This document is important and requires your immediate attention
If you are in any doubt as to what action you should take, you should consult immediately with your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Reed Elsevier PLC, please send this Notice of Annual General Meeting and accompanying documents to the stockbroker, or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

A Proxy Form for the Annual General Meeting is enclosed and should be completed and returned so as to reach the Company's Registrar not less than 48 hours before the time of the meeting. Completion and return of the Proxy Form or such other instrument appointing a proxy will not prevent you from attending and voting at the meeting in person. Alternatively, you can register your proxy vote electronically no later than 48 hours before the time of the meeting, either online at www.reedelsevier.com/vote, or by using the service provided by Euroclear UK & Ireland Limited. Further details are given in the notes to the enclosed Notice of Annual General Meeting.

Reed Elsevier
PLC

Reed Elsevier PLC

Notice of Annual General Meeting

To be held at the Millennium Hotel, Grosvenor Square, London W1K 2HP
on Thursday, 25 April 2013 at 11.00 am

Letter from the Chairman
To the holders of Reed Elsevier PLC ordinary shares

Dear Shareholder,

2013 Annual General Meeting

Introduction
I am pleased to invite you to the 2013 Annual General Meeting (the "AGM") of Reed Elsevier PLC (the "Company"), which will be held on Thursday, 25 April 2013 at 11.00 am in the Ballroom at the Millennium Hotel, Grosvenor Square, London W1K 2HP.

The Notice of AGM (the "Notice") on pages 4 and 5 sets out the business to be considered at the meeting. Explanatory notes on all of the business to be considered at this year's AGM appear on pages 6 to 14.

Dividend
Your Board has proposed a final dividend for 2012 of 17.0p per ordinary share. Subject to approval by shareholders, the dividend will be paid on 23 May 2013 to shareholders appearing on the register of members at the close of business on 3 May 2013.

The company will be operating a Dividend Reinvestment Plan ("DRIP") for the 2012 final dividend. Shareholders who have previously elected to participate in the DRIP, and who wish to reinvest their 2012 final dividend, need take no action. The closing date for withdrawing an existing dividend reinvestment election, or making a new election, is 3 May 2013. Further information concerning the DRIP appears on page 200 of the Reed Elsevier Annual Report and Financial Statements 2012.

Board appointments
Sir David Reid and Mark Elliot, having both served for ten years on the Board as non-executive directors of the Company, will retire at the conclusion of the AGM and will not be seeking re-election.

In August 2012, Duncan Palmer joined Reed Elsevier and was appointed Chief Financial Officer in November to succeed Mark Armour who retired from the Board in December 2012. Prior to joining Reed Elsevier, Duncan Palmer was chief financial officer and senior vice president of Owens Corning Inc. Previously, he held various senior finance positions with Royal Dutch Shell for 20 years in the UK, the Netherlands and the US. He has a wealth of international business experience gained while living in our three largest office locations, making him uniquely qualified to be Chief Financial Officer of Reed Elsevier.

In December 2012, Linda Sanford was appointed by the Board as a Non-Executive Director. She is Senior Vice President, Enterprise Transformation, IBM Corporation, a non-executive director of ITT Corporation until May 2013 and a member of the Board of several academic and non-profit institutions. She brings highly relevant experience to our Board discussions.

At the Annual General Meeting held in April 2012, David Brennan was appointed a Non-Executive Director which was to have been effective as of November 2012. As previously announced, his appointment has been postponed indefinitely for personal reasons at his request and by agreement with the Board. The Nominations Committee, in conjunction with an external consultant, therefore continued the search for a Non-Executive Director and, in February 2013, recommended that Dr Wolfhart Hauser be proposed for election as a director of the Company as well as recommending to the Combined Board of Reed Elsevier NV his election as a member of the Supervisory Board. Dr Hauser has been the Chief Executive Officer of Intertek Group plc since 2005, after serving as a non-executive director since 2002. He was also a non-executive director of Logica plc from 2007 to 2012. With more than 30 years' service in executive and non-executive positions in international technology and services businesses and his background in science and medicine, he will be an excellent addition to our Boards. Subject to his election, he will also join the Board of Reed Elsevier Group plc.

In accordance with the recommendation contained in the UK Corporate Governance Code issued by the Financial Reporting Council, all other directors will retire from the Board at the AGM and, being eligible, each will offer him/herself for re-election. Taking into account the assessment by the Corporate Governance Committee of the qualifications, performance and effectiveness of each individual director seeking re-election and of the Board as a whole, the Board has accepted a recommendation from the Nominations Committee that each director be proposed for re-election at the AGM.

Biographical information concerning each director appears on page 15.

New multi-year incentives (Resolutions 19 and 20)
We are seeking shareholder approval for two multi-year share incentive plans:

- The Reed Elsevier Group plc Long-term Incentive Plan 2013 (the "LTIP"); and
- The Reed Elsevier Group plc Executive Share Option Scheme 2013 (the "ESOS").

We have been involved in extensive consultation with major shareholders and shareholder representative bodies in the UK, the Netherlands and the US concerning the design of the new LTIP and the renewal of the ESOS and your Board believes that the proposed plans will support the Company's strategy and drive sustainable long-term performance.

A plan similar to the proposed LTIP has been in place since 2010 for our 100 most senior executives, excluding executive directors, and the current ESOS has been in place since 2003 for around 1,000 executives in more than 20 countries. We believe they have both helped contribute to our current performance, each in a different way. Not to renew one of these plans at this stage would cause disruption to the steady improvement in our performance at a time when we consider stability, retention and continuous improvement to be of paramount importance.

For executive directors, the proposed LTIP represents a return to a more normal annual long-term incentive plan with a three-year performance period, following the operation of the one-off Reed

Elsevier Growth Plan (the "Growth Plan"), which was approved by shareholders in 2010. It retains the careful balance of measures of performance constructed after extensive shareholder consultation three years ago. The ESOS replaces the existing executive share option scheme, approved by shareholders in 2003, for which shareholder authority expires in April 2013.

New save as you earn (SAYE) share option scheme (Resolution 21)

We are also asking shareholders to approve a new save as you earn share option scheme, Reed Elsevier Group plc SAYE Share Option Scheme 2013. This is a UK all-employee scheme to replace the existing scheme, for which shareholder authority expires in April 2013 prior to the AGM. The Executive Directors have waived their right to participate in any SAYE scheme.

Recommendation

Your Board considers that the proposed resolutions set out in the Notice are in the best interests of the Company and its shareholders as a whole. Accordingly, they unanimously recommend you to vote in favour of each resolution, as they intend to do in respect of their own shareholdings in the Company.

Voting procedures

Enclosed with the Notice is a Proxy Form. Whether or not you plan to attend the AGM, I would ask you to complete the Proxy Form and return it to the Company's Registrar at the address shown on the Proxy Form. Alternatively, a proxy vote may be submitted online at www.reedelsevier.com/vote or, if you are a user of the CREST system, via the CREST electronic proxy appointment service. Further information concerning the appointment of a proxy is set out on page 16 .

All resolutions proposed at the meeting will be decided by poll in accordance with current recommended best practice.

Yours sincerely

Anthony Habgood
Chairman

12 March 2013

Notice of Annual General Meeting

to be held on Thursday 25 April 2013 at 11.00 am

Notice is hereby given that the Annual General Meeting of Reed Elsevier PLC (the "Company") will be held in the Ballroom at the Millennium Hotel, Grosvenor Square, London W1K 2HP on Thursday, 25 April 2013 commencing at 11.00 am for the following purpose:

To consider and, if thought fit, pass the resolutions noted below. All of the resolutions will be proposed as ordinary resolutions, other than resolutions 16, 17 and 18 which will be proposed as special resolutions.

Ordinary resolutions

A description of each resolution is set out in the 'Explanation of Business' section of this Notice on pages 6 to 14.

1. To receive the Company's Financial Statements for the year ended 31 December 2012, together with the reports of the directors and auditors thereon.

2. To approve the Directors' Remuneration Report as set out in the Reed Elsevier Annual Reports and Financial Statements 2012.

3. To declare a final dividend for 2012 of 17.0p per share on the Company's ordinary shares.

4. To re-appoint Deloitte LLP as auditors of the Company until the next general meeting of the Company at which accounts are laid.

5. To authorise the directors to fix the remuneration of the auditors.

6. To elect Dr Wolfhart Hauser as a director of the Company.

7. To elect Duncan Palmer as a director of the Company.

8. To elect Linda Sanford as a director of the Company.

9. To re-elect Erik Engstrom as a director of the Company.

10. To re-elect Anthony Habgood as a director of the Company.

11. To re-elect Adrian Hennah as a director of the Company.

12. To re-elect Lisa Hook as a director of the Company.

13. To re-elect Robert Polet as a director of the Company.

14. To re-elect Ben van der Veer as a director of the Company.

15. That:

(a) the directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to:

(i) allot shares in the Company, and to grant rights to subscribe for or to convert any security into shares in the Company:

(A) up to an aggregate nominal amount of £57.4 million; and

(B) comprising equity securities (as defined in the Act) up to an aggregate nominal amount of £114.9 million (including within such limit any shares issued or rights granted under paragraph (A) above) in connection with an offer by way of a rights issue:

(i) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to people who are holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities,

and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;

for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next Annual General Meeting of the Company after the date on which this resolution is passed (or, if earlier, at the close of business on 25 July 2014); and

(ii) make an offer or agreement, before this authority expires, which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after expiry of this authority and the directors may allot shares and grant rights in pursuance of that offer or agreement as if this authority had not expired;

(b) subject to paragraph (c) below all existing authorities given to the directors pursuant to section 551 of the Act to allot relevant securities (as defined by the Act) by way of the ordinary resolution of the Company passed on 25 April 2012 be revoked by this resolution; and

(c) paragraph (b) above shall be without prejudice to the continuing authority of the directors to allot shares, or grant rights to subscribe for or convert any security into shares, pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made.

Special resolutions

16. That subject to the passing of resolution 15 as set out in the Notice of Annual General Meeting of the Company convened for 25 April 2013 and in place of all existing powers, the directors be generally empowered pursuant to section 570 and section 573 of the Companies Act 2006 (the "Act") to allot equity securities (as defined in the Act) for cash, pursuant to the authority conferred by resolution 15 as set out in the Notice of Annual General Meeting of the Company convened for 25 April 2013 as if section 561(1) of the Act did not apply to the allotment. This power:

(a) expires (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next Annual General Meeting of the Company after the date on which this resolution is passed (or, if earlier, at the close of business on 25 July 2014), but the Company may make an offer or agreement, before this power expires, which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired; and

(b) shall be limited to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under resolution 15(a)(i)(B), by way of a rights issue only):

(i) to the ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to people who hold other equity securities, if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities, and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

(c) in the case of the authority granted under resolution 15(a)(i)(A) shall be limited to the allotment of equity securities for cash otherwise than pursuant to paragraph (b):

(i) up to an aggregate nominal amount of £9.0 million; and

(ii) (otherwise than pursuant to sub-paragraph (c)(i) above) pursuant to the terms of the Reed Elsevier Group plc employee share plans approved by the Company.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(3) of the Act as if in the first paragraph of this resolution the words "pursuant to the authority conferred by resolution 15 as set out in the Notice of Annual General Meeting of the Company convened for 25 April 2013" were omitted.

17. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its ordinary shares of $14^{51}/_{116}$p nominal value each in the capital of the Company, such authority to apply until the conclusion of the next Annual General Meeting of the Company (or, if earlier, until the close of business on 25 July 2014) except in relation to the purchase of ordinary shares the contract for which was concluded before such date and which is executed wholly or partly after such date, unless such authority is renewed prior to such time provided that this authority shall be limited so that:

(a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 125.9 million;

(b) the minimum price (exclusive of expenses) which may be paid for each ordinary share is $14^{51}/_{116}$p; and

(c) the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of:

(i) an amount equal to 105% of the average of the middle market quotations for an ordinary share of the Company, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; and

(ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the current highest independent bid for an ordinary share as derived from the London Stock Exchange Trading System ("SETS").

18. That a general meeting of the Company, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

Ordinary resolutions

19. That the Rules of the Reed Elsevier Group plc Long-term Incentive Plan 2013 produced to the meeting and initialled by the chairman of the meeting for the purpose of identification (the "LTIP") be approved and that the directors of the Company be and are hereby authorised to take such actions as may be necessary to facilitate the implementation of the LTIP by Reed Elsevier Group plc and to be counted in the quorum and to vote as directors on any matter relating to the LTIP, notwithstanding that they may be interested in the same.

20. That the Rules of the Reed Elsevier Group plc Executive Share Option Scheme 2013 produced to the meeting and initialled by the chairman of the meeting for the purpose of identification (the "ESOS") be approved and that the directors of the Company be and are hereby authorised to take such actions as may be necessary to facilitate the implementation of the ESOS by Reed Elsevier Group plc and to be counted in the quorum and to vote as directors on any matter relating to the ESOS, notwithstanding that they may be interested in the same.

21. That the Rules of the Reed Elsevier Group plc SAYE Share Option Scheme 2013 produced to the meeting and initialled by the chairman of the meeting for the purpose of identification (the "SAYE") be approved and that the directors of the Company be and are hereby authorised to take such actions as may be necessary to facilitate the implementation of SAYE by Reed Elsevier Group plc and to be counted in the quorum and to vote as directors on any matter relating to SAYE, notwithstanding that they may be interested in the same.

By order of the Board

Henry Udow
Company Secretary

12 March 2013

Registered Office: 1-3 Strand London WC2N 5JR

Explanation of business

to be proposed at the 2013 Annual General Meeting

Resolution 1 – Annual report and accounts
The directors must present the report of the directors and the accounts of the Company for the year ended 2012 to shareholders at the AGM. The report of the directors, the accounts, and the report of the Company's auditors are contained within the Reed Elsevier Annual Reports and Financial Statements 2012, hard copies of which have been sent to those shareholders who have elected to receive them, and are available online at www.reedelsevier.com.

Resolution 2 – Directors' Remuneration Report
The Directors' Remuneration Report is contained in the Reed Elsevier Annual Reports and Financial Statements 2012. The Directors' Remuneration Report gives details of the directors' remuneration for the year ended 2012 and sets out the Company's overall policy on directors' remuneration.

The Board considers that appropriate executive remuneration plays a vital part in helping to achieve the Company's overall objectives. In compliance with the legislation, shareholders will be invited to approve the Directors' Remuneration Report. The vote is advisory in nature and not specific to any director's level or terms of remuneration.

Resolution 3 – Declaration of 2012 Final Dividend
A final dividend can only be paid after the shareholders at a general meeting have approved it. If approved, the final dividend of 17.0 pence per ordinary share will be paid on 23 May 2013 to shareholders on the register of members at the close of business on 3 May 2013.

Resolutions 4 and 5 – Re-appointment of Auditors and Auditors' Remuneration
The auditors of a Company must be re-appointed at each general meeting at which accounts are laid. Resolution 4 proposes the re-appointment of the Company's existing auditors, Deloitte LLP, until the conclusion of the next general meeting of the Company at which accounts are laid. Resolution 5 gives authority to the directors to determine the auditors' remuneration.

Resolutions 6 to 8 – Election of directors
Resolutions 6 to 8 propose the election of Dr Wolfhart Hauser, Duncan Palmer and Linda Sanford as directors.

The Nominations Committee believes that Dr Hauser is independent in character and that there are no relationships or circumstances likely to affect his independence or judgement. Accordingly, the Board recommends the election of Dr Hauser as a Non-Executive Director of the Company.

Duncan Palmer was appointed by the Board as an Executive Director in September 2012 and as Chief Financial Officer in November 2012. Linda Sanford was appointed by the Board as a Non-Executive Director in December 2012. The Board recommends their election by shareholders in accordance with the Company's Articles of Association.

Resolutions 9 to 14 – Re-election of directors
Resolutions 9 to 14 relate to those directors who are seeking re-election in accordance with the annual re-election provisions of the UK Corporate Governance Code.

During 2012, the Corporate Governance Committee conducted a review of the functioning and constitution of the boards and their committees and also undertook a board effectiveness review. Based on these assessments, the Nominations Committee believes that the contribution and performance of each director seeking re-election at the AGM continues to be valuable and effective, and that they each demonstrate commitment to their respective roles in the Company. The Nominations Committee believes that the Non-Executive Directors are independent in character and judgement and there are no relationships or circumstances likely to affect their independence. Accordingly, the Board recommends the re-election of each director in resolutions 9 to 14.

Biographical information concerning each director appears on page 15.

Resolution 15 – Authority to allot shares
Resolution 15 seeks to renew a similar authority approved by shareholders at the 2012 Annual General Meeting. The Company's directors may only allot shares or grant rights to subscribe for, or convert any security into, shares if authorised to do so by shareholders. The authority conferred on the directors at last year's Annual General Meeting under section 551 of the Companies Act 2006 (the "2006 Act") to allot shares expires on the date of the forthcoming AGM. Accordingly, this resolution seeks to grant a new authority under section 551 of the 2006 Act to authorise the directors to allot shares (including treasury shares) in the Company or grant rights to subscribe for, or convert any security into, shares in the Company and, if approved, will expire at the conclusion of the 2014 Annual General Meeting or, if earlier, the close of business on 25 July 2014.

Paragraph (A) of resolution 15 will, if passed, authorise the directors to allot shares or grant rights to subscribe for, or to convert any security into, such shares in the Company up to a maximum nominal amount of £57.4 million. This amount represents just under 33.3% of the Company's existing issued ordinary share capital (excluding treasury shares) as at 28 February 2013 (being the latest practicable date prior to publication of this Notice of AGM). Paragraph (B) of resolution 15 authorises the directors to allot, including the shares referred to in (A), further of the Company's unissued shares up to an aggregate nominal amount of £114.9 million in connection with a pre-emptive offer to existing shareholders by way of a rights issue (with exclusions to deal with fractional entitlements to shares and overseas shareholders to whom the rights issue cannot be made due to legal and practical problems). This amount represents just under 66.6% of the Company's existing issued ordinary share capital (excluding treasury shares) as at 28 February 2013. The proposals contained in resolution 15 are in accordance with the current institutional guidelines published by the Association of British Insurers.

Although at present the directors have no intention of exercising this authority, it is considered prudent to maintain the flexibility that it provides.

The Company held 65.6 million treasury shares as at 28 February 2013. This amount represents 5.5% of the Company's issued ordinary share capital (calculated exclusive of treasury shares) as at that date.

Resolution 16 – Disapplication of pre-emption rights
This resolution also seeks to renew an authority approved at the 2012 Annual General Meeting. Under section 561(1) of the 2006 Act, if the directors wish to allot ordinary shares, or grant rights to subscribe for, or convert securities into, ordinary shares, or sell treasury shares for cash they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the directors need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the 2006 Act unless the shareholders have first waived their pre-emption rights. Resolution 16 asks the shareholders to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority contained in this resolution will be limited to the issue of shares for cash up to an aggregate nominal value of £9.0 million (which includes the sale on a non pre-emptive basis of any shares held in treasury), which represents less than 5% of the Company's issued ordinary share capital as at 28 February 2013.

Companies are generally able to allot equity securities for cash in order to satisfy entitlements under employee share plans without those securities being counted towards that company's normal 5% disapplication limit. However, as a consequence of the merger of the Reed Elsevier PLC and Reed Elsevier NV businesses in 1993, employees of the Company and its subsidiaries became employees of either Reed Elsevier Group plc or a Reed Elsevier participating company. This has the effect that equity securities issued by the Company under the Reed Elsevier Group plc employee share plans must, as a matter of law, be counted towards the Company's disapplication limit. In order to ensure similar treatment with other companies, who are able to allot equity securities on the exercise of options under their share plans without such allotments counting towards their disapplication limits, resolution 16 (c)(ii) relates to the issue of equity securities pursuant to the terms of the Reed Elsevier Group plc employee share plans. As at 28 February 2013, 17.2 million shares in the Company, representing 1.44% of the Company's issued ordinary share capital (excluding treasury shares), were under option under the Reed Elsevier Group plc employee share plans.

In accordance with the Pre-Emption Group's Statement of Principles with regard to routine disapplications of pre-emption rights, excluding shares issued in connection with the Reed Elsevier Group plc employee share plans, the Company does not intend to issue more than 7.5% of the Company's issued ordinary share capital for cash other than to existing shareholders in any rolling three year period without appropriate prior consultation. If approved, the authority contained in resolution 16 will expire at the conclusion of the 2014 Annual General Meeting or, if earlier, the close of business on 25 July 2014.

Resolution 17 – Authority to purchase own shares
This resolution also seeks to renew a similar authority granted by shareholders at the 2012 Annual General Meeting. Resolution 17 authorises the Company to make market purchases of its own ordinary shares as permitted by the 2006 Act. The authority limits the number of shares that could be purchased to a maximum of 125.9 million (representing less than 10% of the issued share capital of the Company as at 28 February 2013) and sets minimum and maximum prices. The authority will be used only in circumstances where the directors, after careful consideration, believe that such a purchase would result in an expected increase in adjusted earnings per share and would be in the best interests of the Company and of its shareholders as a whole.

Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange. Any shares purchased under this authority may either be cancelled or held as treasury shares. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy options issued to employees pursuant to the Reed Elsevier Group plc employee share plans. To the extent that any shares purchased are held in treasury, earnings per share would only be increased on a temporary basis until such time as the shares are resold out of treasury.

The total number of share options outstanding as at 28 February 2013 was 17.2 million. This figure represents 1.44% of the issued ordinary share capital of the Company (excluding treasury shares) at that date. If the Company repurchased the maximum number of shares permitted pursuant to resolution 17, the total number of share options outstanding as at 28 February 2013 would represent 1.61% of the issued share capital of the Company (excluding treasury shares). If approved, the authority contained in resolution 17 will expire at the conclusion of the 2014 Annual General Meeting, or if earlier, the close of business on 25 July 2014.

Resolution 18 – Notice period for general meetings
The Company's Articles of Association provide that the notice period for a general meeting of shareholders (other than an AGM) shall (subject to the provisions of the 2006 Act) be at least 14 clear days. Under the 2006 Act, as amended by the Companies (Shareholders' Rights) Regulations 2009 (the "Shareholders' Rights Regulations") the notice period for general meetings of a company has been extended to at least 21 clear days, but with the ability for companies to reduce this period to not less than 14 clear days (other than for an AGM) provided that certain conditions are met. The first condition, which the Company already meets, is that there is a facility, offered by the company and accessible to all shareholders, to appoint proxies by means of a website. The second condition is that the Company submits a resolution to shareholders seeking approval to the reduction of the notice period from at least 21 clear days to not less than 14 clear days. Resolution 18 seeks such approval.

It is intended that the shorter notice period would not be used as a matter of routine for general meetings of shareholders, but only where the directors believe that the business of a particular meeting merited a 14 clear days' notice period and it was considered to be to the advantage of shareholders as a whole. If approved by shareholders, the authority contained in resolution 18 will apply until the conclusion of the 2014 Annual General Meeting of the Company.

Resolutions 19 and 20 – New multi-year incentives

1. Background

1.1 Since Erik Engstrom's appointment in late 2009, the Company has made good progress financially and strategically by systematically transforming the business, primarily through organic development and increased focus. The performance related components of the executive directors' remuneration arrangements in place since 2010, including the one-off Growth Plan, were a carefully constructed balance of measures of performance put in place three years ago after extensive shareholder consultation. We believe they have supported both our strategy and our improving performance by focussing on return on capital, returns to shareholders and sustained earnings growth.

The Remuneration Committee (the "Committee") spent much of its time in 2012 considering alternatives for new multi-year incentives. This was necessitated by the need to replace the one-off Growth Plan for directors with a more regular long-term incentive plan and the expiry of our existing executive share option scheme in April 2013. The Committee considered quantum, metrics and the structure of these plans as they relate to supporting the execution of business strategy.

Given the steady improvement in our performance and given our belief that stability, retention and continuous improvement are now of paramount importance, the Committee decided to propose to introduce a new three year rolling LTIP for directors and approximately 100 senior executives similar in structure to the plans introduced in 2010 after extensive shareholder consultation at that time. We also decided to propose to renew the current executive share option scheme which has been in place since 2003 for approximately 1,000 employees globally. We believe that each of these schemes has contributed positively to the current performance in a different way and our proposals will minimise disruption and maximise stability in our most senior executive population.

Earlier this year, we consulted with around 30 major shareholders and shareholder representative bodies in the UK, the Netherlands and the US on the proposed LTIP and the renewal of the ESOS. Feedback received during the process shaped the design of the plans, for which we are now seeking shareholder approval and which are described in detail below.

Performance under the proposed LTIP is measured by reference to Return on Invested Capital ("ROIC"), Earnings per Share ("EPS") and relative Total Shareholder Return ("TSR"). The first vesting of the new LTIP will be in 2016, which is the year after the vesting of the second and final tranche of the Growth Plan for the CEO, so there will be no overlapping payouts.

Under the renewed ESOS, the vesting of options for the executive directors only will be subject to an EPS vesting scale measured over three years.

The CEO and the CFO are subject to shareholding requirements. The CEO's requirement is to hold shares equal to three times his salary. He currently holds shares worth more than five times his salary. The CFO's requirement is two times salary and he has until 31 December 2015 to meet this. The CFO must retain any net shares earned from Reed Elsevier share plans until he meets his requirement. Once met, the minimum shareholding requirement must be maintained.

The targets under both plans have been set with regard to the company's 2012 annual results, as well as internal and external forecasts for 2013 and beyond. The targets for awards and options to be granted in 2013 are considered stretching and are designed to provide exceptional reward for exceptional performance whilst providing participants with a reasonable expectation that reward at the lower end of the scale is attainable, subject to robust performance.

The overall incentive opportunity for executive directors under the multi-year plans remains within the parameters previously approved by shareholders.

In determining the level of vesting under the LTIP, and under the ESOS for executive directors, the Committee will take into account Reed Elsevier's overall business performance over the relevant period and any other factors it considers appropriate. The Committee will have discretion to adjust the vesting levels of awards if it believes such an adjustment would result in a fairer outcome. In exercising any such discretion, the Committee will have due regard for the value created for shareholders and the underlying business performance. The Committee will be open and transparent about its use of this discretion and will explain in the Remuneration Report the extent to which the discretion has been exercised and the reasons for doing so.

1.2 The plans are described below in sections 2 and 3. The features which are common to both plans are described in section 4. All references to the intended operation of a plan are made on the assumption that shareholder approval is obtained for that plan.

2. LTIP

Form of Awards

2.1 The LTIP provides that awards may be granted as performance share awards or nil-cost options over Reed Elsevier PLC and Reed Elsevier NV shares, but it is currently intended to only grant performance share awards. References to "awards" in this summary include both performance share awards and nil-cost options, except as otherwise specified.

Individual Limits

2.2 Awards levels will be determined each year by the Committee. The maximum face value of an award on the date of grant which may be granted under the plan in any year is up to 250% of base salary for the Chief Executive Officer and up to 200% of base salary for other executives.

Dividend Equivalents

2.3 Participants will be eligible to receive dividend equivalents on vested shares to reflect ordinary dividends which would have been payable on those shares during the performance period. It is intended that dividend equivalents will be paid shortly following the vesting date in cash, although they may also be paid in shares.

Cessation of Employment

2.4 A participant must generally remain employed by Reed Elsevier in order for any awards to vest. If a participant gives or receives notice of termination of employment, or otherwise ceases to be an employee for any reason other than those listed below, his awards will lapse in full on the date when notice is given or received.

2.5 A participant who ceases to be an employee of Reed Elsevier for any of the reasons below is referred to as an "Approved Leaver":

(a) injury, disability or ill-health;

(b) redundancy;

(c) retirement with Reed Elsevier consent;

(d) death;

(e) sale of the company or business in which the participant is employed; or

(f) any other reason which the Committee, in its absolute discretion, determines.

2.6 An award held by an Approved Leaver (or the personal representatives of a deceased participant) will continue and performance will be measured at the end of the relevant performance period. The award will vest over the resulting shares subject to pro-rating for service. However, the Committee has discretion to allow an award to vest as at the date of cessation of employment, subject to performance (assessed based on progress against targets at the date of cessation) and pro-rating for service. The Committee also has the discretion, if it considers it appropriate in the particular circumstances, to determine that an award will vest on some other basis.

2.7 Where an award has been granted as a nil-cost option, the Committee will determine the period during which an Approved Leaver, or the personal representatives of a deceased participant, may exercise the nil-cost option.

Performance Measures

2.8 The vesting of awards granted to all participants under the plan is subject to meeting performance measures which are aligned to the strategic objectives of Reed Elsevier Group plc. The measures and targets will be set every year and will be stretching, having regard to the company's most recent results, as well as internal and external forecasts.

2.9 For awards granted in 2013, vesting will be dependent upon three separate performance measures of equal weighting: a TSR measure, a ROIC measure and an EPS measure. Further detail on each of these performance conditions is set out below.

The TSR Measure

2.10 The vesting of one third of the 2013 award will be subject to the TSR ranking of Reed Elsevier measured over the three financial years ending 31 December 2015. The portion of an award subject to the TSR Measure is referred to as the "TSR Tranche".

2.11 As Reed Elsevier accesses equity capital markets through three exchanges – London, Amsterdam and New York – in three separate currency zones, three distinct comparator groups will be used – a Sterling Comparator Group, a Euro Comparator Group and a US Dollar Comparator Group. The TSR performance of Reed Elsevier PLC ordinary shares (based on the London listing) will be measured against the Sterling Comparator Group, the TSR performance of Reed Elsevier NV ordinary shares (based on the Amsterdam listing) will be measured against the Euro Comparator Group; and the TSR performance of Reed Elsevier PLC ADRs and Reed Elsevier NV ADRs (based on the New York listing) will be measured against the US Dollar Comparator Group. The TSR performance will be measured separately against each comparator group and each ranking achieved will produce a payout, if any, in respect of one third of the TSR Tranche. The proportion of the TSR Tranche that vests will be the sum of the payouts achieved against the three comparator groups.

2.12 Each comparator group comprises approximately 40 companies. The companies in each comparator group for 2013 were selected on the following basis:

(a) they were included in a relevant market index or are the largest listed companies on relevant exchanges as at 31 December 2012 – the FTSE100 for the Sterling Comparator Group; AEX, NYSE Euronext and the Frankfurt Stock Exchange for the Euro Comparator Group; and the S&P500 for the US Dollar Comparator Group;

(b) certain companies were then excluded:

- companies with mainly domestic revenues (as they do not reflect the global nature of our customer base);
- those engaged in extractive industries (as they are exposed to commodity cycles); and
- financial services companies (as they have a different risk/reward profile).

(c) the remaining companies were then ranked by market capitalisation and for each comparator group the 20 companies above and below Reed Elsevier were taken; and

(d) relevant listed global peers operating in businesses similar to those of Reed Elsevier not otherwise included were added to the relevant comparator group.

Details of the companies in each group are set out in Schedule 1.

The Committee retains discretion as to how to deal with changes to the comparator groups as a result of mergers, demergers, de-listings or other corporate events over the performance period and applies its policy in this regard in an appropriate manner.

2.13 The number of shares in each third of the TSR Tranche which are capable of vesting will be calculated as follows and will be added together to determine the total number of shares which are capable of vesting:

TSR ranking within the relevant TSR comparator group	Vesting percentage of each third of the TSR Tranche
Below Median	0%
Median	30%
60th percentile	58%
Upper quartile (≥ 75th percentile)	100%

Vesting is on a straight-line basis for TSR ranking between median and upper quartile.

2.14 In accordance with the approach applied to the measurement of TSR under the previous long-term incentive plan and the Growth Plan, the averaging period applied for TSR measurement purposes is the six months before the start of the financial year in which the award is granted and the last six months of the third financial year of the performance period.

The ROIC Measure

2.15 The vesting of one third of the 2013 award will relate to the percentage return on invested capital of Reed Elsevier PLC and Reed Elsevier NV. The vesting of the award relates to the percentage ROIC for the financial year ending 31 December 2015. The portion of an award subject to the ROIC Measure is referred to as the "ROIC Tranche".

2.16 The following definitions are relevant for ROIC:

- Invested capital = arithmetic average of the opening and closing capital employed for the financial year with all cumulative amortisation and impairment charges for acquired intangible assets and goodwill added back and excluding all the gross up to goodwill in respect of deferred tax liabilities established on the acquisition of intangible assets. In addition, any exceptional restructuring and acquisition integration charges (net of tax) are capitalised for these purposes and changes in exchange rates and movements in pension deficits are excluded.
- Return = adjusted operating profit for Reed Elsevier PLC and Reed Elsevier NV before amortisation and impairment of acquired intangible assets and goodwill, exceptional restructuring and acquisition integration charges after applying the effective rate of tax used for adjusted earnings calculations and using exchange rates to match those used in the calculation of invested capital.

In order to ensure that the performance score achieved is a fair reflection of underlying business performance, the Committee retains discretion to determine the treatment of major disposals and acquisitions which require Board approval. Any significant adjustments made to the final performance score will be disclosed to shareholders.

2.17 The number of shares comprised in the ROIC Tranche which are capable of vesting will be determined as follows:

Percentage ROIC for financial year ending 31 December 2015	Vesting percentage of ROIC Tranche
<11.2%	0%
11.2%	33%
11.45%	52.5%
11.7%	65%
11.95%	75%
12.2%	85%
12.45%	92.5%
≥12.7%	100%

2.18 Vesting is on a straight line basis for performance between the stated ROIC percentages.

The EPS Measure
2.19 The vesting of one third of the 2013 award relates to the average growth in adjusted Earnings per Share (EPS) per annum at constant currencies of Reed Elsevier PLC and Reed Elsevier NV over the three financial years ending 31 December 2015. The portion of an award subject to the EPS Measure is referred to as the "EPS Tranche".

2.20 The following definitions are relevant for EPS:

- Earnings = adjusted reported earnings measured at constant currencies. Adjustments include amortisation and impairment of acquired intangible assets and goodwill, exceptional restructuring and acquisition integration charges, gains/losses on business disposals and other non-operating items and tax rate anomalies (principally deferred tax); and
- Number of shares = weighted average number of shares in issue excluding shares held in treasury.

2.21 The number of shares in the EPS Tranche which are capable of vesting will be determined as follows:

Average Adjusted EPS Growth	Vesting percentage of EPS Tranche
<5%	0%
5%	33%
6%	52.5%
7%	65%
8%	75%
9%	85%
10%	92.5%
≥11%	100%

Vesting is on a straight line basis for performance between the stated average adjusted EPS Growth percentages.

3. ESOS

Form of Grants
3.1 Participants in ESOS will be granted market value options, providing them with the opportunity to acquire shares in both Reed Elsevier PLC and Reed Elsevier NV in the future at their market value at the time of grant.

3.2 Participants other than the executive directors may choose whether to accept a grant of an option under the ESOS or an award of restricted shares under a separate plan or 50:50 options: restricted shares. The Committee determines the ratio of options to restricted shares annually. It is currently 5 options: 1 restricted share. Restricted shares are granted under the terms of a separate plan and may only be satisfied with shares purchased on a recognised exchange.

Individual Limits
3.3 Award levels will be determined each year by the Committee. The maximum face value of an option on the date of grant which may be granted under the plan in any year is up to 250% of base salary for the Chief Executive Officer and up to 200% of base salary for other executives.

Cessation of Employment
3.4 A participant must generally remain employed by Reed Elsevier in order for any options to vest or be exercisable. If a participant gives or receives notice of termination of employment, or otherwise ceases to be an employee for any reason other than those listed below, all his unexercised options (whether vested or unvested at that time) will lapse in full on the date when notice is given or received.

3.5 A participant who ceases to be an employee of Reed Elsevier for any of the reasons below is referred to as an "Approved Leaver":

(a) injury, disability or ill-health;

(b) redundancy;

(c) retirement with Reed Elsevier consent;

(d) death;

(e) sale of the company or business in which the participant is employed; or

(f) any other reason which the Committee, in its absolute discretion, determines.

3.6 In respect of an option which is granted subject to performance measures, an Approved Leaver's unvested option will continue and performance will be measured at the end of the relevant performance period. The option will vest over the resulting shares subject to pro-rating for service. However, the Committee has discretion to allow an option to vest as at the date of cessation of employment, subject to performance (assessed based on progress against targets at the date of cessation) and pro-rating for service. The Committee also has the discretion, if it considers it appropriate in the particular circumstances, to determine that an option will vest on some other basis. An Approved Leaver (or the personal representatives of a deceased participant) may exercise his unexercised options at any time in the period of two years following the later of cessation of employment and vesting of the option.

3.7 In respect of an option which is not granted subject to performance measures, an Approved Leaver's unvested option will vest at the date of cessation of employment, subject to pro-rating for service. The Committee also has the discretion, if it considers it appropriate in the particular circumstances, to determine that an option will vest on some other basis. An Approved Leaver (or the personal representatives of a deceased participant) may exercise his unexercised options at any time in the period of two years following the later of cessation of employment and vesting of the option.

3.8 The Committee has discretion to extend the two year exercise period for Approved Leavers and personal representatives of participants who have died referred to above to up to 42 months.

Performance Measures
3.9 ESOS 2003 included a fixed formula relating to adjusted EPS which determined the aggregate grant pool (effectively a pre-grant performance measure). The new ESOS does not include such a fixed formula. Instead, the Committee will exert a similar level of prudence and financial discipline as it does currently in determining overall grant levels under the ESOS, but will be able to have regard to a broader range of factors and have greater flexibility to take account of changing circumstances.

3.10 The vesting of options granted to executive directors only is subject to the achievement of a performance measure relating to the average adjusted EPS growth per annum at constant currencies of Reed Elsevier PLC and Reed Elsevier NV. EPS will be calculated in the same way as for the EPS Tranche of the LTIP described above. For 2013, the number of shares under option which are capable of vesting will be determined as follows in respect of the executive directors:

Average Adjusted EPS Growth over the 3-year performance period	Vesting level as a percentage of option granted
<4%	0%
4%	33%
6%	80%
≥8%	100%

Vesting is on a straight line basis for performance between the stated average adjusted EPS growth percentages.

4. Features common to the LTIP and the ESOS

Eligibility
Participation in the plans is at the discretion of the Committee.

Timing of Grants
4.1 Awards and options can be granted within 42 days of any of the following: the 2013 Annual General Meetings at which the LTIP and ESOS are approved by shareholders; the announcement of Reed Elsevier's results for any period; the release of any trading update; in the case of tax favoured options under the HMRC approved appendix to the ESOS, the date HMRC approves the appendix or any amendments to it; the occurrence of circumstances which the Committee considers justify the grant of awards or options outside these timeframes (for example, on a senior executive joining Reed Elsevier); or the lifting of dealing restrictions which prevented the grant of an award/option during the periods referred to above.

Conditions of grant/vesting
4.2 The Committee may impose any conditions on the grant or vesting of an award or option as it considers appropriate, including requiring a participant to comply with any one or more of the following: post-employment restrictive covenants; meeting shareholding requirements and post-vesting or post-exercise sale restrictions.

Performance Measures
4.3 The 2013 performance measures applicable to LTIP awards and ESOS options for executive directors are set out above. The Committee can set different performance measures for awards and options granted in different years (both as to the type of measure, the weighting given to that measure and the targets set under that measure) provided that, in the opinion of the Committee, the measures used are relevant in the context of the Company's strategic objectives and the targets set are suitably stretching and appropriate in the circumstances.

4.4 There will be no retesting of any performance measures.

4.5 The TSR and EPS performance measures will be assessed over the three financial years commencing on 1 January 2013 and ROIC will be measured at the end of the last year of the performance period, i.e., at the end of 2015.

4.6 The Committee may vary the performance measures applying to existing awards and/or options if an event occurs or there are circumstances which mean that the measures are no longer a fair measure of performance provided that, in the reasonable opinion of the Committee, the new measures are not materially less or more challenging than the original measures would have been but for the event or circumstances in question.

4.7 In determining the level of vesting, the Committee will take into account Reed Elsevier's overall business performance over the relevant period and may also take into account such other factors or matters as it considers appropriate. The Committee will have discretion to adjust the vesting levels of awards and/or options if it believes such an adjustment would result in a fairer outcome. In exercising any such discretion, the Committee will have due regard to the value created for shareholders and the underlying business performance. The Committee will be open and transparent about its use of this discretion and will explain in the Remuneration Report the extent to which the discretion has been exercised and the reasons for doing so.

Claw-back
4.8 If a participant, who ceases employment with Reed Elsevier, breaches any aspect of his restrictive covenant agreement (such breach to be determined by the Committee), the Committee may require him to repay to Reed Elsevier an amount equal to his gain arising from the vesting of any award or exercise of any option under the plans in the period from six months prior to his termination date to the date any post-employment restrictive covenants to which he may be subject expire.

4.9 In circumstances where the Committee considers in good faith that the vesting of an award or option (or the grant of an option under the ESOS) was determined on the basis of materially misstated financial or other data, it shall take such steps as it considers appropriate to recover the difference in value between the incorrect award or option and the award or option that would have vested had the correct data been used including scaling back outstanding unvested awards and options.

Change of control
4.10 On a change of control of either Reed Elsevier PLC or Reed Elsevier NV, awards and options granted over shares in that company will vest. The vesting of awards and options will be subject to time pro-rating and performance conditions will continue to apply where applicable. Performance will be assessed based on progress made against targets as at the date of the change of control.

4.11 Alternatively, the Committee may determine that awards and options will not vest and that they will instead be exchanged for equivalent awards over shares in the new holding company or companies as applicable.

4.12 Where the purpose or effect of a change of control of Reed Elsevier PLC and/or Reed Elsevier NV is to create a new holding company or companies, such that Reed Elsevier Group plc has substantially the same ultimate shareholders, awards and options will not vest but will be exchanged for equivalent awards/options over shares in the new holding company or companies as applicable.

Variation of Share Capital
4.13 In the event of any variation of the share capital or reserves of Reed Elsevier PLC and/or Reed Elsevier NV, including but not limited to any capitalisation, rights issue, any consolidation, sub-division or reduction of their share capital, the number of shares comprised in awards and options will be adjusted by the Committee to reflect the variation.

Satisfaction of Options and Awards
4.14 Options and awards may be satisfied with new issue shares, a transfer of treasury shares or shares purchased in the market. The Committee currently intends to continue its existing practice of satisfying grants under the LTIP with shares purchased in the market and of satisfying ESOS options with new issue shares.

Limits on the Issue of Shares
4.15 In any ten-year period, the Company may not grant options or awards under the ESOS or LTIP or any other discretionary share plan (i.e. a plan where participation is by Committee selection) or all-employee share plan adopted by Reed Elsevier if such grant would cause the number of shares issued or issuable under the plans to exceed 10% of Reed Elsevier PLC's issued ordinary share capital at the proposed date of grant.

4.16 In addition, in any ten-year period, the Company may not grant options or awards under the ESOS or LTIP or any other discretionary share plan adopted by Reed Elsevier if such grant would cause the number of ordinary shares issued or issuable under the plans to exceed 5% of Reed Elsevier PLC's issued ordinary share capital at the proposed date of grant.

4.17 The same limits will apply in respect of Reed Elsevier NV.

4.18 The plans allow for options/awards to be satisfied by transferring shares from treasury which have been set aside for use in the plans. Any such satisfaction of options/awards with treasury shares will be treated as an issue of ordinary shares for the purposes of the above limits for so long as institutional shareholder guidelines recommend this. If awards are satisfied by a transfer of existing ordinary shares, the percentage limits stated above will not apply.

Rights Attaching to Shares
4.19 A participant will not have any voting or dividend rights before the vesting of an award or exercise of an option. All shares allotted under the plans will carry the same rights as any other shares in Reed Elsevier PLC or Reed Elsevier NV as applicable.

4.20 Benefits received under the plans are not pensionable and may not be assigned or transferred without the consent of the Committee, except on a participant's death.

Plan Schedules
4.21 Where an award or option over shares is not appropriate for legal, regulatory or tax reasons, a cash-based award/option may be granted. This will deliver a cash payment equivalent to the net benefit a participant would have derived from the vesting/exercise of a share based award/option. In certain circumstances, awards/options granted over shares may be satisfied in cash.

4.22 The Committee may make appropriate amendments to the plans and/or establish additional schedules to the plans for the purpose of granting awards or options to employees which modify such terms of the plans as may be necessary or desirable to take account of applicable local tax, exchange control or securities laws.

Amendments
4.23 The Committee will have authority to amend the rules of the plans, provided that no amendment to the advantage of participants or eligible employees may be made to provisions relating to the key features of the plans without the prior approval of shareholders in general meeting unless the amendment is minor and made to benefit the administration of the plans, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment either for participants or Reed Elsevier. Key features are: who can be a participant, the individual and plan limits on the number of shares which can be awarded under the plans, the basis for determining a participant's entitlement to shares and the terms on which they can be acquired, and the provisions relating to adjustments in the event of a variation in the Reed Elsevier PLC's or Reed Elsevier NV's share capital.

Duration of the Plans
4.24 The LTIP and the ESOS will terminate on the tenth anniversary of their approval by shareholders, and no further awards or options may be granted after that date, but the rights of existing participants under the plans will not be affected.

Schedule 1 – TSR Comparator Groups newly set at 31.12.12

Sterling	Euro	Dollar
VODAFONE GROUP	LVMH	EBAY
GLAXOSMITHKLINE	BASF	3M
BRITISH AMERICAN TOBACCO	L'OREAL	CATERPILLAR
SABMILLER	BAYER	COLGATE-PALM.
DIAGEO	UNILEVER CERTS.	ACCENTURE
ASTRAZENECA	DAIMLER	MONDELEZ INTERNATIONAL CL.A
UNILEVER (UK)	BMW	E I DU PONT DE NEMOURS
RECKITT BENCKISER GROUP	GDF SUEZ	DOW CHEMICAL
NATIONAL GRID	DEUTSCHE TELEKOM	DANAHER
IMPERIAL TOBACCO GP.	SCHNEIDER ELECTRIC	EMERSON ELECTRIC
ROLLS-ROYCE HOLDINGS	AIR LIQUIDE	NIKE 'B'
COMPASS GROUP	VOLKSWAGEN PREF.	BAXTER INTL.
ASSOCIATED BRIT.FOODS	HEINEKEN	TEXAS INSTS.
WPP	LINDE	LYONDELLBASELL INDS.CL.A
BAE SYSTEMS	EADS	PRAXAIR
SHIRE	PERNOD-RICARD	PRICELINE.COM
EXPERIAN	FRANCE TELECOM	YUM! BRANDS
PEARSON	ASML HOLDING	ILLINOIS TOOL WORKS
CRH	DEUTSCHE POST	HEWLETT-PACKARD
WOLSELEY	PHILIPS ELTN.KONINKLIJKE	EATON
KINGFISHER	CONTINENTAL	THOMSON REUTERS (NYS)
SMITH & NEPHEW	SAINT GOBAIN	CARNIVAL
BURBERRY GROUP	ESSILOR INTL.	JOHNSON CONTROLS
INTERTEK GROUP	ADIDAS	PPG INDUSTRIES
JOHNSON MATTHEY	LAFARGE	CUMMINS
SMITHS GROUP	CARREFOUR	ADOBE SYSTEMS
AGGREKO	SAFRAN	CORNING
ICTL.HTLS.GP.	MICHELIN	HJ HEINZ
CARNIVAL	FRESENIUS	ALEXION PHARMS.
WEIR GROUP	RENAULT	SPECTRA ENERGY
REXAM	AKZO NOBEL	DELL
GKN	HENKEL PREF.	AIR PRDS.& CHEMS.
G4S	AHOLD KON.	BROADCOM 'A'
TATE & LYLE	DASSAULT SYSTEMES	MOSAIC
IMI	SODEXO	PACCAR
INTL.CONS.AIRL.GP.(CDI)	PUBLICIS GROUPE	TE CONNECTIVITY
BUNZL	BUREAU VERITAS INTL.	BECTON DICKINSON
CRODA INTERNATIONAL	ALSTOM	MCGRAW-HILL
TUI TRAVEL	SOLVAY	AGILENT TECHS.
MEGGITT	WOLTERS KLUWER	ESTEE LAUDER COS. 'A'
INFORMA	LAGARDERE GROUPE	APPLIED MATS.
DAILY MAIL 'A'		TYCO INTERNATIONAL
UBM		DUN & BRADSTREET DEL.
		WILEY JOHN & SONS 'A'
		FAIR ISAAC

Resolution 21 – New SAYE share option scheme
The Executive Directors have waived any right to participate in any local all-employee share-based plans in any country, including the HM Revenue & Customs (HMRC) approved all-employee UK SAYE Share Option Scheme.

The shareholder approval to operate the existing Reed Elsevier Group PLC SAYE Share Option Scheme (the "existing scheme") expires in early April 2013. The existing scheme is a UK all-employee scheme which grants UK participants the right to acquire shares in Reed Elsevier PLC ("Shares") using accrued savings. Resolution 21 seeks approval for a new scheme, the Reed Elsevier Group PLC SAYE Share Option Scheme 2013 (the "SAYE"), on substantially the same terms as the existing scheme and to operate the SAYE for 10 years. The rules of the SAYE will be produced to the meeting and initialled by the Chairman for the purposes of identification. The main features of the plan are set out below:

Introduction
The SAYE is a savings-related share option plan which will be submitted to HMRC for approval in order to allow options to be granted on a tax-favoured basis.

Eligibility
All UK-resident employees of Reed Elsevier Group plc and participating subsidiaries (the *Group*) who have been employed for a minimum period of one year are eligible to participate. As mentioned above, Executive Directors do not participate in any SAYE scheme.

Grant of options
Eligible employees may be granted an option to acquire Shares at a fixed exercise price which may be set at a discount (of up to 20%) to the market value of the Shares at the time of grant. Employees are required to save each month by means of a savings account, the proceeds of which they may use to exercise the option. A tax-free bonus may be payable on the savings on completion of the relevant savings contract. At the end of the savings period, the employee may either exercise the option within six months of the end of the savings period, or have the savings and any bonus repaid.

SAYE participants must save between £10 and £250 a month under an approved savings contract. The board of directors of Reed Elsevier Group plc (the *Board*) may scale down the amount of the monthly contributions if applications exceed the number of Shares available for the grant of options.

Invitations to apply for options may normally only be issued within 42 days of the announcement of the Company's results for any period or when the Board determines that there are circumstances which justify a grant outside those periods.

Options are not transferable and may only be exercised by the persons to whom they were granted or their personal representatives.

Plan limits
In any ten-year period, no options may be granted under the SAYE or any other all-employee share plans adopted by the Company or any other company under the Company's control if such grant would cause the number of Shares issued under the plans to exceed 10% of the Company's issued ordinary share capital at the proposed date of grant.

The satisfaction of options and awards with treasury shares will be treated as an issue of Shares for the purposes of the 10% limit for so long as institutional shareholder guidelines recommend this. The 10% limit will not apply to options and awards satisfied by a transfer of existing Shares.

Exercise of options
Options may normally only be exercised during the six month period following the maturity date of the related savings contract and, if not exercised by the end of that period, will lapse. This may be after the third or fifth anniversary of the start date of the related savings contract.

Satisfaction of options
Options may be satisfied with new issue Shares, a transfer of treasury shares or shares purchased in the market.

Rights attaching to Shares
Any Shares allotted when an option is exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment). At any time when the Shares are admitted to listing on a recognised stock exchange, application will be made for any newly issued Shares to be admitted to such listing and admitted to trading on the relevant exchange.

Leavers
If a participant leaves employment before the end of the savings period, his options will normally lapse. However, early exercise of options is permitted, in respect of the number of Shares that may be acquired using the proceeds of the partially completed savings contract, where a participant leaves employment with the Group in circumstances of death, injury, disability, redundancy (within the meaning of the UK Employment Rights Act 1996), retirement at or after age 60 (or any other age at which the employee is bound to retire in accordance with the terms of his employment contract) or following a sale of the employing company or transfer of the employing business out of the Group.

Corporate events
An exercise of options is allowed in the event of a takeover, scheme of arrangement or voluntary winding-up of the Company (but only to the extent of the savings plus interest or bonus that has accumulated in the related savings account up to the date of exercise). Alternatively, in the event of a takeover or scheme of arrangement, options may, with the agreement of the acquiring company, be exchanged for options over Shares in the acquiring company or a company associated with the acquiring company.

Adjustment of options
In the event of a reorganisation or reduction of the Company's share capital, the number of Shares under option and/or the exercise price may be adjusted with the approval of HMRC.

Duration of the SAYE
The SAYE will terminate on, and no further options may be granted after the tenth anniversary of its approval by shareholders, but the rights of existing participants will not be affected.

Amendments
The Board may amend the SAYE. However, the provisions governing eligibility requirements, equity dilution, share utilisation, terms of savings contracts and options, exercise of options on changes of control and the adjustments that may be made following a reorganisation or reduction of the Company's share capital cannot be altered to the advantage of eligible employees or participants without the prior approval of shareholders in general meeting. The exceptions to this are minor amendments to benefit the administration of the SAYE, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment, for participants in the SAYE, or for any member of the Group.

In addition, no alteration may be made that would materially affect any subsisting rights of any participants without their prior consent. Amendments to key features of the SAYE must be approved by HMRC. The SAYE scheme rules are available for inspection as noted on page 17.

Biographical information

Directors seeking election or re-election at the 2013 Annual General Meeting

DR WOLFHART HAUSER (63)

(German) To be proposed for election as a Non-executive director at the 2013 AGM. Dr Hauser is Chief Executive Officer of Intertek Group plc, a FTSE 100 company and a global provider of quality solutions to a wide range of industries around the world. He has held that position since 2005 after serving as a non-executive director since 2002. He was Chairman of Dragenopharm GmbH & Co AG from 2002 to 2006. Prior to that, he was Chief Executive Officer and President of TÜV Süddeutschland AG, the largest testing and inspection company in Germany, from 1998 to 2002 and before that was Chief Executive Officer of TÜV Product Services GmbH, an international testing and certification company, for 10 years. Dr Hauser was also a non-executive director of Logica plc from 2007 to 2012. He started his career as a scientist in pharmacology and ergonomics, was a successful inventor, has over 50 publications to his name and has established and led a broad range of successful international service businesses for more than 30 years.

DUNCAN PALMER (47)

(British and American) Chief Financial Officer since November 2012. Joined Reed Elsevier in August 2012. Non-executive director of Oshkosh Corporation since July 2011. Prior to joining Reed Elsevier was chief financial officer and senior vice president of Owens Corning Inc. from 2007 having previously held various senior finance positions within Royal Dutch Shell for 20 years in the UK, the Netherlands and the US. He holds an MA in Mathematics from Cambridge University and an MBA from Stanford University. He is a UK-qualified Chartered Management Accountant.

LINDA SANFORD (60) A, C

(American) Non-executive director since December 2012. Senior Vice President, Enterprise Transformation, IBM Corporation. Non-executive director of ITT Corporation until May 2013. She serves on the boards of The Business Council of New York State and the Partnership for New York City. She also serves on the board of trustees of The State University of New York, St John's University, and Rensselaer Polytechnic Institute.

ERIK ENGSTROM (49)

(Swedish) Chief Executive Officer since 2009. Joined Reed Elsevier as Chief Executive Officer of Elsevier in 2004. Prior to joining Reed Elsevier was a partner at General Atlantic Partners. Before that was president and chief operating officer of Random House Inc and, before its merger with Random House, president and chief executive officer of Bantam Doubleday Dell, North America. Began his career as a consultant with McKinsey. Served as a non-executive director of Eniro AB and Svenska Cellulosa Aktiebolaget SCA. Holds a BSc from Stockholm School of Economics, an MSc from the Royal Institute of Technology in Stockholm, and gained an MBA from Harvard Business School as a Fulbright Scholar.

ANTHONY HABGOOD (66) R, N, C

(British) Chairman since 2009. Chairman of the Nominations and Corporate Governance Committees. Chairman of Whitbread plc and of Preqin Holding Limited. Was chairman of Bunzl plc and of Mölnlycke Health Care Limited and served as chief executive of Bunzl plc, chief executive of Tootal Group plc and a director of The Boston Consulting Group Inc. Previously served as a non-executive director of Geest plc, Marks and Spencer plc, National Westminster Bank plc, Powergen plc and SVG Capital plc. Holds an MA in Economics from Cambridge University and an MS in Industrial Administration from Carnegie Mellon University. He is a visiting Fellow at Oxford University.

ADRIAN HENNAH (55) A, C

(British) Non-executive director since 2011. Chief financial officer of Reckitt Benckiser Group plc, having been chief financial officer of Smith & Nephew plc from 2006 to 2012. Before that was chief financial officer of Invensys plc, having previously held various senior finance and management positions within GlaxoSmithKline for 18 years.

LISA HOOK (55) R, N,C

(American) Non-executive director since 2006. President and chief executive officer of Neustar Inc. A director of The Ocean Foundation. Was president and chief executive officer at Sun Rocket Inc. Before that was president of AOL Broadband, Premium and Developer Services. Prior to joining AOL, was a founding partner at Brera Capital Partners LLC. Previously was chief operating officer of Time Warner Telecommunications. Has served as senior advisor to the Federal Communications Commission Chairman and a senior counsel to Viacom Cable.

ROBERT POLET (57) R, C

(Dutch) Non-executive director since 2007. Chairman of Safilo Group S.p.A. and a non-executive director of Philip Morris International Inc, William Grant & Sons Limited and Crown Topco Limited, parent company of Vertu. A Member of the Supervisory Board of Nyenrode Foundation. Was president and chief executive officer of Gucci Group from 2004 to 2011, having previously spent 26 years at Unilever working in a variety of marketing and senior executive positions throughout the world, including president of Unilever's Worldwide Ice Cream and Frozen Foods division. Formerly a non-executive director of Wilderness Holdings Limited from 2010 to 2012.

BEN VAN DER VEER (61) A, N, C

(Dutch) Non-executive director since 2009. Chairman of the Audit Committee. Member of the supervisory boards of AEGON NV, TomTom NV, Siemens Nederland NV and Koninklijke FrieslandCampina NV. Was chairman of the executive board of KPMG in the Netherlands and a member of the management committee of the KPMG International board until his retirement in 2008, having joined KPMG in 1976.

Board Committee Membership

A Audit Committees: Reed Elsevier Group plc, Reed Elsevier PLC and Reed Elsevier NV
R Remuneration Committee: Reed Elsevier Group plc
N Nominations Committee: joint Reed Elsevier PLC and Reed Elsevier NV
C Corporate Governance Committee: joint Reed Elsevier PLC and Reed Elsevier NV

Notes to Notice of Annual General Meeting

Proxy appointment

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and to vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy may only be appointed:

   (i) by completion and return of the Proxy Form enclosed with this Notice of AGM;

   (ii) via the internet at www.reedelsevier.com/vote. You will need your personal Voting ID; Task ID and Shareholder Reference Number shown on your Proxy Form; or

   (iii) via the CREST electronic proxy appointment service, as described in paragraphs 8 to 11 below.

2. To be valid any Proxy Form or other such instrument appointing a proxy must reach the Company's Registrar not less than 48 hours before the time of the AGM.

3. The return of a completed Proxy Form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.

Nominated persons

4. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the Company.

Right to attend and vote at the AGM

6. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00 pm on 23 April 2013 (or if this meeting is adjourned, in the Register of Members at 6.00 pm two days before the date of any adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Total voting rights

7. As at 28 February 2013 (being the latest practicable date prior to the publication of this Notice) the Company's issued share capital (excluding treasury shares) consisted of 1,194,072,758 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 28 February 2013 were 1,194,072,758.

CREST members

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (www.euroclear.com/CREST). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (CREST ID RA19) not less than 48 hours before the time of the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

10. CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that if two or more representatives purport to vote in respect of the same shares:

- if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and
- in other cases, the power is treated as not exercised.

Members' requests under section 527 of the Companies Act 2006

13. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish a statement on a website setting out any matter relating to:

(i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or

(ii) any circumstance connected with an auditor of the Company ceasing to hold office since the last AGM.

The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

Members' resolutions and matters under sections 338 and 338A of the Companies Act 2006

14. Under sections 338 and 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company:

(i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution to be moved at the meeting; and/or

(ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective, (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 13 March 2013, being the date six clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

Attendance at the AGM

15. Any member attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:

(i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;

(ii) the answer has already been given on a website in the form of an answer to a question; or

(iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

16. A Registration Form is attached to the Proxy Form enclosed with this Notice. Please bring the Registration Form with you to the meeting. This will help the Company's Registrar to admit you without delay. The AGM will start at 11.00 am and registration will be available from 10:15 am. Please try to arrive by 10:45 am to allow time for registration.

17. For the safety and comfort of those attending the AGM, security measures will be in place at the meeting. Certain items will not be permitted in the meeting. These include, cameras, recording equipment, and items of any nature with potential to cause disorder and such other items as the chairman of the meeting may specify. Mobile telephones must be switched off during the meeting.

18. The meeting is easily accessible for wheelchair users. A hearing loop system will be provided in the meeting. Please ask at registration if you require assistance.

19. Tea and coffee will be available before the commencement of the AGM. Light refreshments with soft drinks will be available immediately after the conclusion of the meeting for approximately one hour.

Availability of documents and other information

20. A copy of this Notice, and other information required by s311A of the Companies Act 2006, can be found at www.reedelsevier.com.

21. Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours until the date of the AGM, and at the place of the meeting from at least 15 minutes prior to the meeting until its conclusion:

- Executive directors' service contracts;
- Non-executive directors' letters of appointment;
- Rules of the Reed Elsevier Group plc Long-term Incentive Plan 2013;
- Rules of the Reed Elsevier Group plc Executive Share Option Scheme 2013; and
- Rules of the Reed Elsevier Group plc SAYE Share Option Scheme 2013.

22. You may not use any electronic address provided either in this Notice or any related documents (including the AGM Proxy Form) to communicate with the Company for any purposes other than those expressly stated.

Voting results

23. The results of the voting at the AGM will be announced through a Regulatory Information Service and will appear on the Company's website (www.reedelsevier.com) following the conclusion of the AGM.