XING

CSR REPORT 2017

Corporate Social Responsibility

AT A GLANCE

MEMBERS
13.4 million members in D-A-CH
11.4 million in Germany (D)
1.0 million in Austria (A)
1.0 million in Switzerland (CH)

including
994,000 subscribers

82%

OF EMPLOYEES
are satisfied with
XING as an employer

1,570

MAN-DAYS FOR INNOVATION
at our HackWeeks

1,290

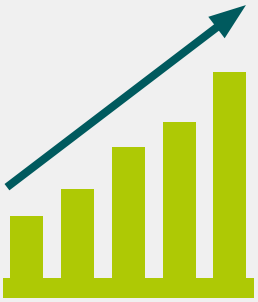
EMPLOYEES
2017: 1,290
2016: 961
2015: 792

NEW WORK AWARD 2017

25,000
votes for innovative
working models

247

EMPLOYEES
were involved in the
XING Social Days



TOTAL REVENUES

€ 187.8
million – up 26%
in comparison to 2016

CONTENTS

2 Our CSR mission statement
4 Letter from the Management Board
8 Preface by Frithjof Bergmann
11 CSR at XING
14 Employees action area
20 Society action area
26 Products and services action area
32 Data protection and compliance action area
36 Environment action area
40 Assurance report
42 Publishing information and contact

XING is the leading social network for business professionals in the German-speaking market

XING provides advice and support to its more than 13 million members during the upheaval processes in the world of work. In an environment marked by a shortage of skilled workers, digitalization, and changes in values, XING helps its members achieve as harmonious a work / life balance as possible. For example, members can use XING Jobs to find the position that meets their individual needs, keep up to date with the news offerings on XING and participate in the debate, or find out about changes and trends in the new world of work on the XING spielraum topics portal.

In early 2015, the Jobbörse.com website – the biggest job search engine in the German-speaking market – was added to the Company's portfolio. Prior to this, XING had further strengthened its position as the market leader in social recruiting by acquiring kununu, the leading employer review platform in the German-speaking market. XING continued on its growth trajectory in 2017 by acquiring Prescreen, the fastest-growing applicant tracking system provider in Europe, and InterNations, the world's largest network for people who live and work abroad.

Established in 2003, XING has been listed since 2006 and has been a TecDAX member since September 2011.

XING employs about 1,300 people and has a presence in Hamburg, Munich, Barcelona, Vienna, Zurich and Porto.

OUR CSR MISSION STATEMENT

“For a better working life” – XING’s vision plays a pivotal role both in our understanding of responsibility and in our social commitment. Work is a topic that shapes our lives like almost no other. As well as putting food on the table, work can also be the key to a fulfilling life, a path to satisfaction or even self-realization and a tool for social participation. For far too many, however, the reality is that working life still results in discontent, ill health or wasted potential. At the same time, the world of work is currently undergoing radical change triggered by digitalization.

XING is therefore committed to identifying opportunities for this change and opening it up to as many people as possible. This principle guides us when developing our social responsibility. In doing so, XING also draws on its expertise as the largest professional network. We continue to develop pioneering working models and initiatives that add to the social debate.

Our responsibility also includes considering the impact of our actions on us, the environment and society as part of our day-to-day work, when developing new products and when making purchasing and business decisions. In this way, we are helping to make the future world of work a better place.

CSR GOVERNANCE

We have established a CSR governance system within the Company to enable us to implement our CSR strategy in a targeted manner.

1. Management Board as most senior decision-making body
2. A CSR Coordinator is responsible for CSR activities.
3. The CSR Steering Committee adopts proposed resolutions and coordinates with the various departments.
4. The heads of the various departments ensure that resolutions are implemented.

SEIZING THE OPPORTUNITIES OF CHANGE

Dr. Thomas Vollmoeller,
CEO XING SE

Dear Reader,

On May 1, 2013, XING embarked on a journey into a new world: the world of New Work. Thomas Sattelberger and I published an article in the German business newspaper Handelsblatt in which we invited readers to debate the future of work. Digitalization, a shortage of skilled workers, and a shift in the values of the younger generation were the drivers of a paradigm shift in what we call "work". We didn't think it made a lot of sense to wait until we are forced to react to technical progress and the enormous dynamics of change it entails. We were convinced that change should be structured and should offer an opportunity to actively develop a better, more people-focused and more engaging working environment. At XING, we could see even then that many of our members yearned for a job that would fulfill them and empower them – in an environment that would also allow them to grow professionally and personally. We discovered that there were some innovative companies open to these kinds of thoughts and ideas who were starting to create very good working conditions and experimenting with new forms of work.

These companies were, unfortunately, comparatively rare. They worked on their own; there was no platform to help these innovators share and exchange knowledge. Nowhere was the social debate that seemed so important to us being set in motion, channeled or sustained. We wanted to change that. We felt a responsibility to our members and wanted to initiate a social debate around the knowledge we had gained through close contact with our members and corporate customers.

> "Changes offer an opportunity to develop a better, more people-focused and more engaging working environment."

A lot has happened since then. Under the watchful eye of Thomas Sattelberger, we set up the XING Ideas Laboratory, staffed by experts on the subject of "work". With the Ideas Lab, we introduced the New Work Award, which honors companies and individuals who offer innovative working conditions or have set an example for others to follow. We launched a New Work blog under the name spielraum ("room to maneuver") to act as a central hub for information and inspiration on all aspects of New Work. We also started regional New Work Sessions, where

anyone with an interest in the subject could spend a day discussing the future of work, their initiatives, ideas, aspirations and experiences. And we are creating a substantial platform for the subject with the New Work Experience, which starts this year in the Elbphilharmonie hall in Hamburg and is probably the biggest event dealing with New Work.

This same platform also exists internally, where we have control of it. Our aim as an employer is to create a working environment in which our employees can develop and grow, where they are treated as people and not merely as a human resource, and where work is enjoyable. Every week, we ask our staff to tell us whether we have been a good employer during the past seven days or whether there have been problems. Our Management Board comments directly and responds to both to praise and criticism. Close dialogue within the Company is very important to us, because XING is growing dynamically and we do not want this growth to compromise our qualities as an employer. In 2017, we began to disclose salary structures for the first time, with the aim of ensuring that managers and their team members meet as equals in employee performance reviews as well. These are two examples of our internal activities; a more comprehensive review can be found in the “Employees” section.

“Our aim as an employer is to create a working environment in which our employees can develop and grow and where work is enjoyable.”

This report describes for the first time all aspects of our corporate responsibility. We are transparent about the goals we set ourselves and the approaches we pursue in the different dimensions of our Corporate Social Responsibility (CSR) strategy, which is essentially shaped by the subject of the Future of Work. We explain how we respond to the needs of our stakeholders and how XING attaches great importance to dialogue with its users, employees, shareholders and the public. And we explain how we use our knowledge to develop products that make the opportunities of change more accessible to our stakeholders. In the future, we would like to provide a detailed report of our activities on an annual basis – as a new, important step in our journey to making a meaningful contribution to the debate about the future of work.

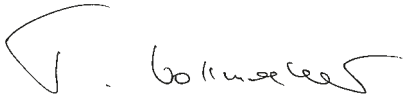
Our work to date has contributed to a situation in which our society is giving considerable prominence to the issue. Even very traditional companies are experimenting with new forms of work. Conservative Mittelstand companies are eliminating hierarchies and introducing agile methods, while great importance is being placed on the welfare of the individual. The topic is on the political agenda, and the media and universities are taking it very seriously. The work of Frithjof Bergmann, who coined the term New Work back in the 1980s, enjoys great popularity. In our New Work Experience 2017 event, I witnessed some of our guests being moved to tears during his talk and saw for myself how his appeal that we should all do what we "really, really want" with our lives struck a nerve with the audience. This is why I am so pleased that the philosopher and founder of the New Work movement has agreed to write the foreword to this report.

"For the first time, we are providing transparency in every aspect of our corporate responsibility."

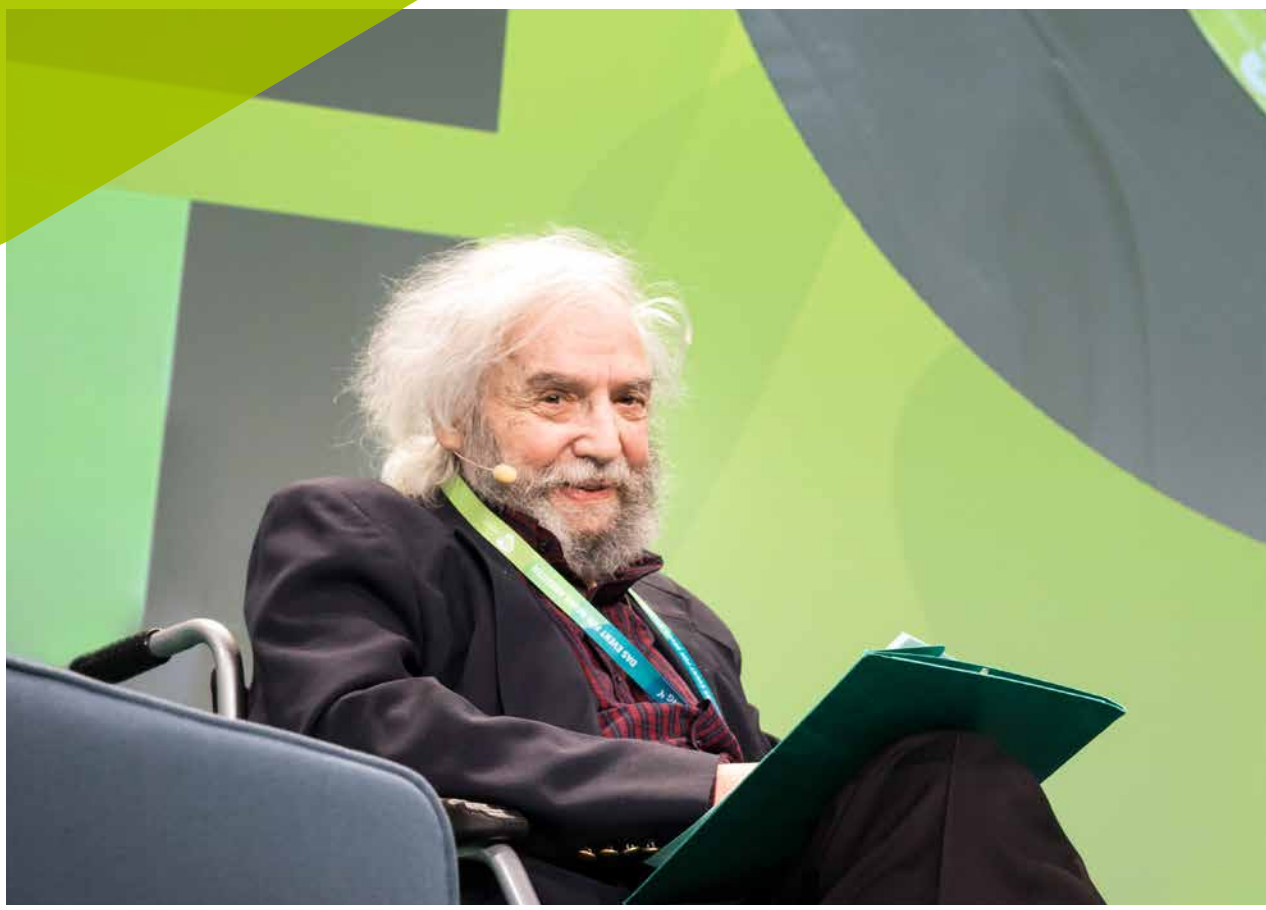
Overall, I would say this is a positive development. We must not, however, draw the wrong conclusions. The debate about the topic of New Work is still at an early stage – as are the effects of the digital revolution. We will continue to encourage this debate and to bring our knowledge to bear on the discussion.

We hope you enjoy reading this report.

Kind regards,



Thomas Vollmoeller



Prof. Dr. Frithjof Bergmann, philosopher and founder of the New Work movement

NEW WORK

A social revolution – or an attempt to provide an appropriate response to the challenges of the digital revolution. A preface by Frithjof Bergmann, philosopher and founder of the New Work movement.

> "The new technology comes towards us like a large wave. If we do nothing it could drown us, but if we move with intelligence and skill, the wave could lift us higher than we ever were before."

We published this statement more than a quarter of a century ago at the same time as we coined the term New Work. Back then, workers in Detroit were feeling the effects of the waves of technological progress, exacerbated by the effects of the onset of globalization. What were they supposed to do now that the industries they had sold their labor to had disappeared? What did they want to do? What was it that they really, really wanted to do in and with their lives?

Although this question goes to the heart of the New Work philosophy, it seems that no one is really prepared for this question. Our schools educate children by taking away their unique outlook on life, their creativity, their strengths, their desires and their questions. All of these things are forced out of them. Instead, they learn to comply with a template that has been designed to turn school leavers into well-oiled resources for the "labor market".

But increasing automation is radically changing the world of work. In the past, most people have accepted the inevitability of having to earn a living in a factory or an office. It is not surprising that their experience of work has been likened to having a mild illness – something not too unpleasant, just a bit depressing. Automation has the potential to free people from many of these symptoms, and in so doing, restore them to health.

A regrettable negative effect inherent in this development is that the traditional world of work requires fewer and fewer people. This is especially true for those generally considered to be "low skilled". Autonomous vehicles will soon make a large army of taxi drivers, couriers, train crew and postal workers redundant. But new technologies do not stop here. Nobody can ever be sure of escaping the wave.

So what is the solution? How can our lives function without the world of work we know so well? Well, the system we call "work" that seems so normal to us is actually only about 200 years old. It was created, and now it's about to disappear. And something new will take its place. Whatever it is still has to be designed. We will reshape it and the way we live at the same time. But what do we do about the tsunami of digitalization? The tidal wave is unstoppable. Can we surf the wave without it drowning us? What would happen if we made "gainful employment" less of a factor in how we define our lives? If we did what we really, really wanted to do? If we had a school system that turned out strong individuals. Individuals who know what they really,

really want. Who would support each other across borders and work together to lead a good, real, and fulfilling life. A life in a society in which people can prosper spiritually and mentally and live without poverty. A life in which work has a revitalizing effect; that is, something quite different from what we know today.

“In New Work centers, we show people how to discover what they really, really want.”

Does this sound like utopia? Yes, and it is. But it is sorely needed. Because more and more people are struggling with their lives and with their time. When you take it to its logical conclusion, New Work is nothing less than a revolution in our social structure. The world of New Work is about living a dignified, strong, self-determined life that is worth living. To own the kind of work that does not make us ill or tired, but is an activity that inspires us and is a key part of our life. We need to find out how it can be done. In schools, and in dialogue with each other. In New Work centers, we show people how to discover what they really, really want. Because they don’t know-how. They have forgotten not only how to answer this question but, more importantly, how to ask it in the first place. In Russia, India, Europe and the United States, the requirements for work are surprisingly similar and also extremely moving.

If we are to surf the wave, the unstoppable wave, we must not let it get on top of us; we must rise above it. When we do, it can benefit us, propel us forward and offer us the opportunity of living a different and better life.

The seed was originally sown in the 1980s. Today, New Work is ubiquitous. Let’s do what we really, really want to do.

CSR AT XING

Our CSR strategy adopted in 2017 defines the priorities of our commitment and sets concrete targets for what we want to achieve by 2020.

How will we work tomorrow? Very few questions cause such public debate as this one. At a time when skilled workers are in short supply and digitalization is gathering pace, there is a heated debate going on about how individuals, companies and society should organize "work" in the future. Can it be designed to make our work and private lives better than in the past? Will companies be able to give their employees more freedom and opportunities for personal development? And: will there still be jobs, as we know them today, for most working people in the future?

Our ambition is to promote a discussion that focuses on the opportunities offered by the radically changing world of work and to make these opportunities accessible to as many people as possible. XING's vision "For a better working life" plays a pivotal role in our understanding of corporate responsibility and social commitment. As the largest professional network in the German-speaking countries, we provide a platform for the discussion of tomorrow's innovative work concepts and want to guide our members through this transformation process.

At the same time, we are committed to implementing our vision internally. We offer our employees an environment in which they can develop their talents and work flexibly on their own initiative. We believe in management that treats employees as equals, supporting their development and creating space for innovation.

The CSR strategy we adopted in 2017 is our way of living up to this self-image and strengthening our commitment to New Work. We are consolidating and expanding our activities and publishing this CSR Report annually to provide transparency for our stakeholders.

OUR CSR STRATEGY

Our CSR strategy defines the priorities of our commitment and sets concrete targets for what we want to achieve by 2020. Our topics are divided into **five action areas**. Reports on our CSR activities in the future will therefore be based on the following structure:

- 1. Employees
- 2. Society
- 3. Products and services
- 4. Data protection and compliance
- 5. Environment

The aims and objectives of our CSR strategy are based on the results of a **materiality assessment** that has identified the issues that are most important to our company. As part of a multi-stage process, we analyzed both the impact and significance of the business activities of each CSR topic from a stakeholder's viewpoint. We also evaluated these issues in terms of their risks to XING's business activities.

The result is **six key topics** of particular relevance to our business model: employee satisfaction and work-life balance (Employees action area), New Work know-how (Society action area), innovation management, use and growth in membership (Products and services action area), and data protection (Data protection and compliance action area).

For each of these six topics, we have defined a performance indicator, to be assessed annually, against which we can measure our progress:

- **Employee satisfaction**: employee satisfaction rate, assessed at regular intervals via an online survey (page 14 “Employees”)
- **Work-life balance**: the part-time ratio of our employees, consisting of permanent and temporary work models (page 14 “Employees”)
- **New Work know-how**: size of the vote at the XING New Work Award (page 20 “Society”)
- **Innovation management**: number of developers in man-days per year participating in XING HackWeeks (page 26 “Products and services”)
- **Use and growth in membership**: penetration rate of the addressable market based on the ratio between the number of white-collar workers* in German-speaking countries and the size of our membership (page 26 “Products and services”)
- **Data protection**: publication of an annual voluntary data protection report by the newly formed Data Protection Committee (page 32 “Data protection and compliance”)

The following materiality matrix shows how we weigh our issues from a stakeholder and company perspective.

CSR MANAGEMENT

We have established a CSR management within the Company in order to further develop our action areas and purposefully pursue our goals. In 2017, we set up a **Steering Committee** to coordinate all of our CSR activities and our data collection. The Committee is made up of the Vice President Corporate Communications, the Director Investor Relations and a CSR Coordinator. The position of CSR Coordinator is a new one that we plan to fill in the spring of 2018. The coordinator will report to the Corporate Communications department and be responsible for the refinement and implementation of our CSR strategy.

The Steering Committee meets twice a year and at other times when required, and prepares innovative proposals for the Management Board of XING SE – our highest decision-making body. The Management Board receives regular updates on the latest CSR activities and is kept informed of our future plans. The Steering Committee is also responsible for communication with the divisional managers. Supporting each action area is a group of permanent contact persons from each of our divisions, including managers from Human Resources, Corporate Communications, Product Management, Procurement, Legal, Investor Relations, UserCare, and Assistance to the CTO. These persons are responsible for implementing measures and for calculating the key figures for their own specialist areas.

The Corporate Communications department is responsible for the **communication** of strategy and associated measures. It collaborates closely with the CSR Steering Committee and ensures internal communication within the Company by transmitting information regularly to all employees.

IN DIALOGUE WITH OUR STAKEHOLDERS

The long-term success of our company depends on the confidence of our stakeholders. To quickly identify new trends and the changing demands being placed on our company, we engage in regular dialogue with our stakeholders and feed our findings into our corporate strategy. Key stakeholders for XING are:

- Capital providers (investors, analysts, banks)
- Partners (customers, employees, suppliers, service providers)
- The public (legislators, authorities, the judiciary, associations)
- Society (media, education, NGOs)

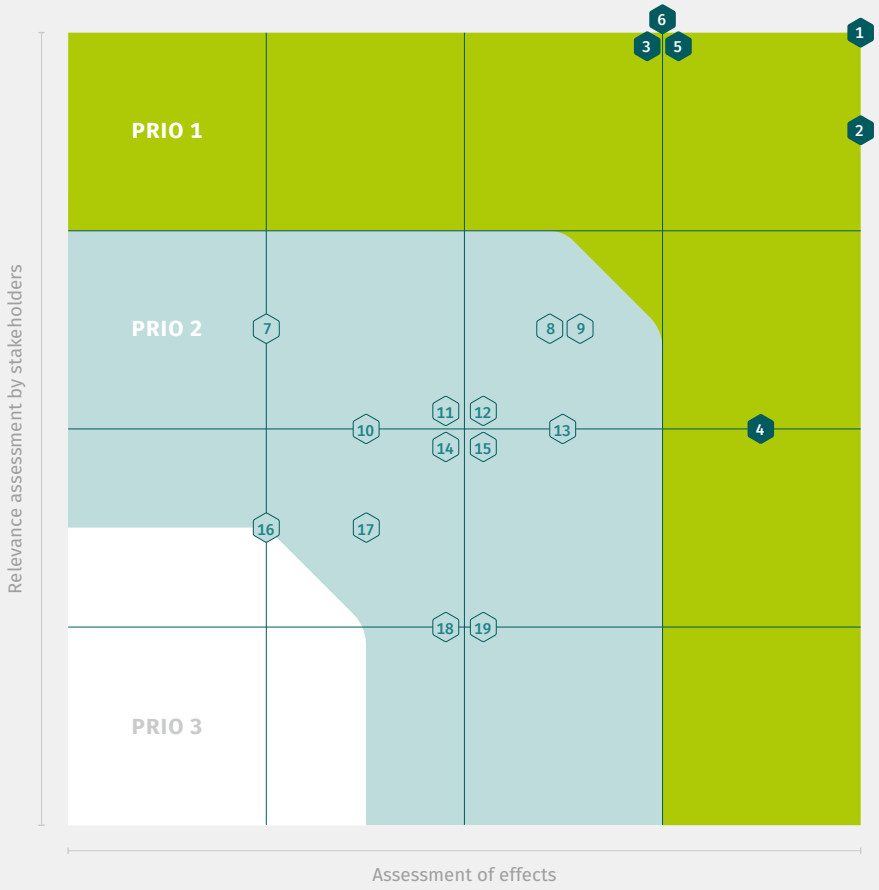
With events like the New Work Experience, the biggest conference on the future of work in the German-speaking world, we regularly bring together a wide variety of stakeholders – HR professionals, decision-makers, influential thinkers – to discuss new approaches for creating tomorrow’s world of work. Furthermore, we annually hand out the New Work Award, which recognizes the most innovative New Work concepts from small and large companies and introduces them to the public (page 20 “Society”).

We are represented by a Public Policy Manager in Berlin and Brussels, whose task is to talk to people representing the interests of politics, associations and public authorities. This allows us to keep abreast of developments that matter to our company and respond to them in a timely fashion.

XING also plays an active role in various interest groups and industry associations. These include the Federal Association for Information Technology, Telecommunications and New Media (BITKOM), the German Startups Association and the Alliance for Cyber Security, an association of experts established by the Federal Office for Information Security.

* *White-collar workers include occupational groups with an emphasis on commercial, consulting, administrative and engineering sciences and the production of artistic and creative work, as well as medical professionals, remedial education professionals, and social sector professionals.*

OUR CSR TOPICS – MATERIALITY MATRIX*



EMPLOYEES

- 1 Employee satisfaction
- 2 Work-life balance
- 13 Employee participation
- 9 Diversity
- 12 Training and continued professional development
- 14 Strengthening of leadership skills

SOCIETY

- 3 New Work know-how
- 10 Employee commitment

PRODUCTS AND SERVICES

- 4 Innovation management
- 5 Use and growth in membership
- 17 Purchasing
- 19 Customer service
- 16 Human rights

DATA PROTECTION AND COMPLIANCE

- 6 Data protection
- 7 Compliance

ENVIRONMENT

- 8 Employee mobility
- 11 Energy consumption
- 15 Environmentally-friendly buildings
- 18 Recycling

* *Measured against the statutory materiality criteria for reporting on non-financial risks, and following the implementation of risk mitigation techniques, non-financial risks are not significant. This is particularly important in view of the fact that an occurrence is very likely.*

No other reporting standard was used to prepare this CSR report as it would not currently provide any additional value given the nature of XING SE's business.

ACTION AREA

EMPLOYEES

They are the number one success factor, the central source of innovation, and therefore the basis for everything we do: our employees. We want to attract the best minds to XING and retain them over the long term. Together, we put New Work into practice – and offer the best possible working conditions.

Working at XING means working in an agile company that is leading the way in many areas of the New Work movement. At XING, the rapid changes taking place in the world of work, often involving fundamentally new organizational forms and values, are accompanied not only by numerous event and content offerings for the customer, they are also actively applied to our corporate structures, making them a regular part of our positioning statement: “For a better working life”.

As a digital company, employees are our greatest asset; their ideas, innovations and enthusiasm are our success drivers. XING employs over 1,000 people in Hamburg, Munich, Barcelona, Vienna, Zurich and Porto. In order to create the best possible working conditions for them, our Human Resources department has developed an extensive range of services – from the cleverly devised onboarding process for new employees (to quickly integrate them culturally and professionally), to flexible working time arrangements and training opportunities, and many other benefits exclusive to XING.

SATISFIED EMPLOYEES AS OUR GREATEST ASSET

Satisfied employees identify with their employer and are prepared to commit to the Company long term. The satisfaction of our employees is therefore a key indicator of XING’s performance and serves as a yardstick for our performance as an employer. We carry out a weekly, anonymous survey online across all of our offices to ascertain the mood of our employees. Those surveyed state whether they are satisfied or dissatisfied with XING as an employer. They also have the option of adding a comment to explain their vote. Other employees can read these comments and rate them as relevant or irrelevant.

In 2017, **82 percent** of our employees (averaged over twelve months) said they were satisfied with XING as an employer. In view of the rapid growth of our workforce, we have set ourselves the goal of maintaining an annual figure of over **70 percent** between now and 2020.

PRIO 1 TOPIC
Employee satisfaction

82%

of employees were satisfied with XING as an employer in 2017.

4.12

stars is the score achieved by XING on the kununu employer review platform on a scale of 1 to 5.

PRIO 1 TOPIC
Work-life balance

117

employees worked part-time in 2017, representing 11.5% of XING's staff.

75%

of the applications for part-time work submitted in 2017 concerned temporary part-time work.

Voting is good, but transparency and dialogue are even better. At a weekly company meeting, a member of the Management Board and a representative of the Employee Committee (page 19), comment in detail on the six most relevant remarks by employees. This provides first-hand experience of what the employees feel is going well, and what is not – and is an opportunity for management to respond directly and come up with solutions. The meeting takes place at our head office in Hamburg and is broadcast to all of our other offices via a video link.

The annual results of our mood barometer contribute to the reports on the kununu employer review platform. Here, based on 446 votes and using a scale of 1 to 5, XING SE achieved a score of **4.12 stars**. The recommendation rate, based on the same 446 votes, is 94 percent.

SALARY TRANSPARENCY

We firmly believe that transparency provides the means to achieve a dialogue between equals. This is why, in 2017, we launched our pioneering Salary Transparency initiative, which is being refined as part of a continuous process. In each country in which we are based, we have defined XING-specific salary bands, guided by industry-standard salary ranges, for job areas and career levels. Each employee can view these salary bands and see where they stand within the salary band and in comparison to colleagues doing similar jobs. The information is depersonalized so that nobody can draw any conclusions about individual employees.

By doing this, we provide our employees with a transparent overview of our internal salary structures and their own opportunities for advancement. The aim is to create the conditions for open and fair dialogue in discussions about salaries and employee performance. As part of this initiative, our managers have been trained and prepared to deal with these discussions.

A WORK-LIFE BALANCE FOR EVERY EMPLOYEE

We are convinced that anyone who wants innovative employees capable of showing initiative must treat them as equals and allow them a level of autonomy. Many life situations require a degree of flexibility with regard to working hours. Given the context of a burgeoning "war for talents", we aim to attract and retain new talent by creating a modern, contemporary working environment that is in tune with the times. To ensure that our employees can enjoy a balanced relationship between work and private life, we offer them a variety of solutions to suit their individual situations.

For example, as long as they give the required notice, our employees can reduce their working hours to 80 or 90 percent, regardless of their length of service. A key indicator is the number of employees who take advantage of the option to work part-time, whether temporarily or permanently. In 2017, it was **117 employees**, or 11.5 percent* of the workforce. Our goal is to keep this ratio above 10 percent.

In the year under review, 18 employees applied for part-time work on a temporary basis, which is 75 percent of all the applications submitted. This XING-specific model goes beyond the statutory requirement and gives our employees the opportunity to try out part-time work for themselves. Should they decide to work part-time, they do not lose their entitlement to a full-time position and can adapt their working time model to suit their own individual situation.

* *The total workforce comprises 1,017 employees. This includes the active and passive permanent employees of all companies (except InterNations). Passive employees are those on maternity/parental leave or those taking other longer absences such as long-term illness, Holiday+, and sabbaticals.*

Home office work and flexible hours help our employees to adapt their working hour model to their personal life situation.

We also offer our employees a range of up-to-date choices designed to optimize their personal work-life balance. For example:

- **Sabbatical**: After three years of service, our employees can take a two-month break and, by arrangement, a break of up to six months. In 2017, 14 employees took sabbaticals. The average duration was 42 days.
- **Holiday +**: After two years of service, employees can take up to four weeks' unpaid leave. In the year under review, 19 employees extended their annual leave by an average of 14.8 days.
- **Home office**: Every employee is entitled to work in their home office one day per month. Employees can also make individual agreements on working from home with their supervisor.
- **Flexible working hours**: We trust our employees and, to maximize flexibility, do not record their working hours.

This is based on our clear commitment to meeting the needs of our employees. If necessary, our managers will discuss the various working time options available. Detailed information on all of our programs is available on the Company's intranet.

INVESTMENT IN TRAINING AND CONTINUED PROFESSIONAL DEVELOPMENT

"Enabling professionals to grow" – our corporate mission is an integral part of our human resources policy. Targeted promotion of new and existing skills, even those beyond an employee's defined field of work, is a key element in managing the entire XING workforce: on-the-job learning, training and coaching are the three cornerstones of a continuous qualification strategy. Employees can take advantage of internal and external training opportunities after consulting with their supervisor. Weekly language courses are also available to them for a small monthly fee.

XING provides training in media design, office management and IT. In 2017, there were nine young people undergoing training with us. They work in different departments to broaden their horizons and gain an insight into the Company's processes while experiencing a variety of interesting entry-level positions.

STRONG MANAGEMENT

Another key factor in our success is the expertise of our managers. Part of our open culture is that they receive feedback from their employees once a year in a moderated and well-structured format. If there are at least three employees, a workshop is held; when there are fewer employees, feedback is obtained

in a personal interview. The results are documented and used as the basis for team-specific measures to improve teamwork. All new managers attend a basic leadership training course that includes eight days of training with several modules and one-on-one coaching. The idea is to prepare them in the best possible way for their leadership role at XING. We have also developed a management code of conduct designed both to set standards of conduct and to establish a management culture in the Company.

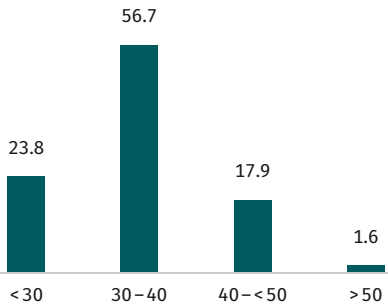
DIVERSITY

We have a diverse workforce, with employees from 48 different nations. 38 nationalities are represented at our Hamburg headquarters alone. Our goal is to attract the best employees, regardless of gender, age, cultural background and origin. This is why we have steadily honed our onboarding process for new employees from abroad in recent years. We collaborate with an external relocation service to support new employees from the very beginning on matters such as dealing with the authorities (residents' registration office, health insurance), finding accommodation and opening a bank account. If necessary, we will provide an apartment for the first two months and offer language courses to make life easier for our new employees. Special welcome events and English as the official corporate language help new staff to find their feet in the Company.

Employees by gender in %

Employees total : 1,017

Employees by age structure in %



OTHER BENEFITS AT XING

XING offers employees a generous benefits program, which is explained to each employee by the HR department at our various offices. Benefits vary depending on the location and range from company pension plans, free travel and accident insurance, a reduced public transport season ticket, in-house sports instruction courses, to reduced membership at fitness studios, subsidized restaurant vouchers, free drinks, organic fruit and a smartphone or tablet for private use. At the end of 2017, every permanent member of staff was promised one XING share, to be issued in 2018. This will symbolically make every employee a shareholder in the Company.

EMPLOYEE COMMITTEE – THE VOICE OF THE WORKFORCE

Taking inspiration from a works council, XING created the Employee Committee (EC), a body that represents its employees and engages in substantive dialogue with the Company's management and employees. Established in 2015, the EC has been entrusted with tasks carefully tailored to the needs of XING. As a solution, it therefore fits well with the corporate culture. Its ten members are elected annually by the workforce and are present in person at our Hamburg, Munich, Vienna and Barcelona offices. As with a works council, the number of seats depends on the number of employees in the Company. We have also made provision for one member of staff to take on a full-time EC position, equivalent to a full-time works councilor. The EC makes itself available for employee performance reviews, organizes initiatives and keeps employees informed by means of regular information events or newsletters. A member of the EC is also present at the weekly company meeting and reports on any issues currently of concern to the employees.

PROFESSIONAL ADVICE ON COPING WITH PERSONAL DIFFICULTIES

In partnership with the Fürstenberg Institute, XING offers its employees a wide range of counseling services to help them reconcile their work and family life, and to tackle professional, personal and health issues. Our employees can take advantage of one-on-one counseling – anonymously if desired – by telephone, email or in person, on their own or together with members of their family. Moreover, employees of XING companies based in Hamburg can make use of Fürstenberg's emergency support service for five days in any one year for each of their children. In 2017, 155 employees made use of these services.

www **fuerstenberg-institut.de**

KOOPERATION
AUTONOMIE
DEMOKRATIE
DIVERSITÄT
GEMEINSCHAFTSSINN
iba
DELL EMC
intel

ACTION AREA

SOCIETY

As a professional network, we put millions of people in touch with each other. XING helps its members to build and expand their own networks, many of which constitute the nucleus of modern and sometimes completely new forms of work. We see it as our responsibility to promote public debate on New Work because we share a vision that the world of work will be better in the future.

New Work pioneers discuss ideas on the new world of work at the New Work Session in Berlin.

Globalization and digitalization are just two of the drivers that are radically and rapidly changing the world of work as we move from an industrial to a knowledge-based society. Changing values mean that the traditional "nine-to-five" model is no longer something to aspire to. Flexible working models are replacing rigid structures, employee participation is replacing hierarchies, and autonomy is becoming increasingly important. Lots of things that have remained static for a long time are now changing – suggesting that we are currently experiencing the greatest upheaval in the world of work since the industrial revolution.

We do not want to deal with these changes in a reactive way, but rather anticipate and deal proactively with them. As the largest professional network in the German-speaking world, we know the needs of employees and employers like few others. Day after day, we see what they are looking for; we are familiar with their experiences and their wishes. We believe it is our responsibility to share this knowledge in order to help shape the changing world of work and to show many people the opportunities that are available and how to grasp them. We represent their interests by helping them to develop networks that enable them to configure their work in a way that suits them and their individual circumstances.

200

applicants at the New Work Awards 2017.

25,000

votes from 8,194 people decided who the winner was.

PRIO 1 TOPIC
New Work know-how

NEW WORK KNOW-HOW

In recent years, XING has successfully positioned itself on the issue of New Work and has built up an extensive knowledge database. We have a large network of experts, host the largest conference on New Work Experience in the German-speaking countries, and disseminate our knowledge via a wide variety of digital content. We want to reach as many people as possible – by both digital and analog channels – in order to make our expertise available to society. Our ambition is to further advance the public discussion on New Work by reaching more and more people.

One yardstick we use to measure our progress is the size of the vote for the New Work Award. We have presented this award every year since 2014 to companies who have developed innovative models for the future of work. The platform was established to strengthen public dialogue between companies, employees and influential forward thinkers. Approximately **200 New Work pioneers** from companies large and small nominated themselves for the award in 2017. Anyone with an interest in the topic can vote for the winners online through our website. There are three categories: Established Companies, Young Companies and New Workers. In 2017, we received some **25,000 votes from 8,194 people**. We expect the number of votes cast to rise to **30,000** by 2020.

We achieve this by communicating through our social media channels and our press relations work, and also by incentivizing participating companies to actively promote their own nominations and thereby help increase the total number of votes.

The organization and management of nominations for the New Work Award is undertaken by our Corporate Communications department, which works closely with the XING Ideas Laboratory, a panel of respected labor market experts that includes Dr. Jörg Dräger, a member of the Bertelsmann Stiftung Management Board, and Gero Hesse, owner of the HR blog "saatkorn". The patron is Thomas Sattelberger, publicist and member of the Bundestag. The Ideas Lab acts as jury and, when all applications have been received, preselects the successful candidates in all three categories from whom the voters then select the winners.

Premiere: Almost 1,000 attendants and 50 speakers made the 2017 New Work Experience the largest conference in the German-speaking countries on the future of work.

WINNER OF THE 2017 NEW WORK AWARD: MORE PERSONAL RESPONSIBILITY, LESS HIERARCHY

Cisco's motto is "The future of work, today". The telecommunications company places a great deal of trust in its approximately 1,000 employees and allows them a lot of personal responsibility. They are free to decide at short notice not just where to work but when to do so. This initiative goes down well not only with the employees themselves but also with online users, as evidenced by Cisco's win in the New Work Award category Established Companies. Runner-up was "Traum-Ferienwohnungen", the online marketplace for holiday homes. Over 120 colleagues work autonomously for the Bremen-based company, founded in 2001, in mixed teams without managers. Third place went to Austria and the 90-strong team of "Tele Haase" from Vienna, who work within an intelligent, self-governing, non-hierarchical organizational structure and can therefore respond very quickly to new challenges.

newworkaward.xing.com

SHARING KNOWLEDGE THROUGH EVENTS, THEME PORTALS AND STUDIES

The New Work Award is just one of many ways of stimulating public debate about New Work. In 2017, we organized the first **New Work Experience**, the largest conference in the German-speaking countries on the future of work. With nearly 1,000 visitors and 50 speakers, it is a platform for New Work innovations and a place where experts from business, science, politics and administration, influential thinkers and critics gather to discuss the transformation of the world of work. The event also hosts the presentation of the New Work Award and helps to bring flagship business projects to the attention of the public.

With the **New Work Sessions**, XING has also established a program of events that provides a platform for dialogue in a number of cities. Here too, experts and practitioners meet to exchange ideas about new models for work that are already being put into practice today. The sessions follow an open conference format along the lines of the Barcamp format, with a mixture of impulse lectures and best practice workshops. The participants attend a pre-planning session and play an active role in determining the program. In 2017, we organized a total of four sessions in the cities of Berlin, Wolfsburg, Nuremberg and Munich.

The **"spielraum" blog**, our portal dedicated to the modern world of work, reaches an average of 120,000 readers per month. With its motto of "Living better. Working differently", it has been providing professionals with valuable information and advice about New Work since May 2014 in the form of expert interviews, studies, tips and company case studies. Each month, it examines a new topic. For example, "work and money", "creativity" or "teamwork".

spielraum.xing.com

In 2016, we also published the **New Work book** "Aufbruch in eine neue Arbeitswelt" ("Moving towards a new world of work"), in which experts from a variety of disciplines contribute their thoughts and ideas along with practical examples. Politicians, scientists, opinion leaders and practitioners describe how New

"When transformation turns into innovation" – this was the theme of the New Work Session in Wolfsburg, which took place at an unusual venue: an indoor pool.

Work functions and how we can incorporate new approaches and innovative concepts into our normal working lives. To share this knowledge, we have made the book available as a free download in PDF format.

newworkbook.xing.com

In order to understand and comment on current developments, we regularly commission studies in cooperation with public opinion and market research institutes such as Forsa, Statista and the Institute of Labor Economics (IZA). These include the large employee study “Arbeiten in Deutschland” (“Working in Germany”) of over 8,000 people carried out in collaboration with the IZA and published for the first time at the New Work Experience 2017 event. The study offers valuable insights into the labor market and life in Germany. For example, when asked about the importance of flexible working, respondents who enjoyed greater flexibility in terms of time and location, or more responsibility and autonomy, were on average more satisfied with their job.

247

employees were involved in 17 social projects at the Social Days.

€20,000

were donated by XING for a children’s hospice in Hamburg.

EMPLOYEE COMMITMENT: SOCIAL DAYS AT XING

We are of the opinion that New Work also means giving our employees time and the financial resources for social projects so that they can benefit from new experiences and gain new perspectives. In 2016, XING held its first Social Days. As it proved such a success, we decided to repeat the format in 2017, combining it this time with our Prototyping Days, at which new products are developed (page 26 “Products and Services”). Employees are free to choose whether they would like to participate in the Prototyping Days or would prefer to spend three days working for a charitable cause. Employees can propose projects themselves or choose to join an existing project. At the end of the project days, the employees select the winning teams from the prototyping and social days. The winning teams from the Social Days event receive an additional donation toward their project.

247 employees were involved in 17 social projects in Hamburg, Munich, Vienna and Barcelona with a total budget of €25,250. The organizations they helped included the Sternenbrücke children’s hospice, a retreat for terminally ill children and their relatives, and an animal shelter in Hamburg. We also carried out a number of nature conservation projects, which are described in the “Environment” chapter (page 36).

COACHING FOR REFUGEES: MENTOR MONTH

The winning project in 2017 is Mentor Month, a training program for refugees with previous educational and work experience, aimed at helping them to find their way into the German labor market. The idea is to have participants attend training workshops run by XING employees on job searching techniques, including guidance on preparing application documents, interview training, cultural training in connection with specific jobs, and presenting a candidate's information on career portals. Six 4-hour workshops for between 20 and 25 people will be held on four dates in 2018. The aim is to give at least 30 percent of the participants a foothold in the world of work – in the form of an internship or a permanent job – based on what they have learned.

FUNDRAISING CAMPAIGN FOR CHILDREN’S HOSPICE

Christmas greetings for a good cause – for the fifth year in succession, XING sent out Christmas cards inviting partners, customers, service providers and friends to donate to the Sternenbrücke children’s hospice in Hamburg. Approximately €20,000 was raised.

ACTION AREA

PRODUCTS AND SERVICES

There is one goal that all of our products and services have in common: to be a mentor to our members in their careers. Our mission is to support their needs, and by doing so, contribute to a better working environment.

PRIO 1 TOPIC
Use and growth in membership

27 million
white-collar workers are employed in the German-speaking countries. They are our main target group.

49%
of our target group use XING.

Innovative products and services are not just the cornerstone of our company's success; they also reflect our responsibility to know the needs of employees and employers and to use this knowledge to help them access the opportunities resulting from changes currently underway in the way we work. In addition to our premium offers, we supply a variety of free, no-obligation tools that members can use to improve their job satisfaction and support their own professional development. Our aim is to be a mentor for our members and to offer them guidance – guidance on which individual path they would like to take. Some members would like to be as successful as possible, for example, and have a successful career in the traditional sense. Some want to find a job with an optimum work-life balance. And others are looking for ways to work less, or perhaps a job with an emphasis on social projects. Our efforts to assist them create an important social benefit. In order to extend our lead as the largest professional network in the German-speaking world, we work continuously on innovative products and on our customer service.

USE AND GROWTH IN MEMBERSHIP

The XING network has seen rapid membership growth in recent years. In the last two years alone, membership has increased from around 10 to 13.4 million. The more people we reach, the more we can promote the public debate on the future of work. Membership growth and membership activity are therefore key indicators for us.

We measure our progress by our success in reaching our main target group: all the white-collar workers* in the German-speaking countries. According to our calculations, there are around **27 million** such workers. We express our market penetration as the ratio of our membership – of 13.4 million – to the overall total figure. In 2017, the ratio was around **49 percent**; that is to say, one out of every two people in our target group is a XING user. We plan to maintain this very good performance until 2020.

In addition to membership numbers, usage figures are an important indicator of our market penetration. We believe in transparency and are happy to be assessed by external bodies. According to the Working Group for Online Media Research (AGOF), an association of online marketers in Germany, we had almost eight

* *White-collar workers include occupational groups with an emphasis on commercial, consulting, administrative and engineering sciences and the production of artistic and creative work, as well as medical professionals, remedial education professionals, and social sector professionals.*

million unique users in the period between October 2016 and September 2017. This is the number of people using XING as a platform. According to the German Audit Bureau of Circulation (IVW), XING received more than 47 million visitors per month over the same period.

INNOVATION MANAGEMENT

When people are attracted by our products, the number of users and members increases. Our members expect us to continuously develop our products and services. For us, it means adapting them in terms of innovation, functionality and usability to meet the constantly changing needs of our users. If we do our job well, user satisfaction increases, our market position as the leading professional network in the German-speaking countries improves, and our attractiveness as an employer increases.

Our innovative prowess derives from our workforce. Under the patronage of our Chief Technology Officer (CTO), XING has organized HackWeek three times a year since 2011. For one week, all of our developers have the opportunity to organize themselves into projects, pursue new product ideas and test new technologies. A product originally developed during **HackWeek** – a service that helps students make the transition to work – can now be found in a modified form on the XING Campus (page 31).

A key performance indicator for innovation management is the number of employees in man-days participating in the HackWeeks. In 2017, this was **1,570 man-days**: 314 employees from our offices in Hamburg, Munich, Vienna and Barcelona spent five days in HackWeek working on new product ideas. We hope to keep the number of man-days at this level in the future.

Another format is the Prototyping Days, which are aimed at all employees across all disciplines. These have been held since 2011 and allow employees to spend three days coming up with new product ideas. In 2017, we held a combined Social Days and Prototyping Days event. 59 employees worked on eleven prototyping projects. These include the XING Instant Connect project, which uses individual profile codes to enable XING users to connect more quickly with each other. It enables their mobile device to establish a direct connection via the XING platform by scanning the code on the other person's mobile device with their device's camera. XING Instant Connect is one of the seven winning projects from the Prototyping Days that will be implemented in collaboration with the students from Code University.

Many product development disciplines also have **Communities of Practice** that concern themselves with the cross-team innovation potential of their area. Key topics here include various programming languages, data science, data engineering, design and product management. A total of ten communities are organized independently by the employees and allocated a budget by the CTO and CPO.

As part of XING's growth strategy, our Corporate Development department also focuses on analyzing the startup scene in German-speaking countries. This is because, firstly, XING is keen to promote entrepreneurship in Germany and offers a resource that enables startups to network with partners. Secondly, it gives us the opportunity to stay in touch with new companies that are relevant to us, to observe their development and, where appropriate, to enter into a cooperation or purchase relationship with them.

PRIO 1 TOPIC
Innovation management

1,570

man-days were spent by 314 participants during HackWeeks in 2017.

SALARY TRANSPARENCY FOR OUR CUSTOMERS

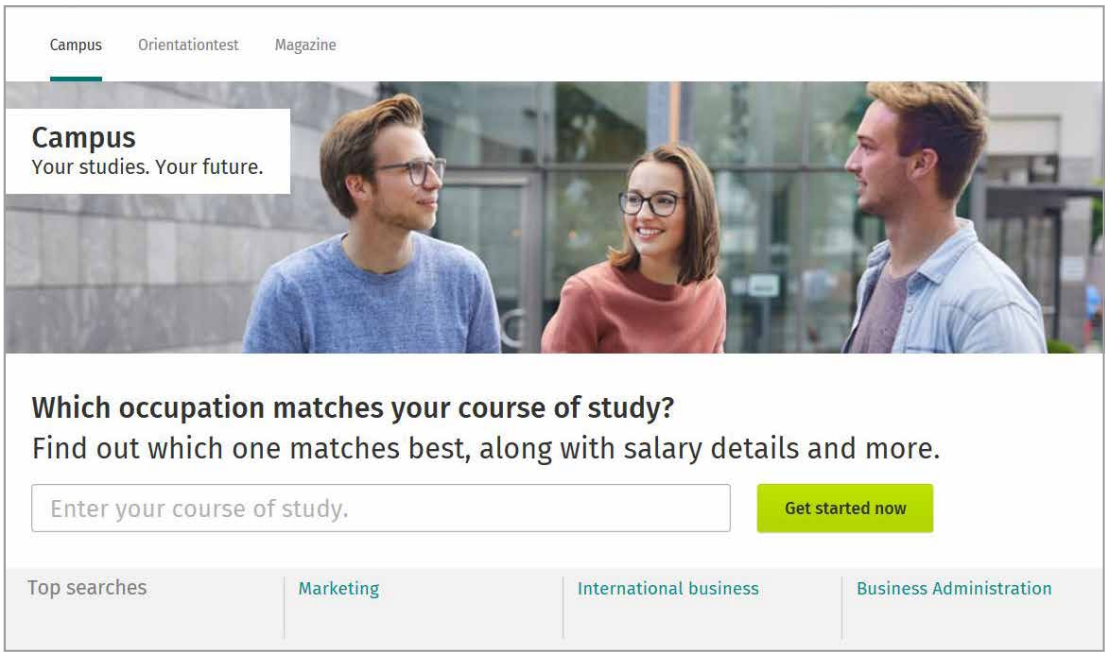
The salary transparency function in the XING recruitment marketplace makes an important contribution to transparency in the German jobs market. Users are able see what salary range to expect for positions advertised in Germany. It applies not only to advertisements placed in the XING job market, but also, since the end of 2017, to advertisements on other platforms, which users can store in their XING "Jobbox" – a practical tool that helps job seekers organize and keep track of digital job advertisements. This creates transparency in the job market and creates a level playing field for job applicants when discussing salaries with potential employers. If the salary information is not stated by the company, XING suggests a figure based on an estimation model developed in-house. In 2017, XING calibrated the model on the basis of 500,000 salary figures provided on the platform and a survey of approximately 14,000 users. It is continually updated and adjusted through user feedback. We already have plans to create an estimation model for Switzerland and Austria.

XING CAMPUS: CAREER ADVICE FOR STUDENTS

We introduced our XING Campus product to help and advise students who are about to enter working life. This area on the XING platform not only contains job offers for students, but also offers career guidance tests, interactive information on degree programs and job profiles, as well as job application templates. We gained over 190,000 members in 2017 thanks to XING Campus and intend to expand the Campus area. For example, we would like to show students specific job vacancies and job-related articles based on their interests.

190,000

new members were attracted through XING Campus.



XING Campus offers students career guidance and support when starting a job.

MESSAGING AT XING

XING introduced an instant messaging service for users in March 2017. It makes it easier for job seekers to contact job advertisers and allows users to exchange with other users. The security of the optional end-to-end encryption has been verified and confirmed by audits carried out by independent IT consulting companies.

QUALITY IN CUSTOMER SERVICE

The XING platform's customer service function is our way of listening to users – and an important source of feedback. Customers can not only contact us by telephone to discuss their concerns and urgent issues directly; they can also contact us in writing via the XING platform's Help section. The platform is a way of making sure that user feedback is regularly incorporated into the design of our products. 95 percent of all written inquiries to which our customer service department responds receive a resolution code. A total of 229 different codes allocate the queries to the relevant business units, products and processes, which allows for a systematic quantitative and qualitative evaluation. We can see, for example, how well new features are being received by users and where there is still some room for improvement.

SUSTAINABILITY IN PURCHASING

We take responsibility not only for our products but also for our supply chain. Because we are a non-producing company, this involves mainly the purchase of services and products such as advertising materials and hardware. Purchasing is the responsibility of our Central Procurement department and is based on enterprise-wide guiding principles. In the medium term, our goal is to systematically evaluate the significant risk to XING of supplier incidents.

HUMAN RIGHTS

XING's subsidiaries and offices are located first and foremost in the D-A-CH region, i. e. Germany, Austria and Switzerland. Because we are a non-producing company, the focus of our human rights activities is not on our supply chain but rather on guaranteeing freedom of expression and a culture of public debate. As the largest professional network in the German-speaking market, we view our mission as not only to guarantee but also to encourage the free exchange of ideas. We do this with XING Klartext, for example, an online magazine that discusses the latest issues every day, from politics to business, to science. Here, experts express varied opinions on controversial issues such as "Do we still need a human resources department?", which the XING community can then discuss on the platform.

Login

ACTION AREA

DATA PRO-TECTION AND COMPLIANCE

Sustainable corporate governance goes hand in hand with integrated and transparent business processes. The areas of data protection and compliance are important aspects of this. As a digital network, we process large amounts of data – which means that we have a great deal of responsibility.

PRIO 1 TOPIC
Data protection

NEW

Voluntary establishment of a Data Protection Committee

13.4 million

users entrust their personal data to us.

A total of **13.4 million users** entrust their personal data to us. XING therefore has a special responsibility to our customers, to society and to our shareholders, who all expect us to keep their data safe and to handle sensitive information confidentially. Our management therefore adheres to strict standards of corporate governance, data protection and compliance.

DATA PROTECTION – A TOP PRIORITY

The protection of customer and company data is vital for our business and remains a top priority. We have a duty to protect this data as well as possible and to communicate transparently what we do with our customer information. Making sure that this happens is a prerequisite for building trust in XING. Reinforcing our commitment in this area has a positive effect on how customers use our services and on the size of our customer base. Conversely, negative incidents such as data protection violations can cause considerable harm to our reputation and result in substantial economic damage.

We currently enjoy the highest level of trust among our users all over Germany for the digital transmission of information. This is confirmed by the Social Media Atlas 2016/2017, a representative online panel survey conducted by the Institut für Management- und Wirtschaftsforschung* (Institute for Management and Economic Research). We want to maintain this positive public perception, and the expectations associated with it, into the future. That is why we are constantly refining our initiatives. We want to be judged by actions that go beyond the minimum legal requirement – the establishment of a data protection advisory body.

ESTABLISHMENT OF THE DATA PROTECTION COMMITTEE

The Data Protection Committee comprises the Data Protection Officer, the Vice President Legal and Compliance, the Vice President External Affairs and the Team Lead IT Security. The committee advises the Management Board on data protection issues, scrutinizes marginal cases, reviews internal processes, acts as the point of contact for all business units and participates in projects where data protection and privacy could be problematic. Our goal for 2020 is to make the Data Protection Committee a firmly established part of the Company and to start publishing an annual data protection report.

TRANSPARENCY JUST A CLICK AWAY

On our website, we have summarized for users how we process personal data and what we do with it: **www.xing.com/privacy** We also provide stakeholders on our corporate website with an overview of security standards at XING:

corporate.xing.com/en/about-xing/security/

* *Source: www.imwf.de/Studien-und-Untersuchungen/Social-Media-Atlas-2016-2017/*

IMPLEMENTATION OF THE NEW EU GENERAL DATA PROTECTION REGULATION

The purpose of the new EU General Data Protection Regulation is to harmonize data protection standards within the European Union in order to provide individuals with more control over their data. People will have the right to gain access to their personal data and to know why it is being collected and processed. From May 2018, Internet service providers will have to produce this information in an easily accessible and understandable form. The right to be forgotten is also being strengthened. In the future, it should therefore be easier to delete published personal information. In order to fully satisfy these new requirements, XING has initiated an internal project called "Privacy made by XING", which includes a set of internal guidelines and processes specifically designed to comply with the new General Data Protection Regulation. These include, for example, the Privacy Hub – a digital space where interested users can read up on all of the topics relevant to data protection at XING. This will be introduced in May 2018.

OTHER DATA PROTECTION MEASURES

Our corporate Data Protection Officer is responsible for compliance with all statutory requirements and for the management of all of our data protection measures. She is a part of our Legal department and reports to the CEO. She maintains close contacts with the Hamburg Commissioner for Data Protection and Freedom of Information (HmbBfDI) and with a lawyer specializing in data protection law, who advises XING.

In 2018, we will introduce a digital training tool to provide our employees with comprehensive training on the fundamentals of data protection law. From now on, each of our employees will attend an online training course once a year, while new employees will receive their training within two weeks of joining the Company.

COMPLIANCE – FOR INTEGRATED BUSINESS PROCESSES

Integrity and transparent business processes form the basis of responsible business management. Our goal is to act with integrity, in accordance with the law, and in compliance with legislation. Our focus here is on prevention: educating our employees and introducing appropriate internal standards and processes. Our Chief Compliance Officer is responsible for all compliance matters together with the Management Board and the Supervisory Board.

In addition to statutory requirements, we follow the recommendations of the German Corporate Governance Code. The purpose of corporate governance is to ensure that companies are managed and controlled responsibly and in a way that delivers sustainable value. A key prerequisite for this is close and efficient cooperation between the Management Board and the Supervisory Board, respect for the interest of shareholders, and open and transparent corporate communications. The German Corporate Governance Code provides recommendations and suggestions on managing and auditing companies listed on the stock exchange in Germany.

XING SE attaches great importance to these corporate governance recommendations and is committed to transparent, responsible corporate governance and control. We publish online the joint declarations of conformity by the Management Board and Supervisory Board of XING SE on the implementation of the proposals contained in Section 161 of the German Stock Corporation Act (AktG) concerning the German Corporate Governance Code.

corporate.xing.com/en/investor-relations/corporate-governance

XING has also introduced a number of **policies**. These relate mainly to our internal processes for IT, purchasing, booking and billing travel, IT security, reviewing contracts, acting as an authorized representative of the Company, and powers of attorney. The policies may be viewed by all employees on the intranet and serve as guidelines for their daily work.

In December 2017, we also introduced a **whistleblowing tool** which employees can use to report suspected rule violations – anonymously if necessary. The online tool enables the employee making the report to communicate anonymously. The suspected violation is evaluated by the Compliance Officer in cooperation with our Legal department. If it is found to be justified, the behavior will be prosecuted under labor or civil law.

While endeavoring to achieve our organizational goals and maximize shareholder value, we also consider **risk management** to be very important in protecting the interests of our stakeholders. We see this as a business process that helps us improve the efficiency of our decision-making processes and the management of existing risks. We take a methodical and rigorous approach to risk assessment and avoidance, and have a network of risk managers able to provide technical and practical support to all risk owners. They also facilitate the exchange of views and know-how in order to ensure that efficient work processes are consistently followed. These measures make it possible to quickly identify and systematically deal with existing risks and keep the Management Board, Supervisory Board and shareholders fully informed about the Company's risk exposure at any given time.
➡ see also 2017 Annual Report

ACTION AREA

ENVIRONMENT

Careful management of our environment and natural resources is the cornerstone of our business. Our main focus here is on employee mobility and energy consumption by our internal and operational business.

We subsidize employees' monthly tickets for public transport at our corporate headquarters in Hamburg.

>50%

of XING employees commute to work every day using public transport.

As a digital company without any production facilities or critical infrastructures, we focus on employee mobility, operational energy consumption, the use of energy-efficient buildings and the recycling of IT hardware. Our employees also initiate a number of social projects each year with an emphasis on environmental protection.

EMPLOYEE MOBILITY

Our aim is to reduce to a minimum the carbon emissions resulting from our employees' mobility. We therefore provide very few parking spaces at our Hamburg headquarters and subsidize monthly tickets for public transport. The idea is to motivate employees to come to work by bus, train or bicycle. In 2017, an average of 529 employees from our Hamburg office took advantage of subsidized ProfiCard services each month. We intend to make sure that the usage rate remains above 50 percent in the future.

All of our employees working in Germany are required to adhere to XING's travel policy. This means that, before going on a business trip, they must check whether the journey could be replaced by a video or telephone conference. XING provides 46 video conference systems and 39 teleconferencing stations specifically for this purpose. Our employees traveled by air about 5,000 times* in 2017. The resulting carbon footprint was around 720,000 kilograms.

XING also helps employees move to a location nearer their work by contributing between €1,000 and €2,000 – depending on the distance involved – to their relocation costs (in Germany, Europe, and worldwide). The intention is to reduce the environmental impact of long commutes.

THE ENERGY FOOTPRINT OF DAY-TO-DAY OPERATIONS

We pursue a sustainable energy strategy. The XING platform, for example, is hosted on servers in Amsterdam in the Netherlands that derive 100 percent of their power from renewable energies. We intend to maintain this percentage in the future. On average, XING's own servers located in data centers consume a total of 133 kWh of electricity every month.

* *Travel activities excluding the Prescreen and InterNations subsidiaries.*

ENERGY-EFFICIENT BUILDINGS

To keep our internal energy consumption as low as possible, we ensure that the buildings we rent comply with current standards and legislation. Our main building in Hamburg complies with the reference values of the German Energy Saving Regulation for Buildings 2007 and the DIN 4108 standard (heat retention and energy savings in buildings). We achieved this by carrying out conversion and renovation work such as, for example, renovating the roof. The building has a passive cooling system with solar glass and sun shading as well as an active cooling system with refrigeration machines. It is also certified according to the standards of the German Sustainable Building Council (DGNB e. V.).

RECYCLING OF HARDWARE

Being a digital company, we use a large number of electronic hardware items that we are required to dispose of in an appropriate way. When the equipment has reached the end of its useful life, we return it to the manufacturer or retailer for recycling. In 2017, our headquarters in Hamburg disposed of 79 laptops, 198 monitors, 13 desktop PCs and one tablet.

COMMITMENT TO NATURE CONSERVATION

As part of our annual Prototyping and Social Days (page 20 “Society”), our employees can choose either to work on ideas for a new product or to help at a non-profit organization – on a nature conservation project, for example. 93 employees from the Hamburg, Munich and Barcelona offices opted for the second option in 2017.

In the Catalan nature reserve of Els Espais Naturals del Delta del Llobregat and at the Parc de Collserola, for example, employees spent two days helping to remove non-native plants that pose a risk to the forest’s sensitive ecosystem. In Hamburg, 15 employees helped with the NABU’s (Nature And Biodiversity Conservation Union) “Kingfisher” project – an initiative that seeks to renaturalize the Seebek and Osterbek as a habitat for a number of endangered animal species. They helped to create new breeding grounds for the protected bird by clearing the land and desludging the streams. Another 18 employees cleared garbage from the Alster river in Hamburg. They navigated the river in kayaks and collected around 150 kilograms of waste.

150 kilograms of waste was collected by employees during the “Clean the Alster” project – an initiative that was part of the XING Social Days.

ASSURANCE REPORT

Note from the independent auditor on an audit to obtain limited assurance of the non-financial statement of XING SE (CSR Report 2017)

TO XING SE, HAMBURG

We performed a limited assurance engagement on the non-financial statement of XING SE (2017 CSR Report) for the period from January 1 to December 31, 2017.

MANAGEMENT'S RESPONSIBILITY

The management of XING SE is responsible for preparing the 2017 CSR report in accordance with the provisions of German commercial law (as amended by the CSR Guideline Implementation Act).

This responsibility includes the selection and application of appropriate methods to prepare the sustainability reporting as well as the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of a CSR Report, which is free of material misstatements due to intentional or unintentional errors.

STATEMENT ON THE AUDIT FIRM'S INDEPENDENCE AND QUALITY

We are independent from the company in accordance with the requirements of independence and quality assurance set out in legal provisions and professional pronouncements and have fulfilled our additional professional obligations in accordance with these requirements.

Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft applies the legal provisions and professional pronouncements for quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1), which are in accordance with the International Standard of Quality Control 1 issued by the International Auditing and Assurance Standards Board (IAASB).

PRACTITIONER'S RESPONSIBILITY

Our responsibility is to express a conclusion based on our work performed within a limited assurance engagement. We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information". This Standard requires that we plan and perform the assurance engagement to obtain limited assurance whether any matters have come to our attention that cause us to believe that the Company's 2017 CSR Report for the period from January 1 to December 31, 2017, has not been prepared, in all material respects, in accordance with the requirements of the CSR Guideline Implementation Act.

In a limited assurance engagement the evidence gathering procedures are more limited than in a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. The choice of audit activities is subject to the auditor's own judgement.

Within the scope of our limited assurance engagement, we performed a number of procedures, including the following:

- Obtaining an understanding of the structure of the CSR organization and of the stakeholder engagement.
- Inquiries of personnel involved in the preparation of the 2017 CSR Report regarding the preparation process, the underlying internal control system and selected information contained in the 2017 CSR Report.
- Analytical assessments in the 2017 CSR Report
- Assessment of the presentation of the CSR performance

CONCLUSION

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the Company's 2017 CSR Report for the period from January 1 to December 31, 2017 has not been prepared, in all material respects, in accordance with legal requirements.

RESTRICTION ON USE AND DISTRIBUTION

We issue this report on the basis of the engagement agreed with XING SE. The limited assurance engagement has been performed for purposes of XING SE and is solely intended to inform XING SE about the results of the limited assurance engagement.

LIMITATION OF LIABILITY

The report is not intended for any third parties to base any (financial) decision thereon. Our responsbility is solely towards XING SE. We do not assume any responsibility towards third parties.

Hamburg, March 23, 2018

Mazars GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Dirk Driesch
Wirtschaftsprüfer
German Public Auditor

Kai M. Beckmann

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www.silvestergroup.com

Our social media channels

Corporate blog of XING SE
blog.xing.com

Information and news related to the capital markets
Twitter: xing_ir

Topics and news related to the Company in general - German only
Twitter: xing_de

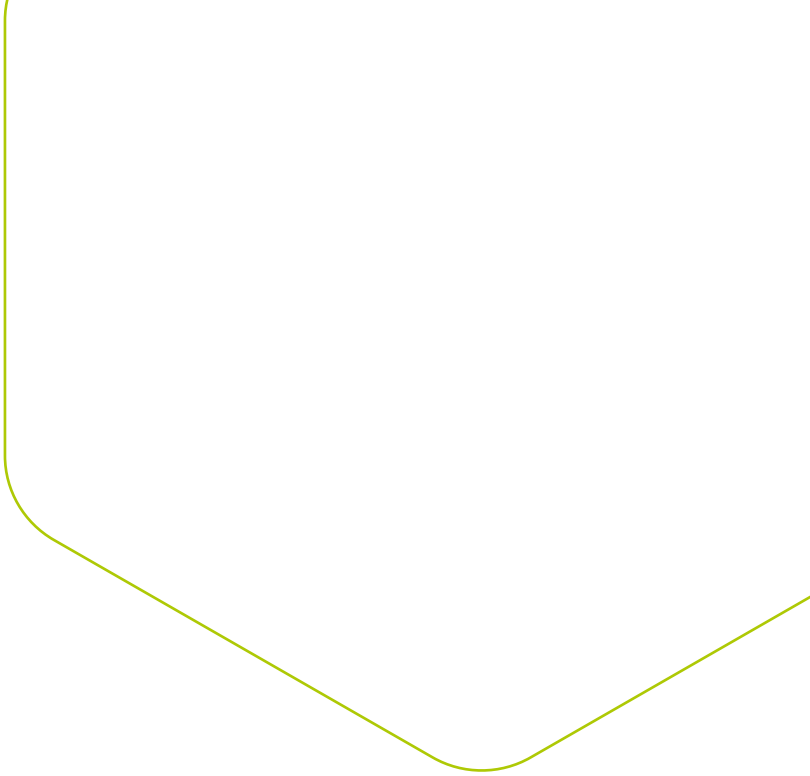
Corporate information and news in English
Twitter: xing_com

XING SE's YouTube channel
YouTube: www.youtube.com/user/XINGcom?gl=DE

XING SE's Facebook profile
Facebook: www.facebook.com/XING

For ease of readability, we try to use gender-neutral language, but where this is not possible, we may use masculine or in some instances feminine terms. Regardless of gender, these usages always implicitly refer to both sexes.

This report is available in both German and English. Both versions and further press information are also available for download at http://corporate.xing.com.



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