non-current financial assets

	Dec. 31, 2018	Dec. 31, 2017
	US\$	US\$
Security deposits due within one year	4,981	5,217
Receivables due from vendors	9,799	0
<b>Current financial assets</b>	<b>14,780</b>	<b>5,217</b>

	Dec. 31, 2018	Dec. 31, 2017
	US\$	US\$
Deposit due later than one year for office premises	118,376	123,990
<b>Non-current financial assets</b>	<b>118,376</b>	<b>123,990</b>

The balance outstanding as at December 31, 2018 relates 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, 2018	Dec. 31, 2017
	US\$	US\$
Deposits receivable not later than one year	4,981	5,217
Deposits receivable later than one year and not later than five years	118,376	123,990
<b>Total deposits receivable</b>	<b>123,357</b>	<b>129,207</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, 2018	Dec. 31, 2017
	US\$	US\$
Advance payments for software development expenses	0	30,926
VAT refunds		
Germany	362,608	0
Switzerland	7,893	17,169
Prepaid IT licenses and maintenance	43,984	55,140
Annual newsletter subscriptions	8,442	8,124
Prepaid insurances	11,193	13,361
Prepaid travel expenses	25,610	14,044
Other prepaid expenses	2,529	9,050
Receivables due from employees	9,212	22,054
Reimbursements due from social organizations	8,189	7,347
Other	0	21
<b>Other current assets</b>	<b>479,660</b>	<b>177,236</b>

#### 4.4 Cash and cash equivalents

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

	Dec. 31, 2018	Dec. 31, 2017
	US\$	US\$
UBS Group AG	1,653,717	2,532,933
Sparkasse Langen-Seligenstadt	8,179,738	790,481
Cash on hand	90	329
<b>Cash and cash equivalents</b>	<b>9,833,545</b>	<b>3,323,743</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	Prepayments	Total
	US\$	US\$	US\$	US\$
<b>2017</b>				
Accumulated cost	384,465	20,053	82,867	<b>487,385</b>
Accumulated depreciation	-77,901	-12,147	0	<b>-90,048</b>
Carrying amount as of Dec. 31, 2017	306,564	7,906	82,867	<b>397,337</b>
<b>Reconciliation</b>				
Carrying amount as of Jan. 1, 2017	138,276	7,803	0	<b>146,079</b>
Additions	234,214	3,300	82,867	<b>320,381</b>
Depreciation	-65,926	-3,197	0	<b>-69,123</b>
Carrying amount as of Dec. 31, 2017	306,564	7,906	82,867	<b>397,337</b>
<b>2018</b>				
Accumulated cost	730,662	211,795	18,732	<b>961,189</b>
Accumulated depreciation	-206,992	-51,169	0	<b>-258,161</b>
Carrying amount as of Dec. 31, 2018	523,670	160,626	18,732	<b>703,028</b>
<b>Reconciliation</b>				
Carrying amount as of Jan. 1, 2018	306,564	7,906	82,867	<b>397,337</b>
Additions	346,197	112,496	18,732	<b>477,425</b>
Transfer – Accumulated cost	0	82,867	-82,867	<b>0</b>
Disposal – Accumulated cost	0	-3,621	0	<b>-3,621</b>
Depreciation	-129,091	-42,643	0	<b>-171,734</b>
Disposal – Accumulated depreciation	0	3,621	0	<b>3,621</b>
Carrying amount as of Dec. 31, 2018	523,670	160,626	18,732	<b>703,028</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 and the new ERP system. The prepayments from 2017 relate to a new ERP system, which was introduced in early 2018.

All intangible fixed assets stem from external developments or purchases.

The presentation of low-value assets was changed as of January 1, 2018. Since this date the disposal of all low-value assets is assumed in the year of their acquisition. For all low-value assets purchased in prior years the disposal is shown in this year.

#### 4.6 Tangible fixed assets

The carrying amounts 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>2017</b>						
Accumulated cost	383,654	261,534	11,251	70,466	19,657	<b>746,562</b>
Accumulated depreciation	-227,066	-105,923	-9,861	-29,368	-8,526	<b>-380,744</b>
Carrying amount as of Dec. 31 2017	156,588	155,611	1,390	41,098	11,131	<b>365,818</b>
<b>Reconciliation</b>						
Carrying amount as of Jan. 1, 2017	225,995	172,639	1,804	52,845	15,064	<b>468,347</b>
Additions	30,429	9,856	0	0	0	<b>40,285</b>
Transfer – Accumulated cost	-1,687	0	1,687	0	0	<b>0</b>
Depreciation	-99,368	26,884	-882	-11,747	-3,933	<b>-142,814</b>
Transfer – Accumulated depreciation	1,219	0	-1,219	0	0	<b>0</b>
Carrying amount as of Dec. 31, 2017	156,588	155,611	1,390	41,098	11,131	<b>365,818</b>
<b>2018</b>						
Accumulated cost	394,148	218,332	4,497	70,466	19,657	<b>707,100</b>
Accumulated depreciation	-282,353	-85,737	-4,126	-65,466	-12,453	<b>-450,135</b>
Carrying amount as of Dec. 31, 2018	111,795	132,595	371	5,000	7,204	<b>256,965</b>
<b>Reconciliation</b>						
Carrying amount as of Jan. 1, 2018	156,588	155,611	1,390	41,098	11,131	<b>365,818</b>
Additions	59,882	13,399	0	0	0	<b>73,281</b>
Disposal – Accumulated cost	-49,388	-56,601	-6,754	0	0	<b>-112,743</b>
Depreciation	-95,542	-36,415	-1,019	-11,742	-3,927	<b>-148,645</b>
Disposal – Accumulated depreciation	40,255	56,601	6,754	0	0	<b>103,610</b>
Impairment	0	0	0	-24,356	0	<b>-24,356</b>
Carrying amount as of Dec. 31, 2018	111,795	132,595	371	5,000	7,204	<b>256,965</b>

The finance lease contract concerns specific computer equipment, the contract terms of which 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.

The presentation of low-value assets was changed as of January 1, 2018. As of this date the disposal of all low-value assets is assumed in the year of their acquisition. For all low-value assets purchased in prior years the disposal is shown in this year.

The impairment is based on / caused by the impending driving ban for diesel vehicles in Frankfurt am Main, Germany.

#### 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\$ 71,395 (December 31, 2017: US\$ 114,724) in payables relate to a deferred rent liability that reflects the amortization of an initial seven-month rental-free period over the five-year initial fixed rental period. This accrued liability is split in a long-term portion of US\$ 32,475 (December 31, 2017: US\$ 74,362) and a short-term portion of US\$ 38,920 (December 31, 2017: US\$ 40,362) of which US\$ 29,190 (December 31, 2017: US\$ 30,272) is 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 sec. 2.2 above.

	2018	2017
	US\$	US\$
Amortization in the following year:		
until March 31	0	1,511,703
until June 30	0	1,134,155
until September 30	0	912,309
until December 31	0	400,117
<b>Total deferred revenue</b>	<b>0</b>	<b>3,958,284</b>

#### 4.9 Financial liabilities

	Dec. 31, 2018	Dec. 31, 2017
	US\$	US\$
Leasing liabilities falling due later than one year and not later than five years	3,550	8,098
<b>Long-term financial liabilities</b>	<b>3,550</b>	<b>8,098</b>
Leasing liability portion falling due within one year after the balance sheet date	4,182	4,294
Short-term bank liabilities	10,977	20,449
Liabilities due to LEI issuers	55,040	121,907
<b>Current financial liabilities</b>	<b>70,199</b>	<b>146,650</b>
<b>Total financial liabilities</b>	<b>73,749</b>	<b>154,748</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, 2018	Dec. 31, 2018
	<b>Present value</b>	<b>Gross amount</b>
	US\$	US\$
<b>Finance lease liabilities due</b>		
Within one year	4,182	4,299
Later than one year and not later than five years	3,550	3,582
<b>Total finance lease liabilities</b>	<b>7,732</b>	<b>7,881</b>

The reconciliation of the changes in liabilities arising from financing activities with the related cash flows is shown in the following table.

	January to December 2018			January to December 2017		
	Leasing liabilities	Short-term bank liabilities	<b>Financing liabilities</b>	Leasing liabilities	Short-term bank liabilities	<b>Financing liabilities</b>
	US\$	US\$	US\$	US\$	US\$	US\$
Carrying amount as of Jan. 1	12,392	20,449	<b>32,841</b>	14,591	5,130	<b>19,721</b>
Changes from financing cash flows	-4,241	-9,124	<b>-13,365</b>	-3,991	13,880	<b>9,889</b>
Currency revaluation	-420	-348	<b>-768</b>	1,792	1,439	<b>3,231</b>
<b>Carrying amount as of Dec. 31</b>	<b>7,731</b>	<b>10,977</b>	<b>18,708</b>	12,392	20,449	<b>32,841</b>

#### 4.10 Other payables

	Dec. 31, 2018	Dec. 31, 2017
	US\$	US\$
Wage and church tax payables	71,512	69,863
Social security liabilities	25,553	34,905
Outstanding vacation	121,382	134,927
VAT payable		
Germany	0	198,088
Russia	467	0
Variable salary	405,955	337,049
Bonuses	480,900	345,536
Other liabilities due to employees	33,259	47,380
Other	6,397	5,163
<b>Other payables</b>	<b>1,145,425</b>	<b>1,172,911</b>

The variable remuneration to GLEIF employees is accrued in 2018 in accordance with the employment contracts. The bonuses to employees are accrued in accordance with board and management decisions.

The outstanding vacation liability in 2018 reflects the accrued salary and social contribution payments for the respective time.

## 5. Financial instruments

### 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 the 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 2018 will be allocated to the Foundation's reserves.

According to Article 10 of the GLEIF Statutes, any surplus generated by GLEIF is dedicated to pursuing 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\$ 11,305,800. 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.

### 5.1 Additional disclosures on financial instruments

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

	Dec. 31, 2018	Dec. 31, 2017
	<b>Carrying amount</b>	<b>Carrying amount</b>
	US\$	US\$
<b>Financial assets measured at cost or amortized cost</b>		
Long-term security deposits	118,376	123,990
Receivables from LEI issuers fees	2,204,883	4,889,942
Cash and cash equivalents	9,833,545	3,323,743
Other non-derivative financial assets	4,981	5,217
	<b>12,161,785</b>	<b>8,342,892</b>
<b>Financial liabilities measured at cost or amortized cost</b>		
Payables due to vendors	976,464	883,100
Liabilities due to Board Directors	20,489	29,678
Finance lease liability	7,732	12,392
Liabilities due to banks	10,977	20,449
Liabilities due to LOUs	55,040	121,907
	<b>1,070,702</b>	<b>1,067,526</b>

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%.

The realization and valuation of the financial assets and liabilities mentioned above generated a net foreign currency loss of US\$ 338,014.

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

	Jan. to Dec. 2018	Jan. to Dec. 2017
	US\$	US\$
Total interest income	12,274	999
Total interest expense	750	989
Total bank transaction expenses	4,881	4,517

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 expenses.

IFRS 7 requires the 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\$
<b>10% increase of transaction currency</b>		
Swiss franc	58,631	58,631
Euro	702,315	702,315
	<b>760,946</b>	<b>760,946</b>
<b>10% decrease of transaction currency</b>		
Swiss franc	-58,631	-58,631
Euro	-702,315	-702,315
	<b>-760,946</b>	<b>-760,946</b>

### 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, 2018, 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 and quarterly invoicing agreed in both kinds of arrangements with the LEI issuers, and the repeating cash structure of the most 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 two major banking relationships. The majority of its cash holdings is concentrated with one of these banks.

## 6. Other information and disclosures

### 6.1 Related party transactions

Related individuals of GLEIF include the Members of the Board of Directors, the Chief Executive Officer and the senior 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, 2018, and 2017:

	Jan. to Dec. 2018	Dec. 2018	Jan. to Dec. 2017	Dec. 2017
	Expenses	Liabilities	Expenses	Liabilities
	US\$	US\$	US\$	US\$
<b>Board Directors</b>				
Travel expense reimbursement	356,382	20,489	248,791	29,678
<b>Key management personnel</b>				
Fixed remuneration	937,509	0	835,883	2,998
Variable remuneration and bonus	343,650	339,047	306,229	311,851
Travel expense reimbursement	125,501	15,073	117,593	2,893
	<b>1,763,042</b>	<b>374,609</b>	<b>1,508,496</b>	<b>347,420</b>

The Directors did not receive remuneration for their services as Directors of the GLEIF Board, with the exception of the reimbursement of their travel costs.

The 2018 and 2017 travel reimbursement expenses and liabilities for the Board Directors include claimed expenses as well as accrued expenses for outstanding reimbursement. In 2018, US\$ 23,200 accrued liabilities for 2017 Board travel expenses were 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 amounting to US\$ 13,018 (December 31, 2017: US\$ 12,596) were paid during 2018.

The expenses for the pension scheme for Swiss employees in the favor of the senior management were US\$ 9,845 (2017: US\$ 34,071).

### 6.2 Observance of the GLEIF Statutes' requirements

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 uniquely 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, Zurich/Switzerland, for fiscal year 2018 were US\$ 33,487 for 2018 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 during the fiscal year 2018.

		Term
<b>Gerard Hartsink</b> (Chair of the Board)	Hilversum, 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>Arthur Cousins</b>	Johannesburg, South Africa	retired 2018
<b>Robin Doyle</b>	New York, United States of America	2 years
<b>Daniel Goroff</b>	New York, United States of America	3 years
<b>Hiroshi Kawagoe</b>	Tokyo, Japan	retired 2018
<b>Paul Kennedy</b>	Beecroft, Australia	2 years
<b>Wolfgang König</b>	Gelnhausen, Germany	resigned 2018
<b>Alfredo Reyes Krafft</b>	Mexico City, Mexico	3 years
<b>Hyoungh-Seok Lim</b>	Seoul, Republic of Korea	2 years
<b>Ravi Mathur</b>	Gurgaon, India	retired 2018
<b>Bruno Schütterle</b>	Bad Ragaz, Switzerland	3 years
<b>Christopher Taggart</b>	London, United Kingdom	3 years
<b>Elemér Terták</b>	Brussels, Belgium	2 years
<b>Kam Keung Tse</b>	Hong Kong, China	3 years
<b>Henrique Vergara</b>	São Paulo, Brazil	3 years
<b>Changmin Chun</b>	Goyangsi, Republic of Korea	nominated in 2018
<b>Hiroshi Nakatake</b>	Tokyo, Japan	3 years
<b>Monica Singer</b>	Cape Town, South Africa	nominated in 2018
<b>Sandra Boswell</b>	Sydney, Australia	3 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 three years, renewable (with the consent of the Board of Directors) for an additional term of three years.

The nomination procedure for new Members of the Board of Directors is coordinated by the Chair of the Board of Directors. Irrespective of this procedure the Founder has the right to remove or nominate a Member of the Board of Directors based on a recommendation of the LEI ROC, as defined in Article 15 of the GLEIF Statutes.

The Chief Executive Officer is Stephan Wolf, residing in Wiesbaden, Germany. He started in his role in October 2014.

Thomas Sprecher, Zurich, Switzerland, is the Secretary of the Board of Directors since June 26, 2014.

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

Basel, April 3, 2019

# Independent Auditor's Report

## Independent auditor's report

with financial statements as of 31 December 2018 of

**Global Legal Entity Identifier Foundation, Basel**



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Aeschengraben 9  
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CH-4002 Basel

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To the Board of Directors of  
**Global Legal Entity Identifier Foundation, Basel**

Basel, 3 April 2019

## 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 2018 and the statement of comprehensive income, statement of changes in organizational capital and statement of cash flows for the year then ended 2018, 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 2018, 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 2018 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.



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#### 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 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.



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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)

# Board of Directors, CEO and LEI ROC Chairs

As of December 31, 2018, the Board of Directors was comprised of 18 Directors of which the Chair and eight Directors were appointed by the FSB on a recommendation of the LEI ROC from industry and regulatory organizations who bring their expertise and experience to GLEIF.

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 and Finance Committee	Governance Committee	Technology and Operations Standards Committee	Business Development Committee
Gerard Hartsink	Chair	Chair				
Nabil Al-Mubarak		Vice-Chair				
Sandra Boswell						
Jefferson Braswell				Chair		
Bo Chen						
Changmin Chun						
Robin Doyle			Chair	Vice-Chair		
Daniel Goroff					Vice-Chair	
Wolfgang König	Vice-Chair	Vice-Chair				Chair
Alfredo R. Krafft						
Ravi Mathur						
Hiroshi Nakatake						
Bruno Schütterle						
Monica Singer						
Christopher Taggart						
Elémer Terták						
Kam Keung Tse						
Henrique de Rezende Vergara				Chair		

Composition of the Board of Directors and Committees as of December 31, 2018.

# Members of the Board of Directors

as of December 31, 2018



**Director: Gerard Hartsink**  
Role: Chairman



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



**Director: Sandra Boswell**  
Affiliation: Glasshouse Advisory  
Role: Director and National Leader of Innovation and Incentives



**Director: Christopher Taggart**  
Affiliation: Open Corporates Association  
Role: Co-Founder & Chief Executive Officer

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



**Director: Bo Chen**  
Affiliation: China Computerization Corporation  
Role: General Manager



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



**Director: Monika Singer**  
Affiliation: ConsenSys  
Role: Creator of Opportunities



**Director: Hiroshi Nakatake**  
Affiliation: Transaction Banking Division, MUFG Bank  
Role: Managing Director



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



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

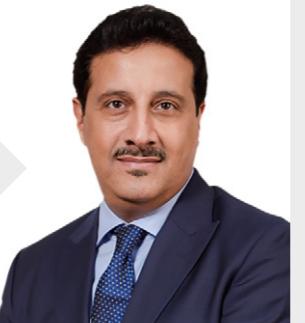


**Director: Ravi Mathur**  
Affiliation: GS1 India  
Role: Chief Executive Officer



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

**Director: Nabil Al-Mubarak**  
Affiliation: SIMAH Rating Agency (Tassnief)  
Role: Vice Chairman & CEO



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



**Director: Henrique de Rezende Vergara**  
Affiliation: HVergara Advocacia  
Role: Sole Partner



**Director: Bruno Schütterle**  
Affiliation: BFS Consulting  
Role: Independent Consultant



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

# Chief Executive Officer



**Stephan Wolf**  
CEO – GLEIF

## LEI ROC Chairs Observers

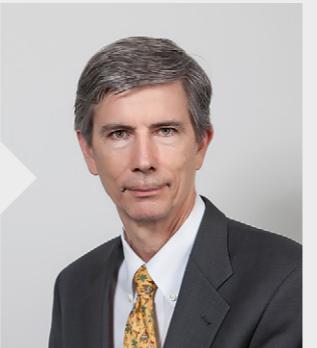


**LEI ROC Chair: Michael Ritter**  
**Affiliation:**  
Deutsche Bundesbank,  
Germany  
**Role:** Head of Central Credit  
Register

**LEI ROC Vice-Chair:**  
Nanda S. Dave  
**Affiliation:** Reserve Bank  
of India  
**Role:** Head of the  
Department of Payment and  
Settlement Systems



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



# Overview of Professional Advisors

Advisor	Country of origin	Type of service
<b>Niederer, Kraft &amp; Frey AG</b>	Switzerland	Legal services Board Secretary
<b>CMS von Erlach Poncet Ltd.</b>	Switzerland	Legal services Trademark LEI issuer contracts
<b>WP StB Christian Hecht</b>	Germany	Accounting & tax services
<b>Treureva AG</b>	Switzerland	Invoicing Tax services Payroll
<b>Ernst &amp; Young Ltd (EY)</b>	Switzerland	Statutory audit

## General information

### Images

#### People:

Marco Stirn: [fotostudio9.de](http://fotostudio9.de)  
One World Identity LLC  
Jens Ripperger: [ripperger.de](http://ripperger.de)



[gleif.org](http://gleif.org)

#### Maps:

Luis Dilger, Graphic and Motion Design Studio:  
[luisdilger.com](http://luisdilger.com)

#### Diagrams

Karin Lange: [lange-di.com](http://lange-di.com)

### Publishing Information

#### Published by Global Legal Entity Identifier Foundation (GLEIF)

St. Alban-Vorstadt 5  
4002 Basel  
Switzerland  
E-mail: [info@gleif.org](mailto:info@gleif.org)

#### Company number:

CHE-200.595.965

**LEI of GLEIF:**  
506700GE1G29325QX363

**LEI issuer:**  
Swiss Federal Statistical Office (FSO)

**Supervision:**  
Swiss Federal Supervisory Authority  
for Foundations, Bern

**Auditors:**  
Ernst & Young Ltd (EY), Basel

**Terms and conditions:**  
The GLEIF Website Terms

**Graphics, layout and typesetting**  
Lange Design Intelligence,  
Frankfurt am Main, Germany

**Lithography**  
Jens Ripperger Medienproduktion,  
Frankfurt am Main, Germany

**Printing**  
AC medienhaus GmbH

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