

**LRN** *Inspiring Principled Performance*

# 2017 COMMUNICATION ON PROGRESS TO THE UNITED NATIONS GLOBAL COMPACT



## Statement of Continued Support by the Chief Executive Officer



LRN Founder and CEO Dov Seidman

I founded LRN 24 years ago as a “mission with a business.” And our mission and purpose—to “help people around the world do the right thing” by “inspiring principled performance”—align so perfectly with the United Nations Global Compact’s aim to mobilize a global movement of companies and stakeholders committed to doing business responsibly and advancing broader societal goals, including the UN Sustainable Development Goals.

We joined the United Nations Global Compact eight years ago to lend our hearts and minds to the goal of fostering and supporting companies as they contribute to ensuring greater equality, justice, and prosperity for all.

We did so as a technology and education company that provides ethics and compliance content and online program management, and which advises companies on shaping values- and principled-based leadership, cultures, and governance as sources of competitive advantage. As a sign of our progress, since our founding, we have helped to educate and elevate the conduct of more than 35 million corporate employees around the world.

The purpose of this Communication on Progress is to document all we have achieved in supporting the goals of the United Nations Global Compact in 2017. Among our achievements: we have innovated and brought to market new solutions, education, tools, and services that deepen support for organizational commitments to the 10 Principles, particularly in the area of anti-corruption, anti-harassment, and human rights; we have deepened our own commitments to developing a diverse and inclusive corporate culture at LRN; and we have helped our client partners develop, fine-tune, and scale expectations for higher standards of conduct.

I am proud of what we have achieved in 2017, and I look forward to making even more positive progress in 2018.

Sincerely,

A handwritten signature in dark ink that reads "Dov". The signature is stylized and written in a cursive-like font.

—Dov Seidman

“  
*LRN was  
inspired to  
join the UNGC  
because we  
recognized the  
clear ways in  
which our vision  
and mission  
were reflective  
of its principles.*”

—LRN Founder and CEO Dov Seidman

## LRN's Support of UNGC's 10 Principles in 2017

This Communication on Progress details our actions during 2017 to further LRN's advancement in the areas of Human Rights, Labor, the Environment, and Anti-Corruption. As an ethics and compliance company, we provide our clients (Partners) with access to a full suite of resources to inspire, design, build, enhance, and maintain cultures which uphold UNGC Principles. LRN has 24 years of experience helping companies become more principled in their operations, leadership, and growth initiatives. Our operations are primarily located in the United States, subject to and in full compliance with all applicable laws relating to human rights, labor, business integrity, and the environment.

### Human Rights

**Principle 1:**  
Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:**  
make sure that they are not complicit in human rights abuses.

### LRN Helps Companies Educate their Workforces on Human Rights

This year, LRN released a brand new course called "Wages and Hours: What Everyone Needs to Know." It covers the topics of minimum wage, child labor, and workers' rights. We also released "Fair Labor Standards" which provides an overview of the basic concepts of the Fair Labor Standards Act. LRN also updated the content in our supervisor-level course on human trafficking, "Introduction to Eliminating Forced Labour, Slavery, and Human Trafficking from the Global Supply Chain," and "Workplace Harassment: A Global Perspective." In late 2017, LRN released a brand new course on protecting the privacy rights of individuals in the European Union, entitled, "Data Protection and Privacy: The EU General Data Protection Regulation."

LRN developed two new infographics during 2017 that focus on human rights: Being an Ally in the Workplace and Speaking Up on Workplace Bullying. These infographics are meant to supplement our course education programs and enable business leaders to promote awareness, employee conversations, and speaking up within their organizations.

### Labour

**Principle 3:**  
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:**  
the elimination of all forms of forced and compulsory labour;

**Principle 5:**  
the effective abolition of child labour; and

**Principle 6:**  
the elimination of discrimination in respect of employment and occupation.

### LRN is Committed to Diversity and Inclusion and Offers Solutions to Foster Respect in the Workplace

Internally, LRN continued its commitment to diversity and inclusion through the work of our Diversity, Equity, and Inclusion Committee. The committee's efforts represent LRN's ongoing effort to heighten our consciousness and strengthen the pluralism that is imperative to our company mission. In 2017, the committee hosted unconscious bias workshops for LRN employees and several inclusion events meant to broaden our understanding of the different perspectives and skills LRN employees have. LRN also conducts internal audits to ensure compensation equity across demographic groups.

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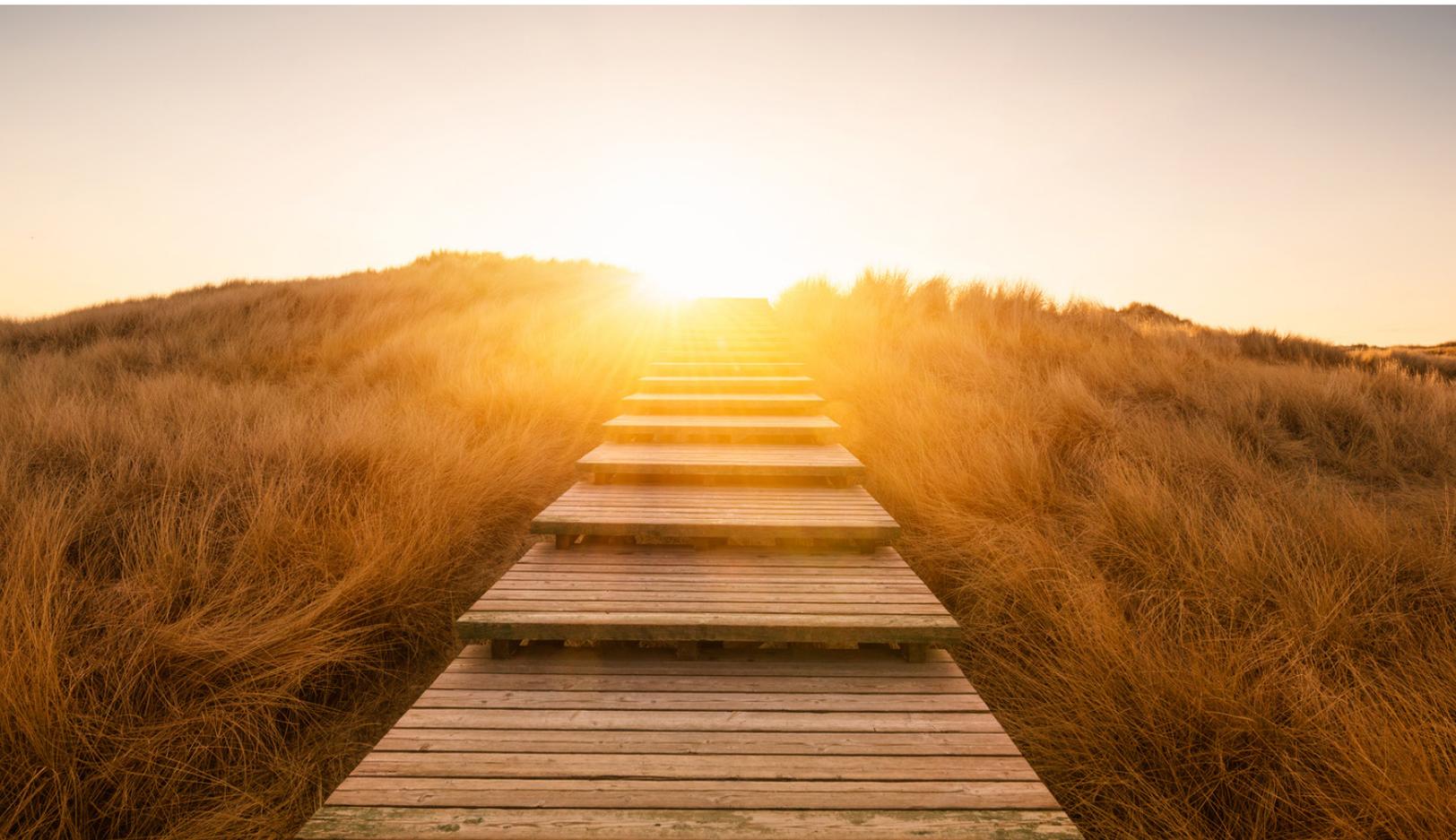
LRN's robust ethics and compliance training library contains more than 150 courses on topics that relate to Principles 3–6. Courses are offered in a variety of lengths and formats to support flexible training and learning progressions that allow companies to target relevant employee audiences.

In addition to the courses noted under Principles 1 and 2, in 2017, we added the following new courses that reflect Principles 3–6: “Reporting and Retaliation,” our new microlearning course that covers legal protections from retaliation; “Valuing and Responding to Employees’ Concerns,” a full-length course on responding to employees’ concerns and identifying and preventing retaliation in the workplace; “A Look at Unconscious Bias at Work,” which highlights how bias affects our decision making and behavior, and “Preventing Workplace Harassment (Employee Edition),” a course that covers how to identify the various forms of harassment, respond, and report. We also released a new microlearning offering, entitled, “Preventing and Responding to Workplace Violence.” LRN also updated “Preventing Workplace Harassment (Employee Edition),” a course that covers how to identify the various forms of harassment, respond, and report, and updated the content and functionality of numerous other reporting and retaliation and harassment-related courses throughout 2017.

An effective Code of Conduct is essential to any organization that aligns employee behaviors with company values, business goals, and stakeholder expectations. LRN's Code of Conduct Course is a key pillar of the online education solution we recommended to our Partners. In 2017, we released a brand new Code of Conduct Course that reflects issues of risk related to Principles 3-6, entitled, “Model Code of Conduct.” It examines 24 ethics and compliance issues including workplace harassment, diversity, inclusion, and discrimination, protecting and respecting human rights, and speaking up and reporting concerns.

LRN also released two new live learning resources in 2017 around respectful communication. Our new vignette course, “Respectful Communication,” demonstrates the impact and consequences of disrespect in the workplace. The course is bolstered by our Catalyzing Conversations Toolkit of the same name, which provides leaders with a variety of materials to engage in live discussions with their employees about respectful communication.

In addition to the infographics noted under Principles 1 and 2, we also added a Respect in the Workplace infographic for supervisors to our library, which focused on taking a zero-tolerance stance on sexual harassment.



As a core LRN advisory service, we take a unique, holistic approach to Code of Conduct drafting and refinement that emphasizes not just rules but the culture, leadership, and realities of behavioral change. LRN worked with numerous Partners this year to develop new Codes of Conducts and fully support their launch and application to ensure organizational impact.

Throughout 2017, LRN's Advisory Team also engaged with a well-known multinational organization to help them assess the impact of their existing ethics and compliance program across a variety of criteria, including harassment, discrimination, and anti-bribery and corruption (ABC). The goal was to determine whether risk levels changed according to employees' roles within the organization. LRN's work helped reveal the actual risks around these issues by engaging with the workers themselves to collect their perspectives.

The team also made a direct contribution to another well-known multinational organization's efforts to put enriching human lives at the center of their customers' experiences. This was viewed through the lens of creating a "positive opposite" of harassment and discrimination. LRN's Advisory Team also participated in a summit held by an international government organization where they led an effort to zero-in on their organizational culture. Anti-bullying was a key theme at the event.

## Environment

**Principle 7:**  
Businesses should support a precautionary approach to environmental challenges;

**Principle 8:**  
undertake initiatives to promote greater environmental responsibility; and

**Principle 9:**  
encourage the development and diffusion of environmentally friendly technologies.

### LRN is Dedicated to Doing Business Sustainably

LRN is a knowledge company, and as such, our environmental impact is limited to that of our facilities and employees. We offset our electric energy use by purchasing Renewable Energy Certificates, which help fund renewable sources of energy. Our LEED-certified New York City office significantly reduces energy consumption as compared to a traditionally designed office space.

LRN's New York office provides easily accessible recycling bins for plastics, paper, aluminum and glass containers, and we encourage the use of non-disposable items in our common spaces, such as dishes and silverware, and cloth towels instead of paper towels.

We provide our Partners with essential resources related to Principles 7–9 to foster responsible approaches to environmental challenges. Our new Model Code of Conduct course, released in 2017, contains a fresh module on sustainability, and we also heavily revised our course, "EU REACH Regulation," which addresses the use of hazardous chemicals. Our current library offers more than 30 courses on topics such as climate change, greening of offices, supply chain sustainability practices, long-term global sustainability issues, and US and EU environmental regulations. In 2017, we updated three of our environmental/sustainability courses, and our supervisor-level course on human trafficking, "Introduction to Eliminating Forced Labour, Slavery, and Human Trafficking from the Global Supply Chain," as well as "Health and Safety in a Global Workplace," both of which include content on environmental health (mining hazards, pesticides in agriculture, etc.).

LRN's Senior Advisor, David Greenberg, is a Member of the Board of Directors for Cleantech Group, a leading market intelligence and advisory firm focused on clean technology information. LRN was previously the parent company of GreenOrder, the premier management consulting firm focused on sustainability, which merged in 2012 with Cleantech Group.

## Anti-Corruption

### Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

### LRN Fights Corruption in All its Forms

LRN offers its Partners an exceptional selection of ABC online training materials, and in 2017 we maintained our extensive library of courses on these topics. We added a new Catalyzing Conversations Toolkit for live learning that focuses on recognizing and avoiding violation of anti-bribery laws. The kit includes access to our newly released course on ABC, "Choose Your Own Fate," a microlearning resource that illustrates the challenges employees may face when presented with the opportunity to engage in bribery. This course offers two different endings to help target the particular cultures of our Partners' learners and increase impact. We also updated two additional library courses on ABC. Additionally, one of LRN's senior advisory experts provided a fully custom course on ABC to one of our largest Partners this year.

Four years ago, we launched a new anti-corruption initiative designed to provide our Partners in the business community with a full range of assessment, training, and other support for building and maintaining effective corruption and bribery prevention programs. This initiative is ongoing. Please see our description under Principles 3–6 regarding our Advisory Team's work this year with a well-known multinational organization to help them assess the impact of their existing ethics and compliance program, including ABC efforts. In addition to that effort, LRN's Advisory Team's expert on the Foreign Corrupt Practices Act assisted two of our Partners by directly advising them on their efforts around FCPA training.

During 2017, LRN's Advisory Team also helped a major organization respond to a compliance crisis and bring their commitment to act with ethics, integrity, and transparency to life through policy development and leadership workshops. The team also guided two additional organizations, a governmental organization and a corporation, to define and scale their values with the goal of reducing the risk of misconduct and violations.

The day-to-day work of anti-corruption compliance must be backed by relevant research conducted in real-world work environments. In early 2017, LRN released a new version of its *Ethics and Compliance Program Effectiveness Report*, which summarized our work and findings from 2016 with the goal of helping ethics and compliance professionals better evaluate the impact of their programs from a values-based and behavior-oriented perspective. The report was widely shared and used by ethics and compliance leaders in a variety of global organizations.



## About LRN: Inspiring Principled Performance

Since 1994, LRN has helped over 20 million people at more than 700 companies worldwide simultaneously navigate complex legal and regulatory environments, meet their compliance obligations, and foster ethical cultures. LRN's combination of tools, education, and strategic advice helps companies translate values into concrete corporate practices and behaviors that create sustainable competitive advantage. In partnership with LRN, companies need not choose between living principles and maximizing profits, nor between enhancing reputation and growing revenue—all are a product of principled performance. As a global company, LRN works with organizations in more than 100 countries. For more information, visit [www.LRN.com](http://www.LRN.com), or find us on Twitter @LRN.