

# UN Global Compact Communication on Progress 2010

As a signatory to the United Nations Global Compact (UNGC), one of our commitments is to produce an annual Communication on Progress (COP) detailing how we uphold the UNGC's ten principles in the conduct of our business. The following table highlights our actions on the principles with links to relevant information in the 2010 [Corporate Responsibility Report](#).

## Engaging with the UNGC

Since becoming a signatory, Reed Elsevier continually works to further UNGC principles within the company and beyond. We are a member of UNGC UK Network Advisory Group, Supply Chain Advisory Group, and CEO Water Mandate Steering Group. During 2010, we participated in the Leader's Summit, presented at the Caring for Climate Second Meeting of Signatories, and gave in-kind support for a film on the ten principles for the legal industry. In 2010, we set an objective to encourage our suppliers to join the UNGC, and held 6 webinars in various time zones to share information about the principles with them. We contributed to and helped launch a report by UK Network members on the Millennium Development Goals.

We are also members of Caring for Climate and CEO Water Mandate.

## Human rights

### Taking action in support of broader UN goals and issues

We believe 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, strong enforcement structures, and an independent judiciary to protect citizens against abuse of power by the state, individuals or others. Our business unit, LexisNexis Legal & Professional promotes the rule of law and human rights through outreach and advocacy, educational forums, thought leadership, and the free dissemination of, and training on, LexisNexis products and services. In 2010, LexisNexis Legal & Professional donated \$3.7m through in-kind and cash contributions to support the rule of law around the globe.

In 2010, among other activities, we sponsored the premier of REDLIGHT, a feature documentary exposing the global travesty 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, REDLIGHT tells the real life stories of child victims of human trafficking and two women who fight to save them, including Somaly Mam, a former trafficking victim. The film helps broaden awareness of human trafficking, the second largest international criminal enterprise according to the US government.

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.

### Implementing principles 1 and 2 into strategies and operations

| Global Compact Principle   | Principle in action  | Our progress   | Corporate Responsibility Report location                                   |
|--|--|--|--|
| <p><b>Principle 1:</b><br/>Businesses should support and respect the protection of internationally proclaimed human rights</p> <p><b>Principle 2:</b><br/>Businesses should make sure that they are not complicit in human rights abuses</p> | <p><b>Protecting human rights/avoiding human rights abuses (1, 2)</b><br/>Our Code of Ethics and Business Conduct (the Code), disseminated to every employee, is a guide to the way we go about achieving our business goals. It encourages open and ethical behaviour and makes clear our commitment to human rights.</p> | <p><b>Protecting human rights/avoiding human rights abuses</b><br/>Code of Ethics and Business Conduct:</p> <p>The Code was last updated in 2009 to clarify key provisions and enhance readability.</p> <p>The Code is available in 11 languages</p> <p>93% of current employees have completed Code training (end of 2010).</p> <p>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.</p> <p>Performance against 2010 objectives</p> <ul style="list-style-type: none"> <li>&gt; Code of Ethics and Business Conduct course completion by 90% of all employees – 93% achieved</li> <li>&gt; Data Privacy and Security course completion by 60% of all employees – 80% achieved</li> <li>&gt; Anti-bribery training for 80% of relevant employees in higher risk roles and geographies – 78% achieved</li> </ul> | <p><a href="#">Governance – Ensuring the highest ethical standards</a></p> |

| Global Compact Principle | Principle in action   | Our progress   | Corporate Responsibility Report location |
|--------------------------|---|--|--|
|                          | We promote the ten principles in our supply chain by requiring our suppliers to sign the <a href="#">Reed Elsevier Supplier Code of Conduct</a> , incorporating the principles, and to post it prominently in the workplace. The Code makes clear that they must adhere to all laws, embody and promote best practice in business operations, and uphold human rights | <p><b>Supply chain</b></p> <p>In 2010, we expanded the suppliers we track through our Socially Responsible Supplier (SRS) programme to 606 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.</p> <p>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.</p> | Supply chain                             |

## Labour standards

### Taking action in support of broader UN goals and issues

We are committed to building a workforce that reflects the diversity of our customers and communities. The Reed Elsevier Diversity and Inclusion (D&I) Statement articulates our commitment to a diverse workforce and environment that respects individuals and their contributions, regardless of their gender, race or other characteristics. 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.

In 2010, totaljobs.com – part of our business unit Reed Business Information, and Britain's leading recruitment website – 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 Legal & Professional UK, holds an Investors in People certification by the British government.

We also help promote D&I through our products and services. totaljobs.com, for example, has a strong focus 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.'

Through 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.

### Implementing principles 3,4,5 and 6 into strategies and operations

| Global Compact Principle   | Principle in action   | Our progress   | Corporate Responsibility Report location   |
|--|---|--|--|
| <p><b>Principle 3:</b><br/>Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p>   | <p><b>Freedom of association/collective bargaining (3)</b><br/>Incorporated in the Reed Elsevier Code of Ethics and Business Conduct and Supplier Code.</p>   | <p><b>Freedom of association/collective bargaining</b><br/>We took steps, as indicated in the description above of activities related to our Code of Ethics and Supply Chain, to ensure we advanced dissemination of, training on, and adherence to, the RE Code of Ethics and Supplier Code which uphold freedom of association and collective bargaining.</p>  | <p>Governance – Ensuring the <a href="#">highest ethical standards</a></p> <p>Supply chain</p>                                 |
| <p><b>Principle 4:</b><br/>Businesses should uphold the elimination of all forms of forced and compulsory labour</p> <p><b>Principle 5:</b><br/>Business should uphold the effective abolition of child labour</p> | <p><b>Elimination of forced and compulsory labour/abolition of child labour (4, 5)</b><br/>These principles are incorporated in the Reed Elsevier Code of Ethics and Business Conduct and Supplier Code. We combat human trafficking by offering direct financial support and legal and technical advice through our LexisNexis Legal &amp; Professional division to organisations working to eradicate human trafficking, child labour and exploitation.</p> | <p><b>Elimination of forced and compulsory labour/abolition of child labour</b><br/>In 2010, LexisNexis Legal &amp; Professional campaigned against human trafficking through sponsorship of the anti-trafficking film REDLIGHT and in the establishment of the Business Coalition Against Human Trafficking. LexisNexis also 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.</p> | <p>Our unique contributions</p> <p>Governance – Ensuring the <a href="#">highest ethical standards</a></p> <p>Supply chain</p> |
| <p><b>Principle 6:</b><br/>Businesses should uphold the elimination of discrimination in respect of employment and occupation</p>  | <p><b>Elimination of discrimination in employment (6)</b><br/>This principle is incorporated in the Reed Elsevier Code of Ethics and Business Conduct and Supplier Code. We work against discrimination or harassment of any kind. We actively seek to build a workforce which reflects the diversity of our customers and communities.</p>   | <p><b>Elimination of discrimination in employment</b><br/>The Reed Elsevier Diversity and Inclusion Statement articulates our commitment to a diverse workforce and a work environment that respects individuals and their contributions, regardless of background. In 2010, we developed a D&amp;I strategy endorsed by Reed Elsevier senior management, with key objectives like ensuring each key location has a D&amp;I value proposition and broad implementation plan. We will begin implementing the strategy in 2011.</p>  | <p>Governance – Ensuring the <a href="#">highest ethical standards</a></p> <p>Supply chain</p> <p>People and community</p>     |

## Environment

### Taking action in support of broader UN goals and issues

Drawing on expertise across Reed Elsevier, in 2010 we launched the Reed Elsevier Environmental Challenge 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.

### Implementing principles 7, 8 and 9 strategies and operations

| Global Compact Principle   | Principle in action  | Our progress  | Corporate Responsibility Report location  |
|--|--|---|---|
| <p><b>Principle 7:</b><br/>Businesses should support a precautionary approach to environmental challenges</p> <p><b>Principle 8:</b><br/>Undertake initiatives to promote greater environmental responsibility</p> | <p><b>Precautionary approach to environment/ undertake initiatives to promote environmental responsibility (7, 8)</b><br/>These principles are incorporated in our Code of Ethics and Business Conduct, our Supplier Code of Conduct, and our Environmental Management System. In addition, we engage in numerous activities to progress environmental sustainability.</p> | <p><b>Precautionary approach to environment/undertake initiatives to promote environmental responsibility PREPS:</b><br/>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. During 2010 we worked closely with suppliers to improve the quantity of paper that is included on the PREPS database. 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.</p> <p><b>Auditing:</b><br/>We produce transparent and accurate environmental data for global operations, and all environmental data is assured by Ernst &amp; Young.</p> <p><b>Environmental Management System:</b><br/>We are guided in environmental reduction efforts by our Environmental Management System (EMS), based on ISO 14001 criteria. Our EMS is available externally on our corporate website and internally for employees on our global intranet.</p> <p><b>Benchmarking, targets, and reporting:</b><br/>We participate in environmental benchmarking activities like the Business in the Community Environment Index and the Carbon Disclosure Project (CDP), ranking 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.</p> <p>We publish environmental targets in the RE Annual Report and Corporate Responsibility Report. We have also established environmental standards to engage all employees. Standard levels are based on our current environmental performance and internal and external good practice. Employees at locations with excellent performance serve as mentors to those at lower performing locations. By setting standards based on usage levels per person, we aim to engage employees in attaining the standards and to inspire green competition among offices. On World Environment Day in 2010, 20 locations across all four divisions achieved five environmental standards and gained green status.</p> <p><b>Employee engagement:</b><br/>Our Environmental Champions network includes property directors and managers of facilities, production and distribution. They are charged with carrying out the Reed Elsevier EMS. The Green Room and Green Forum, 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. In addition, employee-led Green Teams help pursue positive environmental performance. In 2010 there were over 45 Environmental Champions and 400 employees at 90 locations actively involved in Reed Elsevier Green Teams around the world. In 2010, our annual World Environment Day competition staff made videos promoting their 'green' commute to work. 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.</p> | <p><a href="#">Supply chain</a><br/><a href="#">Environment – Paper</a></p> <p><a href="#">Appendices 2</a></p> <p><a href="#">Environment – risks and opportunities</a></p> <p><a href="#">Environment – reporting guidelines</a></p> <p><a href="#">Environment – Targets and standards</a></p> <p><a href="#">Environment – Employee involvement</a></p> |

| Global Compact Principle  | Principle in action  | Our progress  | Corporate Responsibility Report location   |
|---|--|---|--|
| <b>Principle 9:</b><br>Encourage the development and diffusion of environmentally friendly technologies | <b>Encourage the development and diffusion of environmentally friendly technologies (9)</b><br>We do this primarily by advancing environmental knowledge through our products and services to encourage debate and aid researchers and decisions makers. We also promote initiatives that improve access and spread good environmental practice in our supply chain. | <b>Encourage the development and diffusion of environmentally friendly technologies</b><br>To help those in developing countries who might benefit from access to our environmental products and services, we are a founding contributor to Research4Life. A key part of Research4Life programme is OARE (Online Access to Research in the Environment), an international public-private consortium led by the United Nations Environment Program. In 2010, 109 low income countries had access to one of the world's largest collections of environmental science. There were 259,000 Elsevier articles downloaded. A new <a href="#">video</a> by the Institut de l'Environnement 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.<br><br>We use technology to decrease our environmental footprint. As well as standard video conferencing at many locations, we have installed 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.<br><br>We are signatories to the UNGC initiatives Caring for Climate and the CEO Water Mandate to spread good environmental practice.<br><br>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). | <a href="#">Our unique contributions</a><br><br><a href="#">Environment – Travel</a><br><br><a href="#">Environment – Climate change</a><br><br><a href="#">Supply chain</a> |

## Anti-corruption

### Taking action in support of broader UN goals and issues

All employees receive training on the Reed Elsevier Code of Ethics and Business Conduct 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.

### Implementing principles 10 into strategies and operations

| Global Compact Principle  | Principle in action   | Our progress   | Corporate Responsibility Report location  |
|---|---|--|---|
| <b>Principle 10:</b><br>Businesses should work against all forms of corruption, including extortion and bribery | <b>Anti-corruption</b><br>Our stand against corruption is incorporated in our Code of Ethics and Business Conduct and Supplier Code of Conduct. | <b>Anti-corruption</b><br>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.<br><br>In 2010, we updated the Reed Elsevier Supplier Code of Conduct to strengthen our statement on anti-corruption. | <a href="#">Governance – Ensuring the highest ethical standards</a><br><br><a href="#">Supply chain</a> |

# CEO Water Mandate

## Our 2009 progress on the six elements of the CEO Water Mandate

We support the CEO Water Mandate and are committed to meeting its provisions.

| Six elements                      | Element in action   | Our progress   | Corporate Responsibility Report location   |
|-----------------------------------|---|--|--|
| <b>Direct operations</b>          | We have an ongoing programme of water reduction measures including sprinkler system adjustments, leak identification and repair, and installing waterless urinals where possible. | During 2010, 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 aim to reduce water consumption by 10% by 2015 (2008 benchmark).   | <a href="#">Environment – Water</a><br><a href="#">Environment – Targets and standards</a>                                 |
| <b>Supply chain and watershed</b> | We use a watershed risk management system to identify the river basins from which our sites draw water.   | 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.<br><br>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.  | <a href="#">Environment – Water</a>  |
|                                   | We address supply chain water issues through our Socially Responsible Supplier programme.   | 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.   | <a href="#">Supply chain</a><br><a href="#">Environment – Paper</a>  |
| <b>Collective action</b>          | We address water issues through collective action.  | We are founding members of PREPS (Publishers database for Responsible and Ethical Paper Sourcing), and are working with others in our sector to expand this paper sustainability initiative to include the water impact of paper production. We will be participating in the new Water Action Hub, with corporate peers and other stakeholders, to provide a publicly available tool that will enable companies to partner with governments, civil society groups, communities, and other stakeholders to advance sustainable water management on a location-specific basis.   | <a href="#">Environment – Paper</a><br><a href="#">Environment – Water</a>   |
| <b>Public policy</b>              | We work with other companies on water and other environmental issues and support progressive environmental legislation on issues with a water dimension like climate change.      | We support progressive environmental legislation. In 2010, we continued to work with the Aldersgate Group and joined a campaign calling on the UK government for mandatory environmental reporting requirements. We also consulted with the UK Department for Environment, Food and Rural Affairs; and worked with NGO partners like Earthwatch, the Carbon Trust, and participated in the Water Disclosure Project.<br><br>Our environmental products and services further knowledge and debate on water issues. In 2010, we engaged with internal water experts, including those who produce Water Research and The Journal of Hydrology, which both put on major conferences in 2010.   | <a href="#">Environment – Climate change</a><br><br><a href="#">Environment – Risks and opportunities</a>                  |
| <b>Community engagement</b>       | We support water reduction and access initiatives.  | In 2010, we launched the Reed Elsevier Environmental Challenge to identify projects that improve sustainable access to water where it is presently at risk. We provided access to products from our businesses to over 100 registrants from more than 50 countries to aid their submissions and winners will be announced in June 2011. They will also be featured in our journal, Water Research. We have sought projects focused on access to water which 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.<br><br>Just a Drop was founded by staff behind Reed Exhibitions' flagship show, World Travel market (WTM), as part of an appeal to the global travel and tourism industry. WTM is a business-to-business one week exhibition held each November in London. More than 5,000 exhibitors representing all major industry sectors from 189 destinations worldwide participate, and over 47,532 industry professionals attend. 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.<br><br>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. | <a href="#">Unique contributions – Across Reed Elsevier</a><br><br><a href="#">Unique contributions – Reed Exhibitions</a> |
| <b>Transparency</b>               | We publicly report on our water targets and performance in our annual Corporate Responsibility Report and engage with stakeholders on water issues in one-to-one meetings         | We participated in the first Water Disclosure Project, and were also the sector leader in investor-led Forest Disclosure Project. 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. We also engaged with shareholders like Norges Bank Investment Management which has a strong interest in water issues.   | <a href="#">Introduction – external engagement</a>   |