

United Nations Global Compact

Communication on Progress



Reed Elsevier is dedicated to being a leader in our sector recognised for:

- profitable, ethical, innovative, business performance
- positive engagement with stakeholders including shareholders, employees, and communities
- enhancing the positive impact of what we do and limiting any negative consequences, including on the environment

Our support for the United Nations Global Compact (UNGC) makes real this commitment to corporate responsibility. Throughout our business, we strive to advance the ten principles covering human rights, labour, the environment, and anti-bribery each day. As the Global Compact makes clear, “in this way, the private sector – in partnership with other social actors – can help realise... a more sustainable and inclusive global economy.”

As an active UNGC signatory, we are also part of the CEO Water Mandate which focuses on achieving more sustainable consumption of this essential resource. We serve on the steering group for the UNGC UK Network and lead the Communications Working Group. And over the last year we provided support for the Dutch and Eastern European networks, with in-kind support for the production of a DVD on the UNGC Leaders Summit.

This Communication on Progress reviews how we have been specifically applying the ten principles. As one of the world’s largest media companies, it reflects our interest in transparency. We share it widely on our global intranet and externally at www.reedelsevier.com.

I am proud of our involvement with the UNGC and will ensure Reed Elsevier continues to advance the principles in all we do.

Sir Crispin Davis, CEO

For comprehensive information about our corporate responsibility activities, visit www.reedelsevier.com/corporateresponsibility/Pages/Home.aspx and read our most recent CR Report at www.investis.com/reports/reed_csr_2007_en/report.php?type=1.

Our Business

Reed Elsevier is a world leading publisher of science and medical, legal and business information for professional users. Every year our operating divisions produce more than 15,000 different magazines, books, CD ROMs and internet based data and information services. Our three divisions, Elsevier, LexisNexis and Reed Business, deliver authoritative content through market leading brands, enabling our professional customers to find the essential data, analysis and commentary to support their decisions.



ELSEVIER

www.elsevier.com

Elsevier is a world leading provider of scientific, technical and health information for professional users. These include scientists and researchers, doctors, nurses and health practitioners, academics and students. Elsevier's 20,000 products and services include print and online journals, books, CDs, databases and portals. Elsevier's innovative electronic products include its ScienceDirect platform, the Scopus database, the award winning scientific web search engine Scirus and MD Consult.

Its world-renowned publications include Gray's Anatomy, The Lancet, Tetrahedron and Cell.



LexisNexis®

www.lexisnexis.com

LexisNexis is a global provider of authoritative legal, tax, regulatory, public records, news and business information solutions, both online and in print. LexisNexis uses new advanced technology to allow law firms and businesses to customise products to the specific information needs and language of a country, jurisdiction or market, with seamless searching and linking.

LexisNexis works with legal and business professionals across six continents, providing information solutions through some of the world's most respected and authoritative imprints, such as Martindale-Hubbell, Butterworths, Tolley, Juris Classeur, Matthew Bender, Abeledo-Perrot, Orac and LexisNexis.



www.reedbusiness.com

Reed Business is a leading global business-to-business publisher and exhibition organiser, providing magazines, exhibitions, conferences, online media, directories and marketing services to business customers across six continents.

Reed Business Information has a portfolio including leading brands such as Variety, EDN and Interior Design in the US; Community Care, New Scientist, Estates Gazette, totaljobs.com and Kellysearch in the UK; Elsevier, Boerderij, and Distrifood in the Netherlands. Reed Exhibitions manages 460 events globally in 52 industries, bringing together 90,000 suppliers and 5.5 million buyers each year.

Human Rights

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2:

Businesses should make sure that they are not complicit in human rights abuses

Reed Elsevier respects human rights. It is a key provision in our Code of Ethics and Business Conduct and Supplier Code of Conduct. In addition, we incorporate human rights in other policy documents such as Anti-Harassment at Work, accessible to all employees on the RE intranet.

Principles in Action

Our Code of Ethics and Business Conduct, disseminated to every employee, is a tangible manifestation of our values. The Code is a guide to the way we go about achieving our business goals and encourages open and ethical behaviour. It states, “we are committed to treating all employees and applicants for employment with respect and dignity, and 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 providing reasonable accommodation for employees’ disabilities or religious beliefs or practices.”

The Code was last updated in 2006 to clarify key provisions and enhance readability. We continue to roll out tools for filing anonymous complaints such as a toll-free, confidential reporting line for US and UK employees and an electronic reporting form. The revised Code was disseminated to all employees worldwide by the CEO who reminded staff “compliance with the Code is essential to maintaining our performance and reputation.” Code breaches are subject to swift disciplinary action, up to and including termination.

Helping our employees understand the Reed Elsevier Code of Ethics and Business Conduct

To aid employee understanding of the Code, we offer an online training programme. The course explains substantive policies, emphasises the importance of compliance, and highlights resources available to employees with questions or concerns. It begins with an introduction from the CEO and contains practical illustrations of provisions in practice.

Anti-harassment training

We offer employees anti-harassment training stressing the importance of preventing discrimination and treating fellow employees with respect and consideration at all times. The training makes clear we do not tolerate retaliation against those who raise complaints and that failure to rectify offending behaviour can lead to termination of employment.

Our Progress:

In 2007 22,000 employees completed online Code of Ethics training

In 2007 nearly 11,000 employees received anti-harassment training to reinforce detailed divisional anti-harassment policies

In 2008 we set a target to have 80% of employees complete online Code of Ethics training by 2009

Labour Standards

Principle 3:

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

Principle 4:

Businesses should uphold the elimination of all forms of forced and compulsory labour

Principle 5:

Business should uphold the effective abolition of child labour

Principle 6:

Businesses should uphold the elimination of discrimination in respect of employment and occupation

Reed Elsevier believes in achieving the highest labour standards throughout our business, as stipulated in our Code of Ethics and Business Conduct and Supplier Code of Conduct.

Principles in Action

Human Trafficking Principle 4

Our LexisNexis division combats human trafficking by offering direct financial support and legal and technical advice to organizations working to eradicate this illegal trade wherever it exists. LexisNexis sponsors special events aimed at raising awareness of the existence of human trafficking worldwide, partnering with two charitable organisations, Somaly Mam Foundation and Agir Pour les Femmes en Situation Précaire (AFESIP - Acting for Women in Distressing Situations). The Somaly Mam Foundation combats sexual slavery by funding AFESIP and other NGOs that work at the grass-roots level to rescue victims from brothels and offer them shelter, safety, counseling, education, vocational skills, and assistance transitioning back into society.

"Where human trafficking exists, the Rule of Law cannot exist."

Andy Prozes, CEO, LexisNexis Group

Our Communities Principles 4, 5

Our community programme, Reed Elsevier Cares, we support charitable organisations that work to end child labour. One of them is AfriKids, a charity we have partnered with since 2004. AfriKids is a child rights organisation, which works alongside indigenous communities in Ghana to improve quality of life for vulnerable children.

Reed Elsevier was one of the first donors to show commitment to AfriKids' Operation Zuarungu, which provides primary education, vocational training, micro loans and a health clinic to communities in Zuarungu, Northern Ghana. In 2007, we donated £10,039 to fund the education costs of Operation Zuarungu, staff also



"We have been amazed by the ongoing enthusiasm and support of Reed Elsevier, the Reed Elsevier Cares Champions and the wider staff base. At AfriKids, we strive to get supporters involved with our work, to feel a part of it and form 'partnerships for development' with the projects in Ghana, which move away from impersonal giving or handouts. With Reed Elsevier this is really happening."

AfriKids

raised an additional £14,000 for AfriKids, and purchased 300 goats and health insurance policies for AfriKids families.

We also provide ongoing support for AfriKids Academy, which we helped launch in 2005, by sending computers and other needed equipment. The AfriKids Academy gives free IT training to over 350 middle school children in the village of Bolgatanga each year, and runs fee paying adult classes to cover costs.

Involving Customers Principle 4

In October 2007, on the eve of the International Bar Association's International Annual Conference in Singapore, LexisNexis hosted a dinner for top Southeast Asian policy professionals to discuss Rule of Law and its role in the region's economic development. Keynote speaker was Somaly Mam, one of the most prolific activists fighting sexual slavery. Raising global awareness will help eradicate industry demand and encourage further pro bono efforts to end human trafficking.

Our Suppliers Principle 3,4,5,6

We require suppliers to meet the same high standards we set for our own behaviour. Our Supplier Code of Conduct, built on the UN Global Compact, contains standards on child labour, involuntary labour, wages, coercion and harassment, non-discrimination, freedom of association, health and safety, and precludes retaliation.

Internal and external audits by independent auditors ITS are performed on a rolling basis – high risk suppliers are audited every two years and facilities/suppliers where breaches have occurred are audited annually. Results are communicated to suppliers along with any remediation required. We agree remediation dates with suppliers and follow up audits ensure resolution of outstanding issues. For example last year, ITS helped supplier TnQ Books in India improve its recording of employee ages and monitored to ensure overtime is paid in accordance with Tamil Nadu law, the jurisdiction covering the factory.

Our Progress:

We conducted 20 external audits in 2007, measuring supplier performance against our Supplier Code of Conduct

Child Labour

In 2006, 44% of related non-compliance issues surrounded the inability of suppliers to provide proof of age records. In 2007 no suppliers were non-compliant with the child labour provision of our Supplier Code

Involuntary Labour

In 2007 66% of non-compliance with our Supplier Code related to involuntary labour. Issues highlighted regarded original educational certificates, collecting of employment deposits, and penalty for failing to serve contract term. In 2007 .5% of non-compliance related to these issues; in both years monitoring ensured all violations were resolved

Minimum Wage

In 2006 11% of non-compliance with our Supplier Code related to minimum wage issues such as pay deducted for new and replacement ID cards; temporary, trainee, and full-time workers being paid less than the minimum; and non availability of IN and OUT time records and payroll

records. In 2007 similar issues accounted for 25% of non-compliance; in both years monitoring ensured all violations were resolved

Overtime pay

In 2006 44% of non-compliance issues related to overtime such as overtime not paid according to law, and the inability to verify overtime wages. In 2007 such issues accounted for 20% of non-compliance; in both years monitoring ensured all violations were resolved

Overtime hours

In 2007, 40% of non-compliance was associated with overtime hours. For example, consecutive days worked exceeded legal limitations, overtime hours exceeded legal limitations and/or Reed Elsevier required standards, and overtime hours could not be verified. All issues were satisfactorily resolved. In 2006, such issues accounted for 88% of non-compliance issues.

Our Employees Principle 3,4,5,6

Our labour and employment policies and practices are fair and non-discriminatory in compliance with the UN Global Compact.

Our Human Resources Management Council is made up of senior members of the Reed Elsevier human resources community. Every other month, the Council meets to discern, address, and benchmark the key workplace issues facing the company.

One of the five Reed Elsevier values is Valuing our People, which encourages a work environment based on respect and open and honest communication. At least every three years we conduct the REspond global employee opinion survey to understand and then respond to the views of employees on our strengths and weaknesses. The next survey will be conducted in 2009, with 'pulse surveys' throughout 2008.

Reed Elsevier prohibits discrimination or harassment of any kind. We actively seek to build a workforce which reflects the diversity of our customers and communities.

Our Progress:

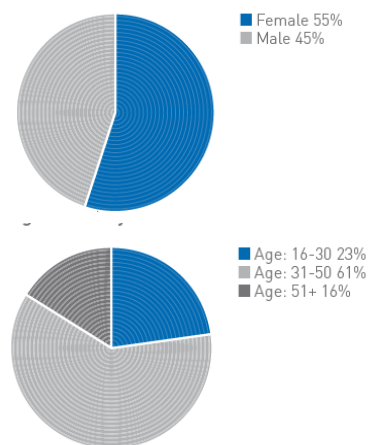
The RE workforce is 55% female, based on a sampling of greater than 75% of our key facilities responsible for more than 75% of turnover

In 2007, our senior management group comprised 18 nationalities [15 in 2006] of which 26% are women [21% in 2006]

There are two female members of the RE boards

Over 40% of our staff at Elsevier in the Netherlands are non-Dutch

Employee Diversity



Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges

Principle 8

Undertake initiatives to promote greater environmental responsibility

Principle 9

Encourage the development and diffusion of environmentally friendly technologies

UNGC environmental principles are incorporated in our Code of Ethics and Business Conduct, our Supplier Code of Conduct, and our Environmental Management System.

Principle in Action

Publishers for Responsible Environmental Paper Sourcing (PREPS)



Principle 7, 8, 9

Reed Elsevier is a founding member of PREPS, a group of leading publishing companies who have established a database to aggregate the technical specifications of the pulps and forest sources of production papers. PREPS works with suppliers to further understanding and reporting on paper sustainability.

Each paper is awarded a grade of 1-5 stars (with 3 stars and above considered sustainable) using the Egmont Grading System© (based on the World Wildlife Fund Global Forest and Trade Network reporting categories). The grading system considers whether material has been legally harvested (or recycled) and how forest sources have been managed. Results are then reviewed by an independent third party who help provide assurance. We are using this information within our business to make informed paper purchasing decisions.

Our Progress:

By the close of 2007, 75% of RE papers by weight were on the PREPS database, although only 35% of RE paper by weight had been graded. Of graded papers, 96% of what we use for production was above grade 3, derived from known and legal sources; additional papers are being reviewed through PREPS in 2008

Environmental Auditing Principle 7

Reed Elsevier believes in providing transparent and accurate environmental data assured by external auditors.

Our Progress:

In 2007 Ernst & Young visited key UK and US facilities as part of their assurance of 2006 data. In addition, the UK's Carbon Trust audited eight buildings. In 2008 Ernst & Young provided assurance of 2007 global environmental data. We focus on local level improvements;

exemplary is a 2% reduction in electricity usage at LexisNexis in Charlottesville, Virginia in 2007 following on from lighting upgrades

Environmental Management System Principle 7

We are guided in environmental reduction efforts by our Environmental Management System (EMS), based on ISO 14001 criteria. Our EMS is regularly updated in response to ongoing dialogue with stakeholder, including in 2007 employees, government departments such as the UK's environment agency, environmental charities and NGOs like Earthwatch and Green Standards, and specialists such as Trucost and Eco Network Ltd.

Environmental Champions Principle 8, 9

Our Environmental Champions network, led by the RE Environment and Health and Safety Coordinator, includes property directors and managers of facilities, production and distribution. They are charged with carrying out the Reed Elsevier EMS. To help advance environmental goals by key facilities we developed an Environmental Workbook to aid Environmental Champions in gauging yearly usage.

Our Progress

In 2007 we continued to develop our Champions network, by holding regular conference calls, annual meetings and adding colleagues involved in key business functions including procurement. In 2006 we achieved our objective to have Green Teams – employee environmental groups – in 75% of our key locations

The Green Room Principle 7, 8, 9

The Green Room, a popular feature on our corporate intranet site, offers comprehensive environmental information including the results of the RE Group Environmental Survey, the latest environmental technology and techniques, and extracts from in-house and external environmental publications. There are contact details for Environmental Champions, question and answer sections, and news stories from Green Teams across the Group. The Green Room also outlines steps the company and employees can take to better environmental performance.

Our Progress

We hold an annual environmental campaign on a key impact area for our company launched by CEO Sir Crispin Davis each World Environment Day. The campaign includes the relevant target, improvement ideas, competitions, visual materials, and resources, bolstered by awareness building events held in our business units. In 2008 the focus was climate change, in 2007 water, and in 2006 transport

Environmental Benchmarking, Targets, and Reporting Principle 8

We participate in environmental benchmarking activities like the annual Business in the Community Environment Index and the Carbon Disclosure Project, among others.

Our environmental targets remain a 10% reduction in energy and water consumption by 2008, from a 2003 baseline, a 2% reduction in transport emissions by 2009 on a 2005 baseline; a 50% increase in UK waste recycled by 2009; and a 10% reduction in CO₂ emissions by 2010 from a 2003 baseline. We report fully on our progress against environmental targets in the [environment section](#) of our Corporate Responsibility Report.

Our Progress

We are a top performing media company in Business in the Community's Environment Index (scoring Platinum overall in 2008), and in 2007 and 2008 we were named one of the best reporting companies in the Carbon Disclosure Project's Climate Leaders Index.

Advancing Environmental Knowledge through our Business Principle 9

Numerous Reed Elsevier publications and websites promote environmental awareness and understanding such as Journal for Nature Conservation; The Management of Solid Waste in Europe; Macroeconomic Analysis of Environmental Policy; and Environmental Sustainability, a Virtual Journal.

Our Reed Exhibitions division extends environmental knowledge through shows such as OI 06 – www.oi06.com – the world's largest marine science and ocean technology exhibition. Reed Exhibitions also organises the largest environmental engineering conference, Pollutec. The staff behind Pollutec focus on minimising the environmental impact of the show by using recycled paper and recyclable carpeting, maximizing electronic communication, and recycling materials following the show. They also provided an electric bus between exhibitor parking lots and the show entrance to reduce transport emissions.

Our Suppliers Principle 7, 8, 9

As part of our Socially Responsible Supplier programme, we ask key suppliers to annually detail their own environmental activities.

Our Progress in 2007:

71% of key suppliers have a designated member of the board with responsibility for corporate responsibility

79% have a formal Environmental Management System in place

48% have set environmental reduction targets

49% have external certification for their operations

34% externally report their environmental impact

Less than 3% of respondents reported environmental incidents in the last two years and outlined steps they have taken to bring their facilities into compliance

55% of our paper suppliers report their full CO2 emissions

No genetically modified organisms are used in any of our suppliers' pulp

Providing Access to Environmental Information Principle 9

Elsevier is a founding partner of Online Access to Research in the Environment (OARE – www.oaresciences.org). Launched in 2006 as an international public-private consortium by the United Nations Environment Programme, Yale University Library and the School of Forestry and

Environmental Studies, with leading science and technology publishers, 70 low income countries now have access to one of the world's largest collections of environmental science.

Our Progress:

In 2007, the first full year of the programme, 58,656 Elsevier articles were downloaded. Another 37 countries have been added in 2008

Using Technology [Principle 9](#)

As well as standard video conferencing at over 100 locations, we have installed NEMO real-time collaborative meeting rooms in operational centres: Amsterdam, London, and New York. These video, audio and data service rooms have reduced short and long haul trips that colleagues would normally have made between these sites.

Our Progress:

401 Nemo meetings were held in 2007 of two hours or longer on average. If we had travelled rather than using NEMO in 2007, 318 metric tonnes of CO₂ would have been emitted.

2007 NEMO Environmental Savings	2007	Variance	2006
Journeys	846	-5%	891
Kilometres Travelled	2,702,773	-6%	2,884,31
Flight Hours	4,096	-7%	4,389
CO ₂ /tonnes	318	-1%	323

Water

[Principle 7, 8, 9, CEO Water Mandate](#)

Reed Elsevier recognises water to be one of our key environmental impact area. Our 2007 environmental campaign focused on water, launched on World Environment Day with an email from the CEO who indicated, "This year we are focusing on water, an essential, finite resource..." He outlined that employees "can help ensure we conserve water where we can by reporting any leaks or drips to your facilities department." The campaign featured Green Team events across the group with posters developed by colleagues at Reed Business Information's Variety magazine. A special competition rewarded employee water improvement ideas with the winner garnering a water collection system to reuse rain water for plants and other purposes at their location.

We took part in Water Aid's 'Give an Hour' campaign which asked employees to donate one hour of their salary on 2007 World Water Day, and supported Reed Exhibition's Just A Drop charity, which brings clean water to children and their families across the world (see below).

We further understanding of water issues through hundreds of our products including books like A Practical Approach to Water Conservation for Commercial and Industrial Facilities, Integrated and Participatory Water Resources Management, and Water Supply; and journals such as Water Research, Agricultural Water Management, and Advances in Water Resources.

Our Progress:

In 2007, absolute water usage rose 2% from 367,301m³ in 2006 to 376,161m³. We aim to reduce water consumption by 10% by end 2008 on a 2003 baseline. By the close of 2007 we had achieved a 7% reduction on a normalised basis, yet only achieved a 2% reduction in absolute terms. In 2009 we will introduce 'phase 2' water targets, noting key locations located in water stressed areas.

We are taking steps to better our absolute performance. Following real time trials with waterless urinals at various global locations, we identified an average saving of 75m³ per year per unit, and intend to install 248 more units in 2008/2009 to help reduce direct water usage. We have added questions into the 2008 Socially Responsible Suppliers survey to identify water usage and stress throughout our supply chain and will be running training sessions for suppliers on water issues.

We know our operations have an impact on biodiversity, primarily through water extraction, building works, 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. We also support biodiversity projects in our communities through in-kind and financial support

Bringing Water to Others Principle 7, 8, 9, CEO Water Mandate

We are committed to making a positive contribution on water through our business activities. Staff at Reed Exhibition's flagship show, World Travel Market (WTM), created Just a Drop – www.JustADrop.org. WTM is an annual exhibition for the global travel and tourism industry and Just a Drop its official charity. With help from WTM, Just a Drop has raised more than £850,000 for clean water and health education programmes, assisting nearly one million children and their families in 27 countries around the world.



Anti-corruption

Principle 10

Businesses should work against all forms of corruption, including extortion and bribery

Our stand against corruption is incorporated in our Code of Ethics and Business Conduct and Suppliers Code of Conduct.

Principle in Action

We actively promote training on the Reed Elsevier Code of Ethics and Business Conduct. Managers also complete the online course, Competing Fairly, covering competition law relating to competitors and customers. We also offer an online course to relevant employees, Doing Business with Government. The course explains the importance of abiding by laws and Reed Elsevier policy prohibit giving gifts to government employees and officials, except certain pre-approved receptions, conferences, seminars and other widely attended gatherings, which meet specific requirements. Each business unit has clear pre-authorisation procedures for employees to follow as necessary.

Anti-Corruption and the Rule of Law

Anti-corruption requires a transparent legal system, the main components of which are a clear set of laws that are freely and easily accessible to all, strong enforcement structures, and an independent judiciary to protect citizens against abuse of power by the state, individuals or others. LexisNexis promotes anti-corruption and the Rule of Law through outreach and advocacy, educational forums, thought leadership, and the free dissemination of and training on LexisNexis solutions.

"There can be no Rule of Law unless there is access to the basic sources of law."

Theuns Viljoen, Executive Director,
LexisNexis South Africa

In some countries citizens, businesses, and practicing lawyers have limited access to laws or legal decisions. LexisNexis South Africa has for the past seven years, worked throughout Africa to consolidate and update laws in fourteen nations, including Kenya, Swaziland, South Africa, Malawi, and Zimbabwe.

Our Progress:

LexisNexis is helping in Ghana, Mauritius and three Nigerian states to update laws, issue them in printed volumes, and make them publicly available. And the division has joined the Southern Africa Litigation Center (SALC) in a joint initiative with the International Bar Association and Open Society of Southern Africa. The SALC trains attorneys, supports human rights cases, and carries out other programs to advance the Rule of Law.

In 2007 LexisNexis sponsored the first-ever Conference on Economic Development and the Rule of Law in Latin America. Over two days, former presidents, ambassadors, leading justices, partners from the region's most prestigious law firms, and executives and general counsel from top corporations across Latin America came together to discuss anti-corruption and judicial system reform in Latin America; foreign direct investment in the region; intellectual property protection; local and international credit; and alternative dispute resolution in international trade and investment. The conference also examined future challenges to continued economic progress and the Rule of Law in Latin America.

"The Rule of Law can generate economic reform and unlock the social, political and economic potential that exists in societies."

Henry Horbaczewski, Corporate
General Counsel, Reed Elsevier