

Socially Responsible Supplier Programme Terms of Reference

Mission

Reed Elsevier holds suppliers (including those in content acquisition, editorial production operations, print and bind, paper, multimedia/epublishing, technology, facilities, services, distribution, travel, meetings and exhibitions, and marketing) to the same standard of conduct it sets for itself: adhere to all laws, and embody and promote best practice in business operations, treatment of employees and respect for the environment, as indicated in the ten principles of the United Nations Global Compact to which Reed Elsevier is a signatory. These principles are reflected in our Supplier Code of Conduct (Supplier Code) which we ask key suppliers to sign and to post prominently in the workplace (key suppliers are those constituting at least \$1m in sales, critical and strategic suppliers identified by the Global Procurement team, Reed Elsevier graded paper providers in Publishers Database for Responsible Environmental Paper Sourcing (PREPS) database, high risk suppliers representing 25% of a category by division/country or spend of >US \$100k). To monitor compliance, we conduct internal and external audits of key suppliers and review their social, environmental and other performance information. Suppliers in violation of the Supplier Code or its parts are subject to remediation agreements; failure to rectify non-compliance can lead to contract termination.

Activities

Among its activities, the Reed Elsevier Socially Responsible Supplier (SRS) programme:

- Maintains a master supplier database with comprehensive information including Supplier Code versioning/signing, initiative tracking, audit dates, remediation plans, and compliance
- Sets and reviews internal and external audit guidelines
- Establishes policies and undertakes relevant initiatives including annual Socially Responsible Supplier Surveys

Each supplier receives the Supplier Code and additional associated documents as part of any eSourcing Request for Quote (RFQ) or Request for Proposal (RFP) managed by Global Procurement. Upon contract signing, these suppliers are required to sign and meet all Supplier Code requirements, including auditing activities.

Independent external audits are performed on a regular basis. High risk suppliers as determined by SRS programme criteria, such as those operating in areas where human rights, labour, environmental, or other abuses have been known to occur, are audited every two years. Suppliers with repeat Supplier Code violations are audited annually. Results are communicated to suppliers along with any remediation required; remediation target dates are agreed and follow-up audits are performed to ensure issues identified have been resolved.