



Code of Conduct for Suppliers

January 2012

Introduction by Mark Armour, Reed Elsevier Chief Financial Officer

We set high standards for our corporate and individual behaviour as detailed in the [Reed Elsevier Code of Ethics and Business Conduct](#). On behalf of our stakeholders, we count on our suppliers to do likewise in carrying out their work. The following Reed Elsevier Supplier Code of Conduct details our expectations. We expect all suppliers to sign and share it with their employees.

We are committed to providing support through the Reed Elsevier Supplier Academy, with webinars throughout the year. And we are happy to answer any questions you might have about the Code and its provisions at any time, which you can direct to your contact at Reed Elsevier.

With a shared commitment to ethical performance, we will reassure our respective customers, employees, investors and others – helping to improve the reputation of both our companies.

Reed Elsevier, including all of its subsidiaries, divisions, operating entities and authorized agents (jointly "Reed Elsevier"), is committed to:

- A standard of excellence in every aspect of our business and in every corner of the world
- Legal, ethical and responsible conduct in all of our operations
- Respect for the rights of all individuals, including
 - protection of human rights
 - fair and non-discriminatory labor practices
- Respect and care for the environment

We expect all of our suppliers, manufacturers, service providers, and business partners along with their subsidiaries, affiliates and sub-contractors (jointly "Suppliers"), to make these same commitments. *At a minimum*, we require that all Reed Elsevier Suppliers meet the following standards:

Child Labor

Suppliers will not use child labor.

The term "child" refers to a person younger than 15 (or 14 where local law allows), or, if higher, the local legal minimum age for employment or the age for completing compulsory education.

Suppliers employing young persons under age 18 who do not fall within the definition of "children" will also comply with any laws and regulations applicable to such persons.

Involuntary Labor

Suppliers will not use, participate in, or benefit from, any forced, compulsory or involuntary labor, including prison, bonded, indentured or human trafficking.

Coercion and Harassment

Suppliers will treat each employee with dignity and respect, and will not use corporal punishment, threats of violence or other forms of physical, sexual, psychological or verbal harassment, abuse or intimidation.

Nondiscrimination

Suppliers will not discriminate in hiring or employment practices, terms or conditions, including compensation, benefits, advancement, discipline, termination or retirement, and will not discriminate in sourcing, on the basis of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, marital status, political opinion, disability, or any other category protected by law.

Association

Suppliers will respect the rights of employees to associate, organize and bargain collectively in a lawful and peaceful manner, without penalty or illegal interference.

Health and Safety

Suppliers will provide employees with a safe and healthy workplace in compliance with all applicable laws and regulations, ensuring, at a minimum, reasonable access to potable water and sanitary facilities, fire safety, and adequate lighting and ventilation.

Suppliers will also ensure that the same standards of health and safety are applied in any housing that they provide for employees.

Retaliation

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 a report.

Compensation and Working Hours

We expect Suppliers to recognize that wages are essential to meeting employees' basic needs. At a minimum, Suppliers will comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime, maximum hours, piece rates and other elements of compensation, and provide legally mandated benefits. Except in extraordinary business circumstances, Suppliers will not require hourly employees to work more than the lesser of

- an annual average of 48 hours per week and 12 hours overtime or
- the limits on regular and overtime hours allowed by local law or
- where local law does not limit work hours, the regular work week in such country plus 12 hours overtime.

Supplier's employees may voluntarily choose to work more hours, provided that they are not pressured to do so and that Supplier remains in compliance with all applicable laws, regulations and standards related to maximum hours. In addition, except in extraordinary business circumstances, employees will be entitled to at least one day off in every seven-day period.

Suppliers will compensate employees for overtime hours at such premium rate as is legally required or, if there is no legally prescribed premium rate, at a rate at least equal to the regular hourly compensation rate.

Where local industry standards are higher than applicable legal requirements, we expect Suppliers to meet the higher standards.

Protection of the Environment

Suppliers will comply with all applicable environmental laws and regulations and must abide by the three principles on the environment that are set out in the *United Nations Global Compact*:

- 1) supporting a precautionary approach to environmental change;
- 2) undertaking initiatives to promote greater environmental responsibility; and
- 3) encouraging the development and diffusion of environmentally friendly technologies.

To comply with these principles, Suppliers are to ensure that the resources and materials they use are:

- sustainable,
- capable of being recycled
- used effectively with a minimum of waste unless Reed Elsevier specifically requests Supplier to use a specific product or material.

Where practicable, Suppliers also are to utilize technologies that do not adversely affect the environment; and, when such impact is unavoidable, to ensure that it is minimized.

Anti-Corruption

Suppliers must not tolerate, permit or engage in bribery, embezzlement, extortion, kickbacks or other forms of corruption in dealings with any government official or employee or any individual in the private sector. Suppliers will abide by all applicable local, national and international laws, expressly including the US Foreign Corrupt Practices Act and the UK Bribery Act, and the related principle adopted in the United Nations Global Compact, which provides that "business should work against corruption in all its forms, including extortion and bribery."

Suppliers and their officers, directors, employees and agents will engage only in legitimate business and ethical practices in commercial operations; will not directly or indirectly pay, offer, give, promise or authorize payment of anything of value to another party for the purpose or intent to induce that party to use his/her authority to help the Supplier or another party; and will not accept any payment or other benefit as an inducement or reward for any act or forbearance or in connection with any matter or business transacted by or on behalf of Reed Elsevier.

Security of Company and Personal Data

Suppliers shall handle and process data on behalf of Reed Elsevier only for the purposes for which it was collected, received or otherwise made available, in accordance with the directions provided by Reed Elsevier, and subject to technical and organizational security measures necessary to safeguard it against loss, alteration, unauthorized disclosure, access or other unlawful forms of processing.

Other Laws

Suppliers will comply with all applicable local, national and international laws, regulations, treaties and industry standards, including, without limitation, those pertaining to the manufacture, pricing, sale and distribution and safety of the relevant products and/or services.

In the event that the requirements of this Code of Conduct are stricter than applicable local, national or international law, Supplier will comply with this Code. However, if there is any conflict between the requirements of this Code of Conduct and the requirements of any applicable local, national or international law, Supplier is to comply with the local, national or international law. Supplier will notify Reed Elsevier in writing of any such conflicts.

Subcontracting

Suppliers will not use subcontractors for the manufacture, production or provision of products or services for Reed Elsevier, including components thereof but not including materials such as paper, plates, ink etc., without making all commercially reasonable efforts to obtain Reed Elsevier's express prior written consent and to require the subcontractor to enter into a written commitment with the Supplier to comply with this Code of Conduct.

Publication

Suppliers will communicate the provisions of this Code of Conduct to all employees at each employment site engaged in work for Reed Elsevier by, among other means, prominently posting a copy of this Code of Conduct, in the local language, in a place readily accessible to employees at all times, such as the "Workers Notice Board. Suspected violations can be reported to the Reed Elsevier Socially Responsible Suppliers Network at srs@reedelsevier.com.

Monitoring and Compliance

Suppliers will authorize Reed Elsevier and its designated agents, auditors and third party representatives to engage in monitoring activities to confirm compliance with this Code of Conduct, including unannounced on-site inspections of Supplier's and its subcontractors' employment sites and employer-provided housing; reviews of books and records relating to employment matters; and private interviews with employees. Suppliers will maintain on site at all employment sites engaged in work for Reed Elsevier all documentation that may be needed to demonstrate compliance with this Code of Conduct. Supplier may restrict Reed Elsevier representatives from records and areas containing confidential information of Supplier, of Supplier's other customers and of consumers and from records protected by applicable data protection acts.

Reed Elsevier's right to conduct a compliance audit is not contingent upon current orders or contracts. If an employment site has been approved as an active Reed Elsevier Supplier, Reed Elsevier may perform a compliance audit at any time.

Suppliers who fail or refuse, or whose subcontractors fail or refuse, to allow an authorized Reed Elsevier representative to monitor operations and/or records will be fined the cost of the audit and related travel expenses (ranging from US \$500 to \$3,000, depending on the employment site's location). Suppliers who provide incorrect contact information or fail to timely update their contact information will be fined US \$1,000. Reed Elsevier will require each representative to read a copy of this Agreement and to agree to comply with its terms before arriving to audit any employment site of Supplier.

SUPPLIER ACKNOWLEDGEMENT

The undersigned Supplier hereby acknowledges that it has received The Reed Elsevier Code of Conduct for Suppliers (the "Code") and agrees that any and all of its employment sites, subsidiaries, divisions, affiliates, operating entities, authorized agents and/or subcontractors doing business with Reed Elsevier PLC and/or Reed Elsevier NV and/or any of their subsidiaries, divisions, operating entities or authorized agents (collectively referred to as "Reed Elsevier") will receive the Code and will abide by each and every term therein.

Supplier acknowledges that its failure to comply with any Reed Elsevier term, condition, requirement, policy or procedure including, but not limited to those outlined in the Terms and Conditions of Contract, or the Reed Elsevier Code of Conduct for Suppliers may result in the cancellation of all existing orders and termination of the business relationship between Reed Elsevier and Supplier. Supplier also understands that its agreement to comply with the Reed Elsevier Code of Conduct for Suppliers does not obligate Reed Elsevier to conduct business or place any orders with Supplier. Supplier reserves the right to terminate its agreement to abide by the Reed Elsevier Code of Conduct for Suppliers at any time for any reason upon ninety (90) days prior written notice to Reed Elsevier. Upon such termination, any contract or agreement between Supplier and Reed Elsevier shall immediately terminate and Supplier (i) shall not provide any additional services to Reed Elsevier; and (ii) shall not be paid for any such additional services and related expenses.

Signature

Officer Printed Name

Title

Company

Date