

## **Response of Reed Elsevier Plc**

I write on behalf of Reed Elsevier PLC in response to the above consultation.

Reed Elsevier endorses the response from the CBI to which we had the opportunity of contributing.

We would however ask that the final recommendations take account of the wider international context in which this issue is being debated. In particular, US legislation now dictates how UK-based multinationals with a US listings must deal with many of the issues raised in the consultation paper. The Sarbanes-Oxley Act and the New York Stock Exchange's recent rule changes on corporate governance determine the role of the Auditors and the scope of non-audit work, the role of the Audit Committee, the independence of non-executive directors, how often they meet as a separate body and many other governance issues. Such UK-based multinationals can in theory cancel their US listings but in reality none is likely to be able to withdraw from the US capital markets.

There are European institutions, both community and national, considering these same governance issues and it would benefit all if there was a convergence of views rather than taking an individual UK view.

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