



LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on climate related issues</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in internal staff</p>	<p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on climate related issues</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in collaborative engagements</p> <p><input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on climate related issues</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in service provider engagements</p>

RI TRANSPARENCY REPORT

2017

GLS Gemeinschaftsbank eG

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2017 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO End	Module confirmation page	✓	-							

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	-	n/a							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	✓	Private	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 17	Innovative features of approach to RI	✓	Private							✓
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public							✓
LEI 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 10	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 11	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 12	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 13	ESG issues in index construction	🔒	n/a	✓						
LEI 14	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 15	Measurement of financial and ESG outcomes of ESG incorporation	✓	Private	✓						
LEI 16	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI 17	Disclosure of approach to ESG incorporation	✓	Public		✓					✓
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagement methods	✓	Private		✓					
LEA 13	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 14	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 15	Examples of ESG engagements	-	n/a		✓					
LEA 16	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 17	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 18	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 19	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 20	Confirmation of votes	✓	Private		✓					
LEA 21	Securities lending programme	✓	Private		✓					
LEA 22	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 23	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 24	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 25	Shareholder resolutions	✓	Private		✓					
LEA 26	Examples of (proxy) voting activities	-	n/a		✓					
LEA 27	Disclosing voting activities	✓	Public		✓				✓	
LEA End	Module confirmation page	✓	-							

Direct - Inclusive Finance				Principle							General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	7	
IFD 01	Mission and investment objective	✓	Private								✓
IFD 02	Governance, management structures and processes	✓	Private								✓
IFD 03	Social targets	✓	Private								✓
IFD 04	Percentage in equity, debt and guarantees	✓	Private								✓
IFD 05	Percentage in microfinance and/or SME finance	✓	Public								✓
IFD 06	Geographical spread of microfinance investments	✓	Public								✓
IFD 07	Tracking microfinance investees portfolio	✓	Public	✓							
IFD 08	Support financial services beyond credit, compulsory savings and/or compulsory insurance	✓	Public	✓							
IFD 09	Support the introduction of services tailored to the 'poor', 'very poor' and 'low income'	✓	Private	✓							
IFD 10	Technical assistance to investees	✓	Private	✓							
IFD 11	Public endorsement of the Client Protection Principles	✓	Public		✓						
IFD 12	Provide training and assistance for investees implementing the Client Protection Principles	✓	Private		✓						
IFD 13	Include the Client Protection Principles in investment policies	✓	Public		✓						
IFD 14	Investment in local currency	✓	Public			✓					
IFD 15	Average maturity of debt investments	✓	Public			✓					
IFD 16	Average holding period of equity investments	🔒	n/a			✓					
IFD 17	Terms and conditions	✓	Public			✓					
IFD 18	Tools for social performance reporting	✓	Public				✓				
IFD 19	Retail institutions have independent financial/social rating and/or social audit	✓	Public				✓				
IFD 20	Due diligence on and monitoring and reporting of corporate governance among investees	✓	Public				✓				
IFD 21	Training or assistance for investees on corporate governance	✓	Private				✓				
IFD 22	Percentage of investees where board seats are held	🔒	n/a				✓				
IFD 23	Procedure to integrate environmental issues in investment decision processes	✓	Public				✓				
IFD 24	Anti-corruption and whistle-blowing policies	✓	Private				✓				
IFD 25	How mission and investment objectives are communicated to stakeholders	✓	Private					✓			
IFD 26	Investors and/or the public provided with information aligned with industry standards	✓	Public					✓			
IFD 27	Transparency of pricing, terms and conditions among investees	✓	Public					✓			
IFD 28	How social performance of investees affects decision making and portfolio	✓	Public						✓		

	management																							
IFD 29	Staff incentives linked to social performance measures	✓	Private																		✓			
IFD 30	Collecting data regarding social outcomes of investees work	✓	Private																			✓		
IFD 31	Incentivise investees to track social performance	✓	Private																			✓		
IFD 32	Collaborative initiatives your organisation has supported or participated in	✓	Public																				✓	
IFD 33	Encouraging investees to participate in collaborative initiatives	✓	Private																				✓	
IFD 34	Encouraging your investees to participate in initiatives which contribute to the development of industry benchmarks	✓	Private																				✓	
IFD End	Module confirmation page	✓	-																					

GLS Gemeinschaftsbank eG

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic Information

OO 01	Mandatory	Public	Gateway/Peering	General
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OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 01.2 Additional information. [Optional]

GLS Bank is funds-advisor for GLS Bank Aktienfonds and GLS AI Mikrofinanfonds. As there was a change in UN PRI Reporting framework in December 2016, we adopted to this and changed our reporting settings. From now on our reporting solely focusses the two funds mentioned above.

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Germany

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

413.11

OO 03	Mandatory	Public	Descriptive	General
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OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
 No

OO 04**Mandatory****Public****Gateway/Peering****General****OO 04.1**

Indicate the year end date for your reporting year.

31/12/2016

OO 04.2

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on.

	trillions	billions	millions	thousands	hundreds
Total AUM			166	128	185
Currency	EUR				
Assets in USD			177	790	967

OO 04.4

Additional information. [Optional]

GLS Bank is funds-advisor for GLS Bank Aktienfonds and GLS AI Mikrofinanzfonds. As there was a change in UN PRI Reporting framework in December 2016, we adopted to this and changed our reporting settings. From now on our reporting solely focusses the two funds mentioned above.

OO 06**Mandatory****Public****Descriptive****General**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 06.1

How you would like to disclose your asset class mix.

- as percentage breakdown
 as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	>50%	0
Fixed income	0	0
Private equity	0	0
Property	0	0

Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	10-50%	0
Cash	10-50%	0
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2 Publish our asset class mix as per attached image [Optional].

OO 09	Mandatory to Report Voluntary to Disclose	Public	Peering	General
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OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total</i>	<i>100%</i>

Gateway asset class implementation indicators

OO 10	Mandatory	Public	Gateway	General
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OO 10.1 Select the direct or indirect ESG incorporation activities your organisation implemented for listed equities in the reporting year.

- We incorporate ESG in our investment decisions on our internally managed assets
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

OO 10.2 Select the direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.

- We engage with companies on ESG factors via our staff, collaborations or service providers
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

OO 10.3 Select the direct or indirect voting activities your organisation implemented for listed equity in the reporting year

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

OO 11	Mandatory	Public	Gateway	General
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OO 11.1 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

- Inclusive finance
- Cash
- None of the above

OO 12	Mandatory	Public	Gateway	General
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You will need to make a selection in OO 12.1 only if you have any voluntary modules that you can choose to report on.

OO 12.1 Select from below any additional applicable modules or sections you would like to report on voluntarily. You are only required to report on asset classes that represent 10% or more of your AUM.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Other asset classes with dedicated modules

- Inclusive Finance

Closing module

- Closing module

OO 12.2

Additional information. [Optional]

As GLS Bank is not using investment consultants and/or fiduciary managers, the section "Indirect - Selection, Appointment and Monitoring of External Managers " is not applicable.

GLS Gemeinschaftsbank eG

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.4

Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

No

SG 02**Mandatory****Public****Core Assessed****PRI 6**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

<http://www.gls-fonds.de/gls-bank-aktienfonds/sorgfaeltige-pruefung.html>

- Attachment (will be made public)

- Formalised guidelines on environmental factors

URL/Attachment

- URL

URL

<https://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjW1pfmyorTAhXqKcAKHattAXQQFggpMAE&url=https%3A%2F%2Fwww.gls.de%2Fdownload%2F%3Ffile%3D2795%26cHash%3Da757570cd92a2bd3c26a4b07daa86f65&usq=AFQjCNGuJAaADPvJOLbvziznAhQGQIKxxQ&cad=rja>

- Attachment (will be made public)
- Formalised guidelines on social factors

URL/Attachment

URL

URL

<https://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjW1pfmyorTAhXqKcAKHattAXQQFggpMAE&url=https%3A%2F%2Fwww.gls.de%2Fdownload%2F%3Ffile%3D2795%26cHash%3Da757570cd92a2bd3c26a4b07daa86f65&usq=AFQjCNGuJAaADPvJOLbvziznAhQGQIKxxQ&cad=rja>

- Attachment (will be made public)
- Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

<https://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjW1pfmyorTAhXqKcAKHattAXQQFggpMAE&url=https%3A%2F%2Fwww.gls.de%2Fdownload%2F%3Ffile%3D2795%26cHash%3Da757570cd92a2bd3c26a4b07daa86f65&usq=AFQjCNGuJAaADPvJOLbvziznAhQGQIKxxQ&cad=rja>

- Attachment (will be made public)
- Asset class-specific RI guidelines

URL/Attachment

URL

URL

<https://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjW1pfmyorTAhXqKcAKHattAXQQFggpMAE&url=https%3A%2F%2Fwww.gls.de%2Fdownload%2F%3Ffile%3D2795%26cHash%3Da757570cd92a2bd3c26a4b07daa86f65&usq=AFQjCNGuJAaADPvJOLbvziznAhQGQIKxxQ&cad=rja>

Attachment (will be made public)

Sector specific RI guidelines

URL/Attachment

URL

URL

<https://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjW1pfmyorTAhXqKcAKHattAXQQFggpMAE&url=https%3A%2F%2Fwww.gls.de%2Fdownload%2F%3Ffile%3D2795%26cHash%3Da757570cd92a2bd3c26a4b07daa86f65&usq=AFQjCNGuJAaADPvJOLbvziznAhQGQIKxxQ&cad=rja>

Attachment (will be made public)

Screening / exclusions policy

URL/Attachment

URL

URL

<https://www.gls.de/download/?file=2795&cHash=a757570cd92a2bd3c26a4b07daa86f65>

Attachment (will be made public)

Engagement policy

URL/Attachment

URL

URL

<http://www.gls-fonds.de/fileadmin/Redakteure/aktienfond/files/160930Investitionsbericht.pdf>

Attachment (will be made public)

We do not publicly disclose our investment policy documents

SG 02.4	Additional information [Optional].
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Specific guidelines are set up in GLS Anlage- und Finanzierungsgrundsätze, which are publicly available:
http://www.gls-fonds.de/fileadmin/Redakteure/allgemein/files/Bro_Anlage_Finanzgrundsaeetze_170130_final_36777.pdf

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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GLS Bank has a compliance officer who oversees the investment process. Every employee who acts as a member of the investment committee is listed as compliance relevant and has to disclose personal financial transactions. GLS Bank complies with all relevant laws.

No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

SG 05.2	Additional information. [Optional]
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All companies in our GLS investment universe are subject to a comprehensive monthly monitoring.

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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SG 07.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Asset Management and Treasury**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Dedicated responsible investment staff
 - External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Investor relations
 - Other role, specify (1)
 - Other role, specify (2)

SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

3

SG 07.4

Additional information. [Optional]

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Ethical Investment Committee

1. Oversight/accountability for responsible investment
2. Implementation of responsible investment

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- AFIC – La Commission ESG
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify Eurosif (publication follows)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
Global Alliance For Banking on Values: independent network of banks using finance to deliver sustainable development for unserved people, communities and the environment.
gabv.org

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Founding Member. Speaker on meetings. Collaboration in several projects. Hosted annual meeting in 2013.

- Other collaborative organisation/initiative, specify
INAISE (the International Association of Investors in the Social Economy) is a global network of socially and environmentally oriented financial institutions.
inaise.org

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Founding Member. Speaker on meetings. Collaboration in several projects. GLS Bank hosted annual meeting of INAISE in 2014.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
----------------	--

Yes

SG 10.2	Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.
----------------	--

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

No

Implementation not in other modules

SG 12	Mandatory	Public	Descriptive	PRI 1
--------------	------------------	---------------	--------------------	--------------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1	Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.
----------------	--

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify

GLS Sustainability Research and GLS Anlageausschuss continuously discuss and analyse ESG-trends and therewith, fulfil a risk management tool for certain issues.

We do not execute such scenario analysis and/or modelling

SG 12.2

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify

All investment decisions are based on a comprehensive ESG-assessment of all positive fields and assets.

We do not consider ESG issues in strategic asset allocation

SG 15	Mandatory	Public	Descriptive	General
--------------	------------------	---------------	--------------------	----------------

SG 15.1

Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Inclusive finance	GLS AI Mikrofinanz Fund fulfills it's own, comprehensive ESG-assesment and has it's own sustainabilty commitee. Further information can be found under the following link: http://www.gls-fonds.de/gls-alternative-investments-mikrofinanzfonds/sorgfaeltige-pruefung.html

SG 15.2

Additional information [Optional].

The entire banking business of GLS Bank is based on social and environmental criteria and principles that shape the investment and financing business. This applies to all asset classes.

GLS Gemeinschaftsbank eG

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

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Overview

LEI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
--------	---	--------	---------	---------

LEI 01.1 Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

Percentage of internally managed listed equities

	Passive	0
	Active - quantitative (quant)	0
	Active - fundamental and active - other	100
	Total	100%

ESG incorporation in actively managed listed equities

Implementation processes


LEI 03	Mandatory	Public	Gateway	PRI 1
--------	-----------	--------	---------	-------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEI 03.1 Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)

ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening and Integration strategies
- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined

Percentage of active listed equity to which the strategy is applied	
---	--

- We do not apply incorporation strategies

Total actively managed listed equities

100%

LEI 03.2 Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.

In terms of Screening, we exclude certain sectors as well as practices based on specific ESG criteria. Alongside, we only invest in specific themes related to sustainability (e.g. renewable energy, health care or sustainable agriculture). We integrate our positive and exclusion criteria in our financial analysis. The final investment decision is made on a case-by-case basis by the independent Ethical Investment Committee (GLS Anlageausschuss).

We consider our approach sound, since we believe the use of only one of the strategies alone or best-in-class does not go far enough.

LEI 03.3 Where assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

see above.

(A) Implementation: Screening

LEI 06	Mandatory	Public	Descriptive	PRI 1
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LEI 06.1 Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

- Negative/exclusionary screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description

Please find description below.

- Positive/best-in-class screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description

Please find description below.

- Norms-based screening

Screened by

- UN Global Compact Principles
- The UN Guiding Principles on Business and Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify

Description

GLS Bank's general understanding of sustainability is the basis for the evaluation of companies and countries. The fundamental needs of people are at the center of our understanding, the preservation and the development of our livelihood is a necessary condition and economical benefit is a result of our actions.

LEI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

The criteria were established from the moment, GLS Bank started its securities business. The document "Anlage- und Finanzierungsgrundsätze", which entails the specified screening, exclusion and positive criteria, functions as our operationalized guideline for financing and investment activities. The document is publicly available. The document will be reviewed for the in 2016, where we will make smaller clarifications for certain criteria. Again, this renewed document will be publicly available.

LEI 07**Mandatory****Public****Core Assessed****PRI 1****LEI 07.1**

Indicate which processes your organisation uses to ensure screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

(B) Implementation: Thematic**LEI 09****Mandatory****Public****Descriptive****PRI 1****LEI 09.1**

Indicate the type of sustainability thematic funds or mandates your organisation manages.

- Environmentally themed funds
- Socially themed funds
- Combination of themes

(C) Implementation: Integration of ESG issues**LEI 10****Mandatory****Public****Core Assessed****PRI 1****LEI 10.1**

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<div style="background-color: #0070C0; color: white; padding: 5px; display: flex; justify-content: space-between; align-items: center;"> Environmental </div> <p><input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We do not review environmental issues</p>
Social	<div style="background-color: #0070C0; color: white; padding: 5px; display: flex; justify-content: space-between; align-items: center;"> Social </div> <p><input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We do not review social issues</p>
Corporate Governance	<div style="background-color: #0070C0; color: white; padding: 5px; display: flex; justify-content: space-between; align-items: center;"> Corporate Governance </div> <p><input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We do not review corporate governance issues</p>

Communication

LEI 17	Mandatory	Public	Core Assessed	PRI 2,6
--------	-----------	--------	---------------	---------

LEI 17.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

- We disclose it publicly

Provide URL

<http://www.gls-fonds.de/gls-bank-aktienfonds/sorgfaeltige-pruefung.html>

Provide URL

<http://www.gls-fonds.de/gls-bank-aktienfonds/downloads.html>

LEI 17.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes

LEI 17.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 17.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries

GLS Gemeinschaftsbank eG

Reported Information

Public version

Direct - Listed Equity Active Ownership

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Engagement

Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1	Indicate whether your organisation has a formal engagement policy.
----------	--

Yes

LEA 01.2	Indicate what your engagement policy covers:
----------	--

- Conflicts of interest
- Prioritisation of engagements
- Transparency
- Environmental factors
- Social factors
- Governance factors
- Engagements following on from decisions
- Other, describe
- None of the above

LEA 01.3	Attach or provide a URL to your engagement policy. [Optional]
----------	---

	URL
--	-----

<http://www.gls-fonds.de/fileadmin/Redakteure/aktienfond/files/160930Investitionsbericht.pdf>

LEA 01.4	Provide a brief overview of your organization's approach to engagement
----------	--

Engagement is an integrated part of GLS Bank's Sustainability Assessment. In a dialog with companies, we encourage them for more transparency and address social, ecological and governance issues with company responsables. Furthermore, we publish an integrated Engagement-Report in GLS Aktienfonds Investitionsbericht. Please find further information under the following link:

<http://www.gls-fonds.de/fileadmin/Redakteure/aktienfond/files/160930Investitionsbericht.pdf>

No

LEA 02	Mandatory	Public	Gateway	PRI 1,2,3
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LEA 02.1 | Indicate the method of engagement, giving reasons for the interaction.

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

Process

Process for engagements run internally

LEA 03	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1 | Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

☉ Yes

LEA 03.2	Describe the criteria used to identify and prioritise engagement activities carried out by internal staff.
-----------------	--

- Geography/market of the companies targeted
 - Materiality of ESG factors
 - Systemic risks to global portfolios
 - Exposure (holdings)
 - In reaction to ESG impacts which has already taken place
 - As a response to divestment pressure
 - As a follow-up from a voting decision
 - Client request
 - Other, describe
- No

LEA 04	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 04.1	Indicate if you define specific objectives for your engagement activities.
-----------------	--

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out by internal staff.

LEA 04.2	Indicate if you monitor the actions that companies take following your engagements.
-----------------	---

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out by internal staff.

LEA 04.3	Indicate whether your organisation defines milestones and goals for engagement activities carried out by internal staff.
-----------------	--

- Yes
- No

Process for engagements conducted via collaborations				
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LEA 05	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 05.1

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

Yes

LEA 05.2

Describe the criteria used to identify and prioritise collaborative engagements

- Potential to learn from other investors
- Ability to add value to the collaboration
- Geography / market of the companies targeted
- Materiality of ESG factors
- Systemic risks to global portfolios
- Exposure (holdings)
- In response to ESG impacts which has already taken place
- In response to divestment pressure
- Client requests
- Other, describe

No

LEA 06

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 06.1

Indicate if you define specific objectives for your engagement activities carried out collaboratively.

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out collaboratively.

LEA 06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out collaboratively

LEA 06.3

Indicate whether your organisation defines milestones and goals related to engagement activities carried out via collaborations.

Yes

LEA 06.4

Indicate if you do any of the following to monitor and evaluate the progress of your collaborative engagement activities.

- Define timelines for milestones and goals
- Tracking, monitoring progress against defined milestones and goals
- Establish a process for when the goals are not met
- Revisit and, if necessary revise the goals on a continuous basis
- Other, please specify

No

General processes for all three groups of engagers

LEA 10**Mandatory****Public****Gateway****PRI 2****LEA 10.1**

Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track and cannot estimate our engagements

Communication

LEA 16**Mandatory****Public****Core Assessed****PRI 2,6****LEA 16.1**

Indicate whether your organisation proactively discloses information on its engagements.

We disclose it publicly

provide URL

<http://www.gls-fonds.de/fileadmin/Redakteure/aktienfond/files/160930Investitionsbericht.pdf>

LEA 16.2 | Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEA 16.3 | Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.

Engagement information disclosed

- Details of the selections, priorities and specific goals of engagement
- Number of engagements
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the engagement
- Outcomes that have been achieved from the engagement
- Other information

Information about selections, priorities and goals of engagement

LEA 16.4 | Indicate how frequently you report engagements information.

- Disclosed continuously (prior to and post engagements)
- Disclosed quarterly or more frequently
- Disclosed biannually
- Disclosed annually
- Disclosed less frequently than annually
- Ad hoc/when requested

No

We disclose it to clients and/or beneficiaries only

We do not proactively disclose it to the public and/or clients/beneficiaries.

(Proxy) voting and shareholder resolutions

Overview

LEA 17	Mandatory	Public	Gateway	PRI 1,2,3
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 17.1 | Indicate whether your organisation has a formal voting policy.

Yes

No

Process

LEA 18	Mandatory	Public	Descriptive	PRI 2
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LEA 18.1 Indicate how you typically make your (proxy) voting decisions.

Approach

- We use our own research or voting team and make voting decisions without the use of service providers.

Based on

- our own voting policy
- our clients' requests or policy
- other, explain
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- We hire service provider(s) that make voting decisions on our behalf.

LEA 18.2 Additional information.[Optional]

We have a general understanding, based on our sustainability understanding, on how we exercise our voting rights. However, we are currently working on incorporating a formal policy.

LEA 22	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 22.1 Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases
- Sometimes, in the following cases:
 - Votes for selected markets
 - Votes relating to certain ESG issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - Other
 - All engagement activity is being done ahead of voting. As funds advisor, GLS Bank is not able to do any proxivoting. We are currently aiming to change this in the future.
- Neither we nor our service provider raise concerns with companies ahead of voting

LEA 22.2	Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.
-----------------	---

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

LEA 22.3	Additional information. [Optional]
-----------------	------------------------------------

Even though, GLS are not able to do proxi voting (as mentioned before), we engage otherwise. If we divest a company, we mostly communicate our decision to the respective firm. Furthermore, we publish a list of divested companies on GLS Aktienfonds Investitionsbericht. Please find further information under the following link:

<http://www.gls-fonds.de/fileadmin/Redakteure/aktienfond/files/160930Investitionsbericht.pdf>

Outputs and outcomes

LEA 23	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

LEA 23.1	For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
-----------------	--

- We do track or collect this information
- We do not track or collect this information

LEA 23.3	Additional information. [Optional]
-----------------	------------------------------------

As funds advisor, GLS Bank is not able to do any proxivoting. We are currently aiming to change this in the future.

LEA 24	Mandatory	Public	Descriptive	PRI 2
---------------	------------------	---------------	--------------------	--------------

LEA 24.1	Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.
-----------------	---

- Yes, we track this information
- No, we do not track this information

LEA 24.4	Additional information. [Optional]
-----------------	------------------------------------

As funds advisor, GLS Bank is not able to do any proxivoting. We are currently aiming to change this in the future.

Communication

LEA 27	Mandatory	Public	Core Assessed	PRI 2,6
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LEA 27.1 | Indicate if your organisation proactively discloses information on your voting activities.

- We disclose it publicly
- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

GLS Gemeinschaftsbank eG

Reported Information

Public version

Direct - Inclusive Finance

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Context

IFD 05	Mandatory to Report Voluntary to Disclose	Public	Gateway	PIIF General
--------	---	--------	---------	--------------

IFD 05.1 Of your total assets invested directly in inclusive finance, indicate what percentage is invested in the following:

Microfinance	<input type="checkbox"/> 0% <input type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input checked="" type="checkbox"/> >80%
	<input type="checkbox"/> 0% <input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%
	<input checked="" type="checkbox"/> 0% <input type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%
Total	100%

IFD 06	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PIIF General
--------	---	--------	-------------	--------------

IFD 06.1 Indicate if you track the geographical spread of your total assets invested directly in microfinance.

Yes

IFD 06.2 Of your total assets invested directly in microfinance, indicate the geographic spread as a percentage of your portfolio.

- Western Europe
 Eastern Europe & Central Asia

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input type="checkbox"/> <20% <input checked="" type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	<input type="checkbox"/> We do not track this information

North America

Latin America (includes Central and South America) & Caribbean

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input type="checkbox"/> <20% <input checked="" type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	<input type="checkbox"/> We do not track this information

East Asia & Pacific

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	<input type="checkbox"/> We do not track this information

South Asia

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	<input type="checkbox"/> We do not track this information

Middle East & North Africa

% of portfolio	Indicate the average loan size (in US\$) of your investees to active borrowers in this region.
<input checked="" type="checkbox"/> <20% <input type="checkbox"/> 20-40% <input type="checkbox"/> 41-60% <input type="checkbox"/> 61-80% <input type="checkbox"/> >80%	<input type="checkbox"/> We do not track this information

Sub-Saharan Africa

No

IFD 06.3

Additional information. [Optional]

The average loan size of investees to active borrowers in total was 2.274 EUR (31.12.2016).

PIIF Principle 1: Range of services

IFD 07	Mandatory	Public	Core Assessed	PIIF 1
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Possible action:

Develop and extend the range of financial services available to low-income populations. Extensions could include savings, loans, insurance, payment services, remittance facilities and pension plans.

IFD 07.1

Indicate if you track the percentage of your microfinance investees' portfolio that is in microenterprise loans.

Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in microenterprise loans. [Optional]

<20%

20-40%

41-60%

61-80%

>80%

No, we do not track

Not applicable (there are no microenterprise loans in the portfolio)

IFD 07.2

Indicate if you track the percentage of your microfinance investees' portfolio that is in loans for immediate household needs (i.e. consumer loans).

Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in loans for immediate household needs. [Optional]:

- <20%
- 20-40%
- 41-60%
- 61-80%
- >80%

- No, we do not track
- Not applicable (there are no loans for immediate household needs in the portfolio)

IFD 07.3

Indicate if you track the percentage of your investees' portfolio in housing loans.

- Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in loans for other categories. [Optional]

- <20%
- 20-40%
- 41-60%
- 61-80%
- >80%

- No, we do not track
- Not applicable (there are no loans for housing in the portfolio)

IFD 07.4

Additional information. [Optional]

We track the fund portfolio that consists of loan to microfinance institutions, not microfinance end-customers.

IFD 08

Mandatory

Public

Core Assessed

PIIF 1

IFD 08.1

In your microfinance portfolio, indicate if you support the provision of financial services beyond credit, compulsory savings and/or compulsory insurance.

- Yes

IFD 08.2

Indicate which of the following services you support:

- Voluntary savings products

Provide examples of how and what you support.

We are aware of the importance of MFIs offering saving products. We encourage our external fund managers to choose MFIs accordingly. E.g. we communicate that the offering of such products is a positive criterion for our investments.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

Yes

No

Voluntary insurance products

Provide examples of how and what you support.

We are aware of the importance of MFIs offering insurance products. We encourage our external fund managers to choose MFIs accordingly. E.g. we communicate that the offering of such products is a positive criterion for our investments.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

Yes

No

Other financial services, specify

Non-financial services, specify

Consulting for borrowers

Provide examples of how and what you support.

We encourage our external fund managers to choose MFIs that provide financial counseling as well as technical assistance facilities.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

Yes

No

No

PIIF Principle 2: Client protection

IFD 11	Mandatory	Public	Core Assessed	PIIF 2
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Possible action:

Publicly endorse the Client Protection Principles (CPP).

IFD 11.1 Indicate if you have publicly endorsed the Client Protection Principles.

Yes

No

IFD 11.2	Additional information. [Optional]
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The Client Protection Principles form the minimum standards for MFI selection by our portfolio manager.

IFD 13	Mandatory	Public	Core Assessed	PIIF 2
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IFD 13.1	Indicate if you include the Client Protection Principles and/or other client protection measures in your investment policies.
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Yes

IFD 13.2	Indicate if this is systematically applied.
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	During due diligence
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Yes

No

	In covenants in loan agreements and/or in financing or shareholder agreements
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Yes

No

IFD 13.3	Indicate if you encourage investees to apply for Client Protection Certification. [Optional]
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Yes

No

No

PIIF Principle 3: Fair treatment

IFD 14	Mandatory	Public	Core Assessed	PIIF 3
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Possible action:

Provide financing in an appropriate currency and tenor.

IFD 14.1	In relation to your direct portfolio in debt, indicate if you provide investment in local currency.
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Yes

IFD 14.2

Indicate what percentage of your direct portfolio in debt is invested in the investee's local currency.

- <20%
- 20-40%
- 41-60%
- 61-80%
- >80%

No

IFD 15**Mandatory****Public****Descriptive****PIIF 3****Possible action:**

Provide financing in an appropriate currency and tenor.

Actively support the building of a diversified funding base.

IFD 15.1

In relation to your direct portfolio in debt, indicate what percentage have a maturity (from the point of investment) of the specified duration:

- 12 months or fewer
- 13 to 24 months
- 25 to 60 months

Indicate percentage

- <20
- 20-40%
- 41-60%
- 61-80%
- >80%
- Over 60 months

IFD 15.2

Indicate if you have a set limit regarding the maximum fixed income investment exposure of the investees in which you invest. [Optional]

- Yes
- No

IFD 17**Mandatory****Public****Core Assessed****PIIF 3****Possible action:**

Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.

IFD 17.1

Indicate if you adopt the following practices:

- For fixed income investments: Use the Lenders' Guidelines for Setting Covenants in Support of Responsible Microfinance as an example or reference document.
- Ensure that the investee understands the terms, covenants and their implications prior to signing loan / shareholder documentation.
- Foster trust and proactive dialogue with investees through straightforward discussions on issues such as a covenant breach.
- In the case of material covenant breach, create/participate in a voluntary workout group where applicable, with the goal to help the investee remain a going concern whenever possible.
- For fixed income investments: Train your staff on effective monitoring and covenant waiver negotiations to manage deteriorating conditions, and transition a non-performing loan from loan origination staff to specialised workout staff.

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No

- Encourage investee skills-building on financial projections, scenario planning and stress-testing for management, and on financial expertise and governance for Directors.

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No
- Other (explain)
- None of the above

IFD 17.2

Additional information. [Optional]

Our fund portfolio consists of loans to microfinance institutions, not microfinance end-customers.

PIIF Principle 4: Responsible investment**IFD 18****Mandatory****Public****Gateway****PIIF 4****Possible action:***Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.***IFD 18.1**

Indicate if you use the following tools for social performance reporting:

Externally developed tools

During due diligence.

- Yes
- No
- We don't track social performance

For monitoring and reporting purposes.

- Yes
- No
- We don't track social performance

Describe the approaches used and frequency of use.

As the fund guidelines prescribe, the portfolio manager is obliged to report financial data as well as social aspects on a monthly basis. A committee, consisting of four internal and external experts, ensure the responsible investment activities of GLS Alternative Investment - Mikrofinanzfonds. The committee serves as advisor to the portfolio manager.

In-house tools based on externally developed tools

During due diligence.

- Yes
- No
- We don't track social performance

For monitoring and reporting purposes.

- Yes
- No
- We don't track social performance

Tools developed solely in-house

During due diligence.

- Yes
- No
- We don't track social performance

For monitoring and reporting purposes.

- Yes
- No
- We don't track social performance

Describe the approaches used and frequency of use.

We use our in-house research for social performance reporting. This consists in a 3 member team, which constantly assesses the social and ecological performance of the invested MFI.

IFD 19	Mandatory	Public	Descriptive	PIIF 4
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IFD 19.1 Indicate if you require the retail institutions in which you invest to have an independent financial rating.

- Always
- In a majority of cases
- In a minority of cases
- No

IFD 19.2 Indicate if you require the retail institutions in which you invest to have an independent social rating.

- Always
- In a majority of cases
- In a minority of cases
- No

IFD 19.3 Indicate if you require the retail institutions in which you invest to have an independent social audit.

- Yes
- No

IFD 19.4 Additional information. [Optional]

The portfolio manager conducts an audit based on social and ecological criteria for every prospective MFI. We only invest in retail institutions which have a positive result. Especially small non regulated microfinance institutions with a strong social mission often have no capacities to pay for independent ratings. Therefore we check every microfinance institute on a case-by-case decision after on-site visits.

IFD 20	Mandatory	Public	Core Assessed	PIIF 4
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Possible action:

Assist in developing appropriate references for corporate governance issues.

IFD 20.1

In relation to your due diligence on and monitoring and reporting of corporate governance among investees, indicate if you assess:

Compensation of the Board of Directors and Executive Directors (i.e. its transparency, the use of benchmarking)**Pre-investment**

- Yes
- No
- Not for all of our investments in inclusive finance

Post-investment

- Yes
- No
- Not for all of our investments in inclusive finance

Composition of the Board (i.e. breadth and depth of experience, effective client representation, diversity)**Pre-investment**

- Yes
- No
- Not for all of our investments in inclusive finance

Post-investment

- Yes
- No
- Not for all of our investments in inclusive finance

Whether the Board receives social performance management-related information from the management team that is analysed and contributes to Board decision making.**Pre-investment**

- Yes
- No
- Not for all of our investments in inclusive finance

Post-investment

- Yes
- No
- Not for all of our investments in inclusive finance

IFD 23	Mandatory	Public	Descriptive	PIIF 4
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Possible action:

Assist in developing appropriate references for environmental issues.

IFD 23.1 Indicate if you have a procedure to integrate the consideration of environmental issues in your investment decision processes.

- Yes
 - For all inclusive finance investments
 - For a majority of inclusive finance investments
 - For a minority of inclusive finance investments
- No

IFD 23.4 Indicate if you request your investees to comply with an environmental exclusion list.

- Yes, for all investees
- Yes, for a majority of investees
- Yes, for a minority of investees
- No

PIIF Principle 5: Transparency

IFD 26	Mandatory	Public	Core Assessed	PIIF 5
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Possible action:

Fully disclose policies, criteria and related conditions of products and services to investees and other relevant stakeholders.

IFD 26.1 Other than the PRI/PIIF, indicate if you provide your investors and/or the public with information aligned with industry standards.

- Yes

IFD 26.2 Do you provide information aligned with:

- The MIV Disclosure Guidelines
- The Impact Reporting & Investment Standards (IRIS)
- Other, specify

Several documents on: <http://www.gls-fonds.de/gls-alternative-investments-mikrofinanzfonds.ht>

- Yes, to our investors only
- Yes, to the public
- No

IFD 27	Mandatory	Public	Core Assessed	PIIF 5
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Possible action:

Ensure that investees adequately disclose the pricing, terms and conditions of financial products and services offered, and that the pricing, terms and conditions are understood by clients.

IFD 27.1	Indicate if you encourage the retail institutions in which you invest to ensure that the following are transparent and fully explained to their clients (i.e. those seeking financial services from them) in a form they can understand.
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Pricing

- Yes

IFD 27.2	Indicate how you ensure this for pricing and provide examples.
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Adequate transparency and clarity concerning the pricing of products is ensured by usage of the Client Protection Principles

- No

Other terms and conditions

- Yes

IFD 27.3	Indicate how you ensure this for other terms/conditions and provide examples.
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Adequate transparency and clarity concerning terms and conditions is ensured by usage of the Client Protection Principles

- No

PIIF Principle 6: Balanced returns

IFD 28	Mandatory	Public	Core Assessed	PIIF 6
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Possible action:

Strive for a balanced long-term social and financial risk-adjusted return that recognises the interests of clients, retail providers and investors.

IFD 28.1	Indicate if the social performance of investees affects your:
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Investment decision making

Yes

IFD 28.2

Explain how social performance of investees affects investment decision making.

We use an indicator MIMOSA-Index as information tool concerning the level of underfunding of markets. In more saturated markets, MFI have to provide additional benefits like complying with one or more positive criteria.

No

Portfolio management

Yes

No

PIIF Principle 7: Standards

IFD 32	Mandatory	Public	Core Assessed	PIIF 7
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Possible action:

Participate in networks to share tools, information and resources.

IFD 32.1

Select which of the following collaborative initiatives your organisation has supported or participated in, and the role you played.

The Principles for Investors in Inclusive Finance

Yes

Basic

Moderate

Advanced

No

The Smart Campaign

Yes

No

Social Performance Task Force

Yes

No

Financial Inclusion Equity Council (formerly CMEF)

- Yes
- No

European Microfinance Platform (eMFP)

- Yes
- No

Global Impact Investors Network (GIIN)

- Yes
- No

Other network, association memberships and/or specific collaboration related to the promotion of inclusive finance, specify

European Microfinance Network
www.european-microfinance.org

- Yes
 - Basic
 - Moderate
 - Advanced
- No

IFD 32.2

If you have indicated that your organisation was involved in any of the above, please provide a brief commentary. [Optional]

Speaker at EMN conference 2014.