

Corporate Responsibility Report 2010















Reed Elsevier is a world leading provider of professional information solutions in the science, medical, risk, legal and business sectors.

Our customers use our products every day to advance science, improve medical outcomes, evaluate risk, enable better legal decisions, forge business relationships and gain business insight.

Among our unique contributions as a business is ensuring universal sustainable access to information. In the same year that we launched the Reed Elsevier Environmental Challenge, providing access to our products and services to help applicants working on innovative water projects, we also worked to improve local understanding of water issues. Staff joined students from London's Parliament Hill Secondary School in a 2010 art project organised by Kids Company to create images inspired by water. The project focused on the importance of water as an essential resource, what happens in communities when it is in short supply, and what we can all do to conserve it. The original artwork is exhibited at the Reed Elsevier head office in London.

Supply chair

Statement from the **Chief Executive**

Corporate responsibility is incredibly important to Reed Elsevier both in terms of what we do and what we stand for."

Erik Engstrom Chief Executive Officer



Corporate responsibility influences what our employees think about their company and how we are perceived by others. Yet for us, corporate responsibility is not a programme, it is how we conduct our business every day.

We aim to maximise the beneficial impact we have on society. In producing leading-edge products and services that further science, health, law, risk management, and business, we help our customers improve outcomes. And through efforts to broaden access to this information, we help improve outcomes for the global communities that we serve. We focus on the unique contributions we make as a business because by leveraging our world class information and technology assets we can make a real difference to others, as well as strengthen relationships with our key stakeholders. In 2010, for example, we increased access to our information resources for scientists in the developing world through the Research4Life programme, helped find missing children by employing tools developed by our LexisNexis Risk Solutions business, and advanced environmental understanding through Reed Exhibition trade shows.

We also work to positively manage issues facing all companies, from governance to environment. In 2010, we made good progress in areas like providing data privacy and security training for staff, increasing the number of suppliers who are signatories to our Supplier Code, and expanding the number of offices that went 'green' through our environmental standards programme. But we recognise there is more to be done and our plans for the year ahead reflect this. We will strive, for example, to increase the number of staff who receive anti-bribery training; progress implementation of our diversity and inclusion strategy; improve the accessibility of key customer-facing websites; and purchase a higher percentage of renewable energy.

To achieve our goals we must engage our people across the business. We gain their views through mechanisms like pulse surveys, social media and town hall meetings. We encourage their involvement through Champions networks like Green Teams and Employee Resource Groups and provide time for personal development through the Two Days volunteer programme, among other measures.

We get involved in issues we care about. For example, we are active supporters of the United Nations Global Compact, the world's largest voluntary corporate responsibility initiative. We see involvement as a way of learning from others, sharing our perspective, and combining efforts to spread good practice. Corporate responsibility is not about compliance - it's about the essence of our company.

Erik Engstrom Chief Executive Officer

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Contact details

Your views are important to us. Please send your comments and questions to: <u>corporate.responsibility@reedelsevier.com</u>. Or write to Dr. Márcia Balisciano, Director, Corporate Responsibility, Reed Elsevier, 1-3 Strand, London, WC2N 5JR, United Kingdom. www.reedelsevier.com Introduction

Our unique contributions

Governance

People and community

Customers

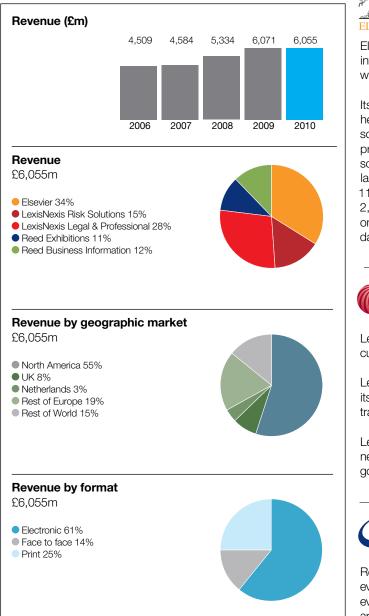
Health and safety

Supply chain

Environment

Introduction

Our business



Elsevier is the world's leading provider of scientific and medical information and serves scientists, health professionals and students worldwide.

Its objective is to help its customers advance science and improve healthcare by providing world class information and innovative solutions that enable customers to make critical decisions, enhance productivity and improve outcomes. Elsevier publishes over 1,800 scientific and medical journals, through ScienceDirect, the world's largest database of scientific and medical research, used by over 11 million researchers each year. In 2010, Elsevier published over 2,400 new book titles and clinical reference works both in print and online, as well as offering an extensive portfolio of online information databases and analytics.



LexisNexis[®]

LexisNexis' content and tools enable legal, risk and other professional customers to make more effective and efficient decisions.

LexisNexis Risk Solutions provides data and analytics that enable its customers to evaluate and manage risks associated with transactions and improve performance.

LexisNexis Legal & Professional provides legal, tax, regulatory and news and business information and analysis to legal, corporate, government, accounting and academic markets.



Reed Exhibitions is the world's leading events business, with over 450 events in 35 countries. Reed Exhibitions organises market-leading events that are relevant to industry needs, where participants from around the world come together to do business, network and learn. Through its portfolio of exhibitions and conferences it serves 44 industry sectors across the Americas, Europe, the Middle East and Asia Pacific.

Keed Business Information

Reed Business Information is a provider of business information, data and marketing solutions in multiple formats. It produces industry critical data services and lead generation tools, and over 100 online community and job sites. It publishes over 100 business magazines with market leading positions in many sectors.

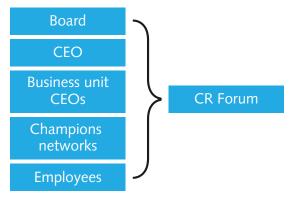
Introduction continued

Our approach to corporate responsibility

Corporate responsibility (CR) ensures good management of risk and opportunities, helps us attract and retain the best people, and strengthens our corporate reputation. It means performing to the highest commercial and ethical standards and channelling our knowledge and strengths, as global leaders in our industries, to make a difference to society.

The Reed Elsevier Board, senior management, and the <u>Corporate</u> <u>Responsibility Forum</u> (chaired by a member of senior management and involving individuals representing all key business functions and businesses) oversee corporate responsibility objectives and monitor performance against them. The CEO has responsibility to the Board for CR. The CR Director engages with the senior management team and also provides formal updates to the Board.

Corporate Responsibility Forum



We focus our <u>unique contributions as a business</u> where we can make a positive impact through our knowledge, resources and skills including: universal sustainable access to information, advance of science and health, promotion of the rule of law and justice, and protection of society. We also concentrate on good management of the material issues that affect all companies including <u>governance</u>; people and community; customers; <u>health and safety</u>; supply chain; and <u>environment</u>.

We provide CR-related products and services such as Elsevier's journal Current Opinion in Sustainability; LexisNexis' Rule of Law Perspectives From Around the Globe; Reed Exhibitions' World Future Energy Summit; and Reed Business Information's Community Care magazine. See a sampling of CR products across the business.

Our internal focus on corporate responsibility is recognised externally

We achieved the following in 2010:

- Platinum, Business in the Community's Corporate Responsibility Index
- Carbon Disclosure Project Leadership Index; 7th out of 350 companies in FTSE CDP Carbon Strategy Index Series
- Carbon Footprint ASN Mutual Funds
- Dow Jones Sustainability Index and SAM Sustainability Yearbook, scoring in top 15% of companies
- Ethibel Pioneer and Ethibel Excellence Investment Registers
- FTSE4Good Index
- Sector leader in investor-led Forest Disclosure Project
- Retained in Goldman Sachs Sustain fund of "best managed companies around the globe that will succeed on a sustainable basis"
- Triodos Bank Sustainable Equity/Bond Fund, first in publishing sector
- VBDO Supply Chain Award



Our publications, products, and shows regularly receive awards for excellence. In 2010, Elsevier's SciVerse Application Marketplace and Developer Network received the Digital Publishing & Advertising <u>Award</u> for Best Digital Publishing Platform Innovation. Two Elsevier medical titles won first prize in their respective categories at the annual <u>British Medical Association Medical Book Competition</u>. An additional 22 Elsevier books were highly commended.

In 2010, <u>nine Nobel Laureates</u> in the fields of medicine, physics, chemistry and economics had links to Elsevier as authors, editors and editorial board members. In honour of these scholars, Elsevier made articles they published with the company publicly available. See other awards.

Introduction *continued*

CR objectives

| Material issues | 2010 objectives | Achievement |
|----------------------|--|---|
| Governance | Code of Ethics and Business Conduct course completion by 90% of all employees | 93% |
| | Data Privacy and Security course completion by 60% of all employees | 80% |
| | Anti-bribery training for 80% of relevant employees in higher risk roles and geographies | 78% |
| People and community | Advance divisional EOS action plans | Activity across all divisions |
| | Develop a diversity and inclusion strategy for key locations | Developed and endorsed by senior management |
| | Closer alignment of RE Cares donations with corporate responsibility focus areas | 51 relevant grants awarded through RE Cares |
| | Increase in-kind contributions | 10% increase in days volunteered in company time |
| Customers | Improve customer loyalty as measured by Net Promoter Scores; advance dashboard programmes | e.g., more than 150,000 customers surveyed |
| | Continue to improve web accessibility | e.g., text-to-speech option enabled on all e-books titles |
| Health and safety | 10% reduction in severity rate by 2010 (from 2008 baseline) | 29% |
| | Advance collection of absenteeism data | Incorporated into new HR Information System |
| Supply chain | 60% of key suppliers as Supplier Code of Conduct signatories | 60% |
| | 40 external audits of high risk suppliers | 43 |
| | Ask key suppliers to become UN Global Compact signatories | 6 supplier UN Global Compact webinars held |
| Environment | 20 key sites to achieve five Reed Elsevier Environmental Standards | 26 |
| | Management plans to achieve environmental targets | Developed with Reed Elsevier Environmental Champions Network |
| | Map Reed Elsevier and supplier water stress locations | All key locations and 149 suppliers |

See our 2011 objectives.

Governance

Introduction continued

Internal engagement

We involve networks of colleagues throughout the company in our CR activities including: customer service teams; the Diversity and Inclusion working group; Environmental Champions; Health and Safety Champions; the HR Management Council; legal colleagues; Reed Elsevier Cares Champions; the Socially Responsible Supplier group; and the communications, global Real Estate, procurement and Reed Elsevier accounting services functions, among others. In the year, Reed Elsevier Corporate Audit Services conducted a review of our CR governance, reporting, and supply chain activities, highlighting areas where we are performing well, along with suggestions for improvement.

To broaden discussion of CR issues with staff, our CEO included a link to the corporate responsibility report in a global email highlighting our non-financial performance alongside our interim financial results. We offered CR webinars; campaigns - including an environmental pledge drive on our internal social networking site, led by our CFO, and launched on World Environment Day; and resources like CR as a Sales Tool on the corporate intranet.

In 2010, employees gave us feedback through internal working groups, employee surveys, intranet resources, town hall meetings, newsletters and more.

We worked with Ernst & Young on assurance of our 2010 environmental and health and safety data. Their assurance conclusions can be found in Appendix 2. Observations from their assurance activities are also provided in the Health and Safety section and Environment sections of this report.

External engagement

We actively support sector and inter-industry initiatives that advance CR. We contribute to the steering group for the Media Corporate Social Responsibility (CSR) Forum, working closely with media industry peers such as the BBC, The Guardian, ITV, Pearson and UBM. We contribute to the Forum's media literacy website with resources to spur critical thinking on the difference between fact, fiction, and opinion. We supported the Forum's In Media We Trust? 2010 event at the London School of Economics in which experts debated what media literacy means in an evolving landscape that now includes social media and user generated content.

On behalf of the Global Reporting Initiative (GRI), we are a part of the working group - comprised of sector members and nongovernmental organisations (NGOs) – developing a Media Sector Supplement to highlight the particular issues media companies should address in their reporting. Reed Exhibitions is a member of the GRI working group developing an Event Sector Supplement to help define the future of sustainable events management, due for release at the end of 2011.

We serve on the steering group of the London Benchmarking Group and provide advice on valuing media company contributions as part of the media subsector panel, and are also members of Business in the Community, the Corporate Responsibility Group, Publishers Database for Responsible Environmental Paper Sourcing, and chair the Publishers Association Environmental Action Group.

We communicated on CR through our corporate website (and business sites including Elsevier and LexisNexis) providing details on our performance. We contributed a case study on Reed Elsevier and CR to The Times 100, a free educational resource for business study students and spoke at conferences like Ethical Corporation's Responsible Business Summit.

We held direct meetings on CR with institutional investors and completed numerous CR-related surveys including for Bloomberg, Carbon Disclosure Project, Dow Jones Sustainability Index, EIRIS, Forest Disclosure Project, Water Disclosure Project, and the World Economic Forum.

We engaged with government through the European Network for Sustainable Business; joined the Aldersgate Group coalition on the environment; consulted with the UK Department for Environment, Food and Rural Affairs; and worked with NGO partners like Earthwatch, the Carbon Trust, UNICEF and Plan UK.

Commitment to the UN Global Compact

The United Nations Global Compact (UNGC) links businesses around the world with UN agencies, labour and civil society in support of ten principles encompassing human rights, labour, the environment, and anti-corruption. Since becoming a signatory, we continually work to further UNGC principles within the company and beyond.

We are a member of the UNGC UK Network Advisory Group, Supply Chain Advisory Group, and CEO Water Mandate Steering Group. During the year, we participated in the Leader's Summit 2010, presented at the Caring for Climate Second Meeting of Signatories, and helped produce a film for the legal industry on the ten principles. We held webinars on the UNGC for our suppliers and for UK Network members on the benefits of communicating on the Compact. We contributed to and helped launch a report by UK Network members on the Millennium Development Goals. See our Communication on Progress for how we advance the ten principles.



Introduction continued

2010 key CR data

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|---------|---------|---------|---------|---------|
| Intensity ratio ¹ | | | | | |
| Revenue (£m) | 6,055 | 6,071 | 5,334 | 4,584 | 4,509 |
| People | | | | | |
| Number of full time equivalent employees (year end) | 30,200 | 32,300 | 34,800 | 31,500 | 31,500 |
| Percentage of employees who are female (%) | 54 | 54 | 54 | 55 | 57 |
| Percentage of management employees who are female (%) | 45 | 43 | 46 | 45 | 47 |
| Community | | 1 | J | | |
| Total cash and in-kind donations (products, services and time) (£m) | 6.6 | 6.9 | 5.9 | 5.5 | 4.6 |
| Market value of cash and in-kind donations (£m) | 14 | 13.4 | 11.9 | 6.2 | 6.5 |
| Number of staff volunteering ² | 9,641 | 10,816 | 9,752 | 7,090 | 4,435 |
| Total number of days volunteered in company time | 9,920 | 8,928 | 8,606 | 5,391 | 6,573 |
| Health and safety (lost time) | | | I | | |
| Incident rate (cases per 1,000 employees) | 1.54 | 1.88 | 1.80 | 1.68 | 2.58 |
| Frequency rate (cases per 200,000 hours worked) | 0.17 | 0.21 | 0.20 | 0.19 | 0.29 |
| Severity rate (lost days per 200,000 hours worked) | 3.67 | 4.90 | 5.15 | 4.46 | 5.63 |
| Number of loss time incidents (>1 day) | 47 | 61 | 55 | 46 | 70 |
| SRS (Socially Responsible Suppliers) | | | | | |
| Number of key suppliers on SRS database | 606 | 589 | 368 | 300 | 254 |
| Number of independent external audits | 43 | 39 | 19 | 12 | 9 |
| Number signing Supplier Code of Conduct (%) | 60 | 50 | 74 | 66 | 50 |
| Environment | | | | | |
| Total energy (MWh) | 273,983 | 274,294 | 237,842 | 234,485 | 223,644 |
| Percentage of electricity from renewable sources ³ (%) | 13 | 11 | 12 | 10 | 11 |
| Water (m ³) | 465,619 | 486,800 | 441,905 | 485,951 | 474,505 |
| Climate change (tC0,e) ⁴ | , | | , | / | , |
| Scope 1 | 13,131 | 17,370 | 20,032 | 18,337 | 18,549 |
| Scope 2 | 148,316 | 147,805 | 123,834 | 122,257 | 113,633 |
| Scope 3 business travel ⁵ | 34,489 | 29,676 | 30,926 | 37,819 | 36,660 |
| Gross emissions | 195,936 | 194,851 | 174,791 | 178,414 | 168,842 |
| Green tariff | 16,616 | 14,098 | 13,356 | 10,931 | 10,826 |
| Net emissions | 179,320 | 180,753 | 161,435 | 167,483 | 158,016 |
| Scope 3 key suppliers (estimated) ⁶ | 386,226 | 755,894 | n/a | n/a | n/a |
| Scope 3 water use | 140 | 134 | n/a | n/a | n/a |
| Travel related emissions (tC0,e)7 | | | | | |
| Air | 33,657 | 28,787 | 30,211 | 37,018 | 35,902 |
| Rail | 106 | 195 | 54 | 64 | 59 |
| Car | 6,848 | 9,222 | 10,575 | 11,587 | 11,456 |
| Travel related emissions | 40,611 | 38,204 | 40,840 | 48,668 | 47,417 |
| Waste | | | | | |
| Total waste (t) | 12,335 | 10,772 | 12,357 | 14,356 | 16,400 |
| Percentage of waste recycled (%) | 63 | 60 | 46 | 43 | |
| Paper | | | - | - | |
| Production paper (t) | 65,777 | 73,217 | 78,662 | 95,642 | 94,162 |
| Sustainable content of graded paper (%) ⁸ | 100 | 100 | 94 | 96 | 81 |
| | 100 | 100 | 54 | 00 | 0 |

Data includes ChoicePoint, (acquired in 2008) from 2009 onwards, which is not included in previous years. The results of the Harcourt Education business, sold in separate transactions in 2007 and 2008, have been excluded.

¹ Intensity ratio allows environmental performance data to relate year on year to changes in our business. In 2010, we have changed our intensity metric from EBITDA to revenue. Revenue is a widely recognised metric which allows us to break down results across the business

² All RE employees can take up to two days off per year (coordinated with line managers) to work on community projects that matter to them. Number of staff volunteering reflects the number of staff using their two days, as well as those who participated in other company sponsored volunteer activities

³ We purchase renewable electricity on green tariffs at key locations in the UK, Austria, Germany, France and the Netherlands. In the US, we also purchase and retire Renewable Energy Certificates

⁴ 2006-2009 data restated following improvements in systems and processes and the addition of more localised conversion factors

⁵ Scope 3 business travel covers air, rail and personal cars used for business purposes but does not include car fleet, which is included in scope 1 as stipulated in the GHC Protocol, hence the variation between total travel emissions and scope 3 business travel

⁶ 2009 and 2010 results are based on estimated heat mapping of key suppliers. 2009 data has been restated. See <u>Climate change</u> in the environment section for more details ⁷ Data between 2006-2008 in tCO₂; since 2009, we report in tCO₂e (CO₂ equivalents) to capture CH₄ and N₂O as well as CO₂

⁸ All paper we were able to grade in 2010 – 83% of total production stock – was graded PREPS grade 3 and above (known and legal sources). See Paper in the environment section for full details

Our unique contributions

Governance

Our unique contributions

Using our resources and skills to make a difference

Our unique contributions

Our businesses are uniquely placed to make a difference. The fact that Reed Elsevier understands this and encourages its staff to take part in a wide range of activities that improve lives, matters to me and my colleagues."

Fiona Jeffery

Chairman, World Travel Market and Just a Drop, Reed Exhibitions, UK



We believe we have the most important impact when we apply our expertise to areas like universal, sustainable access to information, advance of science and health, promotion of the rule of law and justice, and protection of society. In focusing on our unique contributions we benefit others and add value for Reed Elsevier by building trust in and outside the company, while creating new opportunities.

Elsevier

Elsevier has a powerful role to play in advancing human welfare and economic progress by widening access to science and improving health outcomes.

Elsevier makes a meaningful contribution to the eight Millennium Development Goals (MDGs) which include eradicating poverty and hunger; promoting gender equality and empowerment of women; improving maternal health; combating HIV/AIDS, malaria and other diseases; supporting environmental sustainability; and global partnerships for development. In 2010, premier medical journal, The Lancet, convened 500 health specialists at its Mass Gathering Medicine conference to explore keeping people healthy at large-scale events such as the Kumbh Mela Hindu festival or the Haj Islamic pilgrimage which attract millions of participants. Held in partnership with the Saudi Ministry of Health, outcomes included the Jeddah Declaration, calling for an international reference authority on mass gathering health.

Through 'information philanthropy,' Elsevier, as the world's largest scientific publisher, ensures leading research is available to the countries that need it most. Among key programmes is Research4Life, in partnership with United Nations agencies and other publishers, which provides core and cutting-edge scientific information to researchers in more than 100 developing countries. In 2010, there were 3.1 million Research4Life article downloads from ScienceDirect - a 20% increase over 2009. A new video by the Institut de l'Environment et de Recherches Agricoles in Burkina Faso illustrates how access to information is improving the way crops are grown. In the year, LexisNexis introduced relevant legal information to Research4Life for the first time. Read a Research4Life case study.

Since its inception in 2002, the Elsevier Foundation has contributed significant sums to non-profit organisations advancing science and health. In 2010, a total of \$650,000 was awarded. Through the Innovative Libraries in Developing Countries programme, the Foundation committed over \$300,000 to support libraries with grants for infrastructure-building and improving access to primary source material. Recipients included HIV/AIDS Audio-Visual Archive, University of Cape Town, South Africa; Library Infrastructure Boost, University of Hargeisa, Somaliland; and the Egyptian National Cancer Database.

Our unique contributions continued



In addition to single year grants, the Elsevier Foundation also provides sustained assistance. Among continuing projects in 2010 was support for the <u>International</u> <u>Centre for Integrated Mountain Development</u> (ICIMOD) to aid the transformation of its traditional library into a mountain learning and information centre.

Dedicated to sustainable development, poverty alleviation, and environmental conservation, ICIMOD is supported by the eight countries of the Hindu Kush-Himalayas: Afghanistan, Bangladesh, Bhutan, China, India, Myanmar, Nepal, and Pakistan, as well as other sponsor countries. The Elsevier Foundation is aiding the transition of ICIMOD's print library to a research portal on climate change, watershed, biodiversity, conservation, and medical plants, to benefit researchers, NGOs, policymakers, and rural mountain communities.



To date, Elsevier has helped the International Council of Nurses (ICN) Mobile Library set up more than 250 mobile libraries to deliver current health information to nursing professionals working in remote areas of 17 developing countries. Each library is housed in a sturdy, transportable trunk with approximately 80 titles. In 2010, through Elsevier and the Reed Elsevier Cares programme, resources, products, and assistance allowed the ICN Supporting Nurses and Nursing in Haiti Fund to aid post-earthquake recovery and reconstruction with tailored French-language Nursing Mobile Libraries containing books on post-disaster response, infectious diseases, and reinitiating interrupted treatment of life-threatening conditions like HIV and tuberculosis.

LexisNexis Legal & Professional

At LexisNexis, the CR focus is on advancing the rule of law. A transparent legal system is a fundamental element of a healthy society and growing economy, and requires a clear set of laws that are freely and easily accessible to all. LexisNexis promotes rule of law through outreach and advocacy, educational forums, and free dissemination of, and training on, LexisNexis solutions. In 2010, LexisNexis donated \$3.7 million in cash and in-kind contributions to support rule of law and pro bono work around the globe.

LexisNexis' <u>Rule of Law Resource Center</u> is a free online community covering topics from human rights to protecting minority communities. In 2010, LexisNexis signed an agreement to provide content and support for the World Justice Project's Rule of Law Index, a new quantitative assessment tool ranking over 75 countries. Also in the year, LexisNexis provided pro bono support to the American Bar Association's (ABA) Criminal Justice Collateral Consequences of Adult Convictions project. LexisNexis staff used its resources to create 50 customised state surveys on US laws relating to human trafficking. The materials supported a successful ABA proposal to the Uniform Law Commission for a committee to review drafting quality human trafficking legislation.



In 2010, LexisNexis sponsored the premier of REDLIGHT, a feature documentary exposing the global issues of human trafficking. The event included a question and answer session featuring the filmmakers Guy Jacobson and Adi Ezroni, who received the US State Department's Global Hero Award for their work, and Dr. Susan Bissell, UNICEF's Global Chief of Child Protection. Narrated by UNICEF Goodwill Ambassador, Lucy Liu, <u>REDLIGHT</u> tells the real life stories of child victims of human trafficking and two women who fight to save them, including <u>Somaly Mam</u>, a former trafficking victim. The film helps bring attention to this issue, the <u>second largest</u> international criminal enterprise according to the US government.

Promoting the rule of law through the end of human trafficking



"Meaningful, sustainable economic and civic progress can only occur in societies where the rule of law exists. In the absence of the rule of law, the likelihood of human rights atrocities such as the trafficking of persons against their will is exacerbated." – Selene Martin, LexisNexis

In 2010, LexisNexis' Selene Martin spoke before the US Congress' Tom Lantos Human Rights Commission about the company's efforts to combat human trafficking, including its support for the Polaris Project, which conducts victim identification and provides transitional housing and social services for US-based victims.

During the year, LexisNexis established the Business Coalition Against Human Trafficking in conjunction with companies like Manpower Inc., The Body Shop, Carlson, Coca-Cola, Delta Airlines, and Ford Motor Company.

People and community Customers

Appendices

Our unique contributions continued

As a founder of the UK's International Law Book Facility, since 2005 LexisNexis has provided 5,000 legal texts to assist professional bodies, advice centres, pro bono groups, law schools, and other institutions involved in access to justice across common law jurisdictions in Africa, Asia and the Caribbean. Read more.

LexisNexis Risk Solutions

LexisNexis Risk Solutions works to protect society by supporting organisations such as the US National Center for Missing & Exploited Children and the Cal Ripken Sr. Foundation. In the last five years, they have completed nearly 6 million volunteer background checks for these organisations, identifying over 870,000 individuals with criminal convictions, including more than 58,000 registered sex offenders.



LexisNexis Risk Solutions employees created the ADAM programme which assists in the safe recovery of missing children. In partnership with the National Center for Missing and Exploited Children, ADAM alerts distribute missing child posters to police, news media, schools, businesses, medical centres, and other recipients within a specific geographic search area. Since launching in 2000, 121 children have been located, six in 2010.

In 2010, LexisNexis Risk Solutions used their research and database skills to help the Boys & Girls Clubs of America Southeast Region improve systems for tracking and providing outreach to current and prospective donors.

Additionally, LexisNexis Risk Solutions awarded its first One Step Closer Award in Law Enforcement to the Federal Bureau of Investigation's Violent Criminal Apprehension Program (ViCAP). The award recognises the agency, unit, or individual that demonstrates excellence in using open source intelligence and third-party resources to solve crimes. ViCAP was chosen for its web-based application which allows investigators and analysts working on a case to search other ongoing investigations in order to make correlations across jurisdictions.

Reed Exhibitions

Reed Exhibitions provides platforms at its trade shows which support our CR focus areas, bringing people together for two-way communication and debate. At 2010 World Travel Market (WTM), the global event for the travel industry organised by Reed Exhibitions, World Responsible Tourism Day was marked by the Responsible Tourism Awards, recognising sector initiatives in areas like poverty reduction, low carbon transport and technology, and conservation.

Just



Staff behind World Travel Market founded the charity Just a Drop to engage the industry on water issues. Since it was founded 11 years ago, Just a Drop has undertaken over 70 water aid projects and helped over one million children and their families in 30 countries. To help deal with the devastation caused by the Haiti earthquake in January 2010, Just a Drop initiated Just Help Haiti. Among the Reed Exhibitions shows that supported the campaign, which raised over £155,000, were 360 IT, Aerospace Testing, Infosecurity, 100% Design, and the London Book Fair. The funds are being directed to clean water and sanitation projects for schools now being rebuilt. See examples of 2010 Just a Drop projects.

In 2010, Reed Exhibitions ran Pollutec Lyon, a leading international environment exhibition bringing together innovative techniques for the prevention and treatment of pollution of all kinds, as well as for the preservation of the environment as a whole. Close to 2,000 exhibitors and over 50,000 visitors attended to discuss innovations in key sectors such as water, waste (including recycling and cleaning), air quality, and energy.



Appendices

Our unique contributions continued

As part of an ongoing project with <u>Aviation Sans Frontières</u>, Reed MIDEM donated 1,300 event show bags for use by children at orphanages in Burkina Faso who had previously carried their school books wrapped in plastic or tied with string.

Reed Exhibitions continues to drive forward sustainable practice in the global meetings and events industry. Implementation of the sustainable exhibitions standard <u>BS 8901</u> continues with 12 independently audited and certified exhibitions to date.

Reed Business Information

Reed Business Information (RBI) uses the power of its brands to aid communities. RBI's Variety, the leading entertainment industry news source, has established initiatives like the Power of Youth to spur young entertainers to support philanthropic and humanitarian causes, and to encourage their fans to do likewise. Since its inception in 2007, <u>Power of Youth</u> has raised more than \$850,000 to aid children. Variety has built on the Power of Youth model to launch <u>Power of Women</u> and the <u>Power of Comedy</u> to highlight those using their celebrity to beneficial effect. In the year, Variety facilitated a meeting between entertainment executives and senior UN leaders to brainstorm how they might collaborate to raise awareness of the MDGs.

Almost five decades of RBI's Computer Weekly magazines are now part of Britain's National Museum of Computing (TNMOC) archive. In 2010, Computer Weekly donated 2000 back issues of the magazines bound in 104 volumes, as well as thousands of associated photos going back to its first edition in 1966.

It will provide information for researchers at the museum's archive in Bletchley Park, Milton Keynes – historic site of the UK's World War II codebreaking operations. The materials document how technology has moved from a fledgling, specialised sector to today's engine of economic growth. A large selection of images will be available digitally through the TNMOC website.



In 2010, the magazine and web teams at RBI's Caterer and Hotelkeeper gathered 400 industry representatives at the UK Hospitality Action Ball, raising £100,000 for sector charity <u>Hospitality Action</u>. RBI has organised the night for the past six years, asking key industry contacts to sponsor tables and offer services and prizes. In addition, Caterer and Hotelkeeper Editor Mark Lewis, serves as a trustee of Hospitality Action. RBI also provides pro bono advertising in the magazine to help promote awareness and support for the charity.

Across Reed Elsevier

We are committed to using our extensive networks to facilitate the exchange and dissemination of useful information. Drawing on expertise across Reed Elsevier, in 2010 we launched the <u>Reed</u> <u>Elsevier Environmental Challenge</u> to identify projects that improve sustainable access to water where it is presently at risk.

The Reed Elsevier Environmental Challenge will contribute to the UN Water for Life Decade, running between 2005 and 2015, in support of the Millennium Development Goal to reduce by half the number of people without access to safe drinking water and to stop unsustainable exploitation of water resources.



We sought projects that are replicable, scalable and sustainable, and set a high benchmark for innovation; which emphasise solutions with practical applicability and address non-discrimination/ equality of access from a scientific, legal or other basis; and which involve and impact a range of stakeholders and have local/ community-level engagement. To help in the formulation of their proposals, we provided access to products from our businesses to over 100 registrants from more than 50 countries. An external jury of experts will decide on the winner of the \$50,000 first prize and \$25,000 second prize, to be announced in June 2011. Winning projects will be highlighted in Elsevier's Water Research journal.

Our unique contributions continued

Reed Elsevier and Book Aid

The <u>Reed Elsevier Product Donation Policy</u> indicates "Destroying or remaindering product costs the company millions of dollars each year. When certain products no longer have commercial viability, they may remain in great demand by qualified, deserving recipients on a local or international level."

For nearly ten years, all parts of Reed Elsevier have worked in innovative partnership with key book partner, <u>Book Aid International</u>, finding ways to build on our mutual strengths – Book Aid's passion and expertise in providing books to readers in the developing world and our creation of products and services which spread knowledge.

We have contributed staff time; in-kind donations, including over 750,000 books; and helped raise awareness (Elsevier books since 2005 have featured the stamp "Working together to grow libraries in developing countries," with the logo of Book Aid, Elsevier, and US book donation partner, <u>Sabre</u>). We have provided financial assistance for special projects including library and reading programmes in Kenya, Namibia, and Sierra Leone.

In 2010, our work with Book Aid included:

- Donating 28,500 books from across Reed Elsevier, benefiting some 142,000 readers in sub-Saharan Africa
- Free exhibition space at the 2010 London Book Fair donated by Reed Exhibitions, allowing Book Aid to meet with book donors and secure further book and financial support for the coming year
- Reed Elsevier staff spending a day at Book Aid's UK warehouse, helping sort and stamp books for partner libraries
- \$10,000 toward sourcing, selecting, packing and shipping of approximately 3,400 new books to 15 community libraries across Cameroon as part of a multi-year programme

Of Reed Elsevier books donated in 2010, 14,000 medical/health titles were distributed to hospitals, colleges and medical institutions as well as community libraries, public libraries and community organisations in urban and rural areas across the world. This enables health professionals and disadvantaged groups, such as women in remote regions, to access information to support their families and the wider community.

"The books will create a big change as they are directly concerning us women. They teach us a lot about primary healthcare and the skills and knowledge will be appropriately used here. The books are great eyeopeners to our community." – Judith Udepu, Kawo Integrated Rural Women Organisation, Uganda



"As a new hospital we had absolutely no library resources. A wide range of books were sent that have been helpful to doctors, nurses and physiotherapists. They have been used for seminars, training and general reading up on rare topics." – Dr. Meryl Nicol, Comprehensive Community Based Rehabilitation Project, Tanzania

2011 objectives

- Complete RE Environmental Challenge; launch plans for 2012
- Undertake UNICEF project on the impact of climate change on children
- Further expansion of Research4Life

Governance

Good governance is the framework for all we do

Corporate Responsibility Report 2010 Reed Elsevier

Governance

Introduction

2010 objectives

- Code of Ethics and Business Conduct course completion by 90% of all employees
 – 93% achieved
- Data Privacy and Security course completion by 60% of all employees
 80% achieved
- Anti-bribery training for 80% of relevant employees in higher risk roles and geographies
 - 78% achieved

Good corporate governance is important to me because I want to be proud of the company I devote my best efforts and most of my waking hours to. Flawed corporate governance is a liability that you don't know the amount of, or when it will come due."

Henry Horbaczewski General Counsel, Reed Elsevier, US



Why it matters

Good governance matters because it creates the framework for our business.

We support the principles and provisions of corporate governance contained in the UK Combined Code on Corporate Governance issued by the Financial Reporting Council in June 2008 (the UK Code) and the Dutch Corporate Governance Code issued in December 2008 (the Dutch Code).

Governance and reporting

Reed Elsevier PLC, which has its primary listing on the London Stock Exchange, and Reed Elsevier NV, which has its primary listing on the Euronext Amsterdam Stock Exchange, have complied throughout 2010 with the UK Code. In addition, Reed Elsevier NV has, subject to limited exceptions as explained in the Reed Elsevier NV Corporate Governance Statement, applied the best practice provisions of the Dutch Code. We maintain standards of corporate governance and disclosure applicable to companies listed on the stock exchanges of the United Kingdom, the Netherlands and the United States. Information and documents detailing our governance procedures are available to stakeholders online at www.reedelsevier.com.

The Reed Elsevier combined financial statements and the financial statements of the two parent companies, Reed Elsevier PLC and Reed Elsevier NV, are prepared in accordance with International Financial Reporting Standards. <u>Read more about</u> Reed Elsevier's corporate structure.

We included a business review as an integral part of our <u>Annual</u> <u>Report</u>. It includes forward looking statements on the outlook for Reed Elsevier and the business and outlines our key business risks.

Reed Elsevier values

Five values underpin our activities: Customer focus, Valuing our people, Passion for winning, Innovation and Boundarylessness. Learn more about the values.

We monitor the progress of each business in embedding the values in its processes. Senior executives are assessed on their values leadership and all employees are evaluated on how well they live the values as part of the annual Personal Development Plan process. The values section of the RE World intranet enables employees to discover the five values from the perspective of people in the organisation. Initiatives help advance the values like the LexisNexis Difference Maker blog, which allows employees to nominate colleagues that exemplify the values in their work.

We produce products and services on corporate governance for our customers such as <u>Corporate</u> <u>Governance</u>; <u>Corporate Governance Handbook</u>; Internal Auditors' Handbook; and <u>Butterworths</u> Company Law Handbook.

Governance continued

Key issues

Ensuring the highest ethical standards

The Reed Elsevier Code of Ethics and Business Conduct (Code), disseminated to every employee and publicly available at www.reedelsevier.com, is a guide to our corporate and individual behaviour. It incorporates the ten principles of the UN Global Compact. The Code begins with an introduction from the CEO and sets out our standards on key ethics and compliance matters, including: policies related to protecting company interests and assets; relationships with business partners, customers, suppliers, and competitors; dealings with governments; respecting colleagues and communities; and data protection. The Code also explains the responsibility of employees to report wrongdoing. The Code has been translated into ten languages to improve accessibility by all employees, including Chinese, Dutch, French, German, Italian, Japanese, Polish, Portuguese, Russian, and Spanish.



The Code is supplemented by other policies to further assist employees in complying with laws in key areas, such as bribery, competition, export and trade controls, and workplace harassment. The Code (and a related supplemental policy) also addresses political contributions, which are strictly prohibited except in the United States, where such contributions and activities are permitted in certain states within allowable limits if they comply with stringent reporting and disclosure regulations. In the United States, we require employees to obtain prior approval from the US General Counsel and the Vice President of Government Affairs of Reed Elsevier Inc. for any proposed corporate political contributions; all corporate contributions are reported as required by law. Reed Elsevier companies in the United States contributed \$59,000 to political parties in 2010. There were no donations made in the European Union for political purposes.

To aid employee understanding of our policies, we offer interactive online training to explain topics and the importance of compliance, with examples of how policies apply in practice. Courses also highlight resources available to help those with questions or concerns. All employees receive training on the Code and data privacy and security; other courses are rolled out to those for whom the topic is relevant. By year end 2010, 93% of current employees completed Code training; 80% of employees completed data privacy and security training; 5,500 employees completed a course on fair competition, and 2,700 managers completed a course on anti-harassment. Each course rolls out to relevant, new employees on an ongoing basis, with refresher versions of courses issued to all applicable employees every other year. With this approach, each employee typically receives compliance training on at least one topic per year.

In 2010, we updated our policy on preventing bribery in preparation for enforcement of the UK Bribery Act. We issued a new Avoiding Bribery course completed in 2010 by 78% of relevant employees in higher risk roles and geographies. Our compliance efforts in this area focus on meeting expectations of the US Foreign Corrupt Practices Act and the anticipated Adequate Procedures Guidance under the UK Bribery Act. Focusing on US federal and state requirements, we also revised our policies on giving gifts or entertainment to US government officials, reinforced by a course Doing Business with a Government in the United States.

Employee feedback on 2010 ethics courses

"Highlighted the key issues to be aware of and considerations to be made when engaging with [third] parties"

"Reinforced my understanding of anti-bribery legislation"

"It made me aware of the many complexities and issues associated with engaging government officials"

"Clear and concise. Each chapter was supported by real examples"

"Easy to follow and nice mix of instruction followed by interactive Q/A"

We maintain Compliance Committees for all parts of the business. Employees are encouraged to report suspected violations of the Code or law to their manager, a human resources representative, a company lawyer, or the appropriate compliance committee. We also offer employees a confidential reporting line, which is accessible by phone or online 24 hours per day. As allowed under applicable law, employees may submit reports to the Confidential Line anonymously. The Code stipulates protection against retaliation if a suspected violation of the Code or law is reported. Substantiated Code breaches are subject to swift disciplinary action, up to and including termination. In 2010, fewer than ten employee dismissals were related to Code violations.

In addition to our Code of Ethics and Business Conduct, which applies to all directors, officers, and staff, there is a Code of Ethics for Senior Officers for Reed Elsevier's Chief Executive Officer, Chief Financial Officer, and Group Chief Accountant.

Governance continued

Tax, pensions, and investments

In 2010, the Reed Elsevier combined business paid £191 million of corporate taxes, before taking account of tax repayments in the US arising from losses on business disposals and other costs. In addition, we collected an even greater amount of employment-related, sales, VAT, and other taxes. We believe taxes are an important way in which large companies contribute to the communities in which they do business. We are considered a responsible corporate taxpayer.

The Reed Elsevier pension scheme statement of investment principles indicates that investment managers must consider how social, environmental, and ethical issues may financially impact the portfolio when making investment decisions.

2011 objectives

- Code of Ethics and Business Conduct course completion by 95% of all employees
- Full alignment with Adequate Procedures Guidance under the UK Bribery Act; 95% completion of anti-bribery training by relevant employees in higher risk roles and geographies
- Implementation of updated records management policy

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People and community

People are the driving force of our business and communities provide our 'licence to operate.' We must be accountable and contribute beyond our products and services

2010 objectives

- Advance divisional Employment Opinion Survey action plans
 - Activity across all divisions
- Develop a diversity and inclusion strategy for key locations - Developed and endorsed by senior management
- Closer alignment of RE Cares donations with corporate responsibility focus areas
- 51 relevant grants awarded through RE Cares Increase in-kind contributions
- 10% increase in days volunteered in company time

Our employees all over the world reflect the communities in which we do business. We have an obligation to strengthen our people and our communities. In doing so, we gain an expanded talent pool and promote employee pride."

Frank Reid SVP Human Resources, Elsevier US



Why it matters

As we state in the people section of www.reedelsevier.com, "We know that our success is due to the talented people who make up our...workforce. Our goal is to create for all employees a fair, challenging, rewarding, and supportive work environment where they can achieve their potential."

Valuing our 30,200 people means being an employer of choice, known for best practice in retaining and recruiting the best staff. If we fail to attract or keep good people, we will not achieve our objectives or meet the expectations of our stakeholders.

We work closely with our staff/works councils in Europe, the United States and elsewhere to engender positive employer/labour relations. And we ensure our labour and employment policies and practices are compliant with the principles of the UN Global Compact regarding fair and non-discriminatory labour activities. We are an equal opportunity employer and are committed to treating all employees and applicants with respect and dignity.

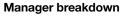
Our workforce

Reed Elsevier's workforce is highly skilled and a large proportion hold advanced degrees, including staff in editorial, marketing, sales, customer service, and IT.

In 2010, our workforce was 54% female, based on a sampling of greater than 90% of our employees; 45% of managers are women. At the end of 2010, there were two female members of the RE boards: Lisa Hook, non-executive director of Reed Elsevier PLC and Reed Elsevier NV and Marike van Lier Lels, non-executive director of Reed Elsevier NV. Our senior management group comprised individuals from around the world.

Employee breakdown

Female 54% Male 46%



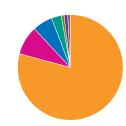
Female 45% Male 55%

We recognise employees of different ages contribute unique perspectives to our endeavours. In 2010, 17% of our employees were 30 years of age or younger, 63% were between 31 and 50 years of age, and 20% are 51 and older. Our oldest employee is aged 87, and our youngest is aged 16. The average length of service is 7.5 years. In 2010, we began implementing a global human resources information system which is improving our collection of people data. We did a pilot project on the ethnicity of US employees, where the majority of our workforce is based.

People and community continued

Ethnicity of US workforce

| White | 80.2% |
|---|-------|
| Black or African American | 9.3% |
| Asian | 6.3% |
| Hispanic or Latino | 3.6% |
| American Indian/Alaskan Native | 0.3% |
| Other | 0.3% |
| Native Hawaiian/Pacific Islander | 0.1% |
| Total | 100% |



To help our customers facing challenging conditions, we must continuously adapt our cost structure. We aim to minimise the effect of any restructuring activities, necessary for all businesses as processes or markets change, but which may be more prevalent in times of economic disruption. We do not take decisions regarding employee redundancies lightly, but where it is necessary, as CEO Erik Engstrom has noted, those decisions "are always based on a factual assessment of the needs of our customers and we…explore all possible alternatives, including internal transfers, to avoid having to take such actions."

We produce products and services that advance understanding of people and community issues for our customers such as Tolley's Discrimination in Employment Handbook; Xpert HR; PersonnelToday.com; Aligning Human Resources and Business Strategy; The Dynamics of Managing Diversity; Communitycare.co.uk; and the Handbook of the Economics of Giving, Altruism and Reciprocity. See more.

Key issues

Listening

In 2010, we implemented activities across the business to address the results of our 2009 global Employee Opinion Survey (EOS). As a result of EOS feedback, Elsevier Health Sciences CEO Michael Hansen instituted global town hall meetings to promote collaboration, increase communications, and promote greater understanding of the company's vision and strategy. LexisNexis developed new initiatives to help employees build their management capabilities, with a percentage of executive bonuses tied to higher 2010 interim, 'pulse' survey scores in this and other areas. At Reed Exhibitions, focus groups were held to address career development and satisfaction with feedback translated into management activities.

We offer the Leaders' Toolkit, a customised site in partnership with Harvard Business Publishing, to all employees. Among the resources are worksheets, video clips, and articles to foster good listening skills and tips for giving and receiving feedback. We encourage managers to understand what their employees really think through 360 degree appraisals and, when appropriate, to share results with their teams.

We provide other mechanisms to allow people to voice their opinions including through intranet-based social media tools like a Reed Elsevier Connected site featuring wikis and forums. The corporate responsibility section of the RE World global intranet has a Your Thoughts feature to encourage employees to share their views.

Promoting diversity

As stated in our Code of Conduct and Business Ethics, "We prohibit discrimination. We recruit, hire, develop, promote, discipline, and provide other conditions of employment without regard to race, colour, religion, national origin, gender, sexual orientation, marital status, age, disability, or any other category protected by law. This includes accommodating employees' disabilities or religious beliefs or practices." Consistent with this policy, Reed Elsevier prohibits discrimination or harassment of any kind. Read a business antiharassment policy.

We are committed to building a workforce that reflects the diversity of our customers and communities. The <u>Reed Elsevier Diversity and</u> <u>Inclusion (D&I) Statement</u> articulates our commitment to a diverse workforce and environment that respects individuals and their contributions, regardless of their gender, race or other characteristics. In 2010, we developed a D&I strategy endorsed by the Reed Elsevier senior management, with key objectives like ensuring each key location has a D&I value proposition and broad implementation plan. We will begin implementing the strategy in 2011.

Our cross-business D&I Working Group, drawing on internal and external expertise, promoted best practice in areas ranging from training to communication. In the year, Reed Elsevier non-executive director, Ben van der Veer, addressed the group to share his thoughts on the importance of D&I for companies and Jonathan Rees, Chair of the UK Government Equalities Office, highlighted governmental thinking on D&I in the workplace.

We promote Employee Resource Groups which allow diversity to be expressed in meaningful ways. They are independent, voluntary networks of employees who share common interests. The groups help drive diversity initiatives and promote career development through mentoring, workshops, leadership speakers, and external networking. LexisNexis Risk Solutions, for example, have six employee resource groups, among them, the Veterans Group, Multicultural Group, and Men Championing Diversity. The Elsevier Women's Network, which began at the close of 2008 with five women, grew to nearly 600 members with 12 groups in 2010. In the year, LexisNexis Women Connected and the Elsevier Women's Network held a joint webinar with Reed Elsevier non-executive director Lisa Hook to hear how she approaches her career, challenges, and opportunities.

We are proud of our employees who promote diversity. LexisNexis' Chief Marketing Officer, Barbara Cooperman, was honoured by the Girl Scout Council of Greater New York at their annual Women of Distinction Breakfast for serving as a leader and role model for girls.

One section of RBI's totaljobs.com, the leading recruitment website in the UK, is focused on D&I with tips and resources for recruiters. It makes clear the "aim should be to have a workforce that is representative of all sections of society."

Appendices

By the close of 2010, 321 of Reed Elsevier's top executives completed Management Development Planning (MDP) which involves in-depth interviews to assess strengths and development areas. Action plans are agreed with the individual and their manager on near-term goals, skills/knowledge, and future career. Progress is checked and plans are regularly updated. MDP leads to precise actions for attaining present and future career objectives; provides an insightful view of the individual; and encourages openness as sensitive issues are addressed in a spirit of confidentiality and respect.

Support and recognition

We believe flexible working can increase staff motivation, promote work-life balance, reduce employee stress and improve performance and productivity. We offer a variety of flexible work options including part-time, 'flex-time' work and time off for dependants, caring, and career breaks.

As indicated in My Changing Life on RE World, "Life is a series of events. How can Reed Elsevier help?" Our businesses offer staff access to support services. For example, in the UK the Employee Assistance Programme is a free confidential helpline and counselling agency with a number of services, including personal, legal, financial, tax and relationship advice. The service operates 24 hours a day throughout the year and is available to all employees and their immediate families.

We recognise good performance financially through mechanisms like bonuses and non-financially through awards programmes and other means. In 2007, LexisNexis created the Louis F. Duffy Scholarship in association with the International Bar Association (IBA) to honour a long-serving employee, who joined Martindale-Hubbell Legal Publishing Company in 1956, and who has made a lasting contribution to the legal profession. \$40,000 in scholarships have now been awarded to lawyers from developing countries to enable their participation in the IBA Distance Learning Program.

After the tragic events of September 11, 2001, in which two Reed Elsevier employees lost their lives, we established a fund in their names - the Jeffrey P Mladenik and Andrew Curry-Green Memorial Scholarship. In 2010, we awarded grants to Kenny Ginsburg, a Benjamin Franklin Scholar studying at the University of Pennsylvania, the son of Janice Ginsburg, a Case Law Editor for LexisNexis, and Leah Shurte, a pre-medical student at Wright State University, the daughter of Steve Shurte, a Senior Software Engineer for Reed Elsevier Technology Services.



People and community continued

In 2010, The American Bar Association (ABA) Judicial Division and ABA Commission on Racial & Ethnic Diversity in the Educational Pipeline celebrated LexisNexis' long term support of the Minority Judicial Clerkship Program. The 10 year-old Minority Judicial Clerkship, gives minority law students exposure to judicial clerkships through research support on LexisNexis solutions, panel discussions, writing exercises and informal social events with judges from across the US. An award was given to LexisNexis' Nigel Roberts, Director of Global Associations, for his personal dedication to the programme since its inception. Approximately 150 lawyers, judges, and law students attended the ceremony.



Boundarylessness

We promote the Reed Elsevier value Boundarylessness, working across geographic and functional boundaries, with the support of the Reed Elsevier Human Resources Management Council, led by the Group Director of Human Resources. The Council undertakes an annual Organisation Talent Review to identify staff advancement opportunities across the company.

The Reed Elsevier Job Board available from the RE World intranet allows staff to view and apply for any available opening around the world. Candidates can complete an online employment profile to specify their preferred work criteria so that they can be alerted to future openings that match their interests. In 2010, internal candidates filled nearly 30% of RE job openings.

Training

Every employee in the company takes part in the annual Personal Development Programme (PDP), which reviews skills and performance and identifies opportunities for recognition and advancement. The PDP is also the primary tool for assessing and planning employee training. In 2010, we invested over \$27.5 million in training (including courses, seminars, one-on-one instruction, and tuition reimbursement) to develop the capabilities and future potential of our people.

We provide a host of online training tools for employees, like Cultural Navigator. The course highlights how cultural preferences can affect the way we work like the preference for team vs. independent work, or the way we word communications. The course highlights how awareness of these differences can take some of the guesswork out of collaborating effectively. Other online training includes access to sites like Skillport and Future Innovation Institute which offer a wide range of courses.

Introduction

People and community continued

In 2010, Totaljobs.com was named one of the 50 Best Workplaces in the UK by the Great Place to Work Institute, and was named second best workplace for women in the UK, fourth place for best quality of life, and a finalist for the Disability and Excellence Award. LexisNexis' Publishing Operations, the largest business of LexisNexis UK, holds an Investors in People certification by the British government.

Community

Contributing to our global communities is both an opportunity and a responsibility. It helps us inspire employees, aid beneficiaries, improve our reputation, and meet our obligations.

Our global community programme, RE Cares, supports employee and corporate engagement that makes a positive impact on society through volunteerism and giving. It is made effective by a global network of RE Cares Champions.

We prioritise education for disadvantaged young people that furthers one or more of our <u>unique contributions</u> as a business, including universal, sustainable access to information. RE Cares activities range from reading support programmes and charity fundraising initiatives, to donations of time and services. A key component of RE Cares is Two Days, which gives all employees two days off per year for volunteer work of their own choosing.

We provide central support for RE Cares Champions including regional meetings, which took place via video and web conference for Champions in North America, Europe, and Asia Pacific in 2010. Attendees shared best practice, received training on health and safety, engaged with charity partners, and helped set goals for the year ahead. Other services include a social networking site, webcasts, regular conference calls, file-sharing, one-to-one meetings, and internal presentations.

What we give

In 2010, we aligned our central donations programme more closely with our unique contributions, inviting staff across Reed Elsevier to nominate charities for funding from a central budget. RE Cares Champions awarded over £300,000 to 51 charities.

2010 RE Cares central donations included:

• £6,200 to <u>STAREHE</u> to advance access to education by providing up-to-date reference materials and online learning for students at STAREHE centres in Nairobi, Kenya.



• £6,500 to <u>Children in Crisis</u> to advance health education within disparate, semi-nomadic communities in the Yushu Tibetan Autonomous Prefecture of Western China. • £6,500 to <u>Child Wise</u> to advance access to justice at two disadvantaged schools in Cambodia, providing teachers and community leaders with knowledge and tools that can protect children from abuse and exploitation.



• £5,200 to <u>Mercy Corps</u> to further protection of society for at risk young people in the Central African Republic with a project to raise awareness about sexually transmitted diseases and the laws protecting women from domestic and sexual violence.

In managing community involvement, we apply the same rigour and standards as with other parts of our business. We conduct an annual RE Group Community Survey in conjunction with RE Accounting Services and RE Cares Champions. The methodology has been developed by the London Benchmarking Group (LBG), of which we are members and serve on the steering group. It divides our aggregate giving into short term charitable gifts, ongoing community investment, and commercial initiatives of direct business benefit. In 2010, all global data was assured by the Corporate Citizenship Company. Read the LBG assurance statement in Appendix 1.

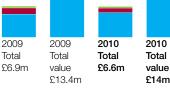
We donated £2.3 million in cash (including through matching gifts) and the equivalent value of £4.3 million in products, services and staff time in 2010. Taking account of the market cost of time, products and services, the value of our in-kind giving was approximately £14 million. There was a 10% increase in days volunteered in company time.

What we contributed in 2010

- Time 29%
- 🛑 Cash 35%
- Products and services 36%

Community involvement

- Commercial initiatives
- Charitable gifts
- Community investment



Supply chair

People and community continued

Throughout 2010, we encouraged in-kind contributions, particularly through skills sharing. For example, employees from Elsevier Shannon helped build a new database for Clare Haven Services which serves women and children who have been victims of abuse; they also helped the charity's senior managers with strategy. LexisNexis attorneys and paralegals volunteered their time and skills to provide 40 firefighters, police officers and emergency medical technicians and their spouses with legal documents and wills.

RE Cares Month

RE Cares Month, spotlighting global community involvement, takes place each September. We launched activities for 2010 with a video and messages to staff from senior leaders. As YS Chi, CEO of Elsevier Science and Technology, and a member of the Reed Elsevier senior management team noted in his message, "Reed Elsevier Cares contributes to our business by connecting us to one another and our communities..."

The Month touched thousands of employees with creative volunteering and fundraising. LexisNexis US held Corporate Responsibility Day, engaging over 2,000 staff in community projects across the US. Other examples include a children's educational support day at the Aatheeswarar Charitable Trust with Elsevier Chennai; a blood drive for the American Red Cross and fundraising activities for Open Door Shelter by Reed Exhibitions Norwalk; and a volunteer day at the Diamond Riding School for the Disabled by RBI UK.

During RE Cares Month 2010 we launched a yearlong global fundraising effort to raise \$50,000 for Plan International's Because I'm a Girl campaign to help girls in India and China gain educational opportunities and awareness of their legal and employment rights. Reed Elsevier will match the first \$25,000 raised.



Employees are supporting the campaign in numerous ways. RBI UK employee, Abbi van den Berg, wrote a 50,000 word novel in just one month to raise money. As she noted: "I chose the Because I am A Girl



campaign because I'm really passionate about women's rights and I believe that giving women a voice starts when they're girls. As a woman I've been lucky to live a life where I've been treated as an equal within my family, in education, and at the workplace, but I know that in large parts of the world girls are not as lucky, so wanted to do something to help those who don't have a voice."

We held our fourth global book drive with more than 5,000 employees donating some 18,000 books for local and developing world readers, with \$1,000 to the office donating the largest relative number of books for the charity of their choice, won by LexisNexis Risk Solutions El Paso.

Community impact

In accordance with the LBG model, we monitor the short and long term benefits of the projects with which we are involved. We ask beneficiaries to report on their progress and we share their letters and updates on the RE Cares section of RE World to increase transparency and awareness.

Among the progress reports we featured in 2010 was one from The Connection at St Martin-in-the-Fields. The Connection, a long time Reed Elsevier head office charity partner, is the busiest centre for homeless people in the UK. Based across the street from our head office at Trafalgar Square in London, every year the charity helps 5,500 homeless people move off the streets, into accommodation and employment. Over the last five years, we have donated over \$55,000 and many hours. Their report detailed their progress providing one-to-one employment, education, and training support for clients. Read another example of our community impact: RBI and Career Academies.

In 2010, we held our sixth RE Cares Challenge to encourage staff to work together to build skills and relationships while making a difference in local communities. Business units across the group submitted ideas for new or extended businesssponsored volunteer activities advancing the RE Cares mission and eight were funded. Employees voted on the top two finalists and chose LexisNexis France's Amadea project as the first prize winner to help create a preschool in Madagascar. The second place finisher, Reed Construction Data Norcross' project will enable VE Global, a volunteer organisation, to provide education and social opportunities for at-risk children in Santiago, Chile. Read more about the 2010 RE Cares Challenge winner.



People and community continued

Alex's Lemonade Stand

Alexandra Scott, known as Alex, and daughter of an Elsevier colleague, was diagnosed with neuroblastoma, an aggressive childhood cancer, two days before her first birthday. In 2000, at the age of 4, Alex suggested to her parents a seemingly simple idea – she would hold a lemonade stand to raise money to help doctors find a cure for kids with cancer.

For the next four years, despite her deteriorating health, Alex held an annual lemonade stand to raise money for childhood cancer research. Following her inspirational example, thousands of lemonade stands and other fundraising events have been held across the United States to benefit <u>Alex's Lemonade Stand Foundation</u> (ALSF). In 2004, at the age of eight, Alex lost her battle with the disease – she had raised over \$1 million for research in her short lifetime.

ALSF is a unique grant-making organisation, working directly with doctors and researchers to bring new treatments to children with cancer. The Foundation, which has raised over \$25 million to date, is closely aligned with Elsevier's mission to make genuine contributions to the science and health communities.

Alex's story has touched many Reed Elsevier employees. Since 2004, we have contributed over \$285,000 from employee fundraising including lemonade stands, along with grants and matching gifts from RE, Elsevier and LexisNexis. The Elsevier St. Louis and Philadelphia US offices were recognised as two of the Top 100 Alex's Lemonade Stands in 2007, 2008, 2009 and 2010 and Elsevier has supported the charity's Lemon Ball since inception, which raises more than \$600,000 for research annually. The matching gifts send a strong message to employees that Reed Elsevier is a good place to work because it helps the same charities they support.

Alex's parents, Liz and Jay Scott, say, "the overwhelming outpouring of support from Reed Elsevier has been a part of our lives and Alex's legacy for years and we are extremely grateful to each of you."

The lesson that children and adults everywhere learn from holding their own lemonade stands is simple but powerful – every person can make a difference.



We seek opportunities to engage our customers in our community activities. In 2010, employees from LexisNexis Risk Solutions worked alongside their customer, the US Marshals Service, and several community partners to improve the Dwight A. Mosley Athletic Complex, in a highly populated, low-income neighbourhood in Washington, DC. Working together, 100 volunteers cleaned graffiti, painted ball courts, installed new benches and picnic tables, and did landscaping. As Risk Solutions CEO Jim Peck, who led the LexisNexis team noted, "volunteering alongside our customers outside of the workplace was really a powerful way to develop and strengthen our relationships, focusing on the good we can do for others by working together."

2011 objectives

- Begin implementation of diversity and inclusion strategy in key locations
- New and improved People sections of external and internal websites
- Launch RE Cares recognition awards

Customers

Meeting our customer needs is the cornerstone of our business

Customers

2010 objectives

- Improve customer loyalty as measured by Net Promoter Scores; advance dashboard programmes
 More than 150,000 customers surveyed
- Continue to improve website accessibility
- Text-to-speech option enabled on all e-book titles, among other measures

Why it matters

We recognise the growth and future of our company is built on our ability to deliver sustainable, must-have information and services to customers.

Improving professional and business outcomes

We aim to improve professional and business outcomes for our customers, increasingly by providing online solutions that add value to their daily work. In 2010, online accounted for 61% of revenue, up from 37% in 2006. By providing online content and tools, we improve our customers' productivity, achieve closer partnerships, and competitive advantage.

By working hand in hand with our customers, we are able to establish new programmes that will help law enforcement remain one step ahead or help control fraud that ends up costing all of us. That synergy is priceless. I'm proud to be a part of this company every single day."

Laurie Cook

Federal Civilian Sales Manager, LexisNexis Risk Solutions, US





Elsevier's Scopus is the world's largest abstract and citation database, featuring 18,000 titles from more than 5,000 international publishers, with tools to track, analyse, and visualise research. In 2010, <u>Scopus Alerts</u> mobile app launched providing anytime access to the product's searching and alerting features. The app allows researchers to search across abstracts of thousands of scholarly journals; share search results and article links through e-mail or Twitter; set up and review e-mail alerts for specific searches or when author's cite particular articles; and annotate abstracts with their own notes.

Lexis[®] for Microsoft[®] Office

In 2010, LexisNexis launched Lexis for Microsoft Office. Created through collaboration with customers, Lexis for Microsoft Office allows users to work efficiently in a familiar environment, providing integration with LexisNexis information/tools and other sources. According to customer Cornell Law Library, the product "allows you to quickly find more cases, briefs, motions, and pleadings while you are performing scholarly research or reviewing documents. With one click, you can perform a search of Lexis materials (cases, statutes and analytical material) in addition to searching the open web (Google, Bing and Lexis Web) without having to leave the document." Read other examples of value through online from our businesses.

We produce products and services that advance understanding of customer issues including <u>Managing</u> <u>Markets and Customers;</u> <u>Customer Relationship</u> <u>Management;</u> <u>LexisNexis Know Your Customer;</u> <u>MarketCast Online;</u> and VAD e-commerce. Supply chair

Appendices

Customers continued

Key issues

Editorial standards

Maintaining the integrity of what we publish is vital to the confidence of customers and other stakeholders. <u>The Reed Elsevier Editorial</u> <u>Policy</u> makes explicit our responsibility for accuracy and fairness in all we do. It articulates our commitment to editorial independence and reinforces editorial policies in place in our businesses. For example, papers submitted to Elsevier's primary research journals undergo peer review. This means that once received from the author, editors send papers to specialist researchers in the field. In most disciplines, this is done anonymously – thus the author will not be given the name of the peer reviewer. Read more about peer review.

The overall growth in electronic publishing and the wider dissemination of research has made it easier for authors, editors and reviewers to identify questionable papers. Elsevier was one of the first scientific publishers to participate fully in <u>CrossRef's</u> pan publisher plagiarism detection pilot to filter academic content. In 2010, Elsevier's contribution to the organisation's CrossCheck database rose to 9 million of the total 29 million journal articles, books, and conference proceedings from 130 different publishers. For the past three years Elsevier has offered <u>COPE</u> membership to editors of all Elsevier journals providing them with a critical, independent support forum to discuss issues related to the integrity of scientific knowledge. Elsevier's own <u>Publishing Ethics Resource</u> Kit also offers guidance to editors on dealing with disputes.

We recognise that once an article has been officially published it becomes part of the scholarly record. We work to ensure that published materials remains extant and unaltered as far as possible. In exceptional circumstances when editorial problems come to light, we take immediate steps to understand and remedy issues. Elsevier maintains <u>a clear policy</u> on article withdrawal, retraction, removal, and replacement.

Responding to customer needs

The RE value, Customer Focus, means ensuring we listen to our customers. The Customer First Resource Centre on the RE World intranet translates Customer Focus into action, with best practice learning from in and outside the company. There is information by business and subject area – including customer experience, feedback, enquiries, visits, and customer information and technology. Employees can also submit their own case studies.

In 2010, we surveyed 150,000 customers across Reed Elsevier through the Net Promoter Score (NPS) programme to determine their willingness to recommend us. In the short term, NPS allows us to identify customers that would benefit from more of our attention and in the long term, to increase loyalty by fixing core detractor issues and activating promoters. Results, reviewed by the CEO and senior managers, and communicated to staff, illuminate where we are doing well and where we must do better. Read an NPS case study.

Elsevier utilises a comprehensive customer dashboard approach to customer satisfaction. Ongoing customer input is analysed and reported by Elsevier's Research and Academic Relations Department to all staff on the Elsevier intranet with simple green (performing better than competition), yellow (performing the same as competition), and red (performing worse than competition) scoring by customer type and product (e.g., in regard to journal authors, metrics include refereeing and production speed and quality). Increasingly available real-time, the dashboard helps embed customer views into daily workflow to ensure Customer Focus and responsiveness. Customer dashboards are a best practice tool which have been implemented in other parts of the company like LexisNexis.

In 2010, Reed Exhibitions established a new Global Customer Insights Group to develop a consistent platform for understanding customer need. The group will draw on two years of needs analysis and customer insights work undertaken by the North American team which has resulted in specific, measurable actions in event marketing and development. The global research template will comprise both pre-show and post-show research. For example, post-show research will identify key customer needs, the degree to which those needs are currently being met, and the ways they can be met year on year.

Our businesses actively support customers. For example, RBI UK continued to host their programme of educational seminars, What Works Online, for customers to learn the fundamentals of digital marketing as well as their Summit programme which updates recruitment agencies on the latest economic trends affecting their business.

Elsevier's Library Connect publications and events provide information professionals worldwide with opportunities for sharing best practice and professional development. In 2010, librarians from 20 nations contributed to the Library Connect Newsletter and a Library Connect practical assistance pamphlet. Also during 2010, Library Connect seminars and workshops held in 15 nations provided librarians with opportunities to discuss industry issues.



Access

We are committed to universal sustainable access to information. At Elsevier, one of the ways this is expressed is through institutional, consortial and national licences, or 'freedom collections,' which often allow users <u>access</u> to all Elsevier journals, including those to which the institution did not previously subscribe. Elsevier licences are written to explicitly allow members of the public to have unlimited walk-in access to our online databases and materials subscribed to by a library.

Elsevier allows authors to post the accepted peer reviewed version of their manuscript on their own institution's website or elsewhere, provided that the posting contains a link to the homepage of the journal in which the final published article appeared, and that the

People and community

Environment

Supply chair

Customers continued

posting is not for commercial purposes. Other extended access includes a sponsored article option for 350 Elsevier journals, where after the decision to publish, authors can pay a fee to make the published journal article immediately available to the public on <u>ScienceDirect</u>. Elsevier has sponsorship agreements with institutions such as The Wellcome Trust and Howard Hughes Medical Institute. In addition, articles from 29 journals, including all Cell Press titles, are made freely available to non-subscribers, after a pre-defined time period has elapsed following final publication. We continue to test, evaluate, and scale the implementation of innovations that could potentially extend access further, to ensure sustainability and the highest levels of quality control and researcher productivity.

For a processing fee of \$4.95 per article, <u>Elsevier's Patient Research</u> initiative gives patients, family members, and caregivers access to full-text medical articles from 90 journals like The American Journal of Medicine that might help them better understand health issues. Feedback from users has been positive: "To have affordable access to important information is a wonderful thing."

Media literacy – the ability to access, analyse, evaluate and communicate information – is a distinct CR issue for media companies. In addition to support for media literacy as a member of the Media CSR Forum, we promote other relevant initiatives like the Science Media Centre (SMC), an independent UK press office which aims to raise the level of science reporting by facilitating journalist access to members of the scientific community.

Since 2006, Elsevier has partnered with <u>Sense About</u> <u>Science</u> (SAS), an independent charitable trust, championing evidence, scientific reasoning, and a public discussion of scientific issues. The aims of the partnership are to promote understanding of peer review among journalists, policymakers and society, and to inspire early career researchers to become ambassadors of good science. In 2010, Elsevier contributed to SAS presentations at the American Associations for the Advancement of Science, the EuroScience Open Forum, the British Science Festival in Birmingham, and the Cambridge Science Festival. <u>Read more about Elsevier's</u> work with SAS.



We believe in helping those who might benefit from our products but who are unable to afford them, gain access. See Our Unique Contributions.

We are committed to improving access to our products and services for all users, regardless of physical ability. There are good commercial reasons including fostering new markets – for example, US federal agencies are required to purchase the most accessible solution in competitive bids. Accessible coding makes for better code and commonly leveraged solutions help get products out faster and cheaper than individually designed solutions; accessibility elements in mainstream products ensure a logical and thoughtfully designed experience for all users.

Upgrades to core LexisNexis products in 2010 have incorporated WCAG 2.0, the most recent web accessibility guidelines. The Accessibility Working Group held educational webinars with disabled customers and accessibility experts. In addition, colleagues helped process 3,250 requests for accessible versions of our publications, many from <u>AccessText.org</u>, a service we helped establish – 95% of requests were addressed in one day or less. In the year, Elsevier enabled the text-to-speech option on all e-books titles to aid users with sight, motor, or other challenges.

Elsevier won the first JISC <u>TechDis Publisher Lookup</u> <u>Award</u>, presented at the 2010 London Book Fair, recognising publishers who excel in adapting their business processes to meet customer accessibility needs.



We promote wider understanding of accessibility issues through publications like Web Accessibility for People with Disabilities; Cost Justifying Usability; Tolley's Discrimination in Employment Handbook; Designing for the Disabled: The New Paradigm; and Disability and Health Journal.

2011 objectives

- Launch CR webinars on non-financial performance to support customer-facing staff
- Consult on Reed Elsevier Editorial Policy
- Assess accessibility of key product websites

We can only perform well if our employees and workplaces are healthy and safe

2010 objectives

- 10% reduction in severity rate by 2010 (from 2008 baseline) – 29% reduction
- Advance collection of absenteeism data - Incorporated into new HR Information System

Wellbeing - physical and financial - is important to me because it helps keep employees engaged. There's no substitute for engaged employees when it comes to fostering a productive and collaborative work environment."

Nathan Scavello Manager, Health and Welfare, Reed Elsevier US



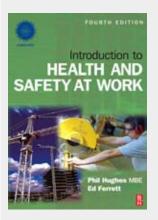
Why it matters

Valuing our People means going beyond legal obligations to ensure staff wellbeing.

The importance of employee health and safety is emphasised in the Reed Elsevier Code of Ethics and also the Reed Elsevier Health and Safety Policy. These documents commit us to providing a healthy and safe workplace for all employees, as well as safe products and services for clients. The CEO is responsible for health and safety on behalf of the Board. Good practice is reinforced through a network of Health and Safety Champions reporting to business unit CEOs. They receive support from the global and European health and safety managers and other colleagues in the business, encompassing bimonthly calls, a Health Resources intranet site, and an annual Health and Safety Champions meeting. We consult with employees globally on health and safety through staff and work councils.

In 2010, Reed Exhibitions received Best Safety Initiative award for Reed Gift Fairs at the Exhibition and Event Association of Australasia's 2010 Awards for Excellence. Following a two year review of policies, procedures, and management systems, Reed Business Information head office in the UK achieved the International Organization for Standardization (ISO) 18001 accreditation, and were commended for health and safety training for home-based employees and driver risk assessments.

We produce numerous products that spur knowledge of health and safety issues, including Health and Safety Bulletin; Easy Guide to Health & Safety; Practical Health and Safety Management for Small Business; Health & Safety at Work Magazine; Introduction to International Health and Safety at Work; Occupational Health; and exhibitions such as Expoprotection Exhibition 2010.



Introduction

Appendices

continued

Key issues

Performance

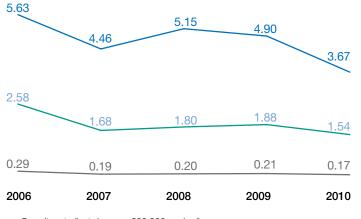
Health and safety reporting, a comment from Ernst & Young

Through our interviews with regional health and safety personnel we observed that there is a potential for Reed Elsevier to further align the human resources and health and safety reporting processes for absenteeism data. This should enable better reporting with regards to occupational health. We understand that this process is already underway in North America; further roll out across the group would help support consistent reporting of occupational health issues.

Health and safety data, assured by Ernst & Young LLP, covers 99% of our workforce. As the majority of our business is US-based, we report against US Occupational Safety and Health Administration (OSHA) guidelines for work-related incidents and illnesses that result in greater than one day of lost time from work (we use an average of 220, eight hour work days per year to calculate total hours worked). Read the Ernst & Young LLP assurance statement.

In 2010, we carried out a review of European operations to help identify and fill any gaps in health and safety management procedures at a local level. This included an appraisal of local polices, risk assessments, occupational health, first aid facilities, communication, and training. There was also a focus on support for high risk groups, such as independent workers and expecting or nursing mothers, along with mechanisms to identify and support employees through stressful experiences. The review and training aided harmonisation of our global reporting. Though some offices use local regulatory frameworks, we will however continue to implement group health and safety reporting guidelines at all locations.

The number of lost time reportable cases decreased (47 in 2010 vs. 61 in 2009) and we had less than 1,000 lost days in the year.



2010 Health and safety performance (lost time)

Severity rate (lost days per 200,000 worked)

Incidence rate (cases per 1,000 employees)

Frequency rate (cases per 200,000 hours worked)

In 2008, we set an objective to reduce our severity rate - number of lost days compared to hours worked - 10% by 2010. We achieved a 29% reduction. We focused on analysing potential risks, wellness in the workplace, and employee support following an incident. For example, in the US (which reduced lost time cases from 56 in 2006 to 12 in 2010), we work with a third party resource to assign a nurse case manager to each complex or severe claim. The nurse case manager works with the employer, the employee, and treating physician to get an employee back to health and work in the shortest possible time.

2010 Health and safety performance lost time cases by type

- Slips, trips, falls 28%
- Panic attack, stress 21%
- Struck by object 16%
- Vehicle accident 16% Pulled muscles 4%
- Lifting and handling of materials 4% Carpel Tunnel Syndrome / Repetitive Strain Injury 4%
- Other 7%

Our annual Health and Safety Survey reveals the most common reason for lost time from work in 2010 as slips, trips and falls (273 lost days), followed by panic attack/stress (208 lost days). We will continue to address these issues in the year ahead.

Tragically in 2010, a LexisNexis employee was killed by a moving vehicle while crossing a road in San Francisco on his way to a meeting in company time. We have offered support and assistance to his family.

Absenteeism

In 2010, we began implementation of a new human resources information system, starting with North American operations. We can now better track employees who are absent due to paid time off for family care, jury service, holidays, or pro bono work across our businesses. We can also identify absenteeism for maternity, short-term disability, or other longer-term paid leave. For example, in 2010 we had 894 cases (37 days average per case) under the US Family Medical Leave Act, which provides up to 12 weeks, unpaid job protection.

Wellness

In 2010, we held the second re:fit2win global wellness competition to recognise employees for cycling, running, and walking, with winning teams receiving \$1,000 for the charity of their choice. Over 1,000 employees participated, with winning teams alone recording 4,365 miles/7,025 kilometres in the cycling category, 2,467 miles/3,970 kilometres in the running category, and 2,339 miles/3,764 kilometres in the walking category. As well as webinars, exercise advice, and links to useful tips on Health Resources, we used a third party health tracking tool to capture the results. It was so well received, we offered it throughout the year to allow employees to track their fitness. Read a story by the team who won the cycling category.

Supply chain

Our unique contributions

Governance

continued

re:fit2win

Comments from employees on 2010 re:fit2win

"The re:fit2win competition cultivated the habit of doing exercise regularly, no matter how busy the day is"

"It helped me build relationships with existing colleagues"

"I have lost the six pounds I gained during [my] holidays"

Our Health and Safety Champions and employee groups run local wellness activities throughout the year such as weight loss and smoking cessation programmes and onsite biometric screenings including for blood pressure, body mass index, and cholesterol. As a result, one employee was able to identify they had Type 2 diabetes, allowing them to gain early treatment and make lifestyle adjustments. In one region, a health assessment campaign saw an increase from 100 participating employees in 2009 to 1,200 in 2010. The assessments provide employees with a personalised evaluation of their current health behaviours and highlight modifiable risks the company can help address. At our largest US facility in Dayton, Ohio, staff can take weight watchers and yoga classes and sporting activities including basketball, cricket and golf. We also provided flu shots, and in the US, 40% of staff chose to be vaccinated.

Training

We provide tailored health and safety training to employees at a higher risk of injury in the workplace including warehouse, facilities, and sales staff who regularly carry products. In the UK, we upgraded our e-learning tool which provides employee workstation assessments, and training. We also purchased additional defibrillators and provided training on their use, as part of ongoing training for first-aiders.

Bringing people together for exhibitions brings health and safety risks. Reed Exhibitions UK runs accredited health and safety management training for operational staff, and two exercises each year ensure operational teams could appropriately and confidently respond to a major incident. Reed Exhibitions also carries out a programme of independent health and safety audits of its worldwide events portfolio. Simon Garrett, an external chartered health and safety auditor, who conducted a review of health and safety procedures in 2010 stated, "Reed Exhibitions UK continues to ensure that health and safety and the mitigation of risk from running exhibitions remains a key operational focus both in the UK and at overseas events" and that the "board can be confident that it is discharging its duty of care to mitigate the risk of injury and loss and the potential consequential losses from a serious incident."

2011 objectives

- Benchmark health and safety performance
- Extend preventive care programmes

Supply chain

We prioritise ensuring our suppliers meet the same high standards we set for our own activities

Supply chain

2010 objectives

- 60% of key suppliers as Supplier Code of Conduct signatories
 60% achieved
- 40 external audits of high risk suppliers
 43 achieved
- Ask key suppliers to become UN Global Compact signatories
 - 6 supplier UN Global Compact webinars held

Knowing Reed Elsevier has an ethical supplier programme shows me the company cares, that it understands the global business environment, and is committed to developing long term partnerships with vendors to create win-win solutions"

Clement Kwan

Production Manager, Reed Elsevier Global Procurement, Hong Kong



Why it matters

We uphold Reed Elsevier values in our supply chain by requiring our suppliers to meet the same high standards we set for our own behaviour.

Suppliers must adhere to all laws, embody and promote best practice in business operations, treat employees well, and respect the environment, as indicated in the ten principles of the <u>United</u> <u>Nations Global Compact</u> to which Reed Elsevier is a signatory.

These principles are reflected in the Reed Elsevier Supplier Code of Conduct (Supplier Code), which we ask suppliers to sign and post prominently in the workplace. The Supplier Code contains standards on child labour, involuntary labour, wages, coercion and harassment, non-discrimination, freedom of association, environment, health and safety, and anti-corruption. It also precludes retaliation stating, "Suppliers must not tolerate any retaliation against any employee who makes a good faith report of abuse, intimidation, discrimination, harassment or any violation of law or of this Code of Conduct, or who assists in the investigation of any such report."

The Supplier Code helps suppliers spread best practice through their own supply chain by requiring subcontractors to enter into a written commitment that they will uphold the Supplier Code. The Supplier Code makes clear that where local industry standards are higher than applicable legal requirements, we expect suppliers to meet higher standards.

We produce numerous products on supply chain issues, including <u>Total Supply Chain Management</u>; Journal of Purchasing and Supply Management; Purchasingdata.com; <u>Supply Chain Management</u> <u>Review</u>; and exhibitions such as <u>SITL Real Time</u>; International Logistics Solutions Show; <u>Total Processing</u> and Packaging; and <u>Eco Transport and Logistics</u>.

Supply chain continued

Key issues

Upholding standards

Given the importance to us of an ethical supply chain, we have developed a Socially Responsible Supplier (SRS) programme comprised of colleagues with operations, distribution, and procurement expertise, and a dedicated SRS manager from the global procurement team, supported by all Reed Elsevier businesses. As part of the SRS programme, we maintain a database with comprehensive information including code versioning/signing, initiative tracking, audit dates, remediation plans and compliance.

In 2010, we expanded the SRS tracking list to 606 suppliers from 589 in 2009, 126 of which we deem to be high risk according to criteria encompassing the Corporate Executive Board's Global Country Analysis Support Tool, human trafficking data from the US State Department, and the Environmental Performance Index produced by Yale University and Columbia University. <u>Review the SRS risk rankings</u>.

60% of suppliers on the SRS tracking list were signatories to the Supplier Code by the close of 2010. We are aiming to increase this by a further 15% in 2011 by including compliance provisions in specific procurement contracts and enlisting the assistance of more colleagues. Over the last three years all new suppliers participating in our e-sourcing process run by the Global Procurement team are requested to sign our Supplier Code as a condition of doing business with us.

In addition to internal audits, the <u>SRS programme terms of</u> reference stipulates that external audits be performed on a regular basis (suppliers with repeat code violations are subject to annual external audits). In 2010, we conducted 43 independent external audits of high risk suppliers through specialist auditors Intertek.

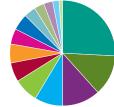
Intertek examines how well the supplier is meeting all aspects of the Supplier Code and issues a Corrective Action Plan Acknowledgement Report (CAPAR) as necessary, summarising audit findings and detailing corrective action plans – agreed by the auditor and the supplier to ensure compliance with the Supplier Code and local laws. Remediation target dates are agreed and the CAPAR is signed and dated by both parties. Follow-up audits ensure identified issues are resolved. See the <u>SRS</u> audit workflow and process.

Summary of supplier non-compliance issues

(Occurrence in 43 external high risk supplier audits in 2010)

Non-compliance area:

- Health and safety 27
- Other laws 13
- Overtime hours 12
- Social benefits 10Protection of the environment 9
- Protection of the environm
 Overtime wage 7
- Publication 7
- Child labour (lack of age documents) 6
- Anti-corruption (lack of written policy) 6
- Minimum wage 5
- Involuntary labour 4
- Other compensation 4
- Monitoring and compliance 3
 Subcontracting 1



Exemplary of collaborative improvements resulting from supplier remediation, in 2010 we pursued safer working conditions for employees at a pre-press supplier in India ensuring fire exits on all floors were installed. We also worked with a printing company in India to ensure they established an anti-sexual harassment committee. Review sample 2010 Remediation Reports.

Our Supplier Code states that "Failure to comply with any Reed Elsevier term, condition, requirement, policy or procedure...may result in the cancellation of all existing orders and termination of the business relationship between Reed Elsevier and Supplier."

Supplier training and surveys

We work collaboratively with suppliers and in 2010 provided webinars for suppliers to learn about the <u>United Nations Global</u> <u>Compact</u> and the benefits of becoming a signatory. All SRS suppliers were invited to attend one of six sessions available in different time zones during the year.

Supplier Monarch Media joins the UN Global Compact

monarchmedia

Supplier Monarch Media, Inc. helps us with e-learning solutions. Their expertise includes developing educational software, building online courses, deploying and hosting learning management systems, and creating web and mobile training materials.

After participating in one of the webinars we held for suppliers on the United Nations Global Compact, CEO Claire Schneeberger wrote, "Monarch Media would proudly like to follow Reed Elsevier in advancing our commitments to sustainability and corporate citizenship by joining the United Nations Global Compact...

We are proud to work with Reed Elsevier and appreciate you leading the effort to expand the list of participants in this initiative. We strongly believe that voluntary efforts such as this, will and are, changing the way the world thinks and acts about sustainability as a whole." Introduction

Supply chain continued

To further track compliance with SRS initiatives, we conduct an annual survey of paper providers and a Social Responsibility Survey for all others. The survey gathers information on bleaching processes, the amount and percentage of certified and recycled fibre, and whether any genetically modified organisms are used in pulp (none in 2010).

2010 SRS survey results

| General | 2010 |
|--|------|
| Number of respondents | 103 |
| Percentage of suppliers with a board level representative responsible for corporate responsibility | 62% |
| Percentage of suppliers with Code of Conduct | 66% |
| Percentage of suppliers with Supplier Code of Conduct | 38% |
| Percentage of suppliers with diversity statement | 41% |
| Percentage of suppliers with community programme | 28% |
| Percentage of suppliers with training and development programmes | 50% |
| Percentage of suppliers with annual corporate responsibility targets | 31% |
| Percentage of suppliers who report publicly on corporate responsibility performance | 32% |
| Percentage of suppliers who monitor corporate responsibility compliance | 42% |
| Percentage of suppliers who gain external assurance over corporate responsibility-related data | 20% |
| Environmental | |
| Percentage of suppliers with a formal Environmental Management System | 45% |
| Percentage of suppliers with environmental reduction targets for greenhouse gas | 21% |
| Percentage of suppliers with environmental reduction targets for solid waste | 22% |
| Percentage of suppliers with environmental reduction targets for water usage | 17% |
| Percentage of suppliers with external environmental certification | 60% |

The data we gather is complemented by information gathered through <u>Publishers Database for Responsible Environmental Paper</u> <u>Sourcing</u> (PREPS), a shared industry resource for grading paper sustainability. PREPS fosters positive engagement with paper suppliers; we are a founding member. By the close of 2010, 96% of Reed Elsevier papers by weight were part of PREPS, of which all came from known or legal (sustainable) sources.

Our product safety standards include ink, varnish, spiral wire, lamination, glue, and packaging, defined as packaging materials or packaging components that enter landfills, waste incinerators, recycling streams, and ultimately, the environment. Of eight Chinese suppliers we asked to submit product safety tests in 2010, all passed.

Reed Elsevier joined the Publishing Industry Product Safety Forum (PIPS) as a founding member in 2010. PIPS will include global product safety information to help us address key legislative requirements (e.g., European Community Regulation on Chemicals and their Safe Use) and establish a common approach to gathering product safety data from suppliers regarding the chemical components within ink, varnishes, laminates, adhesives, and other finishes applied to paper and board with a chemical make-up.

Good partners

Alexei Leznikov

Managing Director, Institute of Theoretical Chemistry, Inc. Russia



Institute of Theoretical Chemistry, Inc. (ITC), which has been a Reed Elsevier supplier for 10 years, offers software engineering, algorithm development, content development, and other consulting services.

Corporate responsibility has always been a key to ITC's business. ITC was established in Saint Petersburg, Russia in 1993, a division of ITC in the United States. At the time it employed four people with the goal of helping Russian scientists stay in their chosen careers and grow professionally in the difficult post Soviet 'Perestroika' environment. Today, over 400 people work at ITC and it is Saint Petersburg's biggest commercial employer in its market.

Corporate responsibility remains central to our business. ITC has strict anti-discrimination and anti-corruption policies and strives to create an excellent working environment for all employees. ITC was one of the first companies in Russia that strictly enforced gender neutral pay and promotion policies. We further have educated our management and workforce to ensure that no one is discriminated against based upon their ethnic or racial origin, gender, faith, or sexual orientation.



We are engaged in community activities, especially related to our core competencies. With a leading medical facility in Saint Petersburg, we have sponsored and helped organise pro bono genetic cancer screening and consultation. As a corporation dedicated to the success of scientific research, ITC has released many of its products and databases into the open source domain for the benefit of the entire scientific community.

We have always believed in giving back to the community and supported local schools and charities. ITC continues to maintain strong multi-year relationships with many colleges and universities in Saint Petersburg. ITC has conducted free educational courses in several scientific and software development

Supply chain continued

disciplines at our facility, helping undergraduate and graduate students to improve professionally and progress their scientific careers.

Focusing on values such as creating a harassment free work environment and continuing education has helped us in hiring and retaining good employees and positively affected our business. We provide healthcare coverage and other benefits to employees at a level higher than what is required by law. Recently we have started supporting health, sport and wellness activities for our employees, implementing several sports programmes and a new summer internship programme.

Collaboration with Reed Elsevier has been instrumental in allowing us to formalise and further improve our existing practices. Reed Elsevier's Code of Ethics and Business Conduct and Supplier Code were a basis for ITC's revised code of conduct. Detailed and productive discussions with Reed Elsevier auditors helped us identify new areas where we can promote our values, for example, in the environmental field. We have also implemented the Supplier Code to evaluate our suppliers following Reed Elsevier's guidelines.

Partnership with Elsevier – the business we serve – on software and content development has helped ITC improve internal production processes. People to people exchanges have helped share the corporate culture and innovative and responsible methods Elsevier uses in everyday activities and partner relationships. As a result, our employees have become more attuned to responsible corporate governance, good corporate citizenship, and environmental responsibilities across our entire enterprise.



2011 objectives

- 75% of key suppliers as Supplier Code of Conduct signatories
- 45 external audits of high risk suppliers
- Introduce Socially Responsible Supplier Academy

Environment

We have an environmental footprint and, as a leading publisher of environmental science, it is incumbent on us to pursue good internal environmental practice

Environment

2010 objectives

- 20 key sites to achieve five Reed Elsevier Environmental Standards
 26 achieved
- Management plans to achieve environmental targets
- Developed with Reed Elsevier Environmental Champions network
- Map Reed Elsevier and supplier water stress location – All key locations and 149 suppliers

The environment and sustainability go hand in hand. It's vital that we provide environmentally sustainable facilities to support our business, especially given increasingly fewer natural resources in the world. I am proud to work for a company working hard to meet these commitments."

Cathy Burgess

Facilities Manager, Reed Elsevier UK & Ireland



Why it matters

Reed Elsevier and its businesses have a positive impact on the environment, principally through the information we produce which informs debate, aids decision makers, and encourages research and development. We also have a direct impact through use of energy and water, generation of waste and business travel, and, in our supply chain (through paper use, transportation, service provision and print and production technologies). We are committed to reducing any negative environmental impacts, while continually improving our environmental performance.

Risks and opportunities

We assess, prioritise, and mitigate environmental risks as part of our overall <u>risk</u> management process. In addition, our <u>Environmental Management System</u> (EMS), aligned with the ISO 14001 environmental standard, outlines our obligation to "manage the environmental risks of our activities" and stipulates that "environmental risk is part of the overall risk assessment which business units are required to complete on an annual basis." It indicates we must consider, among other risks, those that require legislative compliance; have significant cost implications for the business; and which may impact our reputation.

Our network of Environmental Champions, together with colleagues throughout the business – including those from finance, legal, real estate, procurement, HR, communications and IT – as well as external stakeholders like NGOs and investors, help with advice, ranking, and tracking of our environmental risks/opportunities. They are reviewed during our Environmental Checkpoint Meeting, chaired by the CFO.

Among the material environmental risks we have identified are regulation on climate change, green taxes, and sustainable paper. Opportunities include an increase in demand for the environmental information we produce and cost savings as a result of efficiencies. See our material environmental risks and opportunities.

We support progressive environmental legislation and in 2010 we continued to support the <u>Aldersgate Group</u> and contributed to efforts calling on the UK government for mandatory environmental reporting requirements.

In 2010, Elsevier linked the environmental and earth science related external database <u>PANGAE</u> (Publishing Network for Geoscientific & Environmental Data) to Elsevier content. This enrichment functionality offers a model for Elsevier's future work with global data set repositories.

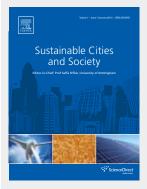
In 2010, LexisNexis won a tender to publish <u>The</u> <u>Environmentalist</u>, a periodical for environmental professionals looking at political, economic, and other implications for business. Other legal products include the <u>LexisNexis Environmental Law and Climate Change</u> <u>Center</u>, which provides real-time expert commentary for climate change practitioners.

Supply chair

Environment continued

Reed Exhibitions holds leading environmental exhibitions including Pollutec, FC EXPO - International Hydrogen and Fuel Cell Expo 2010, GreenBuilding Brasil and Industrial Energy and Environment Asia, the first international trade event in Thailand on renewable energy and environmental management technologies for the manufacturing industry. In 2010, Reed Exhibitions and Elsevier jointly organised World Future Energy Summit, an annual alternative energy gathering. Read more about World Future Energy Summit 2010.

Reed Business Information's New Scientist magazine, continues after 54 years to interpret scientific discovery and the results of human endeavour within the context of society and culture. And Reed First Source makes it easier for architects, engineers and designers to procure sustainable building materials; in addition, publications dedicated to non-environmental sectors, such as property, aircraft or motor transport, have regular features on green issues.



Our environmental publications include Agriculture, Ecosystems and Environment; Current Opinion in Environmental Sustainability; The Encyclopedia of Biodiversity; Environmental Research; International Journal of Greenhouse Gas Control; Journal of **Environmental Economics and Management; Renewable** Energy Focus; and Sustainable Cities and Society.

Key issues

Our impact

Throughout 2010, we strove to reduce our direct environmental impact by limiting resource use and by efficiently employing sustainable materials and technologies. Our CEO is responsible to the Board for environmental performance. Our business CEOs are responsible for complying with environmental policy and relevant government legislation and regulations. Our Environmental Champions network, led by the RE Global Environment and Health and Safety Manager, includes key employees in all operational areas of our business. Additionally, a Green Team network of environmental volunteers, encompassing more than 400 employees in over 90 of our key facilities, helps us implement our EMS and achieve environmental improvements at a local level.

Improving our environmental performance requires ongoing dialogue with stakeholders such as employees, government agencies, specialists like the Carbon Trust, and environmental charities and NGOs.

EARTHWATCH

In 2010, we continued to engage with Earthwatch and the World Resources Institute, hosting their European Sustainability Seminar on ecosystems, climate change, logging, and water scarcity.

In addition, we took part in environmental discussions through the Westminster Industry Group and the International Chamber of Commerce and furthered our understanding through environmental benchmarking activities like the Carbon Disclosure Project and the Forest Footprint Disclosure.

Environmental and financial data covers a full calendar year. Due to improvements in systems and processes and revised conversion factors we have restated our previous year's CO₂ emissions to make them more accurate and comparable. We have also changed the intensity metric to revenue, which is widely recognised and will allow us to show more detailed results. Read about our environmental reporting guidelines and methodology.

2010 environmental data

| | Absolu | Absolute performance | | | Intensity ratio (Absolute/revenue £m) ¹ | | |
|---|---------|----------------------|---------|-------|---|-------|--|
| | 2010 | 2010 variance 2009 | | | variance | 2009 | |
| C0 ₂ emissions (tC0 ₂ e) ¹ | 195,936 | 1% | 194,851 | 32.36 | 1% | 32.09 | |
| Energy (MWh) | 273,983 | 0% | 274,294 | 45.25 | 0% | 45.17 | |
| Travel emissions (tC02e) | 40,611 | 6% | 38,204 | 6.71 | 7% | 6.29 | |
| Water (m³) | 465,619 | -4% | 486,800 | 76.90 | -4% | 80.17 | |
| Production paper (t) | 65,777 | -10% | 73,217 | 10.86 | -10% | 12.06 | |
| Waste (% recycled) | 63% | 3% pts | 60% | n/a | n/a | n/a | |

¹ GHG Protocol Scopes 1, 2 and scope 3 business travel

We have broken down our results by country and business for the first time. (Create custom charts and view historic performance by using the environmental charting tool.)

We believe third party verification of environmental data is important. It gives us confidence in the reliability of the data and improves how we report on our environmental impacts. See Ernst and Young LLP's full assurance statement in Appendix 2.

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Environmental data collection system, a comment from Ernst & Young

Reed Elsevier introduced a new online environmental data collection system in 2010. We observed that although the transition presented challenges, there are clear benefits associated with its introduction. These include: automated controls to help scrutinise data variances, consistent application of estimation methodology, and an audit trail to support internal review and sign off.

Targets and standards

As stated in our environmental publications like Elsevier's <u>Global</u> <u>Environmental Change</u>, we believe in striving to achieve absolute environmental targets. We recognise, however, the challenge of meeting these targets as our business expands. The acquisition of the ChoicePoint business in 2008 added 12% to our portfolio size. In addition, the continuing growth in online delivery of our products and services resulted in a 20% increase in energy usage at our data centres in 2010. As a predominantly office based company, with a large number of leased properties, opportunites to achieve impact reductions through direct operations are constrained, making intensity results, which take account of business growth, a useful metric.

Targets

| Key performance indicators | Target | Absolute achievement to date | Intensity achievement to date (Absolute/revenue £m) ¹ |
|--|--------|------------------------------------|--|
| C0 ₂ emissions (2006-2015) ² | -10% | 16% | -14% |
| Total energy (2008-2015) | -5% | 15% | 1% |
| Travel emissions (2008- 2015) | -5% | -1% | -12% |
| Water (2008-2015) | -10% | 5% | -7% |
| Waste recycled (2015) | 70% | 63% | n/a |

¹ The percentage variance between absolute performance divided by revenue in 2010 compared with absolute performance divided by revenue in start year **2** CHC Protocol scorpor **1**, 2 and scorpor **3** business travel

² GHG Protocal scopes 1, 2 and scope 3 business travel

To realise efficiencies, we work through the Environmental Champions network and with dedicated engineering, design, and construction specialists to help identify reduction possibilities wherever possible in our portfolio. We also engage employees in our reduction efforts by creating competition among offices through the Reed Elsevier Environmental Standards. Standard levels are based on our environmental performance and internal and external good practice. Employees at sites with excellent performance serve as mentors for those at lower performing locations. There are eight standards covering our key environmental impact areas, with a separate standard for data centre energy consumption of 1.8 Power Usage Effectiveness (PUE).

In 2010, the Reed Elsevier Standards programme was advanced by a communication from our CFO to all staff, and supported by local management and real estate teams. 26 staff locations, covering all businesses, achieved five environmental standards and thus gained green status. Of particular note was the successful implementation of the BS 8555 Phase 1 environmental certification at all major UK sites. Our head office in London was one of the highest achieving locations with six standards. At the close of 2010, to encourage continual improvement, Environmental Champions reviewed standard levels and lowered the energy consumption level target to 5,000 kWh per person and data centre Power Usage Effectiveness to 1.7 for the year ahead.

Reed Elsevier Environmental Standards¹

Annual achievement of five required for green status

| Area | Standard | Туре |
|--|---|-------------|
| Environmental reporting | Accurate reporting through the RE Group Environmental Survey | Management |
| Environmental certification ² | BS 8555 Phase 1 | Management |
| Transport | Develop and implement a local travel plan | Management |
| Energy consumption | 5,400 kWh per person or EPA energy rating of 69 ⁴ | Performance |
| Carbon emissions | 2 tonnes of CO ₂ per person or EPA energy rating of 69 ³ | Performance |
| Water | 11m ³ per person | Performance |
| Waste management | 60% recycling rates | Performance |
| Office paper | 3,000 pages per person | Performance |

¹ Standards are applicable by location and are reviewed annually

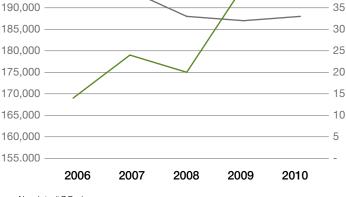
² BS 8555 is a phased approach towards ISO14001 environmental certification

³ EPA's energy performance rating system ranks the performance of buildings on a scale of 1-100; a rating of 69 indicates a building 69% more efficient that its peer group, the minimum level needed to achieve the LEED Green Building certification

Climate change

Gross emissions





Absolute (tCO2e)
 Intensity ratio (tCO2e/revenue £m)

Supply chair

Our unique contributions

Governance

People and community

Customers

Health and safety

45

40

In 2010, our climate change intensity stayed reasonably constant increasing 1% from 2009, with a 14% decrease since 2006. There was a 1% increase in absolute terms over the last year. (The sharp rise in 2008 absolute emissions was due to the acquisition of the ChoicePoint business).

In 2010, we attained the Carbon Trust Standard, certifying an 11.8% reduction in the carbon footprint of our UK operations over the last three years. The Carbon Trust Standard is an early action metric in UK climate change legislation (CRC Energy Efficiency Scheme) and will enhance our position in a league table to be released in October 2011.

GHG emissions data

| | Tonnes of CO₂e | | | | | |
|---|----------------|----------|---------------------|------------------|--|--|
| | 2010 | 2009 | 2006 (base year) | Target (2015) | | |
| Scope 1 | 13,131 | 17,370 | 18,549 | 16,694 | | |
| Scope 2 | 148,316 | 147,805 | 113,633 | 102,270 | | |
| Scope 3 (business travel) | 34,489 | 29,676 | 36,660 | 32,994 | | |
| Total gross emissions | 195,936 | 194,851 | 168,842 | 151,958 | | |
| Green tariff | (16,616) | (14,098) | (10,826) | | | |
| Total net emissions | 179,320 | 180,753 | 158,016 | 142,214 | | |
| Intensity ratio (gross tCO2e/revenue £m) | 32.36 | 32.09 | 37.45 | 33.70 | | |

Even with particularly cold winters in northern regions in 2010, our scope 1 emissions reduced considerably (24% between 2009 and 2010) due to a reduced car fleet and a move from natural gas to lower emission city heating (created by the municipality from residual warm water from cooling equipment, and used to heat buildings). Our scope 2 emissions stayed constant in 2010 and our scope 3 business travel emissions rose toward pre-2008 levels as economic recovery in some markets saw employees travelling in greater numbers. The proportion of electricity purchased through green tariffs and Renewable Energy Certificates increased to 13%, marked by a new green contract at our Amsterdam office. We have already exceeded our 2015 climate change target on an intensity basis.

In 2010, we enhanced our system and processes for collecting carbon data. We have also added local conversion factors to provide more accurate results and restated emissions in previous years to make them comparable. See results.

Guidance on the GHG Protocol scope 3 is still being developed, however we already report on other impacts not covered by direct operations and business travel.

- Water: Even though our water usage decreased, associated emissions from purifying and transporting it increased in 2010 due to revised Defra conversion factors (140 tC0₂e, in 2010 v 134 tC0₂e in 2009).
- Commuting: Through the development of local travel plans, as encouraged through the RE Environmental Standards programme, we collect local information on the impact of our employee commuting.
- Supply Chain: In order to understand the greatest carbon impact in our supply chain, we carried out

heat mapping by spend using annex 13 of the Defra conversion factors. This identified $386,226 \text{ tCO}_2\text{e}$ for all our key suppliers in 2010, almost double our own gross emissions. This is considerably lower though than the 755,894 tCO₂e identified for 2009, due to a reduction in spend, particularly related to pulp and paper production.

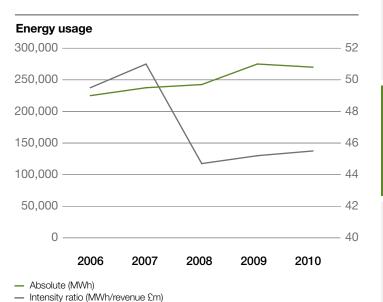
We aim to include scope 3 waste once reliable data is available.

We ask key SRS suppliers for emissions and water data through our annual SRS survey, however we have only been able to capture partial data to date. Heat mapping shows pulp and paper is still responsible for the biggest proportion of our supply chain emissions. In 2010, we worked with sector peers to begin collecting this information through the <u>Publishers Database for Responsible</u> <u>Environmental Paper Sourcing</u> (PREPS). Working together, we believe we can collect more comparable data and have greater influence to improve our collective supply chains.

Our <u>Climate Change Statement</u> confirms our commitment to mitigation and adaptation and our belief in the need for an ambitious, robust, and equitable policy on climate change. As such, we signed the <u>Cancun Communiqué</u> led by the Prince of Wales's Corporate Leaders Group on Climate Change and continue to engage with governments on climate change regulation. As an endorser of the UN Global Compact's <u>Caring for Climate</u> initiative, and through the European Network for Sustainable Business, we share good practice with others and support voluntary codes of practice.

In 2010, we were once again included in the Carbon Disclosure Leadership Index and were ranked 7th in the FTSE CDP Carbon Strategy Index Series. On behalf of the Environmental Action Group for the Publishers and Booksellers Associations, we utilised our reporting experience to begin developing a free online GHG reporting tool for small/medium enterprises in our sector, with support from the UK's Environment Agency and Department for Environment, Food and Rural Affairs.

Energy



Our unique contributions

Introduction

Environment

Despite a 20% increase in energy usage at our data centres in 2010 due to increasing online delivery of our products and services, total energy usage in both intensity and absolute terms did not result in a percentage change. This was due in part to a 12% reduction in total energy usage at our office locations, following space consolidation and reduction efforts by the global real estate team and contractors.

In 2010, 61% of our revenue was from online products and services. This was mirrored in energy use at our data centres, now responsible for 41% of total energy consumption (offices account for 54% and warehouse/production facilities 5%). To meet this, our primary environmental challenge, data centre teams have purchased more efficient hardware and have been working with industry advisers on opportunities for consolidation and virtualisation. In the year ahead, they will be drawing on external expertise to undertake a pilot data centre efficiency study.

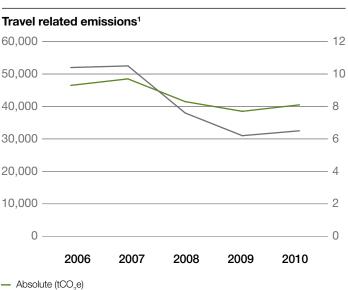
Purchasing more efficient hardware can help reduce energy consumption at our data centres. In 2010, we installed thermal monitoring to identify failures in main panel circuit breakers, added blanking panels to hardware racks, updated our Uninterruptible Power Supply back-up generation systems, and focused on better cooling options.

In our Oxford UK data centre we introduced an ecocooling system, which uses an adiabatic membrane to provide free cooling from fresh air all year round. This saved £15,000 on installation costs (compared to a direct replacement) and will provide considerable reductions in emissions, and a predicted further £12,000 savings per annum on electricity costs over a two year payback period.

We expect data centre power usage to continue to increase over the next three years, but to begin tapering off in 2014-2015 as our efficiency programmes take hold and as newer, more efficient equipment and methodologies are adopted. In 2010, Power Usage Efficiency for our largest data centres improved (1.8 in 2009 vs. 1.7 in 2010). We are members of the <u>Uptime Institute</u> and took part in developing an <u>EPA Energy Star Efficiency Study</u> to set guiding principles for the IT industry. We are also founding members of the Digital Delivery Group looking to implement this guidance across the media sector.

In 2010, nine locations achieved the EPA Energy Star certification (achieving two of our Environmental Standards, for energy and carbon emissions). As well as continuing to upgrade lighting, replacing halogen lamps with more efficient LED, and fitting more daylight and motion sensors, we installed economisers, and replaced rooftop heating and ventilation systems. We also look for simple measures that can have a significant impact: we implemented a closed door policy between floors at our Amsterdam site, saving 19% in heating.

Travel



- Intensity ratio (tCO_e/revenue £m)

¹Travel data, using Defra conversion factors, covers 91% of our sites by revenue

Business travel emissions increased in 2010, returning to pre-2008 levels, particularly as more employees travelled by air. In intensity terms, we saw a 6.6% increase between 2009 and 2010, but have achieved a 36% reduction since 2006. In absolute terms, our impact grew by 6.3% between 2009 and 2010. Business travel, including our car fleet, contributes significantly to our total gross carbon emissions (21%).

In 2010, air travel represented 83% of total travel emissions; cars were responsible for 17%, and rail less than 1%. See the results in the data summary table and the environmental charting tool.

Following training by our technical services team and campaigns by local Green Teams, video conferencing has become an integral part of how we do business. We saw significant increases in the number of meetings held by video conference.

2010 potential environmental savings through video conferencing¹

| | 2010 | | 2009 |
|----------------------------|------------|------|-----------|
| Number of video meetings | 10,306 | 184% | 3,625 |
| Video miles (air and road) | 12,190,566 | 184% | 4,289,496 |
| tCO ₂ e | 3,554 | 194% | 1,208 |
| Cost saved (GBP) | 972,880 | 97% | 493,760 |
| Travel time saved (hours) | 38,209 | 160% | 14,685 |

¹ Data excludes any video calls under 10 minutes

Introduction

Introduction

Supply chair

Environment continued

Even with the greater use of video conferencing, journeys by air still increased by 11% (158,490 in 2010 vs. 143,350 in 2009), due primarily to a rise in long haul travel, responsible for almost 50% of travel emissions. Domestic travel by all modes of transport continued to reduce. We will continue to explore ways to encourage employees to seek alternatives to long haul travel whenever possible.

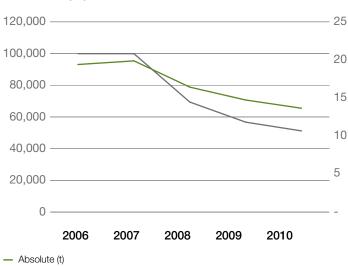
A Reed Elsevier global travel portal highlights rail use as an alternative to air travel on certain routes. At Reed Midem Paris, staff are given premium train cards to encourage travel by rail to exhibitions. We are still working to capture a higher percentage of our total rail impacts.

Our car fleet reduced by a further 9% in 2010 and we achieved a 28% reduction in associated emissions. This has been helped by the introduction of electric cars and proactive car policies. <u>Read</u> how changes in local car policies are resulting in reductions and cost savings.

We encourage locations to develop local travel plans, one of the RE Environmental Standards. We continue to promote home working, biking to work, and better parking options for employees who car pool or drive low emission vehicles. To encourage greener alternatives, LexisNexis US maintains an award-winning Alternative Work Solutions programme, which promotes environmentally friendly commuting options.

Paper

Production paper



Intensity ratio (t/revenue £m)

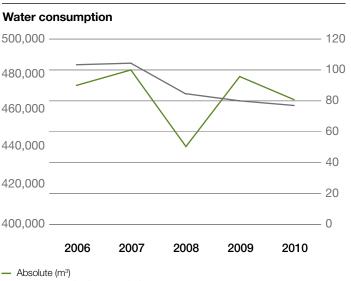
As we deliver more of our products online, our consumption of production paper continues to decrease (73,217 tonnes in 2009 to 65,777 tonnes in 2010). Although still a significant impact area, the 10% decrease in 2010 is part of broader 30% reduction trend between 2006 and 2010. As well as a reduction in print runs, we are also continuing to take proactive reduction measures, moving from litho to digital printing, print on demand, and lighter papers where possible. As founding members of <u>PREPS</u>, we have helped create the PREPS database to capture the technical specifications of the pulps and forest sources of our papers. Each paper is graded one (lowest) to five (highest) stars according to sustainability criteria, encompassing recognised forest certification standards like FSC. The grading system was initially developed by PREPS member Egmont UK Ltd and sustainability consultants Acona, along with input from Greenpeace and WWF. Papers graded three and above are considered as deriving from known and legal sources. With help from our paper suppliers, by the close of 2010, 96% of Reed Elsevier papers by weight were on PREPS, of which 83% have been graded, all achieving three, four, or five stars. In 2010, we updated the <u>Reed Elsevier Paper Policy</u> to focus on increasing the proportion of paper we buy with recycled and certified content.

PREPS is now the largest paper database in the world with over 6,743 papers from 191 mills. In 2010, a new online submission process was introduced to allow mills to view their papers grades and make direct updates. The addition of CO_2 and water as additional indicators represents an effort to understand a more complete sustainability picture of the paper we buy.

We use approximately 1,000 tonnes of office paper a year. To reduce levels, we have set a target of annual office paper consumption of 3,000 sheets per person, nearly half of current usage through the Environmental Standards programme. We continue to roll out multifunctional devices for printing, scanning, and copying – by removing standalone printers we decrease energy as well as paper use.

We were once again ranked first in our sector in the Forest Footprint Disclosure, which identifies how companies are addressing risks associated with deforestation.

Water



- Intensity ratio (m³/revenue £m)

Water usage in intensity terms continued to move downward with a 4% reduction between 2009 and 2010 and a 27% reduction since 2006. Absolute water usage also decreased by 4% between 2009 and 2010, but has fluctuated over the last five years due to acquisitions and changes in employee numbers.

We are acutely aware that water is one of the world's most vital and irreplaceable resources. For this reason, we launched the first <u>Reed</u> <u>Elsevier Environmental Challenge</u> to identify projects that improve sustainable access to water.

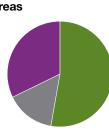
We engage with internal water experts who produce water-related products and services such as <u>Water Research</u> and <u>The Journal</u> of Hydrology, which both put on major conferences in 2010. Reed Elsevier is a founding contributor to <u>CDP Water Disclosure</u> and is a member of the steering committee of the <u>United Nations CEO</u> <u>Water Mandate</u>, which brings together businesses to address the challenges posed by water scarcity and quality to communities and ecosystems.

Unlike carbon, water-related issues are fundamentally related to location and exposure to water stress. We use a watershed risk management system to identify the river basins our sites draw water from using the World Business Council for Sustainable Development Global Water Tool. The majority of the water we use comes from central supply to our offices, but we are exploring opportunities for reclaimed 'grey water' systems.

In reviewing our 2010 property portfolio, 47% of reporting locations (based on 1995 World Resources Institute guidelines) are in areas at risk of water stress or severe water stress which could lead to economic development and food production issues in the future. The majority of these are in developed countries, with a high capability for water adaptation and mitigation. We will continue to focus reduction efforts in areas of severe water stress where they will have the most impact.

Percentage of sites in water stressed areas

- No water stress 53%
- Water stress 15%
- Severely water stressed 32%



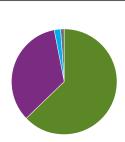
We have an ongoing programme of water reduction measures including sprinkler system adjustments, leak identification and repair, and installing waterless urinals where practicable. For example, at our New Providence location the detection of a leak led to a 54% water reduction in 2010.

Water consumption in our supply chain is a key issue, particularly by paper and print manufacturers, often located in stressed or severely stressed areas. In 2010, we continued to map supply chain water stress. With online training, tools and support, we received data from 17% of suppliers we asked to complete a water footprint survey. We calculated a relative impact of 781,454 m³ based on the percentage of water they used for production on our behalf. Additional data will become available through PREPs in the year ahead.

Waste

Percentage of waste disposed 2010

- Recycling (t) 63%
- Landfill (t) 34%
- Incineration (t) 2%
- Energy from waste (t) 1%



Of the 12,335 metric tonnes of waste we generated in 2010, 63% (7,720t) was recycled, compared with 60% in 2009.

The majority of our offices are leased and situated in shared buildings, making it difficult to track waste. We have therefore developed a methodology to calculate waste based on regular weight sampling and the counting of waste containers leaving our premises. Although we know local municipalities carry out some sorting and recycling, we only report waste as recycled if we have evidence.

In 2010, we began collecting data on waste by type of material and by disposal method in order to eventually convert it into associated emissions for inclusion as part of our GHG scope 3 emissions. This change in reporting led to an increase in waste totals as some locations were able to identify new waste streams such as hygiene and confidential waste which they had not previously collected. Our target is to recycle 70% of our waste by 2015 and waste reduction was our environmental focus for 2010. Several locations introduced new programmes to increase the amount of waste they recycle. Read about one Green Team member's experience.

We provide information on UK packaging waste in line with the UK government's Producer Responsibility Obligations (Packaging Waste Regulations 2007). As a member of the Biffpack compliance scheme, we track the amount of our obligated packaging generated through the selling, pack/fill, and importation of our products. Introduction

Employee involvement

Employees are integral to our environmental improvement efforts. There are over 45 Environmental Champions and 400 employees at 90 locations actively involved in Reed Elsevier Green Teams around the world.

2010 employee environmental activities included:

 Our Green Heroes programme celebrating extraordinary efforts by employees to be green.
 Employees were nominated by colleagues, with eight winning staff recognised by the CFO – our senior
 Environmental Champion – on World Environment
 Day. They also received a box of organic chocolates.



• Our Elsevier/LexisNexis/RBI Amsterdam Green Team coordinated a Take the Stairs Week, linking promotion of a healthy lifestyle with environmental reductions. They also hosted seminars utilising internal expertise from our journal Resources, Conservation and Recycling, with sessions like "Hot issues and emerging trends in scientific publishing on waste management and recycling."



- The 2010 RE Shoe Drive saw 6,535 pairs of shoes diverted from landfill and either donated to charity or recycled. Elsevier in Rockville, Maryland collected nearly 10 pairs per person and won \$1,000 which they donated to the <u>Miami Project to Cure Paralysis</u> and the University of Maryland Joselin Diabetes Centre.
- The Elsevier St. Louis Green Team held three adopt a highway clean-ups and a World Environment Day event at a local park planting trees.

- The LexisNexis Halsbury House Green Team in the UK expanded World Environment Day activities into a two week plastic cup amnesty to discourage waste. They also produced personalised walking maps to reduce colleagues commuting footprint; sold reusable jute lunch bags; and had a special screening of the climate change drama documentary, The Age of Stupid.
- The LexisNexis Risk Solutions Dallas, Texas Green Team organised a clean-up of White Rock Lake for their 5th annual Earth Day celebration. Using kayaks to the out-of-reach marshy shore edges, they estimated removal of 100 pounds of waste.

Our operations have an impact on biodiversity, primarily through water extraction, building work, transportation, and facilities management. We have few sites with surrounding land; however, where we do, we plant drought tolerant indigenous species to reduce irrigation requirements and increase biodiversity.

Over the last six years, Earthwatch and Reed Elsevier have successfully collaborated on biodiversity conservation and education projects.

In 2010, RBI Georgia employee Shar Mallory, the winner of our 2009 employee rainforest competition went on the 2010 Earthwatch Puerto Rico Rainforest Project, exploring the economic use of rain forest land while protecting forest ecology.



Reed Elsevier is a corporate partner of the <u>Prince's</u> <u>Rainforest Project</u>, set up in 2007 by the Prince of Wales to combat tropical deforestation and associated carbon emissions.

2011 objectives

- Undertake data centre efficiency study
- 20% of electricity from renewables or offsets
- Establish Green Team Environmental Training Academy



Corporate Responsibility Report 2010 Reed Elsevier

Appendix 1 – LBG Assurance Statement – Reed Elsevier (global operations)

We have been asked by Reed Elsevier to assess the use made by its global operations of the LBG model for measuring their corporate community involvement activity during 2010.

Reed Elsevier is an active member of the LBG. The LBG model helps businesses to improve the management, measurement and reporting of their corporate community involvement programmes. It moves beyond charitable donations to include the full range of contributions (in time, in kind and in cash) made to community causes, and assesses the actual results for the community and for the business. (See www.lbg-online.net for more information).

As managers of the Group, we have worked with all the named operations to ensure they understand the LBG model and have applied its principles to the measurement of community involvement programmes during 2010. Having conducted an assessment, we are satisfied that the data continue to reflect LBG principles.

In our commentary we identify some technical improvements that can be made as Reed Elsevier develops its application of the model in future.

Commentary

Reed Elsevier has continued to make commendable progress in its community investment measurement processes. It continues to extend the assurance and data coverage of its activity. The next major challenge however, is for Reed Elsevier to move from measuring the inputs the company makes to community activities (i.e. the amount it invests) to assessing what this achieves for both the community and the business. It has made a positive start in this area by capturing information on the additional funds leveraged by many of the projects it supports.

Reed Elsevier needs to continue to pay careful attention to identifying the motivation for contributions (i.e., whether a contribution is purely philanthropic in nature or has arisen as a result of more commercial considerations). This provides a valuable indication of the strategic level of the community programme and the degree to which it is aligned with wider business goals.

Reed Elsevier should ensure consistency when reporting on subject focus (e.g., education/health) and categorisations (cash, time, and in-kind) across the business operations. Documenting processes and methodologies for calculating in-kind contributions will ensure a clear understanding of the total cost being incurred and attributed to the business.

Our work has not extended to an independent audit of the data.

Corporate Citizenship

www.corporate-citizenship.com February 2011 Introduction

Appendix 2 – Independent assurance statement to Reed Elsevier management

Reed Elsevier's Corporate Responsibility Report 2010 (the Report) has been prepared by the management of Reed Elsevier Group plc who are responsible for the collection and presentation of the information within it. Our responsibility, in accordance with Reed Elsevier management's instructions, is to carry out a limited assurance engagement on the 2010 environmental and health and safety data contained within the Report. We do not, therefore, accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

What did we do to form our conclusions?

Our assurance engagement has been planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE3000). The environmental, health and safety data have been evaluated against completeness, consistency and accuracy criteria agreed with the management of Reed Elsevier. These criteria have been agreed to provide a basis for assessing Reed Elsevier's application of its environmental and health safety reporting requirements. These requirements are summarised here and on page 42 of the Report. Our criteria are set out below:

Completeness

• Whether all material data sources have been included and that boundary definitions have been appropriately interpreted and applied.

Consistency

- Whether the Reed Elsevier Environmental Guidance for completion of the Group Environmental Survey (updated December 2010) has been applied to the environmental data.
- Whether the Guidance for the completion of the Group Health & Safety Survey has been applied to the health and safety data.

Accuracy

- Whether site-level environmental, health and safety data has been accurately collated at Group level.
- Whether there is supporting information for the environmental, health and safety data reported by sites to Group.

In order to form our conclusions we undertook the steps outlined below:

- 1. Interviewed specialists responsible for managing, collating, and reviewing environmental, health and safety data at a Group level for internal and public reporting purposes.
- Interviewed regional coordinators responsible for managing regional environmental performance and reviewing and reporting regional Environmental data to Group.
- 3. Interviewed specialists responsible for managing environmental, health and safety performance in selected businesses and for collating and reviewing environmental, health and safety data for internal and public reporting purposes.
- 4. Reviewed a selection of management documentation and reporting tools including guidance documents.
- 5. Performed a review of the Hara online data collection tool, including testing outputs and selected conversions made within the tool.
- 6. Reviewing underlying documentation for a sample of site level environmental data points. Supporting documentation was sought and reviewed for 50 data points covering electricity, gas, city heating, fuel oil, water consumption, refrigerant use and waste disposal.
- 7. Reviewed and challenged the environmental and health and safety data validation and collation processes at Group reporting level.
- 8. Reviewed the Report for the appropriate presentation of the data including the discussion of limitations and assumptions relating to the data presented.

Level of assurance

Our evidence gathering procedures have been designed to obtain a sufficient level of evidence to provide a limited level of assurance in accordance with ISAE3000.

Limitations of our review

Our scope of work was limited to the environmental data and a review of the Group consolidated health and safety data.

We have not sought evidence to support the statements or claims presented within the Report, other than those relating to the 2010 environmental, health and safety performance data. Data relating to Scope 3 emissions from supply chain and commuting as well as water stress data presented in the environmental section of the Report were not included within our scope.

Appendices

Our unique contributions

Governance

People and community

Customers

Health and safety

Appendix 2 – Independent assurance statement to Reed Elsevier management continued

Our conclusions

Based on our review:

- Nothing has come to our attention that causes us to believe that the environmental, health and safety reporting guidelines, as set out in the Report, have not been applied.
- We are not aware of any material reporting units which have been excluded from the scope of the environmental, health and safety data.
- Nothing has come to our attention that causes us to believe that the environmental, health and safety data has not been properly collated from the information reported by sites.
- We are not aware of any errors that would materially affect the reported environmental, health and safety data.

Our observations

Our observations and areas for improvement will be raised in a report to Reed Elsevier's management. Selected observations are provided below. These observations do not affect our conclusions on the Report set out above.

Through our interviews with regional H&S personnel we observed that there is an opportunity for Reed Elsevier to further align the Human Resources and H&S reporting processes for absenteeism data. We understand that this process is already underway in North America; further roll out across the group would help support consistent reporting of occupational health issues.

Reed Elsevier introduced a new online environmental data collection system in 2010. We observed that although the transition presented challenges, there are clear benefits associated with its introduction. These include: automated controls to help scrutinise data variances, consistent application of estimation methodology and an audit trail to support internal review and sign off.

Our independence

This is the fifth year Ernst & Young LLP has provided independent assurance services in relation to Reed Elsevier's corporate responsibility reporting. With the exception of this work we have provided no other services relating to Reed Elsevier's approach to corporate responsibility or any of the business processes relating to environmental and health and safety data collation and reporting.

Our assurance team

Our assurance team has been drawn from our global Climate Change and Sustainability Services network, which undertakes similar engagements to this with a number of significant UK and international businesses.

Ernst & Young LLP

I ondon March 2011 Governance

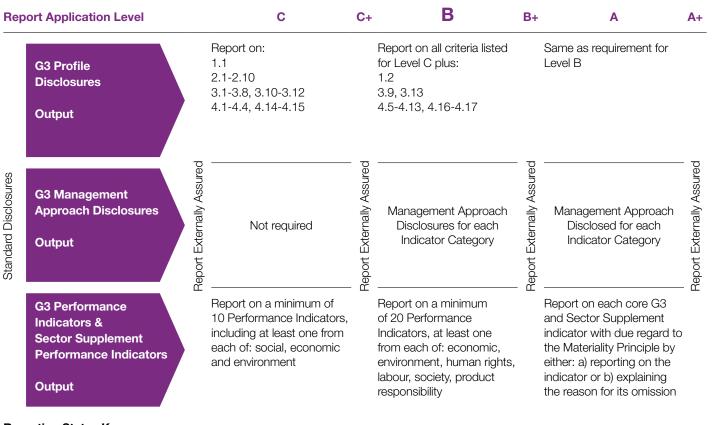
Appendix 3 – Global Reporting Initiative Index

The Global Reporting Initiative (GRI) is an international framework for voluntary reporting of the economic, environmental and social impacts of company performance.

The table below indicates the areas of our report which cover the GRI 3 (the third generation of guidelines) and whether we have done this fully, in part or not at all. We believe that the Reed Elsevier CR Report represents a balanced and reasonable presentation of our company's performance and have self declared our reporting level against the criteria in the GRI application levels as B.

Application Level Criteria

Reports intended to qualify for level C, C+, B, B+, A or A+ must contain each of the criteria that are presented in the column for the relevant level.



Reporting Status Key:

- ••• We report against this indicator
- •• We partially report against this indicator
- We do not report against this indicator
- + More information available through relevant link

All numbers refer to pages in the RE CR Report unless otherwise indicated as AR (RE Annual Report)

Introduction

Appendix 3 – Global Reporting Initiative Index continued

| | Reporting Element | Status | Where this can be found/explanation |
|------------|--|--------|---|
| | e, Strategy & analysis | | Chief Evenutive's lateral vetice |
| .1 | CEO Statement | ••• | Chief Executive's Introduction |
| .2 | Description of key impacts, risks and opportunities | ••• | Chief Executive's Introduction, 6-15, 41- |
| Orga | nisational Profile | 1 | |
| 2.1 | Company name | ••• | 4 |
| 2.2 | Primary brands, products, and/or service | ••• | 5 |
| 2.3 | Operational structure of the organisation | ••• | 5, 17 |
| 2.4 | Location of organisation's headquarters | ••• | 4 |
| 2.5 | Countries where organisation operates | ••• | 5 |
| 2.6 | Nature of ownership and legal form | ••• | 5, 17, AR:56-61 |
| 2.7 | Markets served | ••• | 5 |
| 2.8 | Scale of the reporting organisation | ••• | 5 |
| 2.9 | Significant changes during the reporting period | ••• | AR:4-5 |
| 2.10 | Awards received in the reporting period | ••• | 6, 6+ |
| | rt Parameters rt Profile | | |
| 3.1 | Reporting period | ••• | 9 |
| 3.1 3.2 | Date of most recent previous report | ••• | 9 |
| 3.2 3.3 | Reporting cycle (annual, biennial, etc.) | ••• | 9 |
| 3.4 3.4 | Contact point for questions regarding the report or its contents | ••• | 4 |
| 0.4 | | | ' T |
| Repo | rt Scope and Boundary | | |
| 3.5 | Process for defining report content | ••• | 6, 38, 41 |
| 3.6 | Boundary of the report | ••• | 3-8, 42+ |
| 3.7 | Specific limitations on the scope or boundary of the report | ••• | 3-8, 42+ |
| 3.8 | Basis for reporting on joint ventures, subsidiaries, etc. | ••• | 5, AR:42-45 |
| 3.9 | Data measurement techniques and the bases of calculations | ••• | 9, 42+ |
| 3.10 | Explanation of the effect of any re-statements compared to earlier reports | ••• | 9 |
| 3.11 | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied | ••• | 9 |
| GRIC | Content Index | | |
| 3.12 | Table identifying the location of the (GRI) Standard Disclosures in the report | ••• | 4 |
| 01.12 | | | 1. |
| | | | 04.40 |
| 3.13 | Policy and current practice with regard to seeking external assurance for the report | ••• | 24, 42 |
| Gove | rnance, Commitments, and Engagement | | |
| | rnance | | |
| 4.1 | Governance structure of the organisation | ••• | 6, AR:54-81 |
| 1.2 | Indicate whether the Chair of the highest governance body is also an executive officer | ••• | AR:54-55 |
| 4.3 | Independent and/or non-executive board members | ••• | AR:54-55 |
| 1.4 | Mechanisms for shareholders and employees to provide recommendations or direction to the board | ••• | AR:194 |
| 1.5 | Remuneration to senior executives | ••• | AR:62-80 |
| 4.6 | Processes for avoiding conflicts of interest for the board | ••• | AR:54-81 |
| 4.7 | Process for determining the qualifications and expertise of the board | ••• | AR:54-55 |
| | members | | |
| 4.8 | Mission, values, codes of conduct etc. | ••• | 11-15, 17 |
| 4.9 | The boards overseeing of Sustainability issues | ••• | 6 |
| 4.10 | Processes for evaluating the boards own performance, particularly with respect to sustainability | ••• | 52, AR:66 |

Introduction

Appendix 3 – Global Reporting Initiative Index continued

| | rnance, Commitments, and Engagement | Status | Where this can be found/explanation |
|---|---|--|---|
| Com | mitments To External Initiatives | | |
| .11 | Explanation of how the precautionary approach or principle is addressed. | ••• | 41 |
| 12 | Externally developed economic, environmental, and social charters, | ••• | 6, 7 |
| | principles, or other initiatives to which the organisation subscribes or | | |
| | endorses | | |
| .13 | Associations to external voluntary codes, principles or other initiatives | ••• | 6 |
| take | eholder Engagement | | |
| .14 | List of stakeholder groups | ••• | 6 |
| 15 | Basis for identification and selection of stakeholders | ••• | 6, 8 |
| .16 | Approaches to stakeholder engagement | ••• | 8 |
| .17 | Key topics and concerns that have been raised through stakeholder | ••• | 8 |
| | engagement | | |
|)iscl | osure of Management Approach | | |
| | Economic | ••• | 6 |
| | Environmental | ••• | 40-48 |
| | Social | ••• | 24-26 |
| ioon | omic Performance Indicators | | |
| C1 | Direct economic value and distribution | ••• | 5 10 04 AD:2 |
| - | | | 5, 19, 24, AR:3 |
| C2 | Financial implications and other risks and opportunities for the organisation activities due to climate change | ••• | 41+ |
| СЗ | Coverage of the organisation defined benefit plan obligations | ••• | AR:43 |
| C4 | Significant financial assistance received from government | ••• | We received no significant financial assistance |
| C6 | Policy, practices, and proportion of spending on locally-based suppliers | • | |
| EC7 | Procedures for local hiring and proportion of senior management hired from | • | |
| .01 | the local community | - | |
| C8 | Infrastructure investments and services provided primarily for public benefit | ••• | 11-15 |
| =nvir | onmental Performance Indicators | | |
| EN1 | Materials used by weight or volume | ••• | |
| | | | |
| | eport on paper, our most significant material | | |
| EN2 | Percentage of input materials recycled | ••• | 41-47, We report on paper, our most |
| | | | significant material |
| N3 | Direct energy consumption by primary energy source | ••• | 44 |
| | Indirect energy consumption by primary source | ••• | 44 |
| | | | 16 |
| N8 | Total water withdrawal by source | ••• | 46 |
| :N8 :N9 | Water sources significantly affected by withdrawal of water | ••• | 46-47 |
| :N8 :N9 | Water sources significantly affected by withdrawal of water | | 46-4748 RE is a predominantly office based company. The majority of our locations |
| :N8 :N9 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high | ••• | 46-47 48 RE is a predominantly office based |
| N8 N9 N11 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high | ••• | 46-4748 RE is a predominantly office based company. The majority of our locations |
| N8 N9 N11 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value | ••• | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations |
| N8 N9 N11 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value Significant impacts of activities, products, and services on biodiversity | ••• | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations are in cities |
| N8 N9 N11 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value Significant impacts of activities, products, and services on biodiversity Total direct and indirect greenhouse gas emissions | ••• | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations are in cities 43 |
| EN8 EN9 EN11 EN12 EN16 EN16 EN17 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value Significant impacts of activities, products, and services on biodiversity Total direct and indirect greenhouse gas emissions Other relevant indirect greenhouse gas emissions | ••• | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations are in cities 43 43 |
| N8 N9 N11 N12 N12 N12 N16 N17 N19 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value Significant impacts of activities, products, and services on biodiversity Total direct and indirect greenhouse gas emissions | ···· ···· | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations are in cities 43 43 43 We do not have other significant iar |
| N8 N9 N11 N12 N12 N16 N17 N19 N20 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value Significant impacts of activities, products, and services on biodiversity Total direct and indirect greenhouse gas emissions Other relevant indirect greenhouse gas emissions Emissions of ozone-depleting substances Other significant air emissions | ••• ••• ••• ••• ••• ••• | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations are in cities 43 43 43 We do not have other significant iar emisions |
| EN16 EN17 EN19 EN20 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value Significant impacts of activities, products, and services on biodiversity Total direct and indirect greenhouse gas emissions Other relevant indirect greenhouse gas emissions Emissions of ozone-depleting substances | ••• ••• ••• ••• | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations are in cities 43 43 43 We do not have other significant iar emisions Our water discharge is through municipation |
| N8 N9 N11 N12 N12 N16 N17 N19 N20 | Water sources significantly affected by withdrawal of water Location/scope of land owned near protected areas/areas of high biodiversity value Significant impacts of activities, products, and services on biodiversity Total direct and indirect greenhouse gas emissions Other relevant indirect greenhouse gas emissions Emissions of ozone-depleting substances Other significant air emissions Total water discharge by quality and destination | ••• ••• ••• ••• ••• ••• | 46-47 48 RE is a predominantly office based company. The majority of our locations are in cities 48 RE is a predominantly office based company. The majority of our locations are in cities 43 43 43 We do not have other significant iar |

Introduction

Appendix 3 – Global Reporting Initiative Index continued

| Socia | Performance Indicators – Labour Practices and Decent Work | Status | Where this can be found/explanation |
|-------|---|--------|-------------------------------------|
| LA1 | Total workforce by employment type, employment contract, and region | •• | 21 |
| LA2 | Total number and rate of employee turnover by age group, gender, and region | •• | 21-22 |
| LA4 | Percentage of employees covered by collective bargaining agreements | ••• | 18 |
| LA5 | Minimum notice period(s) regarding operational changes | • | |
| LA7 | Rates of injury, occupational diseases, lost days, and absenteeism, | •• | 33 |
| | and number of work-related fatalities by region | | |
| LA8 | Programmes to assist workforce regarding serious diseases | •• | 32-34 |
| LA10 | Average hours of training per year per employee by employee category | •• | 23 Total cost of employee training |
| LA13 | Composition of governance bodies and breakdown of employees per | •• | 6, 21-22 |
| | category according to gender, age group, minority group membership, | | |
| | and other indicators of diversity | | |
| LA14 | Ratio of basic salary of men to women by employee category | • | |

Social Performance Indicators – Human Rights

| HR1 | Consideration for human rights investment | •• | 12-13, 19 |
|-----|--|-----|----------------------------|
| HR2 | Human rights in the supply chain | •• | 36-39+ |
| HR4 | Total number of incidents of discrimination and actions taken | ••• | 37, 37+ remediation report |
| HR5 | Operations identified in which the right to exercise freedom of association | ••• | 37+ |
| | and collective bargaining may be at significant risk, and actions taken | | |
| HR6 | Operations identified as having significant risk for incidents of child labour | ••• | 36-39 |
| HR7 | Operations identified as having significant risk for incidents of forced or | ••• | 36-39 |
| | compulsory labour | | |

Social Performance Indicators – Society

| SO1 | Programmes for evaluating the impacts of operations on communities | •• | 11-15, 24-26 |
|-----|--|-----|--------------|
| SO2 | Business units analysed for risks related to corruption | ••• | 17-19 |
| SO3 | Percentage of employees trained in organisation's anti-corruption | ••• | 18-19 |
| | policies and procedures | | |
| SO4 | Actions taken in response to incidents of corruption | •• | 18 |
| SO5 | Public policy positions and participation in public policy development | ••• | |
| | and lobbying | | |

Aspect: Anti-Competitive Behaviour

| SO8 | Monetary value of significant fines and total number of non-monetary | •• | We had no significant fines in the |
|-----|--|----|------------------------------------|
| | sanctions for non-compliance with laws and regulations | | reporting period |

Social Performance Indicators – Product Responsibility

| PR1 | Life cycle stages in which health and safety impacts of products and services are assessed | •• | 38 |
|-----|--|-----|------------------------------------|
| PR3 | Product labeling and information | •• | 38 |
| PR6 | Programmes for adherence to laws, standards, and voluntary codes | • | |
| | related to marketing communications, including advertising, promotion, | | |
| | and sponsorship | | |
| PR9 | Monetary value of significant fines for noncompliance with laws and | ••• | We had no significant fines in the |
| | regulations concerning the provision and use of products and services | | reporting period |

People and community Customers

Introduction

Our unique contributions

Governance

Credits

The Reed Elsevier Corporate Responsibility report is available online, at www.reports.reedelsevier.com/cr10.

We print other key corporate documents. The 2010 Annual Reports and Financial Statements is printed on Revive 50:50 Silk a recycled paper, Forest Stewardship Council (FSC) certified, containing 50% recycled waste and 50% virgin fibre and manufactured at a mill certified with ISO 14001 environmental management standard. The pulp used in this product is bleached using an Elemental Chlorine Free process (ECF). The inks used in the printing of this report are all vegetable based.

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