

United Nations Global Compact Speexx Progress Report 2019 - 2020

To: Foundation for the Global Compact 801 2nd Avenue - 2nd floor New York, NY 10017 USA

From: Christina Quintanilla, Speexx, Tumblingerstr. 32 80337 Munich Germany

Mail: c.quintanilla@speexx.com Tel +49 (0)89 / 74 74 82 46 Fax +49 (0)89 / 74 79 23 08

Statement of continued support by Armin Hopp

Dear Sir / Madam,

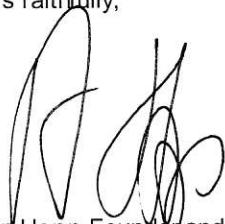
Speexx joined the United Nations Global Compact in 2012 and thereby committed itself to fully aligning its operational and strategic processes with the Global Compact's 10 Principles.

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption.

At Speexx, we strive to support and disseminate the UN Global Compact's principles in our daily company procedures and to encourage our partners and clients to do the same. Our initiatives, such as 'A Million Chances' donation projects, 'Green Learning' programs and our ongoing financial support of Humentum (formerly known as 'LINGOS' *Learning in NGOs*), reflect the Global Compact's values throughout.

It is clear to us that the systematic incorporation of sustainability concepts in all operative areas of the company remains a continuous task. We are proud to continue our support for the United Nations Global Compact and to renew our ongoing commitment to the initiative and its principles.

Yours faithfully,



Armin Hopp Founder and President of Speexx

About Speexx

Speexx is the first intelligent language learning platform for the digital workplace. For international corporations and a global workforce, Speexx is the only language platform that combines assessment, learning and continuous performance support. Unlike traditional training providers Speexx helps to assess, build, grow and maintain the language skills that matter.

The Speexx branded Perfect Blend integrates online business communication skills assessment, mobile and social learning, 1,500 expert coaches located throughout the world and personalized live online activities into one fully standardized, globally consistent learning experience. More than 8 million users in 1,500 organizations – including UNHCR, Adecco, Generali, Renault and UBS – use Speexx to learn a language smarter and deliver results on time.

Speexx was founded in 2011 and is headquartered in Munich with offices in London, Madrid, Milan, Paris, Sao Paulo, New York and Shanghai. For more information, visit www.speexx.com.

Human Rights Principles

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 .

Assessment, Policy and Goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

Speexx fully supports the Universal Declaration of Human Rights. We ensure that internationally proclaimed human rights are upheld in every stage of our organizational processes and that we are not complicit in any human rights abuses. Article 26 of the Universal Declaration of Human Rights is particularly significant for Speexx, which states: (1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit. (2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace. (3) Parents have a prior right to choose the kind of education that shall be given to their children.

Each year, Speexx supports various charity projects through its “A Million Chances” initiative. By supporting education, foreign language skills and sustainability in disadvantaged regions and communities around the world, Speexx hopes to help communities to support themselves in upholding internationally proclaimed human rights.

Implementation

Description of concrete actions to implement Human Rights policies, reduce Human Rights risks and respond to Human Rights violations.

The majority of our products are produced in-house, where human rights protection is ensured. Our partners and suppliers are selected carefully and evaluated annually as part of our quality management system.

Each year, Speexx donates educational solutions to a variety of projects around the world as part of our charity project “A Million Chances.” By doing what we do best – providing educational opportunities – we are committed to working as a reliable partner in building a better future in disadvantaged regions of the world. A Million Chances does this by focusing on three main goals: (1) Education – as a springboard for independence and autonomy – is not a given in all regions of the world. It needs to be facilitated and supported. (2) Enabling foreign language skills – as a means of breaking down language barriers – is particularly dear to our hearts, and core to Speexx’ values. (3) Sustainability – helping victims and children in need, to in turn help themselves.

We at Speexx, are determined to continue our engagement in the future.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

The “A Million Chances” project is reviewed by senior management and the Speexx communications department on an annual basis. Each year, new goals and recipients are selected for the following year.

One of our projects for 2019 was with Humentum, a long-term partner and a training organization providing high-quality training and development courses for international NGOs. Speexx language learning is part of their core membership offering.

Our courses are provided to Humentum members for highly discounted prices enabling and thereby helping humanitarian workers all around the world to help those in need.

With over 4,712 courses in English, Spanish and French courses in use, Humentum is a highly active Million Chances Partner. Moreover, the engagement of the participants can be described as above par with an above pass rate, particularly in Latin America.

As part of the “A Million Chances” initiative, Speexx also works with the Humanitarian Leadership Academy. Born out of the need to respond to natural disasters, the Humanitarian Leadership Academy is a global learning initiative set up to enable humanitarians around the world to prepare for and respond to crises in their own countries where they are volunteering.

By donating learning licenses to the Humanitarian Leadership Academy, Speexx enables the Academy to reach a wider audience with their humanitarian efforts by teaching more volunteers through the HLA’s online learning platform and providing them with the education and training they need. The core message of this project is to relate the increasing need for continuous learning, including language skills and the effect that increased knowledge and communication skills can have in both business and humanitarian settings. Good communication increases organizational ability to operate and coordinate at both global and local levels.

Speexx is also a content partner to CSOD (Cornerstone OnDemand), meaning that Speexx meets their stringent criteria to offer courses via their learning platform. Speexx has been a partner of CSOD for over eight years. In addition, Speexx offers courses via their charity DisasterReady.org, a Cornerstone OnDemand Foundation initiative, to support their humanitarian efforts. DisasterReady.org works to develop the skills and maximize the impact of Humanitarian Aid and Development Professionals around the globe, by providing them with free online learning resources.

Further information about the Speexx Million Chances projects can be found here: <https://www.speexx.com/home/a-million-chances/>

Labor Principles

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 labor; Principle 5: the effective abolition of child labor; and Principle 6: the elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals

*Description of the relevance of labor rights for the company (i.e. labor rights -related risks and opportunities).
Description of written policies, public commitments and company goals on labor rights.*

Speexx is committed to the international laws, European laws and to the respective national laws. Embedded into this system of laws and human rights, we strongly support and are legally bound to uphold all goals and aims stated in the different legal texts.

Employment contracts are subject to German and European law and therefore contain and respect both the freedom of association and the effective recognition of the right to collective bargaining. Our employees have the right to establish and appoint a representative committee in order to enforce their rights.

We comply with the stipulations of the Equal Employment Opportunity laws in each country we are located in.

Implementation

Description of concrete actions taken by your company to implement labor policies, reduce labor risks and respond to labor violations.

All employment contracts are reviewed for compliance to labor laws by our legal consultants in each region. When filling vacancies, applicants with disabilities will be considered with priority if suitable. All employees, regardless of citizenship, race and gender, enjoy the same rights and opportunities at Speexx.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Labor issues are reviewed by senior management at the end of each business year. We conduct global annual performance reviews (including self-assessment, manager reviews, and human resources quality check and review discussions) with quarterly follow-up sessions for employees within Speexx. We also have target agreements for selected departments that are evaluated either annually or on a quarterly basis. There have been no incidents of violation of the Labor principles during the last reporting period.

Environmental Principles

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.

Assessment, Policy and Goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

We want to protect the environment for our future generations. A global low carbon economy lies in the hands of every global citizen. That is why going green at Speexx isn't just a catch phrase – it is a commitment. We are committed to green learning solutions.

Implementation

Description of concrete actions to implement environmental policies, reduce environmental risks and respond to environmental incidents.

Speexx is a green learning solution. When learning a language with Speexx, the classroom is the laptop. Learners work on their language improvement online and in a self-paced manner. Our learners are supported and motivated by their personal online coach via email and the live training sessions that take place via virtual classrooms or via telephone. We increasingly encourage our customers to switch from classroom-based lessons to virtual sessions, which are just as effective for learners.

While traditional classrooms rely heavily on paper, the entire Speexx communication is digital: assignments and feedback are sent to the learner and come with the solution as digital files. Tasks and homework can be completed entirely on the computer. Instead of printing out and handing in assignments on paper, learners simply e-mail them to their coach and receive their feedback in the same way.

Speexx students do not need to travel to attend class. They can study a language at their own pace at home, at work or at any other place in the world with the online solution. Learning a language with Speexx means entering a classroom without causing CO2 emissions. The live sessions are broadcasted from the teacher's home. The Speexx Virtual Classroom was developed to accommodate the specific needs of language learners; its excellent audio and video quality allows learners all over the world to easily communicate with their trainer. This makes Speexx a green language training solution compared to traditional classroom-based courses.

In addition, at the Speexx offices we embrace the environmental principles and prioritize environmentally friendly options wherever we can. Our offices are powered by renewable energy – solar, wind and water. We switched from conventional power suppliers to environmentally friendly and sustainable ones, ensuring that the power we use is green. Instead of supplying plastic bottles with drinks which cause a lot of waste, Speexx offers large glass carafes which can be refilled, washed and reused at work.

With our corporate-wide virtual conferencing infrastructure, we eliminate the need to travel thousands of miles around the world. Instead, we meet, train and collaborate – and reduce our travel emissions to a minimum.

Our IT department prides itself on its green credentials, always choosing energy efficient computers, servers, devices and ensuring that equipment across the board is consistently re-used, recycled or donated.

The Speexx 'green travel policy' actively encourages the use of public transportation, bicycles (which we encourage by supplying a company bike pump), video conferencing and telecommuting. Recycling and using recycled materials has been a standard practice at Speexx since the company's inception. All recyclables are properly recycled.

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

Our customer satisfaction is measured mid-term and end of term via online surveys, as an essential part of our quality management system.

Speexx (Digital Publishing AG) was also awarded the Bronze-Medal by Ecovadis, the world's most trusted provider of business sustainability ratings. The awards program recognizes excellence in sustainability and sustainable procurement across several categories including: stakeholder engagement, supplier engagement, supplier portfolio CSR performance improvement, program leadership and regional performance. Additionally, they serve to acknowledge and celebrate companies partnering with EcoVadis that are driving progress in sustainability and igniting change across the world.

The award recognizes Speexx for its EcoVadis CSR rating, it was awarded in January 2020 and is valid until February 2021.

Environmental issues are reviewed by our senior management team at the end of each business year. There have been no incidents of violation of the Environmental principles during the last reporting period.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, policy and goals

*Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment).
Description of policies, public commitments and company goals on anti-corruption.*

Speexx has a policy of zero-tolerance for corruption in all its forms, including extortion and bribery.

Our standard employment contract, which is signed by every employee, contains an anti-corruption clause, in which it is stated that the employee is required to inform the company of any attempt by suppliers, partners or clients to give him/her personal gifts or benefits, and that the employee may not accept this type of gift or benefit.

Our goal in the first year of Global Compact membership was to implement an anti-corruption policy for the company and to introduce a training session on the topic for employees. Our anti-corruption training course is part of our onboarding process and accessible to all employees.

Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

In April 2014, an anti-corruption policy outlining the company's position of zero-tolerance was approved by the Management Board and subsequently communicated to all employees and published on our internal resource and training center, to which all employees have access.

In addition, awareness and knowledge of the issue has been improved by the implementation of a training session on anti-corruption which is now a required training component of all employees in the sales, management, marketing, and finance departments.

Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

The anti-corruption training is a standard part of our onboarding process for new employees, thus maintaining awareness of the issue throughout the company. Trainings and attendance are regularly monitored in our internal HR management system. There have been no incidents of violation of the Anti-Corruption policy during the last reporting period.