UN Global Compact Communication on Progress 2014

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 10 principles in the conduct of our business.

This document provides information on our self-assessment compliance with the UNGC's 21 advanced criteria with links to relevant information in our 2014 Corporate Responsibility Report.

2014 CR Report location

Implementing the Ten Principles into Strategies & Operations

Criterion 1: The COP describes mainstreaming into corporate functions and business units

As our Chief Executive Officer, Erik Engstrom, comments in his introduction to the 2014 Corporate Responsibility (CR) Report, "Meaningful initiatives such as the United Nations Global Compact help us benchmark our corporate responsibility activities and advance good practice. I was pleased to sign the Women's Empowerment Principles – a Global Compact initiative – to put our commitment to fairness and opportunity for all our people on record, and to gain new insights into supporting women at all levels of the Group."

CR underpins our business strategy to deliver improved outcomes for our customers by combining content and data with analytics and technology across global platforms. It helps us build leading positions in our markets by leveraging our skills and assets.

We focus on our unique contributions as a business where we make a positive impact through our knowledge, resources and skills, including universal sustainable access to information, advance of science and health, protection of society and promotion of the rule of law and justice. Elsevier contributes to advancing human welfare and economic progress through its science and health information. Risk & Business Information provides essential insight to protect people, industry and society. LexisNexis Legal & Professional promotes justice through its legal information. Reed Exhibitions brings communities together, enhancing productivity and efficiency

The board, senior management and the CR Forum (chaired by a senior leader and involving individuals representing all key business functions and businesses) oversee CR 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. Senior leaders have CR-related Key Performance Objectives, see p.77 in the Annual Report.

As an example, our CEO is responsible to the Board for environmental performance. Our business unit CEOs are responsible for complying with environmental policy and relevant government legislation and regulations and the CFO is our most senior environmental advocate.

We involve networks of colleagues throughout the Group in our CR activities including: the Accessibility Working Group; CR as a Sales Tool Working Group; Diversity and Inclusion Advisory Group and Working Group; Editorial Policy Working Group; Environmental Champions Network; Health and Safety Champions; the HR Management Council; Quality First Principles Working Group; RE Cares Champions; the Socially Responsible Supplier

CEO statement

Our Approach to CR

<u>Unique</u> <u>Contributions</u>

Internal engagement

<u>Annual Report –</u>
<u>Corporate</u>
Responsibility

<u>Annual Report –</u> <u>Principal Risks</u>

Appendix 3 – Global Reporting Initiative Index Group; and the communications, global real estate, legal, procurement and accounting services functions, among others. Our Corporate Audit Services provide regular review of our CR governance, reporting and supply chain activities, highlighting areas where we are performing well, along with suggestions for improvement.

This report reflects the priority we place on relevant, comprehensive reporting (see Appendix 3 for how we align with the indicators of the Global Reporting Initiative). We also include CR as an integral part of our Strategic Report in the RELX Group Annual Report, and the Chairman, CEO and CFO make reference to relevant CR issues in their statements within the Annual Report. In addition, CR factors into our evaluation of principal risks evidenced in areas such as listening to and meeting customer needs; the importance of ethical practice in our supply chain; and the priority placed on our people and the environment.

Criterion 2: The COP describes value chain implementation

Downstream:

We provide CR-related products and services such as Elsevier's journal *Current Opinion in Environmental Sustainability*; LexisNexis Legal & Professional's Rule of Law Resource Center; Reed Exhibitions' World Future Energy Summit; and RBI's *Community Care*. See a <u>sampling of CR products</u> across the business.

We actively support sector and inter-industry initiatives and networks that advance CR such as the Media CSR Forum, Business in the Community, Publishers' Database for Responsible Environmental Paper Sourcing, Publishing Industry Public Safety Forum and the Uptime Institute; and attended and spoke at CR meetings including the Innovation Forum and CDP UK Report conference.

We recognise that the growth and future of our company is built on our ability to deliver sustainable, essential information and services to customers and their willingness to accept the value placed on them. For example, we are committed to improving access to our products and services for all users, regardless of physical ability. Our Accessibility Policy – developed in 2013 to lead the industry in providing accessibility solutions to customers with products that are operable, understandable and robust – was disseminated to all employees by the Chief Strategy Officer at the start of 2014. It makes clear that a growing number of our customers, such as government agencies and universities, are required to purchase the most accessible solution in competitive bids. It contains eight guidelines, including conducting regular reviews of product accessibility by gathering user feedback and other testing measures, and aligning reviews with product release schedules.

Upstream:

We uphold RELX Group 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 10 principles of the UN Global Compact to which we are a signatory.

These principles are reflected in the <u>Supplier Code of Conduct</u> (Supplier Code), which we ask suppliers to sign and display 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 Supplier Code, or who assists in the investigation of any

Code of Ethics and Business Conduct

Sampling of CR products

External engagement

<u>Customers -</u> <u>Accessibility</u>

Supply chain – Why it matters

Supplier Code of Conduct

Supply chain – Upholding standards

Supply chain –
Supplier training
and surveys

such report." In 2014, we updated the Supplier Code to specifically prohibit participation in any activity related to human trafficking, based on the American Bar Association's Model Business Conduct Standards to Eradicate Labor Human Rights Impacts in Hiring and Supply Chain Practices.

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.

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

In 2014, our Socially Responsible Supplier Academy focused on training suppliers and vendors engaged in the creation and management of content on the Group's new Editorial Policy for Suppliers based on our own Editorial Policy. 59% of invited suppliers took part.

Robust Human Rights Management Policies & Procedures

Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights

Our <u>Code of Ethics and Business Conduct</u> (the Code), disseminated to every employee and publicly available at <u>www.relxgroup.com</u>, sets the standard for our corporate and individual behaviour. It incorporates the 10 principles of the <u>UN Global Compact</u> and makes clear our commitment to human rights. 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.

We uphold RELX Group 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 10 principles of the UN Global Compact to which we are a signatory.

We focus on our unique contributions as a business where we can make a positive impact through our knowledge, resources, and skills. LexisNexis Legal & Professional promotes the rule of law through its products and services that enable customers to excel in the practice and business of law, and which help justice systems, governments and other businesses to function more effectively and efficiently. It supports transparent legal systems as a fundamental element of a healthy society and growing economy, and clear laws that are easily accessible to all. LexisNexis Legal & Professional promotes the rule of law through outreach and advocacy, educational forums and free dissemination of, and training on, its legal solutions. In 2014, it released Dressed to Kill, a report examining the cotton industry and human trafficking. It measured media coverage of both fashion and human trafficking media to help the industry – as well as the broader public – understand what is currently happening, and offers guidance on eliminating and reducing risk.

Code of Ethics and Business Conduct

Governance – Ensuring the highest ethical standards

Supplier Code of Conduct

Supply chain

<u>Unique</u> <u>contributions –</u> <u>Legal</u>

<u>Unique</u>
<u>contributions –</u>
<u>Scientific,</u>
<u>Technical &</u>
<u>Medical</u>

Elsevier, the world's leading provider of scientific, technical and medical information, plays an important role in advancing human welfare and economic progress through its science and health information, which spurs knowledge and enables critical decision making. To ensure access to this information, Elsevier supports key programmes in places where resources are often scarce. Among them is Research4Life which, in partnership with UN agencies and approximately 200 publishers, provides researchers in more than 100 developing countries with free or low cost access to core and cutting-edge scientific information. As a founding partner, we contribute over a quarter of the nearly 50,000 peer-reviewed resources in Research4Life, encompassing Scopus and ScienceDirect, including over 3,000 Elsevier journals and nearly 13,000 books. In the year, there were over 3.9m Research4Life article downloads from Elsevier's ScienceDirect. We also provide technical and communications expertise to advance Research4Life, and have committed to the programme through 2020.

Criterion 4: The COP describes effective management systems to integrate the human rights principles

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 initial and periodic training on the Code, data privacy and security, and preventing bribery; other courses are rolled out on an ongoing basis to those for whom the topic is most relevant, such as competition law and preventing workplace harassment for managers. We achieve 100% completion rates for all courses within four months of issuance.

Governance – Ensuring the highest ethical standards

Supply chain

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, an HR representative, a company lawyer or the appropriate compliance committee. We also offer employees a confidential reporting line, managed by an independent third party, which is accessible by telephone or online 24 hours a day, 365 days a year. 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.

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 10 principles of the United Nations Global Compact to which we are a signatory. These principles are reflected in the Supplier Code of Conduct (Supplier Code), which we ask suppliers to sign and display 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 Supplier Code, or who assists in the investigation of any such report." In 2014, we updated the Supplier Code to specifically prohibit participation in any activity related to human trafficking, based on the American Bar Association's Model Business Conduct Standards to Eradicate Labor Human Rights Impacts in Hiring and Supply Chain Practices.

As part of ongoing due diligence, we maintain a tracking list of key suppliers. In 2014, the SRS tracking list included 499 key suppliers, 56 of which we deemed to be high risk using a supplier risk tool developed specifically for the Group by the sustainability consultancy Carnstone. The tool incorporates indices covering human rights and labour, environment, research and development and governance quality. We also conduct external audits, as stipulated in our Socially Responsible Supplier programme Terms of Reference. In 2014,

our Socially Responsible Supplier Academy focused on training suppliers and vendors engaged in the creation and management of content on the Group's new Editorial Policy for Suppliers based on our own Editorial Policy.

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration

All employees receive initial and periodic training on the Code, data privacy and security, and preventing bribery; other courses are rolled out on an ongoing basis to those for whom the topic is most relevant, such as competition law and preventing workplace harassment for managers. We achieve 100% completion rates for all courses within four months of issuance.

As part of the SRS programme, we maintain a database with comprehensive information including Supplier Code versioning/signing, initiative tracking, audit dates, remediation plans and compliance. In 2014, the SRS tracking list included 499 key suppliers, 56 of which we deemed to be high risk using a supplier risk tool developed specifically for the Group by the sustainability consultancy Carnstone. The tool incorporates indices covering human rights and labour, environment, research and development and governance quality.

The tracking list changes year on year based on the number of suppliers that meet the required criteria, including those with which we spend greater than \$1m, critical and strategic suppliers, those in high-risk countries with recurring spend over two years greater than \$100,000 per year and/or suppliers we track through the Publishers' Database for Responsible Environmental Paper Sourcing (PREPS). By the end of 2014, 84% of key suppliers on the SRS tracking list were signatories to the Supplier Code, compared with 79% at the end of 2013 (2% of the total are suppliers which have provided internal codes, which we believe to be as stringent as our own, in lieu). An additional 1,885 suppliers that do not meet our SRS tracking criteria are also Supplier Code signatories. We continue to embed signing the Supplier Code into our e-sourcing tool as a criteria for doing business with us.

We conducted 56 independent external audits of external high-risk suppliers in 2014 through specialist external auditors Intertek. In 2014, we migrated to exclusive use of Intertek's Workplace Conditions Assessment (WCA) template to benchmark high-risk supplier audit performance and assess the severity of findings. WCA requirements are stringent and encompass a supplier's management processes and business practice, not considered in as great detail during previous audits. As a result, there was a higher number of non-compliance findings in 2014. We disclose the non-compliance issues in our Corporate Responsibility Report.

In 2014, collaborative improvements resulting from supplier remediation included a secondary staircase installed at a content operations supplier location in India to ensure a sufficient number of emergency evacuation exits. We also worked with a paper provider in China to ensure workplace representatives within the facility are freely elected without management interference.

In 2014, we helped advance Business for the Rule of Law (B4ROL), a global initiative led by the UN Global Compact with the support of other organisations including the Atlantic Council, the World Justice Project and the International Chamber of Commerce. Key developments in the year include the creation of a Steering Group and the start of international consultation on a formal framework, to be launched in 2015, focused on actions, practical examples and interactive technology to promote corporate support for the rule of law around the world.

Gaythri Raman, LexisNexis Legal & Professional Head of Rule of Law & Emerging Markets Asia Pacific, held a consultation on B4ROL in Myanmar in October 2014 attended by

Governance – Ensuring the highest ethical standards

Supply chain – Upholding standards

Supply chain - SRS risk rankings

Supply chain – Sample 2014 remediation reports

<u>Unique</u> <u>contributions –</u> <u>Across RELX</u> <u>Group</u> representatives from business, law firms and NGOs from Myanmar and across Southeast Asia. They discussed challenges faced in advancing the rule of law in Myanmar and ways in which businesses can play a more active role.

Robust Labour Management Policies & Procedures

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour

The RELX Group <u>Code of Ethics and Business Conduct</u>, disseminated to every employee and publicly available at <u>www.relxgroup.com</u>, sets the standard for our corporate and individual behaviour. It incorporates the 10 principles of the UN Global Compact and makes clear our commitment to human rights.

Supplier Code of Conduct

h
People – Why it matters

Conduct

Code of Ethics

and Business

The Supplier Code of Conduct 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 Supplier Code, or who assists in the investigation of any such report."

People Promoting

Valuing our 28,500 people means being an employer of choice, known for best practice in retaining and recruiting the best staff. Only by attracting and keeping good people – and being acknowledged as a company where they can do their best work – will we be able to achieve our objectives and meet the expectations of our customers and other shareholders.

Promoting diversity

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

Health & Safety
Policy

The importance of employee health and safety is emphasised in the Code of Ethics and Business Conduct and also the 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. 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 lift or carry products. In the US, we engage a third party specialist to visit and inspect locations which had high incident rates the prior year. We also concentrate on safety at our exhibitions where risks include working at height – particularly during the build and breakdown phases of a show – heavy lifting, and forklifts. Reed Exhibitions UK runs accredited health and safety management training for operational staff, as well as two exercises per year to ensure operational teams can appropriately and confidently respond to any incident.

Criterion 7: The COP describes effective management systems to integrate the labour principles

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, an HR representative, a company lawyer or the appropriate compliance committee. We also offer employees a confidential reporting line, managed by an independent third party, which is accessible by telephone or online 24 hours a day, 365 days a year. 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 of employment.

Governance – Ensuring the highest ethical standards

People – Why it matters

People – Health, safety, 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 work closely with our staff/works councils in Europe, the US and elsewhere to engender positive employer/labour relations. We are an equal opportunity employer and are committed to freedom of association and treating all employees and applicants with respect and dignity. In the year, we made presentations on CR to our European Works Council, among others.

The importance of employee health and safety is emphasised in the Code of Ethics and Business Conduct and also in the 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 health and safety managers and other colleagues in the business, encompassing bi-monthly 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 works councils. Adopting a risk-based approach, we have dedicated safety committees at key locations that meet monthly (or as needed) to review safety concerns and any incidents.

All parts of the business are covered by the Global Health and Safety Policy. In 2014, 89% of the business reported accident data, which is assured by EY. Health and safety performance data covers all reported work-related accidents that result in more than one day of lost time from work (we use an average of 220, eight-hour work days a year to calculate total hours worked). Locations outside the US must follow local regulatory frameworks, and we continue to harmonise local reporting with our global group health and safety reporting guidelines. The number of lost time reportable accidents decreased in the year (23 in 2014 vs 31 in 2013). There was a further reduction in incidence and frequency rates in 2014; the severity rate (number of lost days compared to hours worked) increased to 4.90 in 2014 from 1.81 in 2013, primarily due to an increase in time lost due to slip, trip and fall incidents. There were no fatalities reported in the year.

We maintain a tracking list of key suppliers and external audits are conducted on high risk suppliers.

wellbeing

Appendix 2 EY assurance statement 2014

Supply chain – Upholding standards

Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration

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 initial and periodic training on the Code, data privacy and security, and preventing bribery; other courses are rolled out on an ongoing basis to those for whom the topic is most relevant, such as competition law and preventing workplace harassment for managers. We achieve 100% completion rates for all courses within four months of issuance.

In 2014, we continued to roll out all courses to new employees as applicable. We implemented a competition law computer-based refresher training course for 6,000 employees due for training, as well as detailed in-person training for those for whom it is relevant. We also issued updated privacy and data protection training to 17,000 English-speaking employees, with translations and course roll out to non-English-speaking populations planned for 2015.

As stated in our Code of Conduct and Business Ethics, "We prohibit discrimination. We

Governance – Ensuring the highest ethical standards

People -Promoting diversity 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, we prohibit discrimination or harassment of any kind.

We are committed to building a workforce that reflects the diversity of our customers and communities. The Group's Diversity and Inclusion (D&I) Statement articulates our commitment to a diverse workforce and an environment that respects all individuals and their contributions. The Statement is supported by our D&I Strategy which indicates, "Diversity and inclusion are not just aspirational social concepts. Rather, they are a cornerstone of a successful global business." Among its commitments is maintaining a D&I Advisory Group comprised of a senior business and HR leader from each business unit, supported by a broader D&I Working Group. Commitments include understanding the state of D&I across the Group, with plans to address areas for improvement.

In 2014, we continued to offer D&I training for managers. Course content includes making the business case for D&I on ethical, economic, regulatory and reputational grounds, as well as a focus on inclusive leadership. We also offer an online D&I course that all employees can take at their leisure. In the year, we focused on inclusive leadership as a management competency, engaging our heads of talent to ensure it is incorporated in manager training, and reviewed our Business Leadership Programme course syllabus for up-and-coming leaders to confirm it contains relevant themes.

Robust Environmental Management Policies & Procedures

Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship

We assess, prioritise and mitigate environmental risks as part of our overall risk management process. In addition, our Global Environmental Policy applies to all areas of the business and is supported by a global Environmental Management System (EMS), aligned with the ISO 14001 environmental standard. It 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 that we must consider, among other risks, those that require legislative compliance; have significant cost implications for the business; and which may affect our reputation.

RELX Group has an environmental footprint – our impact on the environment in producing our products and services in areas such as carbon emissions, energy and water usage. But arguably bigger and more important is how our growing portfolio of environmental products and services spread good practice, encourage debate and aid researchers and decision makers. We produce numerous environmental publications, services, and events including: Elsevier's journal Environmental Technology & Innovation; LexisNexis Legal & Professional's The Environmentalist; Reed Exhibitions's World Future Energy Summit and Pollutec; and Risk and Business' New Scientist.

Throughout 2014, we worked to reduce our direct environmental impact by limiting resource use and by efficiently employing sustainable materials and technologies. And we made good progress toward reaching our 2015 targets, achieving our goals for Scope 1, Scope 2, office energy use intensity and data centre energy efficiency. In the year, we initiated a two-phased approach to setting new environmental targets for 2015–2020. The first phase, the result of an internal review, focused on material environmental issues, and

Environment – Why it matters

Environment – Risks and opportunities

Environment – Our impact

Supply chain – Supplier training and surveys

Environment - Water

<u>Environment -</u> <u>Paper</u> was completed in the year. It confirmed prioritisation of areas such as electricity consumption and waste and recycling. The second phase, taking place in 2015, will involve consultation with internal and external stakeholders and result in updated quantitative targets.

We support progressive environmental legislation, and, in 2014, continued our involvement with the UK Aldersgate Group, which engages with government on environmental reporting and other key issues. In the year, we served on the steering committee of the Aldersgate Working Group exploring the potential benefits of a UK electricity and carbon labelling scheme, which resulted in a July 2014 report entitled Enable the Label. In October, businesses were invited to trial the electricity label on their UK energy supply.

Sustainable paper for the manufacture of our printed products continues to be one of our material environmental risks despite the on-going shift of business to electronic formats. As founding members of PREPS, we have helped create the PREPS database to capture the technical specifications of the pulps and forest sources of our papers.

Our Paper Policy commits us to increasing the proportion of paper we buy with recycled and certified content and to only purchase PREPS grade 3 or 5 paper wherever possible. With help from our paper suppliers, by the close of 2014, 95% of the Group's papers by weight were graded on PREPS, 100% of which achieved three or five stars.

We uphold our 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 10 principles of the UN Global Compact to which we are a signatory. These principles are reflected in the Supplier Code of Conduct, which we ask suppliers to sign and display prominently in the workplace.

Criterion 10: The COP describes effective management systems to integrate the environmental principles

We assess, prioritise and mitigate environmental risks as part of our overall risk management process. In addition, our Global Environmental Policy applies to all areas of the business and is supported by a global Environmental Management System (EMS), aligned with the ISO 14001 environmental standard. It 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 that we must consider, among other risks, those that require legislative compliance; have significant cost implications for the business; and which may affect our reputation.

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

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

Throughout 2014 we made good progress toward reaching our 2015 targets, achieving our goals for Scope 1, Scope 2, office energy use intensity and data centre energy efficiency. In the year, we initiated a two-phased approach to setting new environmental targets for 2015–2020. The first phase, the result of an internal review, focused on material

<u>Annual Report –</u>
Principle Risks

Environment – Risks and opportunities

Environment – Our impact

Environment -Employee action environmental issues, and was completed in the year. It confirmed prioritisation of areas such as electricity consumption and waste and recycling. The second phase, taking place in 2015, will involve consultation with internal and external stakeholders and result in updated quantitative targets.

Employees are integral to our environmental improvement efforts: we have Green Teams, employee-led environmental groups representing more than 19,000 employees, in over 70 key facilities

Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship

Our data summary shows performance in key environmental metrics since 2010. Third party verification of our environmental data gives us confidence in its reliability and improves our reporting. Environmental data covers a full calendar year and all global operations for which we have operational control.

We agree with scientific opinion that we need to reduce the total quantity of absolute greenhouse gases in the atmosphere – as stated in our environmental publications, such as Elsevier's <u>Global Environmental Change</u> – but as our business continues to expand, intensity targets provide a better indication of our efficiency and relative performance, and allow for comparisons. We will, however, continue to show results in both absolute and intensity terms.

Our targets separate climate change scopes as prescribed by the Greenhouse Gas (GHG) Protocol. We are striving to achieve a 20% reduction in Scope 1 (direct emissions) and a 10% reduction in Scope 2 (electricity and heating) by 2015. We continue to expand reporting on our indirect Scope 3 emissions.

In energy, we focus on increasing the percentage of electricity we get from renewables and, for reporting purposes, separate offices from data centres, which continue to expand as we produce more online content. Water is a location-specific issue, so, rather than a global target, we focus on locations in water stressed areas. We continue to work with suppliers to understand their use of water in producing goods and services on our behalf and are working to divert 75% of our waste from landfill.

In the longer term, we aim by 2020 to achieve:

- 100% of our electricity will be from renewables or offset
- Zero waste to landfill at key locations under our control

To realise efficiencies, we work through our Environmental Champions network and with dedicated engineering, design, and construction specialists to help identify reduction possibilities wherever possible in our portfolio. We engage employees in our reduction efforts by creating competition between offices through our Environmental Standards programme.

In 2014, our Environmental Standards were flagged to all staff in a communication from the CFO on World Environment Day, and supported by local management and real estate teams. 81 locations (up from 77 in 2013), covering all parts of the business, achieved five Environmental Standards and achieved Green status. Those locations achieving seven or more standards are designated as Green+ and are the best performing sites within the business. In the year, 30 locations were designated as Green+. Five sites in the UK achieved all 10 relevant standards.

Key CR data

Appendix 2 - EY assurance statement 2014

Environment -Targets and standards

Environment – Climate change

Environment -Energy

<u>Environment -</u> <u>Water</u>

<u>Environment -</u> <u>Paper</u>

Robust Anti-Corruption Management Policies & Procedures

Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption

The Code of Ethics and Business Conduct (the Code), disseminated to every employee and publicly available at www.relxgroup.com, sets the standard for our corporate and individual behaviour. It incorporates the 10 principles of the UN Global Compact and makes clear our commitment to human rights. The Code is reinforced by other policies to further assist employees in complying with laws in key areas, such as anti-bribery, competition, trade sanctions and workplace harassment.

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. We supplement computer-based training with comprehensive in-person or webinar sessions as applicable, including tailored privacy training for employees with access to personal or regulated data, and preventing bribery and competition law training for employees in higher risk positions and geographies.

Relevant objectives we set in 2014 which were completed successfully:

- Implement updated corporate governance policies
- Conduct a review and refresh of Code of Ethics and Business Conduct
- Evaluate Export and Trade Controls Policy and compliance efforts

We uphold RELX Group 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 10 principles of the UN Global Compact to which we are a signatory. These principles are reflected in the Supplier Code of Conduct, which we ask suppliers to sign and display prominently in the workplace.

Governance – Ensuring the highest ethical standards

Code of Ethics and Business Conduct

Supplier Code of Conduct

Supply chain – Upholding standards

Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle

We offer employees a confidential reporting line, managed by an independent third party, which is accessible by telephone or online 24 hours per day, 365 days a year. 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 of employment.

All employees receive initial and periodic training on the Code, data privacy and security, and preventing bribery; other courses are rolled out on an ongoing basis to those for whom the topic is most relevant, such as competition law and preventing workplace harassment for managers. We achieve 100% completion rates for all courses within four months of issuance.

In 2014, we continued to roll out all courses to new employees as applicable. We implemented a competition law computer-based refresher training course for 6,000 employees due for training, as well as detailed in-person training for those for whom it is relevant. We also issued updated privacy and data protection training to 17,000 English-speaking employees, with translations and course roll out to non-English-speaking populations planned for 2015.

Governance – Ensuring the highest ethical standards

Code of Ethics and Business Conduct We supplement computer-based training with comprehensive in-person or webinar sessions as applicable, including tailored privacy training for employees with access to personal or regulated data, and preventing bribery and competition law training for employees in higher risk positions and geographies. In 2014, we remained diligent in our ongoing efforts to ensure compliance with applicable bribery laws.

Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anticorruption

The board, senior management, and the Corporate Responsibility Forum (chaired by a senior leader and involving individuals representing all key business functions and businesses) oversee corporate responsibility objectives and monitor performance against them; this includes compliance with the Code of Ethics and Business Conduct.

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, an HR representative, a company lawyer or the appropriate compliance committee. We also offer employees a confidential reporting line, managed by an independent third party, which is accessible by telephone or online 24 hours a day, 365 days a year. 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 of employment.

Our Approach to CR

Governance – Ensuring the highest ethical standards

Code of Ethics and Business Conduct

Taking Action in Support of Broader UN Goals and Issues

Criterion 15: The COP describes core business contributions to UN goals and issues

We are a member of the UNGC UK Network Advisory Group and the UNGC Supply Chain and Caring for Climate Advisory Groups. Since becoming a signatory, we continually work to further UNGC principles within the company and beyond. CEO Erik Engstrom signed the UN Women's Empowerment Principles and we played a leadership role in progressing Business for the Rule of Law, a new initiative. LexisNexis Legal & Professional General Counsel, Ian McDougal, served on a legal committee contributing to the development of the UN Sustainable Development Goals to be released in 2015. On behalf of the UNGC CEO Water Mandate, we serve on the board of the Alliance for Water Stewardship, assisting with the development of an international standard for water stewardship.

We provide CR-related products and services that contribute to the UN goals and issues, in the areas of governance and environment, for example. These include: LexisNexis Legal & Professional's Rule of Law Resource Center; and Reed Exhibitions' World Future Energy Summit.

We have also established partnership projects that advance UN goals and issues. In 2014, we helped advance Business for the Rule of Law (B4ROL), a global initiative led by the UN Global Compact with the support of other organisations including the Atlantic Council, the World Justice Project and the International Chamber of Commerce. Key developments in the year include the creation of a Steering Group and the start of international consultation on a formal framework, to be launched in 2015, focused on actions, practical examples and interactive technology to promote corporate support for the rule of law around the world.

Elsevier supports key programmes in places where resources are often scarce. Among them is Research4Life, in partnership with United Nations agencies and approximately 200

Commitment to UNGC

Sampling of CR products

<u>Unique</u> <u>contributions –</u> <u>Across RELX</u> <u>Group</u>

<u>Unique</u>
<u>contributions –</u>
<u>Scientific,</u>
<u>Technical &</u>
<u>Medical</u>

Criterion 16: The COP describes strategic social investments and philanthropy

At RELX Group, CR is not a programme or prescriptive set of activities, it is how we do what we do on a daily basis – working to maximise our positive impact, while minimising any negative consequences of conducting our business. This focus adds to our competitive advantage by building good relations with current and future employees, customers and investors, as well as governments, non-governmental organisations (NGOs) and the communities in which we live and work.

We believe we have the most significant impact when we apply our expertise to areas like universal, sustainable access to information, advance of science and health, protection of society, and promotion of the rule of law and access to justice. In focusing on our unique contributions, we benefit others and add value to the company by building trust in and outside the company and creating new opportunities. Examples, such as Elsevier's involvement with Research4Life, can be found in the Unique contributions section of the 2014 CR Report.

Contributing to our local and global communities is both an opportunity and a responsibility. It helps us inspire employees, assist 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 volunteering and giving. We align our central donations programme with our unique contributions, inviting staff across the company to nominate relevant charities for funding from a central budget. RE Cares Champions awarded nearly \$400,000 to more than 35 charities in 2014. In the year, we donated £3.4m in cash (including through matching gifts) and £2.6m in products, services and staff time, with a market value of approximately £13.5m. 32% of employees were engaged in volunteering through RE Cares.

We engage with stakeholders who inform our views on our CR objectives, risks and opportunities, and best practice. For example, we collaborate on key issues and projects with NGOs such as Earthwatch, the Alliance for Water Stewardship, Oxfam and the International Rescue Committee. To read about our work with Oxfam and collaborations involved in the Environmental Challenge, see "Across RELX Group" in the Unique contributions section.

We have long-term partnerships: For more than 10 years, all parts of the Group have worked in partnership with key partner Book Aid International, finding ways to build on our mutual strengths. Since 2004, we have donated more than 500,000 books to partner institutions in developing countries — including 10,000 science, technical and medical books in 2014, with an estimated value of over £450,000. In addition, over the last 10 years, we have given £291,000 to support key library and reading initiatives across sub-Saharan Africa. Project work with Book Aid includes community library development in Cameroon. With our support in 2014, 32 community library staff received training to advance their work, and nearly 1,600 books were donated to help community libraries build their children's collections.

Our Approach to CR

Community

<u>Unique</u> <u>Contributions</u>

Internal engagement

External engagement

Criterion 17: The COP describes advocacy and public policy engagement

We engage with government directly and through our involvement in networks such as the

External

European Network for Sustainable Business, the UK Aldersgate Group, the UK All Party Parliamentary Corporate Responsibility Group, the responsible business section of the International Chamber of Commerce, and the Business Tax Forum, a UK HM Revenue and Customs committee.

We are a member of the UNGC UK Network Advisory Group and the UNGC Supply Chain and Caring for Climate Advisory Groups. Since becoming a signatory, we continually work to further UNGC principles within the company and beyond. CEO Erik Engstrom signed the UN Women's Empowerment Principles and we played a leadership role in progressing Business for the Rule of Law, a new initiative. LexisNexis Legal & Professional General Counsel, Ian McDougal, served on a legal committee contributing to the development of the UN Sustainable Development Goals to be released in 2015. On behalf of the UNGC CEO Water Mandate, we serve on the board of the Alliance for Water Stewardship, assisting with the development of an international standard for water stewardship.

We support progressive environmental legislation, and, in 2014, continued our involvement with the UK Aldersgate Group, which engages with government on environmental reporting and other key issues. In the year, we served on the steering committee of the Aldersgate Working Group exploring the potential benefits of a UK electricity and carbon labelling scheme, which resulted in a July 2014 report entitled Enable the Label. In October, businesses were invited to trial the electricity label on their UK energy supply.

We are a member of the UN Global Compact CEO Water Mandate, which brings together businesses to address the challenges posed by water scarcity and quality to communities and ecosystems. We provide a water news feed to the CEO Water Mandate's Water Action Hub — an online platform facilitating collaboration on projects in water-stressed areas. As a member of the board of the Alliance for Water Stewardship, we are helping to develop an internationally recognised standard for water resource management.

Our Climate Change Statement indicates our support for the globally recognised target of an 80% absolute reduction in CO2 emissions by 2050. It also outlines 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 continue to engage with governments on climate change regulation. As an endorser of the UN Global Compact's Caring for Climate initiative and through the European Network for Sustainable Business, we share good practice with others and support voluntary codes of practice.

engagement

Commitment to UNGC

Environment – Risks and opportunities

<u>Environment -</u> Water

Environment – Climate change

Criterion 18: The COP describes partnerships and collective action

We collaborate on key issues and projects with NGOs such as the Alliance for Water Stewardship, International Rescue Committee and Oxfam.

We engage with government directly and through our involvement in networks such as the European Network for Sustainable Business; the UK Aldersgate Group; the UK All Party Parliamentary Corporate Responsibility Group; the responsible business section of the International Chamber of Commerce; and the Business Tax Forum, a UK HM Revenue and Customs committee.

Our Socially Responsible Supplier (SRS) programme gives us a platform for engaging with our suppliers on CR.

We actively contributed to CR networks such as the Media CSR Forum, Business in the Community, Publishers' Database for Responsible Environmental Paper Sourcing, Publishing Industry Public Safety Forum and the Uptime Institute. We attended and spoke at CR

External engagement

<u>Unique</u> <u>Contributions</u> meetings including the Innovation Forum and CDP UK Report conference.

Our businesses work with organisations to advance our unique contributions to society. For example:

- Elsevier supports key programmes in places where resources are often scarce. Among them is Research4Life which, in partnership with United Nations agencies and approximately 200 publishers, provides core and cutting-edge scientific information to researchers in more than 100 developing countries. As a founding partner, we contribute over a quarter of the nearly 50,000 peer-reviewed resources in Research4Life, encompassing Scopus and ScienceDirect, including over 3,000 Elsevier journals and nearly 13,000 books. In the year, there were over 3.9m Research4Life article downloads from Elsevier's ScienceDirect
- Risk & Business Information employees created the Automated Delivery of Alerts on Missing Children (ADAM) programme, which assists in the safe recovery of missing children. ADAM alerts circulate missing child posters – over 1.9m in 2014 – to police, news media, schools, businesses, medical centres, and other recipients within a specific geographic search area
- In 2014, in 2014 LexisNexis Legal & Professional released Dressed to Kill, a report
 examining the cotton industry and human trafficking. It measured media coverage
 of both fashion and human trafficking media to help the industry as well as the
 broader public understand what is currently happening, and offers guidance on
 eliminating and reducing risk
- In 2014, Reed Exhibitions' New York Comic Con, which attracted 151,000 attendees, became corporate sponsor of the Comic Book Legal Defense Fund, a non-profit organisation protecting the rights of comics artists, publishers, retailers, librarians and fans.

Corporate Sustainability Governance and Leadership

Criterion 19: The COP describes CEO commitment and leadership

Our Chief Executive Officer, Erik Engstrom, shows his support of UN initiatives in his statement at the start of our 2014 CR Report: "Meaningful initiatives such as the United Nations Global Compact help us benchmark our corporate responsibility activities and advance good practice. I was pleased to sign the Women's Empowerment Principles – a Global Compact initiative – to put our commitment to fairness and opportunity for all our people on record, and to gain new insights into supporting women at all levels of the Group."

The Chief Executive Officer (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.

The Code of Ethics and Business Conduct, which incorporates the 10 principles of the UN Global Compact, 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.

CEO statement

Our Approach to CR

Governance – Ensuring the highest ethical standards

Criterion 20: The COP describes Board adoption and oversight

The board, senior management and the CR Forum (chaired by a senior leader and involving individuals representing all key business functions and businesses) oversee CR 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.

Our Approach to CR

Senior leaders have CR-related Key Performance Objectives, see p.77 in the Annual Report: for both the CEO and CFO, "The sixth KPO was to complete the actions listed in the 2013 Corporate Responsibility Report and meet the quantified targets in the report. This KPO was almost fully met as set out on pages 40 to 47."

Annual Report – Director's Remuneration Report

<u>Annual Report –</u> Principal Risks

The principal risks facing RELX Group, which have been considered by the Audit Committees and Boards, include reputational risks such as ethics and the environment.

Criterion 21: The COP describes stakeholder engagement

To understand which issues we should focus on, we consider our business priorities and engage broadly with stakeholders. We recognise some issues have a greater potential impact on our business performance.

Our Approach to CR

Greatest potential impact

Our contribution to society
Access to information
Governance and ethical practice
Responding to customer needs
Having the right people
Editorial standards
Sustainable supply chain

Potential impact

Tax, pensions, and investments
Promoting diversity
Health, safety, and wellbeing
Supporting our communities
Managing environmental impacts
Transparent, comprehensive reporting

<u>People –</u> <u>Listening</u>

Internal engagement

External engagement

Supply chain – Supplier training and surveys

We involve networks of colleagues throughout the Group in our CR activities including: the Accessibility Working Group; CR as a Sales Tool Working Group; Diversity and Inclusion Advisory Group and Working Group; Editorial Policy Working Group; Environmental Champions Network; Health and Safety Champions; the HR Management Council; Quality First Principles Working Group; RE Cares Champions; the Socially Responsible Supplier Group; and the communications, global real estate, legal, procurement and accounting services functions, among others.

Hearing directly from our people is an important driver for improvement. Throughout 2014 we conducted pulse surveys at the business unit level to hear what our people think we are doing well and where we must improve. Our next comprehensive global Employee Opinion Survey will be performed in 2015.

We engage with external stakeholders who inform our thinking on CR objectives, risks and opportunities and best practice. In 2014, our CR Forum Stakeholder Session focused on accessibility challenges and opportunities. Participants included a corporate peer responsible for accessibility; a member of the Elsevier Accessibility Collaboration Group, who herself is a blind user; the founder of a disability NGO; and the leader of our Accessibility Working Group.

CEO Water Mandate

Our 2014 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	2014 CR Report location
Direct operations	We have an ongoing programme of water reduction measures including sprinkler system adjustments, leak identification and repair, and installing waterless urinals where possible.	During 2014, our water usage continued to move downward with a 14% absolute reduction between 2013 and 2014. Unlike carbon, water-related issues are related to location and exposure to water stress. We use the World Business Council for Sustainable Development's Global Water Tool, as a watershed risk management system to identify the river basins from which our sites draw water.	Environment – Water
Supply chain and watershed	We use a watershed risk management system to identify the river basins from which our sites draw water. We address water issues through our Socially Responsible Supplier programme.	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 2014 property portfolio, 38% of key 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. In 2014 we calculated a relative water impact in our supply chain of 2,638,130m3 based on the percentage of water they used for production on our behalf, 94% of which came from paper suppliers.	Environment – Water
Collective action	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 collect paper supplier water data through PREPS. We are a member of the UN Global Compact CEO	Environment – Our impact Environment – Water

		Water Mandate, which brings together businesses to address the challenges posed by water scarcity and quality to communities and ecosystems. We provide a water news feed to the CEO Water Mandate's Water Action Hub – an online platform facilitating collaboration on projects in water-stressed areas. As a member of the board of the Alliance for Water Stewardship, on behalf of the UNGC, we are helping to develop an internationally recognised standard for water resource management.	
Public policy	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, and, in 2014, continued our involvement with the UK Aldersgate Group, which engages with government on environmental reporting and other key issues. In the year, we served on the steering committee of the Aldersgate Working Group exploring the potential benefits of a UK electricity and carbon labelling scheme, which resulted in a July 2014 report entitled Enable the Label. In October, businesses were invited to trial the electricity label on their UK energy supply. We engage with internal water experts who are responsible for producing water-related products, an	Environment – Risks and opportunities
		organic growth area for us. In 2014, we published 40 high-quality journals in aquatic sciences including Water Research and the Journal of Hydrology.	
Community	We support water	Drawing on expertise across the company, in 2014 we	Unique
engagement	reduction and	awarded prizes in the fourth Environmental Challenge	contributions –
engagement	access initiatives.	to projects that improve sustainable access to water	Across RELX Group
	access illitiatives.	and improved sanitation where it is presently at risk.	ACIOSS RELX GIOUP
		The \$50,000 2014 first prize winner was Sustainable	
		Sanitation Design, an NGO aiming to bring 10,000	
		households in Uganda its low-cost, unisex urinal	
		featuring a safe organic fertiliser recovery system. The	
		\$25,000 2014 second prize winner was Ecofiltro, a	
		social enterprise company working to provide	
		thousands of families in Guatemala with new ceramic	
		disk filters that remove bacteria and other harmful	
		agents from potable water. The \$15,000 WASH	
		Alliance prize winner was the Stanford Program on	
		Water, Health & Development, which will install automated chlorine dosing systems at shared water	
		points in Bangladesh used by 2,000 families. The	
		WASH Alliance is a consortium of six Dutch NGOs	
		promoting hygienic use of sustainable water and	
		sanitation.	
Transparency	We publicly report	RELX Group is a founding contributor to CDP Water	Environment –
	on our water	Disclosure and is a member of the United Nations CEO	<u>Water</u>
	targets and	Water Mandate, which brings together businesses to	Enternal
	performance in our	address the challenges posed by water scarcity and	<u>External</u>
		quality to communities and ecosystems. As a member	Recognition
	annual Corporate	· · · ·	<u></u>
	Responsibility Report and engage	of the board of the Alliance for Water Stewardship, we are helping to develop an internationally	Environment –

 on water issues in	
one-to-one	In 2014, we were part of the CDP Disclosure
meetings.	Leadership Index for the seventh year and were also
	listed in the CDP Global Performance Leadership
	Index. We also participated in CDP's pilot scheme to
	benchmark water data and performance. Scores from
	the pilot were not publicly disclosed, but feedback
	will inform an eventual public benchmark.

Women's Empowerment Principles

In 2014, CEO Erik Engstrom signed the Women's Empowerment Principles

We support the Principles and are committed to meeting its provisions

2014 CR Report location

The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the workplace

Our CEO, Erik Engstrom, says in his introduction to our 2014 CR Report: "Meaningful initiatives such as the United Nations Global Compact help us benchmark our corporate responsibility activities and advance good practice. I was pleased to sign the Women's Empowerment Principles – a Global Compact initiative – to put our commitment to fairness and opportunity for all our people on record, and to gain new insights into supporting women at all levels of the Group." We have created a template for reviewing our existing practices relative to the Principles, which support corporate action on gender equality and women's empowerment.

In 2014, our workforce was 53% female, based on a sampling of greater than 85% of our employees; 44% of managers were women as were 29% of all senior operational managers. At year end 2014, women made up 30% of the members of the Reed Elsevier NV Board and 22% of the members of the Reed Elsevier PLC Board: Linda Sanford and Lisa Hook are non-executive directors of Reed Elsevier PLC and Reed Elsevier NV; and Marike van Lier Lels is a non-executive director of Reed Elsevier NV.

The Boards continues to meet their aspirational goals – set in response to the Davies Review, "Women on Boards" – that the Reed Elsevier NV Board is comprised of 30% women and the Reed Elsevier PLC Board would be comprised of 22% women. During 2014, the Committee continued to monitor the composition of the Boards against these aspirational goals while taking into account the benefits of diversity more generally.

As stated in our Code of Ethics and Business Conduct, "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, we prohibit discrimination or harassment of any kind.

CEO statement

<u>People – Our</u> workforce

People -Promoting diversity

D&I Statement

Annual Report – Report of the Nominations Commitee We are committed to building a workforce that reflects the diversity of our customers and communities. The Group's Diversity and Inclusion (D&I) Statement articulates our commitment to a diverse workforce and an environment that respects all individuals and their contributions. The Statement is supported by our D&I Strategy which indicates, "Diversity and inclusion are not just aspirational social concepts. Rather, they are a cornerstone of a successful global business."

In 2014, we continued to offer D&I training for managers. Course content includes making the business case for D&I on ethical, economic, regulatory and reputational grounds, as well as a focus on inclusive leadership. We also offer an online D&I course that all employees can take at their leisure.

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, community involvement and promote career development through mentoring, workshops, leadership speakers and external networking. The Elsevier Women's Network, which began at the close of 2008 with five women, had over 700 members and 12 active chapters at the close of 2014. LexisNexis Legal & Professional has Women Connected chapters in the US and UK. We provide one-to-one coaching and sponsorship; for example, we are working with several senior women in the Group to support their interest in serving as non-executive directors outside the company.

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 and flex-time working, job sharing, home working, time off to care for children or other family members and career breaks.

The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the marketplace

We uphold our 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 10 principles of the UN Global Compact (UNGC) to which we are a signatory. These principles are reflected in the Supplier Code of Conduct (the Supplier Code), which we ask suppliers to sign and display prominently in the workplace. The Supplier Code contains standards on child labour, involuntary labour, wages, coercion and harassment, non-discrimination, freedom of association, health and safety, environment 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 Supplier Code, or who assists in the investigation of any such report."

We are committed to proactive engagement with businesses that reflect the diversity of our communities in order to contribute to economic growth and positive business results. Following a successful pilot, we implemented our new US Supplier Diversity programme in 2014, encompassing small business as well as minority, women and other diverse-owned businesses. All relevant staff received associated training in order to increase tenders from diverse suppliers, who now receive

Supply chain – Why it matters

Supplier Code of Conduct

Supply chain – Upholding standards feedback after competitive bidding and opportunities for development. We have enhanced tracking to improve reporting on diverse supplier utilisation.

The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the community

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

Some examples of projects to empower women and girls:

In addition to support for ongoing projects, in 2014 the Elsevier Foundation committed \$700,000 to support libraries in developing countries, women scientists and nursing facilities in 2014. The Elsevier Foundation's New Scholars Program supports projects to help early-career women scientists balance family responsibilities with academic careers and addresses the attrition rate of women scientists in both the developed and developing world.

In 2014 we began working with Oxfam on Raising Her Voice to promote women's rights in Nepal. Through our partnership, we have supported 90 community discussion groups across districts in the country's midwest region. The discussion groups aim to empower women, helping them develop action plans to address personal, family and community challenges, while training for men aims to create better awareness of gender equality.

<u>Unique</u>
<u>contributions –</u>
<u>Scientific,</u>
<u>Technical &</u>
<u>Medical</u>

<u>Unique</u> <u>contributions –</u> <u>Across RELX</u> <u>Group</u>

The COP contains or refers to sex-disaggregated data

	Female		Male	
Board of directors	3	30%	7	70%
Senior operations managers*	121	29%	300	71%
All employees**	15,100	53%	13,400	47%

People – Our workforce

In 2014, our workforce was 53% female, based on a sampling of greater than 85% of our employees; 44% of managers were women as were 29% of all senior operational managers. The joint Nominations Committee of Reed Elsevier PLC and Reed Elsevier NV considers the knowledge, experience and background of individual board directors. At year end 2014, women made up 30% of the members of the Reed Elsevier NV Board and 22% of the members of the Reed Elsevier PLC Board: Linda Sanford and Lisa Hook are non-executive directors of Reed Elsevier PLC and Reed Elsevier NV; and Marike van Lier Lels is a non-executive director of Reed Elsevier NV.

^{*}Senior operational managers are defined as those managers up to and including three reporting lines from the CEO

^{**} Full time equivalent