



Communication on progress to the

# United Nations Global Compact

January 1, 2020 – December 31, 2020

# Statement of continued support by the Chief Executive Officer

To say that 2020 was an unprecedented year is an understatement.

The global COVID-19 health pandemic caused tremendous pain and strained nearly every part of our society. It has also provided an often challenging, opportunity to pause and rethink how we've been living and working, including designing new approaches to reimagine a better future.

This has certainly been the case for LRN and for the work we do with our client partners.

LRN was founded more than 25 years ago to “help people around the world do the right thing” by “inspiring principled performance” in business. We joined the United Nations Global Compact more than a decade ago in recognition that LRN and the UN were aligned in our belief that principled behavior is the only long-term, sustainable, and responsible strategy for leading, operating, and governing today.

In 2020, we continued to bring new solutions, education, tools, and services that support organizational commitments to UNGC's 10 Principles. You will see in the pages that follow that mobile apps were a priority for companies who found themselves with a largely remote workforce. We also set a course for elevated learner experiences with the completed acquisition of Dublin-based Interactive Services.

We also tried to meet the moment with various toolkits and guidance on how to operate through this period of uncertainty and simultaneous crisis. We responded to organizations'



**Kevin Michielsen**

commitments to becoming antiracist with new education offerings that help in the fight against racial inequality and for justice.

We also pivoted in the way we try to operate our own business, putting a commitment to our people and values at the center of our operations around the globe. Like other organizations, we came face-to-face with the realities of digital transformation almost overnight. The irony was that even though we were physically separated due to the various shelter-in-place orders, we found ways to stay connected to each other more deeply and meaningfully as people—and as a team.

Other ways we supported the mission of UNGC in 2020: We worked with the UNGC to host a webinar on Strengthening the Governance Elements of ESG Strategies. We keynoted the UN75 event, sharing our ideas on courageous leadership and what it looks like today. We joined the more than 1,000 CEOs from around the globe in signing the statement for renewed cooperation. Perhaps most importantly, we doubled down on our support of Sustainable Development Goal 16 on Peace, Justice, and Strong Institutions.

We worked with the United Nations Global Compact leadership and team to help envision the charter and framework for Goal 16 and contributed to related events and initiatives around the globe. We did so because we share in the belief that progress in promoting peace and justice—together with fostering effective, accountable, and inclusive institutions—is a decisive challenge across the globe. Bribery and corruption impede business growth, raise transaction costs, and create an unlevel playing field. This ultimately creates social instability, fuels mistrust in public officials and institutions, and undermines the rule of law. Together we hope to make great progress in fighting bribery and corruption while building strong institutions that place the needs of all stakeholders at the center of their operating principles.

I am pleased to confirm that LRN reaffirms its support of the 10 Principles of the United Nations Global Compact, and I look forward to more positive change ahead and the progress we will make together in helping companies around the world create more ethically aware and inspired workforces at a time when purpose, values, and principles are critical to corporate performance.

Kevin Michielsen  
CEO, LRN

# Description of actions

This 2020 Communication on Progress details LRN’s actions during 2020 to further global advancement in the areas of human rights, labor, anti-corruption, and the environment. As the leader in ethics and compliance solutions, our work helps organizations prioritize values and maintain cultures that uphold UNGC Principles. We offer advisory services; a SaaS education, analytics, and certification platform; library courses; and custom learning content. Our guidance and solutions are aimed at providing companies with the means to outbehave and outperform.

If ever there was a year where the ability to outbehave and outperform with agility and resilience were paramount, it was 2020. By March, COVID-19 drove actions for LRN and our client partners in ways we could not anticipate at the beginning of the year. Our operations pivoted to fully remote on three continents. We collaborated with client partners on their own pivots and conducted a groundbreaking survey on the impact of the pandemic on ethics and compliance program effectiveness. We also developed courses to help our client partners and their workers navigate the “new normal.”

By summer, the murder of George Floyd proved to be a breaking point for people in the United States—and eventually around the world—who could no longer accept racist behavior and police brutality aimed at historically marginalized groups. People filled the streets to protest systemic racism and proclaim that Black Lives Matter. This action prompted businesses, including our own, to make clear their commitment to antiracism and to open deep dialogs about diversity, equity, and inclusion. It was a moment that ultimately made LRN stronger, led us to new relationships with organizations devoted to a more inclusive workplace, and instigated the development of an entirely new DEI curriculum for our client partners. We look forward to continuing the work in 2021.

Since our founding in 1994, it is clear that our mission to help organizations be principled in their operations, leadership, and growth initiatives not only represents a significant alignment with UNGC Principles, but is also more relevant than ever to the world at-large. With our own business operations centered in the United States, the United Kingdom, and India, we are subject to and in full compliance with all applicable laws relating to human rights, labor, business integrity, and the environment.



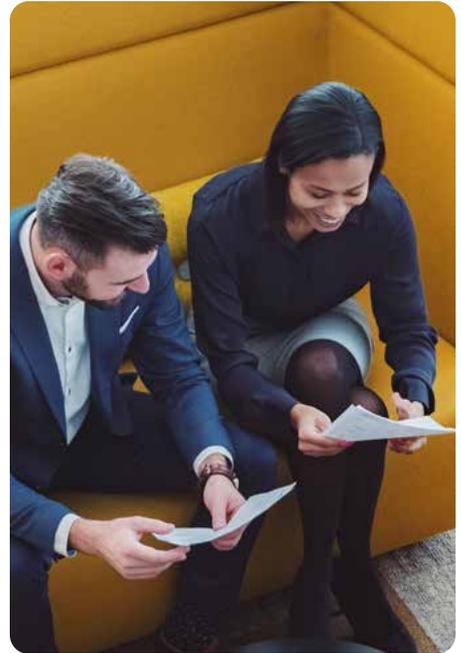
# Multi-principle endeavours

As a central LRN [service](#), we take a unique, holistic approach to helping organizations build ethical corporate culture. Our approach to the drafting of Codes of Conduct for organizations, and the designing of compliance education for their workforces, emphasizes not just regulations but values, culture, and leadership. Human rights, labour, environment, and anti-corruption are key topics addressed by the Codes we develop in concert with our client partners. Our work in this regard supported multiple UNGC Principles in 2020.

Specifically, in 2020, LRN helped several partners “reinvent” their codes of conduct. These new codes spanned several industries including business services, consumer products, energy, information technology, and manufacturing. In each case, this code reinvention was aimed at elevating values-based behavior, inspiring principled performance, and enabling ethical decision-making.

In addition, we expanded access across mobile platforms for a long list of client partners to meet the needs of a suddenly remote workforce. Reaching employees wherever they are and providing access to key information whenever they need it proved fruitful for advancing UNGC Principles.

For one conglomerate, a merger in the agriculture engineering industry that united three companies and 22,000 employees together as one, our work had particular impact. A new mobile app was developed to deliver to the hands of workers access to ethics and compliance courses, policies, code of conduct, the hotline to report a concern, and quick learning topics on timely issues.



For another firm, often lauded as a pacesetter in ethics and compliance, we leveraged our mobile solutions to help them support 120,000+ employees worldwide who moved entirely to a “work from anywhere” model just as the pandemic struck. With employees scattered, sometimes sharing desktop computers with their families at home and fighting for bandwidth, we helped the compliance team at this leading technology firm step outside the box to meet employees “where they were.” The result was a new mobile app with single-click access to assigned training courses and personalized completion reports for leaders. The key to success was removing barriers to access so that employees could continue to feel respected, connected, and supported.

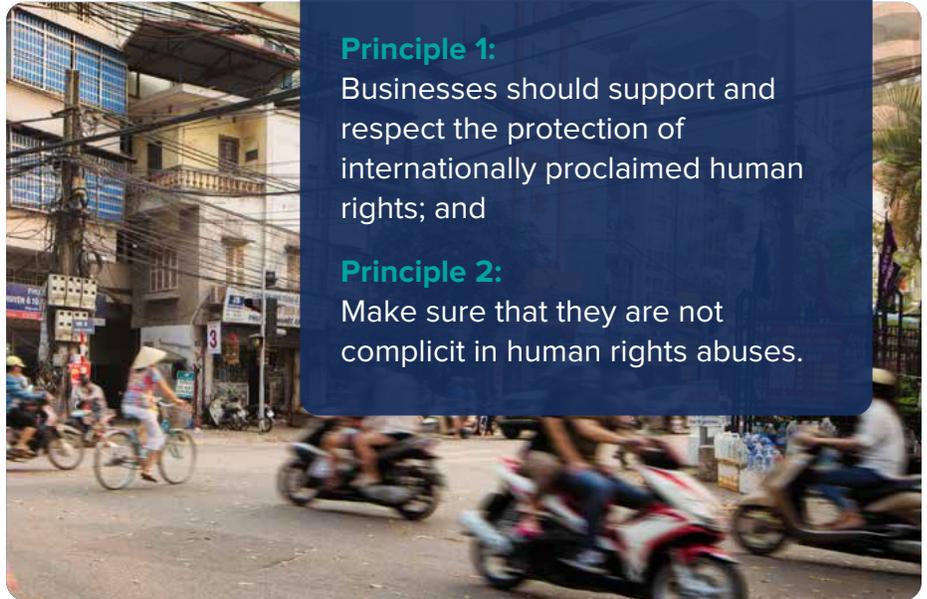
Further to our multi-principle endeavors, we completed corporate developments in 2020 aimed at rapidly expanding the adoption of values-based learning with workers around the world. In compliance education, it is not enough to simply require compliance; it is vital to inspire principled performance. The learner experience matters. To that end, LRN completed the acquisition of Interactive Services in 2020, the Dublin-based compliance and online learning firm known for its award-winning instruction design and custom content solutions for global companies.



The combination of skills and expertise now available at LRN helps companies build and implement effective compliance programs and foster values-based and ethical cultures and workforces at a time when those imperatives are more urgent than ever. The completion of the merger, and subsequent evolution of the leadership team at LRN, surfaced new opportunities to innovate content, delivery, and operations to support the advancement of ethical corporate culture globally. Among these advancements were new curriculum designs and new learning models to intersect with the UNGC’s 10 Principles and drive greater adoption of principled behavior.



# 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.

Our COVID-19 response is a central illustration of our support for human rights. In addition to our internal actions which meet these Principles, during 2020 we immersed in conversations with business leaders on our podcast about their own response, conducted a first-ever survey examining the impact of COVID on the effectiveness of ethics and compliance programs, and developed courseware to aid firms in adapting to new workplace requirements. In all cases, LRN endeavored to embed a non-negotiable respect for human rights in day-to-day business operations.

Like most companies who had the ability to do so, LRN became a fully remote company in 2020 with colleagues spread across three continents. Corporate IT tested and facilitated the remote transitions and developed materials for best practices. Individual needs for connectivity, lighting, seating, or workspace were accommodated. All-hands meetings, now fully remote, became a more open forum in the earlier days of lockdown. People & Culture team members stepped up with social activities, wellness programs, and exercise classes to keep colleagues engaged. An employee resource group formed with the express purpose of helping caregivers navigate working from home while simultaneously supervising care of families and remote learning.

LRN staff in North America and Europe faced fewer challenges in the transition to remote work than their peers in India, where in some cases extended family members lived in close quarters, connection speeds were poor, and energy was sometimes rationed. The Mumbai IT team worked diligently and creatively to address individual issues while also operating remotely. In some instances, they made house calls. Additionally, a check-in program was

initiated whereby select colleagues would randomly call and check-in with colleagues just to see how they were doing. There was no agenda—it was simply a time to connect, share, and marvel at the sudden circumstances of the moment. By year’s end, though, the lockdown had become more routine and indeed it extended into 2021.

The challenges of responding to the requirements of the pandemic were not unique to LRN. At the request of partner clients several new courses were released to address the “new normal”:



**Leading through Crisis:** This new course was designed to help managers lead their teams with empathy and understanding during the COVID crisis.

**Work from Home:** This new course offered encouragement and advice to help employees work remotely with comfort, productivity, and security, during the pandemic.

**Returning to the Workplace:** This new course is designed to help employees return to the workplace in a way that is as safe as possible.

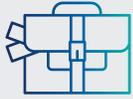
**Three infographics were developed to help people be safe during the COVID crisis:** Handling Visitors & Deliveries, Social Distancing, and Courtesy in Common Spaces.

**Health & Safety in a Global Workplace:** An Overview. This foundational course was fully revised to reflect today’s workplaces around the world.



Further, the signature LRN annual assessment survey of ethics and compliance program effectiveness was adapted to measure the impact of COVID-19. It was the first holistic look at how ethics and compliance practices were impacted by the pandemic. Results indicate that while COVID-19 was the ultimate stress test on ethics and compliance programs, 87% of ethics, compliance, and legal experts participating reported that leadership rose to the challenges of dealing with the consequences of the crisis. In addition, 82% indicated that their organizations emphasized company values—not just rules and procedures—to motivate employees to do the right thing in difficult circumstances.

# Labour



## **Principle 3:**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

## **Principle 4:**

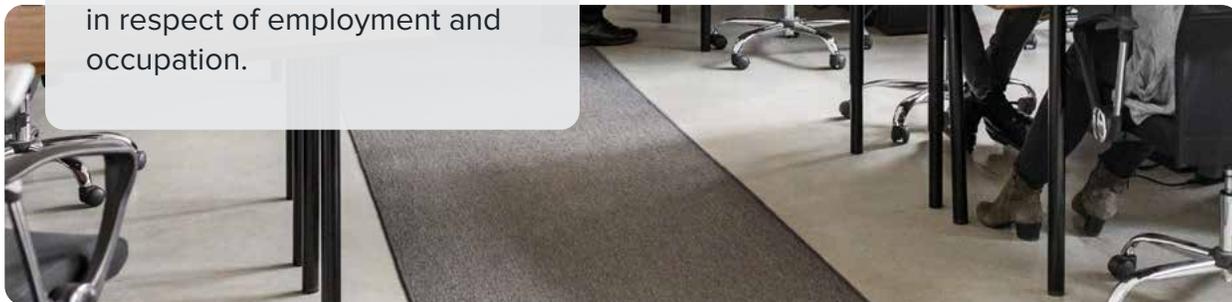
the elimination of all forms of forced and compulsory labour;

## **Principle 5:**

the effective abolition of child labour; and

## **Principle 6:**

the elimination of discrimination in respect of employment and occupation.



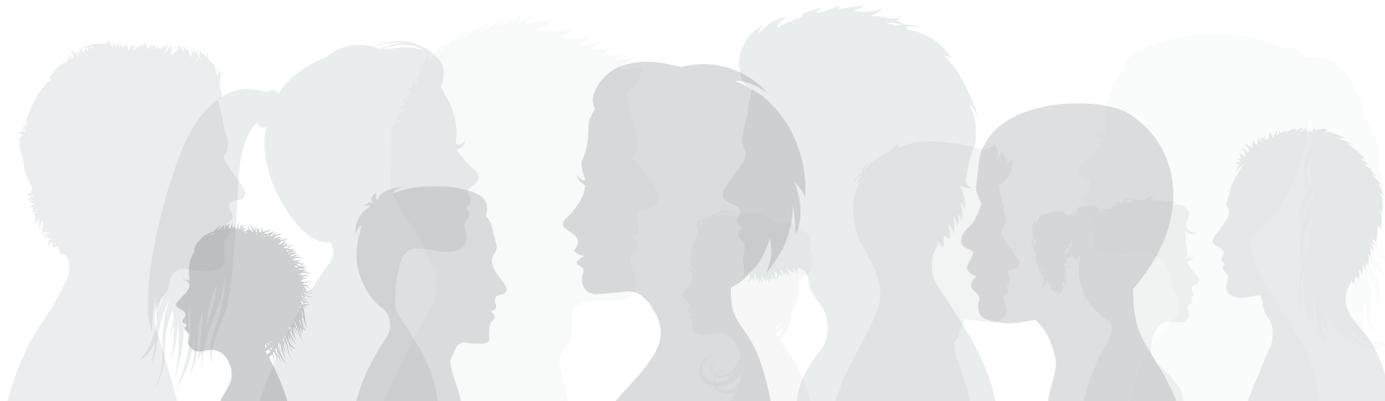
At LRN, we make our day-in and day-out work inspiring principled behavior in organizations around the world. For us, the challenge and obligation to help drive change in support of UNGC Principles 3,4,5 and 6 is not new. We offer more than 80 courses in our ethics and compliance training library that address these Principles. Our learning materials are offered in a range of lengths and formats to support flexible training and learning progressions that allow companies to address their needs and audiences. The acquisition of Interactive Services in 2020 further cemented these capabilities.

Yet we found cause to react with renewed vigor to these Principles in the summer of 2020. The well-documented moments of murder and civil unrest challenged us, and organizations everywhere, to respond with clarity and purpose. Our commitment to justice and to racial equality is central to what we do and how we do it. Given the historical underpinnings of the world we inherited, we know that the journey to true racial justice and equality is a long one.

We knew that words alone were not enough. We had work to do—internally, on our own actions to promote diversity, equity, and inclusion within LRN and externally, to help our partners on their journeys toward racial justice.

In 2020 we undertook a series of actions to signal our values to our colleagues, to our client partners, and to the public. Among other things outlined in a [strong statement](#) by the LRN board of directors, we committed to:

- Make a meaningful contribution to an organization which seeks to remedy racial injustice.
- Support our colleagues' rights to speak out and protest peacefully and in the spirit of LRN.
- Seek a collaboration with city mayors and police departments around the U.S. to bring effective training to their officers and leaders.
- Collect and share resources with colleagues and our community to help those who wish to educate, learn, and listen to understand, and then take effective action to counter racial injustice.
- Communicate with and deliver to our partners the training, innovation, and support they need to shape ethical cultures that are just, equitable, inclusive, and diverse.



On the former front, we expanded our commitment to diversity in several ways including racial diversity, age diversity, neurodiversity, and diversity of physical abilities. We made several improvements in our recruiting process: we aim for diversity in our candidate pipeline; we ensure we have a diverse recruiting slate involved in the interview process; and we conduct work assessments, or skills auditions, so that the focus is more on future work product and not solely on historical data in a résumé. We work with skills development and scholarship programs like [Thurgood Marshall College Fund](#), and [Per Scholas](#), and partner with organizations like [AHRC](#) and [OurAbility](#) to further grow and diversify our talent pool. We [know](#) that a well-managed diverse team outperforms a well-managed homogenous one over time and we're using ourselves as a proving ground for both 'well managed' and 'diverse.' Harnessing the power of values is what LRN was founded on; our LRN resource group, Living How Council, helps the company live its values.

On the latter front, we built a new course for client partners, *Antiracism: Taking Action*, that engages learners in the journey we hope all will aspire to in the quest for racial justice. Curriculum development for DEI programs began in 2020 and continues in 2021. New courses, infographics, and materials developed to support this initiative and other aspects of UNGC principles 3-6 include:



**Antiracism: Taking Action:** New course

**Conducting Difficult Conversations:** New infographic

**Authentic Allyship:** New infographic

**Ethics of AI:** New course

**GDPR: What you need to Know:** New refresher course

**EEO and Affirmative Action: Driving Toward Diversity:**  
New course

**Responding to Sexual Harassment:** New course



In 2020, we began conversations with THE INITIATIVE: Advancing the Blue & Black Partnership. This nonprofit organization was founded by Howard University alumni seeking systemic change in community-police relations through effective community policing. The mission of *THE INITIATIVE* is to heal the community-police relationship and create communities where all are seen and heard. On a pro bono basis, LRN will create seven fully custom on-demand e-learning modules on topics ranging from mindfulness to procedural justice that will be available to law enforcement communities across the United States.

No organization nor institution is perfect, but we do believe that most people want to do the right thing. Through a considered approach, it is possible to make that happen.

# 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 a knowledge company, and as such, our environmental impact is limited to that of our facilities and employees. In 2020, nearly all employees avoided all commutes as we began to work from home in March. Our LEED-certified New York office space was largely abandoned throughout the year though we continued to offset our electric energy use by purchasing Renewable Energy Certificates, which help fund renewable sources of energy.

To support UNGC Principles 7, 8, and 9, we offer foundational courses to our client partners, and offer strategic advisory services to help organizations do the right thing. Foundational courses include Federal Energy Regulatory Commission Standards of Conduct, and Environment, Health, Safety, and Security. These foundational courses are complemented by additional video vignettes and other materials that provide additional guidance.

New in 2020 is the course titled Third-Party Suppliers: Living our Values. This course was created for our partners to deliver to their own suppliers so that those suppliers could live up to the ethical, moral, and values-based standards that our partners ascribe to. This material covers many areas from Anti-Bribery and Corruption to Conflict Minerals to Responsible Sourcing. In 2020, we also began development of a new course for release in 2021 titled ESG: An Overview. Environmental, social, and governance issues continue to be a topic of importance for our client partners who engage with our Advisory Services group.

To support the efforts of the UNGC, in 2020 LRN hosted a webcast, “Expanding our Understanding of the ‘G’ in ESG,” hosted by LRN Senior Advisor Susan Frank Divers. On the panel were Lila Karbassi, Chief of Programs at UNGC, Randy Corley, EVP at Edelman, and Shannon Klinger, Chief Legal Officer at Novartis. In this discussion (available to [view](#) at LRN), topics of trust were discussed alongside the roles of government and business in elevating sustainability and respecting environment. Further, in 2020 we actively engaged with UNGC on Sustainable Development Goal 16 for Peace, Justice, and Strong Institutions. It is one of the newest, most ambitious, and expansive of the UN Sustainable Development Goals; the SDG16 Action Platform was launched in 2018 to promote peace and justice and to foster strong, effective, accountable, and inclusive institutions.

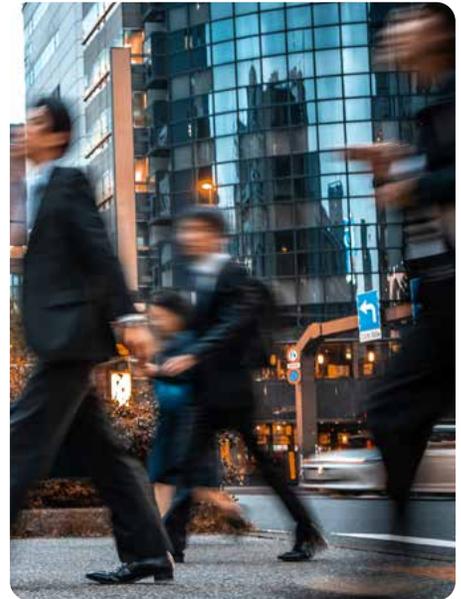




# Anti-Corruption

## Principle 10:

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



UNGC Principle 10 is fundamental to our work at LRN. We offer to our client partners an exceptional selection of anti-bribery and anti-corruption online training materials including foundational courses, quizzes, vignettes, micromodule mini courses, and an experiential tool kit titled Bribery: A Catalyzing Conversation Tool Kit. These materials are frequently refreshed to meet changes in the regulatory landscape globally. New in 2020 were two courses to help client partners communicate down through their supply chains, including Antibribery and Corruption: Third Party Suppliers, and Third-Party Suppliers: Living Our Values.



Among the foundational courses:

**Doing Business in High-Risk Countries**

**Anti-Bribery and Corruption: A Global Perspective**

**Anti-Corruption and Bribery: Global Anticorruption**

**Anti-Bribery: The Corruption Files**

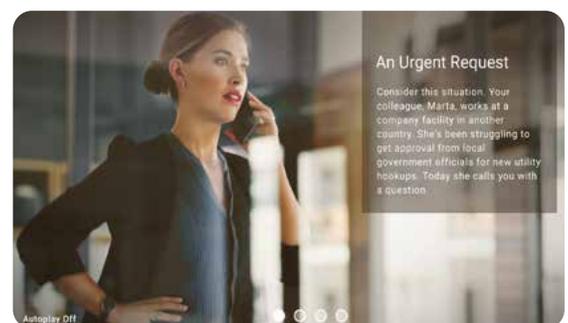
**The UK Bribery Act**

**Navigating the FCPA**

**Global Corruption and Bribery: What You Need to Know**

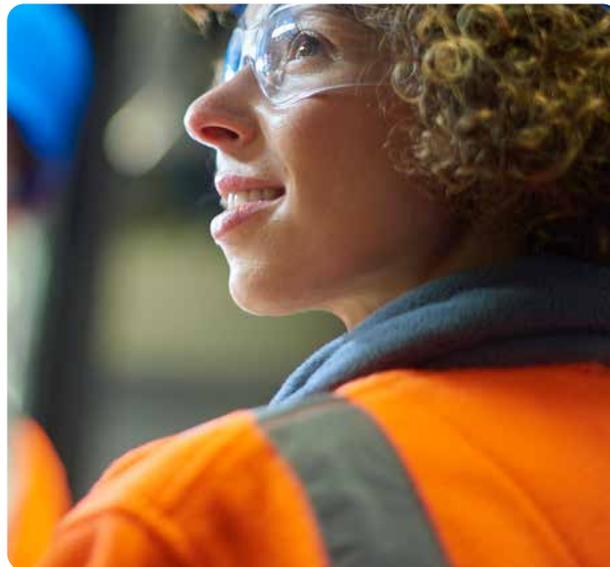
**Avoiding Bribery and Corruption in Global Business**

**Navigating OECD-Based Anti-Bribery Laws**



Anti-corruption and anti-bribery topics are frequently featured in LRN’s online content resources, with multiple episodes of the Principled Podcast, Blog, Webcast, and E&C Pulse Newsletter including timely and compelling coverage of noteworthy people and teachable moments. Of particular interest is the Podcast [interview](#) with Richard Bistrong, who shared his journey from pleading guilty to bribery, to serving 15 months in prison for conspiracy and violating the Foreign Corrupt Practices Act, to becoming a major contributor in the field of ethics and compliance.

Also noteworthy is the LRN [case study](#) with Latin American energy industry leader Promigas. Through its ongoing efforts to elevate an ethical corporate culture for its more than 3,000 employees, an initiative begun with LRN in 2014, Promigas has implemented and measured changes in its corporate behavior to set a new industry standard. In the latest LRN analysis, conducted in 2020, Promigas outperformed energy industry benchmarks across a majority of the factors that make up an ethical culture and eclipsed some benchmarks significantly. Promigas outperformed its peers by 43% for Employee Accountability and by 36% for Motivation. The company now also aligns closely with the world’s leading values-based companies by reaching 93% for Employee Accountability, and 92% for Motivation. With high accountability comes low opportunity for bribery and corruption, which sets Promigas ahead of its peers in Latin America. (Industry benchmark references are available from LRN in its [Ethical Culture Assessments](#) and the [How Report](#).)



# Measurement of outcomes

LRN served more than 600 partners throughout 2020 with solutions reaching approximately 30 million employees worldwide. LRN practices a bidirectional information flow for insight and information about salient issues in ethics and compliance education. We actively seek input from our client partners into the reports we write and gather feedback from them regarding the solutions we develop, and we greatly appreciate their partnership.

Since our founding, LRN has helped tens of millions of people in dozens of countries understand how to adopt principled behavior in the workplace. Our training solutions provide practical, actionable advice in familiar contexts and grounded in values-based perspectives and ethical decision-making strategies. Our advisory solutions help leaders navigate complex legal and regulatory environments, meet their compliance obligations, and foster ethical cultures. LRN helps companies translate their own values into concrete practices that create sustainable, competitive advantage.

By partnering with LRN for their ethics and compliance programs, business leaders access the tools and insights to demonstrate to all inside and outside of their organizations that doing the right thing is not just a personal imperative but a business imperative. A shift of focus to triple bottom line results—people, planet, and profits—is essential to reduce risk, maximize value, and safeguard the future. We help businesses make this happen by inspiring principled performance.



[www.LRN.COM](http://www.LRN.COM)

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