INTOUCH
Appendix

Integrated Report 2013-2014

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Power to you

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Organisational Profile

Vodafone Netherlands is a part of Vodafone Group Plc, one of the largest internationally operating telecommunications companies in the world. Vodafone Group Plc has offices in nearly thirty countries on four continents and has an operating turnover of € 1.741 billion. Globally, we have approximately 90,000 employees and more than 434 million customers on our mobile network and 9 million customers on our landline network.

Vodafone Libertel B.V. is a Dutch company with limited liability, based in Maastricht. Its sole shareholder is Vodafone International Holdings B.V. Vodafone is wholly owned (indirectly) by the listed fund Vodafone Group Plc. As at 31 March 2013 Vodafone Netherlands had two subsidiaries: Vodafone Retail B.V. and Telespectrum Holding B.V. Telespectrum Holding B.V. merged with Vodafone Libertel B.V. on 1 April 2013 and on 1 November Vodafone Retail B.V. merged with Vodafone Libertel B.V. In May 2013, Vodafone Netherlands acquired Wiericke B.V. Vodafone Libertel B.V. holds all the shares in Wiericke B.V.

Vodafone in The Netherlands

Customers
5,3MN

Employees
3.711
at 31 March 2014

Turnover
1,89BN

Brands
SIZZ O hollands nieuwe.

Network
Vodafone Netherlands builds and maintains a fixed and mobile network over which voice and data services can be provided. We outsource a major part of the construction and maintenance of the network to Ericsson.

Products
Communications solutions that consist of mobile, fixed, integrated and TV services.

Shops
248 shops throughout The Netherlands.
Vodafone: 119.
BelCompany: 129

Branches
Head offices in Amsterdam and Maastricht and offices in Eindhoven, Capelle a/d IJssel, Zwolle and Bodegraven. On 1 January 2014 we closed the former BelCompany office in Veenendaal.

Business units
Consumer Business, Enterprise Business, Retail, Commercial Operations, Finance, Technology, HR, Property & Internal Communications and Corporate Affairs & Strategy.

Markets
Business and consumer markets through direct and indirect sales, mobile virtual network operators (MVNOs) and other telecommunications service providers (via roaming and interconnection) .

Organisational Profile

Organisational developments

April 2013:
Insourcing of part of Ericsson's activities
We want to be able to effectively secure our business continuity and the quality of the services we provide. For this reason in April 2013 we started carrying out a number of network activities ourselves that were previously the responsibility of Ericsson. The 53 Ericsson employees affected were taken over by Vodafone in Maastricht with effect from 2 April 2013.

May 2013:
Acquisition of Wiericke
In May 2013 we acquired Wiericke. This acquisition is part of our strategy to strengthen and expand our position in fixed broadband services. This will allow us to operate more independently and to offer fixed broadband services that stand out from the current offerings available in the market.

November 2013:
Organisational change within Retail
With the acquisition of BelCompany we implemented a considerable number of changes within our Retail organisation. The integration of the two retail formulas within the Vodafone Libertel organisation came into effect on 1 November 2013. All Vodafone Retail employees are now part of the Vodafone Netherlands organisation and we are therefore leaving an intense period of transition

behind us. We can now focus on the next step in the evolution of the Retail organisation. The works councils are not being merged immediately as that is not in the interests of employees, Vodafone Libertel or Vodafone Retail. We are intensifying and expanding the collaboration with a view to achieving a single works council by June 2015 at the latest.

January 2014:
Closure of the Veenendaal office
Vodafone Retail closed its office in Veenendaal with effect from 1 January 2014. The 55 office employees of Vodafone Retail now work out of the Vodafone office in Amsterdam and have all retained their positions.

February 2014:
Efficiency measures at Customer Services
Vodafone has changed the organisation of Customer Services to increase efficiency. A number of roles have been dispensed with in the back office and management of customer services, although we have managed to avoid making any staff redundant. These changes came into effect on 1 April 2014.

Governance

Adam Parsons
Director HR, Property
& Internal Communications

Marco Houtman
Director Retail
(succeeded Paul Vreeburg on
1 April 2014)

Harry Odenhoven
Director Commercial
Operations

Mallik Rao
Chief Technology
Officer

Alexander Saul
Director Enterprise Business Unit

Bart Hofker
Director Consumer Business Unit

Carla De Geyseleer
Chief Financial Officer

Rob Shuter
Chief Executive Officer

Barbara Jongerden
Director Corporate Affairs
& Strategy
(succeeded Klaske de Jonge on
1 July 2014 in an interim capacity)

No, your eyes are not deceiving you! Bart and Mallik were not present when the picture was taken and were Photoshopped in afterwards :-)

Management

Vodafone Netherlands has a layered management model: a Board of Directors and a Supervisory Board. The Board of Directors consists of the CEO and CFO, both of whom are directors under the Articles of Association, and seven members with the title of director (from the Business Units Consumer Business, Enterprise Business, Retail, Commercial Operations, Finance, Technology, HR, Property & Internal Communications and Corporate Affairs & Strategy). The Supervisory Board consists of three members, with one vacant position. The Articles of Association of Vodafone Libertel BV describe the powers and responsibilities that apply under the Articles. The Board of Directors is responsible for tasks including monitoring legal matters, legislation, government policy and health and safety. It must also ensure that the company complies with laws and regulations and that implementation instructions of the 'General Meeting of Shareholders' relating to financial, social and economic policy and personnel management are followed. The Code of Conduct serves as a guideline for the management of our organisation. It sets out, amongst other things, what we expect from employees and suppliers with respect to the environment, health and safety, local communities and society. The conflict of interest regulations laid down in law and the Articles of Association apply to the board of Vodafone Netherlands. The Articles of Association, Code of Conduct (including anti-corruption

and anti-bribery regulations), Sarbanes Oxley, performance of audits by Group Internal Audit and Delegation of Authorities are intended to prevent conflicts of interest. The Delegation of Authorities sets clear guidelines for every part of the company indicating when approval is necessary or when certain persons need to be consulted. Certain activities are also restricted to certain roles or groups of individuals and only people who belong to these groups are authorised to perform these activities, in accordance with the policy in force. The Vodafone Group sends a questionnaire on conflicts of interest to each member of the Board of Directors every year. Should a conflict of interest arise, we only communicate this internally. No conflicts of interest arose during 2013-2014.

Board of Directors 2013-2014
Rob Shuter
Chief Executive Officer

Rob has been the Chief Executive Officer (CEO) of Vodafone Netherlands since 1 April 2012. Rob started his career as an accountant with Deloitte in Johannesburg, after which he spent a considerable period in the banking sector. He has always enjoyed working in the field of strategy and leadership, as is evident from his time as the manager of strategy and corporate affairs for Nedbank. In 2000 he was appointed as the head of the retail division. In 2008 Rob was presented with the 'South Africa's leading manager award' by CRF. He joined the Vodacom Group as financial director in 2009. In his spare time he enjoys music, reading, travelling, poetry and studying the history of South Africa. Rob is also an avid sportsman who enjoys running, canoeing and cycling.

Carla De Geyseleer
Chief Financial Officer

Carla has been the Chief Financial Officer (CFO) of Vodafone Netherlands since May 2012. She is responsible for the financial strategy, controlling, planning, reporting, business development and operational processes within the company. Carla worked at Vodafone Germany as Director of Financial Controlling from April 2010. She can look back on a long international career with DHL, where she spent the last three years as CFO. Carla has a university degree in economics and financial sciences and an EMBA from the IMD Business School in Switzerland.

Bart Hofker
Director Consumer Business Unit

Bart has been the Director of the Consumer Business Unit at Vodafone Netherlands since March 2008. He is responsible for all sales, marketing and marketing communication activities for the consumer market. Prior to joining Vodafone, Bart worked as Commercial Director at the energy company Nuon. Previously he held various senior marketing management positions at KPN in the Netherlands and the Czech Republic. Bart studied Business Economics at the Erasmus University in Rotterdam.

Alexander Saul
Director Enterprise Business Unit

Alexander has been working as Director of the Enterprise Business Unit at Vodafone since April 2013. He has been employed in the telecommunications sector since 1997, when he joined Deutsche Telekom. From 1999 he worked in various management positions at Vodafone Germany. Alexander studied at the RWTH Aachen in Germany and at Wharton University in Philadelphia in the United States. He is a marathon and motor sports fan.

Paul Vreeburg
Director Retail

As Retail Director, Paul Vreeburg has been responsible for all Retail activities of Vodafone in the Netherlands, including BelCompany and Vodafone shops, since January 2012. Before BelCompany became part of Vodafone, he held the position of managing

director of BelCompany for four years. Paul previously worked at KPN in positions including marketing director of KPN Mobiel and marketing director of Residential. He started his career at Philips. Paul is a Registered Marketer, holds the Nima-C diploma and studied Commercial Economics at the Higher School of Economics in The Hague. Other positions: lecturer/examiner for the Advertising and Marketing Training Foundation. Marco Houtman succeeded Paul Vreeburg on 1 April 2014.

Harry Odenhoven
Director Commercial Operations
Harry has been the Director of Commercial Operations at Vodafone Netherlands since April 2012. Previously Harry held various positions in the mobile technology and internet market. He has international experience in the field of marketing, sales and business development. In this role he is responsible for providing the best possible service to our customers via all channels (call centre, bills, online, mobile and social media). He is also responsible for innovation and product delivery. His goal is to make Vodafone one of the best service companies in the Netherlands. Harry studied Industrial Design at the Technical University in Delft.

Mallik Rao
Chief Technology Officer
Mallik has been the Chief Technology Officer at Vodafone Netherlands since April 2012, after joining the Vodafone Group in March 2012. Before that

Mallik was the Chief Technology Officer at Aircel in India. He is currently working on initiatives ranging from the IT landscape through to Long Term Evolution plans. Mallik is an engineer with eighteen years of experience in the area of technology at providers such as Ericsson, Nortel and multi-service providers.

Adam Parsons
Director HR, Property & Internal Communications
Adam has been the Director of HR, Property & Internal Communications at Vodafone Netherlands since September 2012. He joined the Vodafone Group in 2007 as the Head of Global Reward Strategy. In this role Adam was responsible for remuneration policy and operations. His passion has always been in the field of HR. Before joining KPMG in 2003, he worked as an HR consultant at Mercer Human Resourcing. Adam has several hobbies, including running, reading, cooking and travelling. He has a law degree from the University of Birmingham and a Master's in Personnel and Development from Westminster Business School.

Klaske de Jonge
Director Corporate Affairs & Strategy
Klaske has been the Director of Corporate Affairs at Vodafone Netherlands since January 2010. With effect from April 2012, this position changed to Director of Corporate Affairs & Strategy. In this role she is responsible for External Affairs, Strategy & Regulatory Affairs, Privacy & Sustainability, Legal,

Wholesale and Security. Before joining Vodafone Klaske served as Vice President Corporate Affairs Europe at Mars. Prior to this she worked as a director at the Dutch consumer organisation Consumentenbond and as a marketing manager at TNT/TPG Post. Klaske has completed various university courses, including a Master's in Business Administration in Rotterdam, a Master's in Political Sciences in Leiden, a postgraduate qualification in Communication and Media Strategy in Groningen and also holds a postgraduate qualification from the Anderson School of Management at the University of California. Other positions: Member of the Supervisory Board of the Maag Lever Darm Stichting (Foundation for Stomach, Liver and Intestinal Diseases) and member of the Supervisory Board of the Netherlands Heart Foundation. Barbara Jongerden succeeded Klaske de Jonge on 1 July 2014 in an interim capacity.

There were no changes to the Board of Directors during the 2013 – 2014 financial year.

Supervisory Board
The Supervisory Board consists of:
Erik de Rijk - Chairman of the Supervisory Board of Vodafone Libertel B.V. and Managing Director of Vodafone International Holdings B.V.
Ronald Schellekens - Member of the Supervisory Board of Vodafone Libertel B.V. and Vodafone Group HR Director
Liliana Solomon - Was a Member of the Super-

visory Board of Vodafone Libertel B.V. and CFO for the Northern and Central/Eastern Europe region for Vodafone Plc until 31 December 2013.

The Supervisory Board offers advice to and supervises the Board of Directors. The Board of Directors informs the Supervisory Board about strategic policy, finances and relevant developments twice a year. Before any major changes are undertaken that affect the company's identity the Board of Directors must obtain the Supervisory Board's approval. The financial statements have to be approved by all members of the Supervisory Board. In the 2013-2014 financial year the meetings of the Supervisory Board were held on 24 June 2013 and 14 November 2013. The Supervisory Board assessed various aspects relating to the results, strategies and management of Vodafone Netherlands, such as the acquisition of Wiericke, the reorganisation of Vodafone Netherlands and Vodafone Netherlands' sustainability approach.

Appointments
The General Meeting of Shareholders of Vodafone International Holdings BV has a right of recommendation for the appointment of new supervisory directors. The appointment of new directors must always be approved by the Executive Committee of Vodafone Group, the local CEO and local HR Director. Criteria for the nomination and selection of members of the Executive Committee include: a proven track record within Vodafone or the telecommunications industry,

at least one international position, thorough knowledge, expertise and competence and a personal connection with our corporate values. At least 70% of the appointments must be made internally, taking diversity into account (gender, nationality, etc.).

Organisation of Corporate Social Responsibility

Primary responsibility for strategy and implementation in the area of sustainability lies with the Director of Corporate Affairs & Strategy at Vodafone Netherlands, who reports directly to the CEO. The Privacy & Sustainability team consists of three employees (as at 31 March 2014), forms part of the Corporate Affairs & Strategy business unit and is primarily responsible for the integration of sustainability within the organisation. The Head of Privacy & Sustainability reports to the Director of Corporate Affairs & Strategy. The Privacy & Sustainability team gives a monthly progress report to the CEO, CFO and other members of the Board of Directors.

We have established task groups for themes (reputation drivers) in the area of issue, reputation and stakeholder management. Depending on the subject, all business units are represented within these at senior management level. A steering committee has also been established consisting of the CEO, CFO, Director of Corporate Affairs & Strategy, CBU

Director, EBU Director, Customer Operations Director, Head of Brand and the managers of External Affairs and Public Affairs. The task group identifies, analyses and addresses the concerns and needs of stakeholders and (potential) issues, risks and opportunities in the economic, social, environmental and ethical fields. The task group reports and makes presentations six times a year to the steering committee on the analysis and statuses of agreed action points. Vodafone Netherlands also reports on its sustainability performance twice a year to Vodafone Group Plc. All directors have joint and individual KPIs related to sustainability, e.g. based on employee satisfaction, customer satisfaction and scores for reputation benchmarks. We have some KPIs validated externally, e.g. environmental KPIs within the ISO 14001 certification and the KPI for diversity through 'Talent to the Top'.

Environmental Management

Lloyds audits Vodafone annually in the field of environmental management. Until December 2013 our Technology business unit was responsible for the environmental management system, but with effect from January 2014 the Corporate Affairs & Strategy business unit has assumed this responsibility. Our environmental coordinator oversees compliance with the environmental policy. The steering committee convenes regularly under the supervision of the environmental coordinator.

They discuss progress with the action plan and the environmental programme. Our CEO is ultimately responsible for environmental management.

Health & safety management

The Global Health, Safety & Wellbeing Team manages and monitors the Health, Safety & Wellbeing (HS&W) strategy and governance of the Vodafone Group. The global Head of HS&W reports to the Human Resources Director of the Vodafone Group. The CEO and directors of Vodafone Netherlands are responsible for HS&W at Vodafone Netherlands.
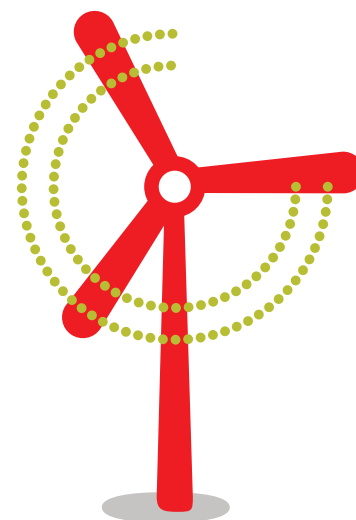
Line managers are responsible for the health, safety and wellbeing of their employees and other people who may be involved in activities. They must ensure that systems function adequately and comply with the policy and standards of the Vodafone Group and Dutch laws and regulations.

Business Continuity, Security and Risk Management

The security policy and security measures are based on the international standard for Information Security Management (ISO 27001). All employees, management and third parties involved must abide by the security policy. They are required to report any shortcomings in or potential compromising of safety measures that they identify and/or any unlawful disclosure of sensitive and/or confidential information that they discover.

The Chief Technology Security Officer (CTSO) and the Legal Affairs and Information Security departments are responsible for the protection and security of customer information. They ensure the technical access security of the mobile and fixed networks and the related IT infrastructure. They also monitor compliance with the data retention obligation and security policy and take measures to prevent and combat fraud. In addition, they are responsible for the lawful interception of telecommunications traffic, e.g. in order to detect crime.

The CTSO is also responsible for the technical assurance of security checks. Ultimate responsibility for the security policy lies with the CEO of Vodafone Netherlands.

Enterprise Risk Management (ERM) helps us to identify and quantify the biggest and most significant risks within our business operations and to determine what we are doing about them and whether we need to do more or less to manage and reduce these risks. We have implemented an internal ERM framework with the relevant criteria for the financial procedures, as set by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). The framework ensures internal control and a robust and extensive focus on the broader topic of ERM. The Business Continuity & Risk Manager is responsible for the entire process and must ensure that the local ERM framework is implemented in all of our business units. 'Risk Champions' are present in various departments within Vodafone Netherlands who help the risk manager to identify and manage risks. The Risk Steering Committee and Risk Management manage the ERM process at a strategic level and align the process with operational risks. Risk Management discusses the ten most significant risks four times a year. The CFO chairs the Risk Steering Committee. Twice a year the steering committee presents the ten most significant risks to the Board of Directors, including the CEO.

For reasons of confidentiality we cannot report on the most significant risks, although we can indicate that these concerned reputation, compliance, financial, strategic and operational risks. The Risk Steering Committee reports these risks and processes to the Vodafone Group annually.

Works Council

We have two works councils, one for Vodafone Libertel BV and one for Vodafone Retail BV, which we involve in subjects related to health and safety and labour issues, e.g. in the event of small-scale and large-scale reorganisations and the outsourcing of Vodafone Netherlands business units to other companies. The works councils offer advice, take the initiative and give their consent before we introduce certain schemes. They have an executive committee consisting of a chairperson, two vice chairpersons, an official secretariat and permanent and temporary committees.

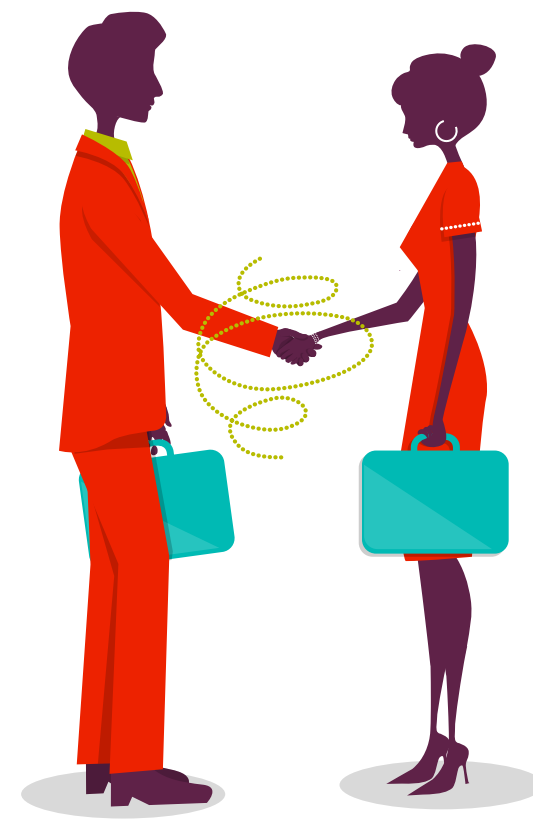## Compliance with Laws and Regulations and Ethics

Ethics & integrity
We publish our **Code of Conduct** on our website. Line managers are responsible for ensuring that employees are aware of and comply with this Code of Conduct. Upon appointment employees are provided with this information in the form of a CD-ROM

that contains employment conditions. We also pay attention to this subject during the induction programme. In addition, the information is available via the intranet and staff are required to follow e-learning courses on the subject. We held an awareness campaign for current managers during the past financial year ('Doing What's Right'). Managers were obliged to attend one of the presentations on this topic.

We have a whistle-blower scheme ('Speak Up Policy') in place for employees who suspect that a person may not be adhering to the Code of Conduct. Employees can also submit an anonymous report. The Code of Conduct explains the processes for asking for advice on compliance, ethics and organisational integrity and for submitting a report (pages 5, 8 and 9 of the Code of Conduct).

Anti-bribery & corruption
In the Code of Conduct we employ a zero tolerance policy with regard to bribery and the rules on giving and receiving gifts, including corporate gifts, and invitations to events. This applies to all employees. In 2013 we rolled out the 'Doing What's Right' campaign and informed all managers (again) about issues such as the anti-bribery policy. Line managers and the Legal Affairs department made employees aware of this policy and the Legal Affairs department informed specific teams about it. In 2013-2014 we conducted another risk assessment on the risks of bribery and corruption. We then incorporated the results of the risk analysis into the anti-bribery and corruption annu-

al plan. In the 2013-2014 financial year no instances of corruption were reported.

Competition

Compliance with competition law is an important part of our 'Doing What's Right' campaign. In this context we also provide 'Doing What's Right' training, for example, during which we bring the Code of Conduct and the Competition Law Compliance policy to the attention of all managers and line managers. We also organise periodic training that is specifically related to competition law. These training courses are offered both online and offline and are compulsory for all employees. Vodafone requires all members of the Board of Directors and all employees who report directly to the Board of Directors to submit quarterly written declarations that they and their teams are acting in accordance with competition law.

In December 2011 the Dutch Competition Authority (NMa, now known as the Authority for Consumers & Markets (ACM)) launched an investigation into price fixing in the mobile telecommunications sector. In November 2013 the ACM announced that it had not identified any price-fixing agreements. It did, however, note that public statements (at conferences, in trade publications, etc.) of mobile providers on future market behaviour could present competition risks, e.g. statements on planned price increases or a deterioration in commercial conditions for consumers that are not based on a

final decision. Vodafone, KPN and T-Mobile have therefore given the undertaking to ACM that they will refrain from making such statements in order to avoid any risk of unacceptable coordination in the future. We have adapted our existing compliance programme and given additional training courses related to price signalling to a number of members of the Board of Directors and senior management team. On 7 January 2014 the ACM issued a decision on the undertakings in which it accepted Vodafone's undertakings and thereby closed the investigation.

Remuneration

Salary

We have established the internal bandwidths and job levels of employees using a job evaluation system of Towers Watson. We use the following structure:

- Board of Directors - Senior Leadership Team (SLT)
- Senior management – band E
- Management – band F
- Staff – band G

We determine the salary structure for all scales and job families every year. This is done on the basis of a thorough analysis of market salary data from international research agencies (e.g. Towers Watson and the Hay Group). We also have a bonus scheme

in place. The bonus percentage depends on the job group and scale.

The Board of Directors and the works council of Libertel (and Retail) have approved the new remuneration policy.

The fixed assessment cycle is implemented throughout the financial year. In this context, CEO Rob Shuter evaluates, assesses and rewards the results of the Board of Directors and its individual members. He is then assessed by the CEO for Europe, Philipp Humm.

In the 2013-2014 financial year the highest paid employee at Vodafone Netherlands earned 8.7 times more than the median (excluding the highest paid) gross annual income of all employees.

This gross annual income is based on full-time employment, including target-related bonuses, but excluding non-financial remuneration compo-

nents, e.g. private use of mobile phones, company cars and expense allowances. The increase in the annual income of the highest paid employee in 2013-2014 within Vodafone Netherlands amounted to 0%. The median salary increase for all employees amounted to 1.75%.

Governance
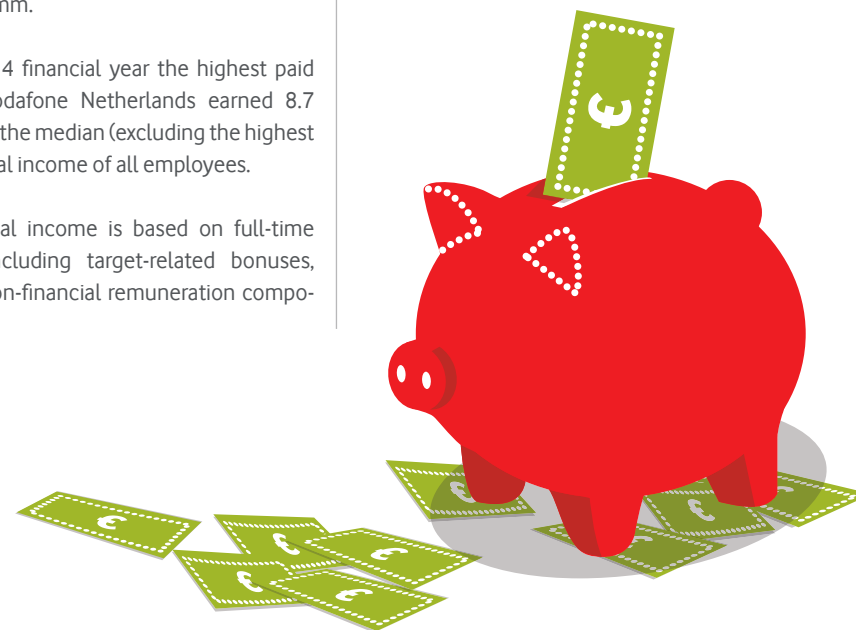
The Senior Leadership Team (SLT) is entitled to shares, which are divided into global long-term incentives and global long term retention awards. In 2014 the distribution is as follows:

- One third global long-term incentives with a global free cash flow performance condition.
- One third global long-term incentives with a local market free cash flow performance condition (or global performance condition for Group employees).
- One third global long-term retention awards.

The distribution between the global long-term incentives and the global long-term retention awards takes place after differentiation (varying between 0% -200%). The conditions for global long-term incentives are set at the time of allocation.

Pension
Vodafone Netherlands has a defined contribution scheme. We base the contribution on 100% of the 4% scale. Employees do not pay a personal contribution. We also offer a partner's pension, disability pension and ANW (Surviving Dependants Act) shortfall pension. We assume all the costs of these schemes. Due to changes in legislation, we will be amending the scale with effect from 2015.

Remuneration the Board of Directors
Remuneration and pension payments for current and former members of the Board of Directors amounted to € 3.7 million (2012-2013: € 4 million), of which € 1.3 million was intended for the directors under the Articles of Association (2012-2013: € 1.1 million).

The total remuneration of the Board of Directors (in EUR thousand) can be broken down as follows:

Total remuneration of the Board of Directors (in EUR thousand)				
	Short-term employee remuneration	**Post-employment remuneration**	**Share-based payments**	**Total**
Statutory Management	948	47	443	1.438
Other Management	1.924	226	587	2.736
Total Management	2.872	273	1.030	4.174

Not included in the remuneration of the Board of Directors for 2013-2014 is the crisis tax in the amount of € 0.3 million (2012-2013: € 0.3 million), of which € 0.2 million (2012-2013: € 0.1 million) relates to the directors under the Articles of Association.

Option rights to shares in Vodafone Group Plc

In the 2013-2014 financial year we did not award any option rights to shares in Vodafone Group Plc to directors, unlike in previous years. These option rights were awarded on the basis of the 'Vodafone Group 1998 Sharesave Scheme' and the 'Vodafone Group Plc 1999 Long Term Stock Incentive Plan'. The latter includes the Global Employee Option Plan. In the 'Vodafone Group Plc 1999 Long Term Stock Incentive Plan' options are granted at a price equal to the market value of the shares on the day preceding the date on which the options are granted. The exercising of these options is dependent on a certain level of performance being achieved. These options have a term of ten years and after three years it will be possible, unconditionally, to remeasure performance at the end of the fourth and fifth years, starting from a fixed base year. If directors have not met the performance conditions at the end of the five-year period, the options will expire.

On 31 March 2014 directors held 18,049 option rights to shares in Vodafone Group Plc at an average weighted price of GBP 1.75 (31 March 2013: 18,049 option rights to shares in Vodafone Group Plc at an average weighted price of GBP 1.75).

Participation of current and former members of the Management Board (in GBP)						
	Statutory Management		**Other Management**		**Total Management**	
	Number of options	**Average exercise price (in GBP)**	**Number of options**	**Average exercise price (in GBP)**	**Number of options**	**Average exercise price (in GBP)**
Number of stock options at 1 April 2013	-	-	18.049	1,75	18.049	1,75
Stock options exercised	-	-	-	-	-	-
Forfeited stock options	-	-	-	-	-	-
Transfer former/ newly appointed members	-	-	-	-	-	-
Number of stock options at 31 March 2014	-	-	18.049	1,75	18.049	1,75

Vodafone Group Plc shares granted

In the 2013-2014 financial year, the members of the Board of Directors were granted 569,930 shares in Vodafone Group Plc (in the 2012-2013 financial year 835,029 shares in Vodafone Group Plc were granted). Under the Vodafone Group Long Term Incentive Plan the shares granted represent a conditional right to receive Vodafone Group shares after a period of three years.

The overall effect of share-based payments on P&L amounted to € 3.1 million (31 March 2013: € 3.5 million).

Remuneration of the Supervisory Board

The members of the Supervisory Board received no remuneration (2012-2013 financial year: ditto). At 31 March 2014 none of the members of the Supervisory Board held shares in Vodafone Libertel BV (31 March 2013: ditto). Within the Vodafone Group no expenses were charged on to Vodafone Libertel BV for the members of the Supervisory Board.

Shares awarded under the Vodafone Group Long Term Stock Incentive Plan			
	Statutory Management	**Other Management**	**Total Management**
Number of ordinary shares at 1 April 2013	722.845	1.136.622	1.859.467
Shares granted	328.047	241.883	569.930
Shares exercised	(51.760)	(284.287)	(336.047)
Shares forfeited	-	(81.732)	(81.732)
Transfer former/ newly appointed members	-	134.819	134.819
Number of ordinary shares at 31 March 2014	999.132	1.147.305	2.146.437

Stakeholder Engagement

Stakeholder	What is important for the stakeholder?	Why is it important to engage the stakeholder?	How have we engaged the stakeholder?
Employees (and potential employees)	Attract and develop: • Right selection to ensure a good match Develop and engage: • Training and development opportunities • Swift and simple business operations • Transparent communication • A learning organisation • Transparency about own actions Engage and communicate: • Pleasure from celebrating successes • Customer experience and needs	• The heart of our organisation: knowledge, expertise and drive • Our mission: 'we empower everybody to be confidently connected' • Employees as ambassadors for our products/services and Vodafone as an employer	• Annual People Survey: research into employee satisfaction • Pulse Survey (interim, simplified People Survey measurement), twice a year • All Hands sessions, at company and departmental level, where the Board of Directors or department management discusses/shares major developments. These sessions often contain interactive elements. • Regular Senior Management Team sessions, which serve as a mirror for the General Management Team • Line Manager events, twice a year • Joint participation in sporting events (e.g.: Connect run, Dam-tot Damloop (fun run) and Urbanathlon)
Customers (business customers and consumers)	• Customer services: deliver what we promise; good, easy-to-use and fast service • Fair and transparent tariffs and bills • Network quality: a reliable, stable and fast network	• Relevance: the more we listen, the more relevant we can be • Customer retention: our customers are our raison d'être • Promotion: word-of-mouth advertising (NPS)	• Regular surveys: these allow us to deduce whether we are on the right track or need to make adjustments • NPS measurement per quarter • Stakeholder survey in collaboration with Nederland ICT • Vodafone reputation survey (started in spring 2014) • Stakeholder dialogue (to determine materiality and focus points of strategy)
Suppliers (and outsourced partners)	• Efficient and adequate cooperation with clear agreements • High-quality and stable network • Collaboration on innovations	• Development of new products and services • Delivery of existing services to customers • Collaboration to make processes more efficient and sustainable	• Part of Vodafone reputation survey • Regular one-to-one contact
Government (regulators, ministries, Lower House, EU Brussels)	• Transparent tariffs and conditions for customers • High-quality and stable network • Protection of privacy of customers • Optimum contribution of the telecommunications sector to the economy • Social application of products and services • Responsibility in telecommunications	• The government determines and enforces laws and regulations • When it comes to the drafting of laws and regulations it is important that the short and long-term impact is considered • By remaining engaged in consultation and assisting with government challenges, we can possibly prevent laws and regulations	• Regular meetings with politicians and officials on various topics • One-to-one meetings between Vodafone and stakeholder • Participation in consultations and research conducted by ministries and regulators • Regular contact in an industry context (Nederland ICT, ECP)

Stakeholder Engagement

Stakeholder	What is important for the stakeholder?	Why is it important to engage the stakeholder?	How have we engaged the stakeholder?
Opinion leaders, media and industry experts	• Interviews on current topics, e.g. network and trends • Background interviews to draw attention to technical or regulatory developments • Quickly and easily approachable at different levels in the organisation	• Opinion leaders and industry experts have an important voice in society • They indicate at an early stage how the market is moving (good or bad) • They can influence the preferences of our customers • Set the scene for our industry and organisation	• One-to-one sessions with members of the Board of Directors and/or topic experts (on and off the record), also via social media • Daily contact between the press and spokespersons
Social organisations (including environmental, digital rights and consumer organisations)	• Fair and transparent pricing • Privacy • Impact on the environment (CO2 footprint/green energy) • Supply chain/supply chain management • Radiation and health	• Social organisations identify trends and try to steer them in the desired direction	• Stakeholder dialogue (to determine materiality and focus points of strategy) • One-to-one contact
Sector peers/ telecommunications industry	• The continuity of telecommunications as a critical infrastructure • The security of telecommunications services • Insight into the contribution of the telecommunications sector to Dutch society and the Dutch economy (internet security, debt problems, etc.) • Privacy • Radiation and health	• To improve the industry's reputation, we have to cooperate on issues where possible and relevant	Regular consultation with: • Industry association Nederland ICT • VNO-NCW employers' confederation • Antenna agency Monet • Platform for information society ECP-EPN

Stakeholder Engagement

Next to this text you will find an overview of some key stakeholder concerns from the past year. We have already taken action in relation to these. As stated in the materiality matrix, privacy and security, network quality, fair and transparent tariffs and bills, and innovation are important issues for our internal and external stakeholders. The concerns stated in the overview relate to one or more of these issues. We will elaborate on these issues in the strategy update.

Most important/greatest concerns of stakeholders and how Vodafone is addressing them

Issues	How Vodafone is addressing these concerns	Stakeholder group
Management of costs and debt problems	Cooperation with the Foundation Weet Wat Je Besteedt (Know Your Spending), research into young people and telephone charges and development of measures to help customers keep their own spending under control. Signing of Code of Conduct for Transparent Mobile Data Costs. Secretary of State Klijnsma is satisfied with the measures taken by the telecommunications sector.	Ministry of Social Affairs, Lower House, social/consumer organisations, telecommunications industry.
Continuity of service	Implementation of regional roaming as a sector (via Nederland ICT), Give interpretation to coverage challenges in border regions as a sector, e.g. for 112.	Ministry of Economic Affairs, Lower House, consumers, business customers, telecommunications industry.
Compensation for failures	Contribution made to consultation of Ministry of Economic Affairs.	Lower House, Ministry of Economic Affairs, social/consumer organisations, customers (private and business).
Smartphone theft	Insight into the pros and cons of different ways to render stolen smartphones unusable, such as Kill Switch technology or blocking of IMEI numbers.	Ministry of Security and Justice, Lower House.
Concerns about privacy (mCommerce and BigData)	The increased use and capabilities of smartphones mean it is becoming easier to gain access to personal data, but more and more difficult to understand what happens to it. That is why we provide a detailed explanation to customers through our website. We request explicit consent for commercial use (opt-in).	Lower House, Ministry of Economic Affairs, social/consumer organisations.

Initiatives that we endorse

We endorse the following externally developed economic, environmental and social charters, principles or other initiatives:

- Multi-year agreements on energy efficiency (MJA3), agreements between the government and companies, institutions and municipalities on the more effective and efficient use of energy. The agreement was signed in November 2010 for the period 2009-2012. A new plan has been submitted for the period 2013-2016.

- CIO Covenant - Energy Efficiency (CIO Platform NL).

- 'Talent to the Top' charter, through which we have committed ourselves, since May 2011, to the target of increasing the number of women in top management positions in our company (GMT/SMT) by 50% over five years.

- The 'Be the change' manifesto, which was signed in 2010 in the context of membership of CSR Netherlands, describes ten principles of sustainable business.

- SMS Code of Conduct and Code of Conduct for paid Mobile Internet Services of the SMS Code of Conduct Foundation, which is a joint initiative of all parties involved in the provision of SMS services and mobile services in the Netherlands.

- Dutch Advertising Code of the Advertising Code Committee, which lays down the rules that advertising must comply with. These rules were drawn up in consultation with the parties that together form the advertising industry (advertisers, advertising agencies and the media).

- Covenant of the Customer Service Federation (CSF). Signatories have undertaken to communicate the most important quality parameters of customer service in a transparent manner.

- Code of Conduct for Transparent Mobile Data Costs, drawn up jointly by the mobile operators to prevent bill shocks.

- Code of Conduct for Transparent Internet Speeds, drawn up jointly by the fixed and mobile internet service providers.

- We respect and comply with all human rights laws and standards in the countries where we operate; see the **Code of Conduct**.

- In our **Code of Ethical Purchasing** we refer to internationally recognised social standards of the ILO (International Labour Organisation), the United Nations Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child.

Association membership

We are a member of the following associations, foundations and collaborations, amongst others:

- Internet Security Platform and Digibewust of ECP-EPN
- CSR Netherlands
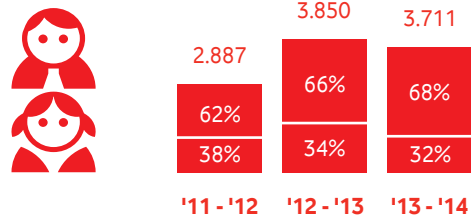- VNO-NCW
- ICT Environment
- Monet
- Preventel

Facts & Figures

1 **Social**

2 **Environment**
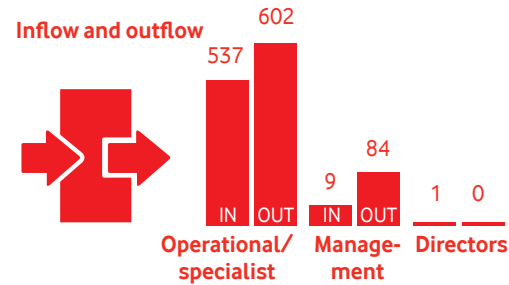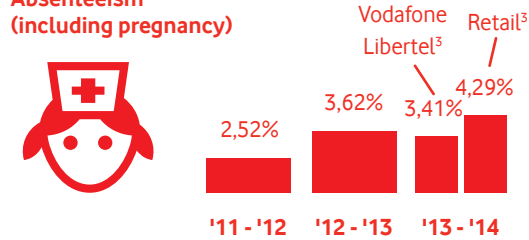
3 **Economics**

4 **Finance**

Facts & Figures

Social

Number of employees/male-female ratio

'11 - '12	'12 - '13	'13 - '14
2.887	3.850	3.711
62%	66%	68%
38%	34%	32%

Number of employees per functional level

Operational/specialist 3.487
Management 215
Directors 9

Total 3.711

Number of FTEs per functional level

Operational/specialist 2.902
Management 49
Directors 9

Total 2.960

Age

0-67

<30	30-40	40-50	>50
41%	33%	21%	5%

Inflow and outflow

	Operational/specialist	Management	Directors
	IN 537	IN 9	1
	OUT 602	OUT 84	0

Nationalities

Dutch 94%
Non-Dutch 6%

Male-female salary ratio by salary scale[1]

	GMT		E		F		G-band
12/13	0,94	1,14		1		1,24	
13/14	0,92		1,16		0,97		1,05

GMT: '12/13 0,94, '13/14 0,92
E: '12/13 1,14, '13/14 1,16
F: '12/13 1, '13/14 0,97
G-band: '12/13 1,24, '13/14 1,05

Spending on training[2]

'11 - '12	'12 - '13	'13 - '14
2.428K	2.639K	1.838K

Absenteeism (including pregnancy)

Vodafone Libertel[3]   Retail[3]

'11 - '12	'12 - '13	'13 - '14	
2,52%	3,62%	3,41%	4,29%

Maternity and parental leave

Maternity leave: 82
Parental leave: M 11, W 18

Number of volunteer hours

'11 - '12	'12 - '13	'13 - '14
1.703	1.634	958
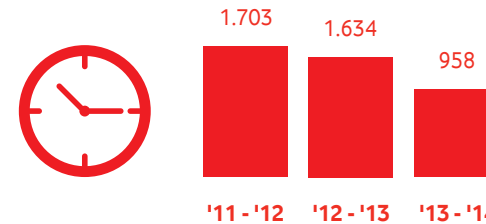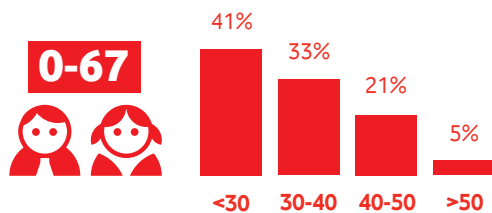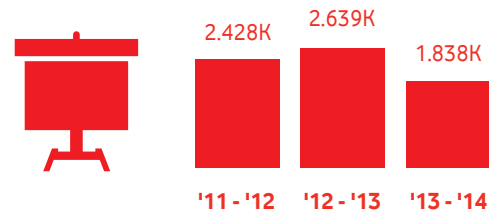
Vodafone Foundation/total investment in projects and third parties

'11 - '12	'12 - '13	'13 - '14
956K	1.000K	827K

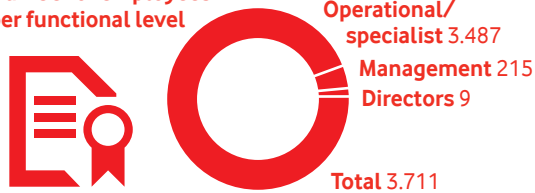[1] Salary calculation for 3,458 employees on the payroll in the Netherlands.
[2] Expenditure is down, but the number of hours spent on training has not fallen because more on the job training is provided.
[3] Separate absenteeism percentage for Vodafone Libertel and Vodafone Retail for the 2013/2014 financial year due to two system changes within HR: 1) Integration of HR systems of Retail (Belcompany) into the Vodafone Libertel HR system; 2) The absenteeism tool was recently replaced. Implementation of the new absenteeism application has not yet been completed.
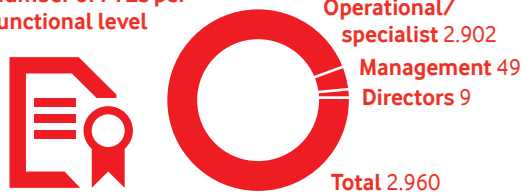
Environment

Vodafone's direct environmental impact is mainly caused by our network, the mobility of our staff and our buildings. Our indirect environmental impact is caused by the purchase and sale of mobile phones. The network is responsible for 85% of our energy consumption.

Total energy consumption in GJ

954K
1.010K
974K — Electricity
40K 36K — Heating
'12 - '13 '13 - '14
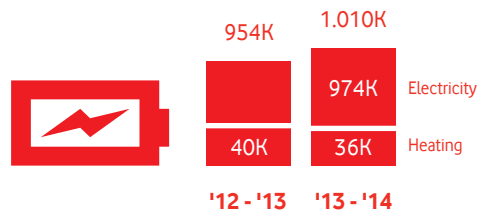
Number of used mobile phones collected

131K
91K
88K
40K
75K — Reused
13K — Recycled
'12 - '13 '13 - '14
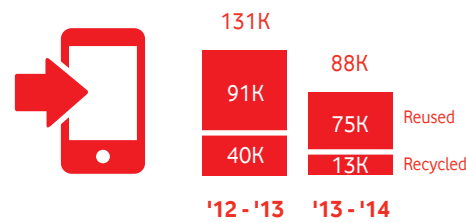
Number of kilograms of hazardous materials transported (batteries for emergency power supply)

32K
19K
'12 - '13 '13 - '14

Energy increase

48K
'13 - '14
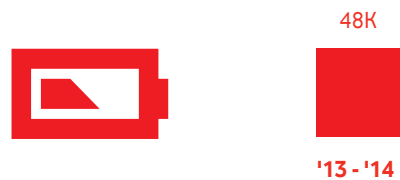
Percentage of mobile phones collected versus total number of mobile phones sold

10%
9%
'12 - '13 '13 - '14

Number of kilograms of network equipment reused

67K
57K
'12 - '13 '13 - '14
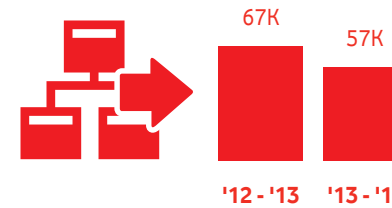
Energy intensity ratio (energy consumed versus network productivity)

0,92%
-0,05%
'12 - '13 '13 - '14

Number of kilograms of batteries with acid removed

32K
19K
'12 - '13 '13 - '14
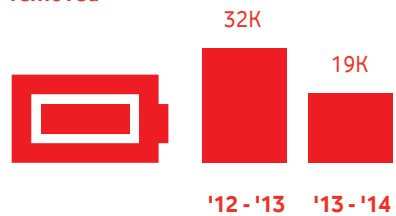
Number of kilograms of network equipment recycled

331K
182K
'12 - '13 '13 - '14

Facts & Figures

Environment

Scope 1

Refrigerants
Transport
Shops
Network
Buildings

	'11 - '12	'12 - '13	'13 - '14
Total	4.377	6.233	4.147
Refrigerants		394	3
Transport	531	2051	
Shops	2.105	2.259	2.161
Network	571	1.267	1.217
Buildings	1.180		628
	44	251	139

Scope 2

Shops
Network
Buildings

	'11 - '12	'12 - '13	'13 - '14
Total	41K	46K	51K
Shops	1.549	3.632	2.789
Network	38K	39K	45K
Buildings	1.765	3.085	3.239

Scope 3

Air travel
Paper
Business travel
Commuting

	'11 - '12	'12 - '13	'13 - '14
Total	5.408	6.753	7.285
Air travel	140	169	461
Paper	67	41	47
Business travel	195	348	478
Commuting	5.006	6.195	6.299

Total

Total CO₂ emissions in tonnes, including green energy

Green energy

	'11 - '12	'12 - '13	'13 - '14
Total	51K	59K	62K
Green energy	4.769	11K	15K
Total CO₂	41K	48K	47K

CO_2 emissions are calculated using the CO_2 footprint, in accordance with the calculation model of the Greenhouse Gas Protocol (GHG Protocol):

Scope 1: Direct CO_2 emissions due, for example, to Vodafone's lease cars and the heating of buildings using natural gas.

Scope 2: Indirect CO_2 emissions due, for example, to the electricity consumed by our network or district heating for our buildings.

Scope 3: Other indirect CO_2 emissions related to Vodafone's activities, such as claimed kilometres or air travel.

Total: in 2011-2012 and 2012-2013 we purchased green energy certificates from Scandinavian hydropower, but since 2013-2014 we have held green energy certificates from Dutch wind energy.

Economics

About 25% of economic growth in the Netherlands over the last 40 years is a direct or indirect result of the opportunities provided by the telecommunications sector. 80% of this has been achieved through economic activities made possible by mobile technology. The remaining 20% is due to direct investment made by telecommunication companies in people and technology1. In 2013, for example, telecommunications companies invested a total of € 14.1 billion in the telecommunications infrastructure2. These investments, innovation and the contribution to cost savings mean that telecommunications are a real driver of economic growth. Telecommunications also create a more flexible and mobile society.

Vodafone also contributes to the Dutch economy, as we:
- Invest in the network in the Netherlands
- Provide employment
- Create a competitive market
- Boost efficiency and productivity in top sectors
- Buy from local suppliers
- Encourage and facilitate innovation and entrepreneurship (we participate in initiatives such as **Startup Bootcamp**, **The Start-Up Network (SUN) Amsterdam Foundation**, **THNK** and **Ready2Scale**)

1 ICT Marktmonitor 2013
2 ICT Marktmonitor 2014

Spending in the Netherlands	In euro
Network and IT investments	263 MN
Extra investment for 4G roll-out for the next 3 years	270 MN
Spending on local suppliers	260 MN
Employee remuneration	185 MN
Taxes	224 MN VAT 55 MN Wage tax

Economics

Supply Chain Management

Our central procurement organisation in Luxembourg is responsible for the majority of our purchases, but a small part of our procurement takes place through our Dutch purchasing department. We employ a **Code of Ethical Purchasing** for the 700 or so Dutch suppliers that we use, which also applies worldwide for the Vodafone Group. It includes requirements related to social issues, the environment, safety and ethics and is based on international standards and our own **Code of Conduct**. The Code of Conduct forms part of purchase contracts and states that we expect our suppliers to ensure their subcontractors also comply with the code. All employees involved with purchasing have been trained, know the Code of Conduct and bring it to the attention of suppliers.

We evaluate centrally within Vodafone whether our suppliers are complying with the Code of Conduct, using the external, independent sustainability assessment platform **E-TASC** (Ecovadis).

Sustainable purchasing
We participated in a pilot tender of CSR Netherlands on social conditions within the context of the procurement policy of the Dutch government. Together with our customer, the municipality of Eindhoven, we analysed the social risks of network connectivity and SIM cards. We then presented an action plan to reduce these risks. To find out more about this tender, see pages 21 to 23 of the publication **'Duurzaam inkopen doe je zo' ('How to purchase sustainably')**.

Purchasing

▼

People and capital

▼

Processes

▼

Products and services

▼

After use

We have divided our suppliers into categories:

	Telecommunications providers	Handset suppliers	Other
Products/ services	Services in the form of network connections for roaming and inter-connection	Mobile phones and tablets	Services, hardware, software
Suppliers	Dutch telecommunications providers: KPN and T-Mobile, Vodafone Group International	12 producers of mobile phones and tablets	Network development: Ericsson Facility services: Facilicom ICT: Amdocs, HP Temporary employment agency: Randstad Marketing and communication: various agencies
Place of origin	International	China, South-East Asia	Mainly The Netherlands

Read more about our **procurement** and **supplier policy.**

Financial

All figures in EUR million

Operating revenue

'11 - '12	'12 - '13	'13 - '14
2.058	1.997	1.893

Gross profit

'11 - '12	'12 - '13	'13 - '14
748[1]	698[1]	573

Operating expenses

'11 - '12	'12 - '13	'13 - '14
391[1]	410[1]	385

Operating profit

'11 - '12	'12 - '13	'13 - '14
357	287	188

Net profit

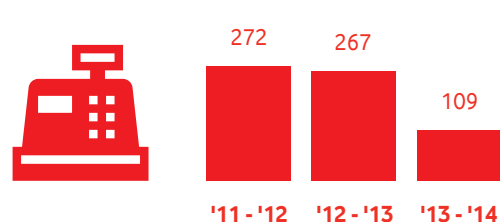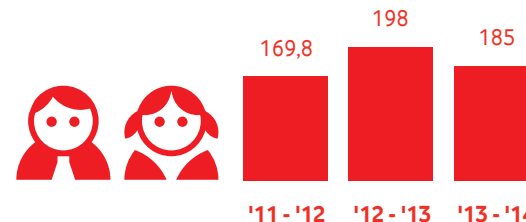| '11 - '12	'12 - '13	'13 - '14
272	267	109

Network and IT investments

'11 - '12	'12 - '13	'13 - '14
267	292	263

Assets

'11 - '12	'12 - '13	'13 - '14
1.979	3.252	3.285

Payments to capital providers

'11 - '12	'12 - '13	'13 - '14
-2,3	3,9	21,2

Employee remuneration

'11 - '12	'12 - '13	'13 - '14
169,8	198	185

Market share

'11 - '12	'12 - '13	'13 - '14
+1,5% points	+0,5% points	+0,3% points

Contribution for spectrum

'11 - '12	'12 - '13	'13 - '14
nb	1.400	nb

Taxes[2]

	'11 - '12	'12 - '13	'13 - '14
Wage tax	57	57	55
VAT	217	235	224

[1] The Board of Directors has decided to report elements of the operating costs differently in 2012-2013 and 2013-2014 and include them in the turnover-related costs within gross profit. The aim is to provide a greater insight into financial performance within the company. The operating costs and gross profit for 2011-2012 and 2012-2013 in the table have been recalculated and therefore deviate from the financial statements and sustainability report for 2011-2012 and the integrated report for 2012-2013.
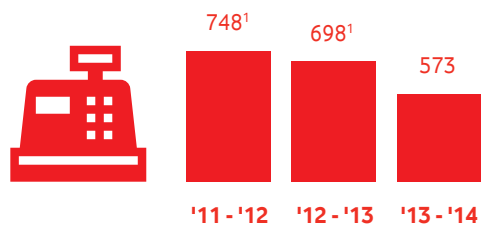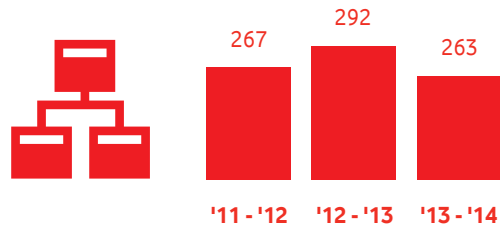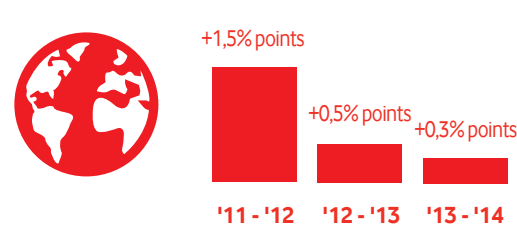
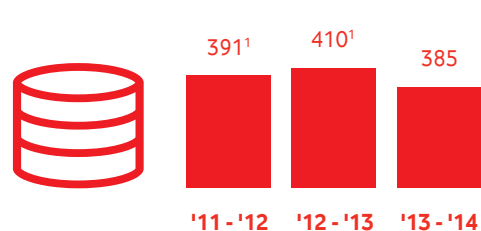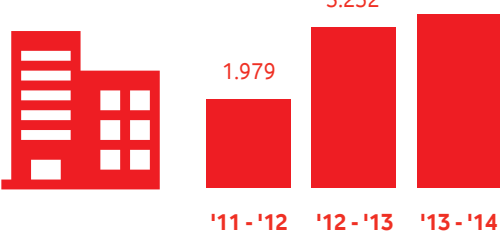[2] Tax figures for calendar year as at 31 December, paid in the Netherlands. Corporation tax is paid via Vodafone International Holdings BV, the shareholder of Vodafone Libertel BV. Read more about taxes **here**. The definitive corporation tax assessment for 2012-2013 is not yet known.
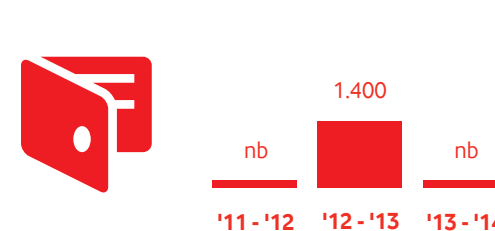
Financial

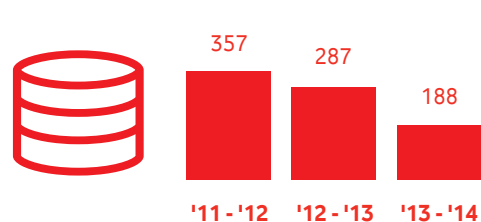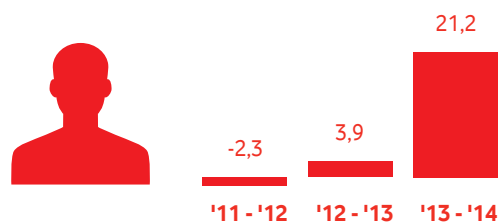The 2013-2014 financial year, which ended on 31 March 2014, was a relatively good year. Despite the challenges in today's economic climate, we were able to strengthen our market share. The Netherlands' Gross National Product (GNP) and employment figures deteriorated somewhat. This had a direct impact on the purchasing power of Vodafone customers (both consumers and businesses).

In addition to these macroeconomic trends, the telecommunications industry continues to be faced with national and European regulations and changing customer behaviour, with traditional voice and SMS traffic being replaced with data traffic. This has a direct impact on the results of telecommunications companies. Our results have also been affected by this development, as our profit is down on last year's figure.

Our total turnover decreased from € 1,997 million to € 1,893 million. This is a decrease of 5.2%. The reason for this decline is twofold: an increase in the regulation of call termination rates within the EU and the ongoing impact of over-the-top content (OTT). OTT refers to the delivery of media over the internet, without the intervention of an operator. The changing use of WiFi and mobile data is cannibalising SMS and voice revenues.

Regulation has caused a decline in mobile call termination rates, which had an impact on our perfor-mance. The average turnover per user also declined due to the lower number of outgoing SMS messages and voice minutes per customer. This is being partially offset by higher revenues from data and generally higher customer access fees.

Gross profit decreased from € 698 million in 2012-2013 to € 573 million in 2013-2014, a drop of 17.9%. The gross profit margin fell from 34.9% in 2012-2013 to 30.3% in 2013-2014.

Operating profit decreased from € 287 million in 2012-2013 to € 188 million in 2013-2014, falling by 34.5%. This decrease in operating profit can be attributed to the decline in turnover due to regulation, over-the-top content and higher depreciation costs resulting from licences acquired in December 2013. The operating profit margin decreased from 14.4% in 2012-2013 to 10.0% in 2013-2014.

Net profit fell from € 267 million in 2012-2013 to € 109 million in 2013-2014. This was caused by the decline in the operating result and a decrease in net interest income and other income and expenses. Compensation from the insurance company for last year's network failure is included. These effects were partially offset by lower tax on profit, however. Free cash flow (net cash flow after investing activities, adjusted for dividends paid to Vodafone International Holding BV) amounted to € 3 million ver-sus -€ 2 million in the previous financial year.

In 2012-2013 we acquired a new spectrum licence, which resulted in a cash outflow of € 1.4 billion. We did not acquire any new spectrum licences in 2013-2014. We also obtained finance last year, primarily for the acquisition of the spectrum. No new finance was obtained this year. Moreover, we did not pay out any dividends this year, compared with € 800 million in 2012-2013.

Outlook for the 2014-2015 financial year
The outlook remains challenging in the light of the current economic climate. We also expect competition from cable operators and 'no frills' players to increase. Turnover from mobile services is expected to be less negative compared with this year.

We are anticipating a larger market share due to our current, revised tariff portfolio. We also believe that we will be able to acquire a share of the landline market in both the business and consumer segments. Furthermore, we will continue to invest in 4G and 3G network capacity and coverage.

Following our recent efficiency initiatives to reduce the cost of sales and operating expenses, we expect the current status of our finance and staff to remain constant over the coming year. Vodafone Group Plc invests in a portion of the research and development of its subsidiaries, such as Vodafone Libertel B.V.

About this report

Explanation

Vodafone Netherlands is publishing an integrated annual report for the second time this year. In this we report on our strategy and the performance of the entire organisation. Through this annual report we aim to show our stakeholders how we provide added value for our customers and society as a whole. We also describe the dilemmas we have had to deal with during the past year.

The report concerns Vodafone Netherlands, which comprises the activities of Vodafone Libertel B.V., Vodafone Retail B.V. and Telespectrum, unless stated otherwise. The operations of Wiericke BV have not been included in this report. The data contained in this report relates to Vodafone's performance and not to the performance of our subcontractors, suppliers and/or other indirect effects, as we have no access to this information. Vodafone Group Plc reports on international sustainability performance (see www.vodafone.com). The reporting period runs from 1 April 2013 to 31 March 2014.

Determining the content (materiality)

We constantly monitor the social developments and issues that could have a bearing on our organisation. We do this by means of issue analyses, risk assessments, media and political scans and stakeholder dialogues. For the implementation of our strategy it is imperative that we take these developments into account in our operations and our management, e.g. by making changes to product development. Our CEO, CFO and Director of Corporate Affairs & Strategy are involved in determining the content of the report and they provide their approval before publication. We took the following steps to determine issues that are relevant to our company (material issues):

Identification

We identified relevant issues in the short, medium and long term through desk research, taking the results of our employee satisfaction survey (People Survey), various external surveys (including sector surveys) and quantitative and qualitative research conducted by Motivaction among 2,048 stakeholders into account. We also conducted a quick scan of sector-based sources and examined the materiality analysis for the report of the Vodafone Group. Finally, we held discussions on Vodafone's reputation drivers with relevant employees.

Based on the results of this step, four staff members drew up a draft materiality matrix, which included the following topics: supply chain, economic contribution, innovation, network quality, privacy and security, fair and transparent tariffs and bills, saving energy in the network, responsible products and services, ethical actions, radiation and health, customer service and attractive employment practices.

Prioritisation

We presented the draft matrix to internal and external stakeholders during two consultations on relevant themes and the Vodafone strategy. They added a number of themes and indicated how important they consider all the themes to be. The internal stakeholders represented a cross-section of the functions and levels within Vodafone, while the external stakeholders represented diverse stakeholder groups, e.g. government, NGOs and customers. The CEO was present during both consultations. Based on the input from these stakeholder groups and internal coordination with responsible persons at a senior level we drew up the materiality matrix shown on the next page. A number of themes are summarised in the matrix. We also maintained a number of themes that none of the stakeholders highlighted as relevant because we consider them to be important ourselves, e.g. radiation and health. Although the supply chain is a material subject, we only provide limited information in this report because purchasing is by and large organised centrally through the Vodafone Group. The Vodafone Group's Sustainability Report contains an extensive description of how the purchasing process works and how suppliers are screened and checked on the basis of issues such as working conditions and human rights.

GRI

This report is based on the fourth generation of guidelines of the Global Reporting Initiative (G4, Comprehensive level). Our reporting is based on the performance indicators that are relevant for our business operations in the Netherlands. As far as possible we used the GRI indicator protocols as a basis for the performance indicator definitions.

Measurement methods and data collection

We consulted the following systems for data collection:
- Quantitative data relating to personnel information: HR data management systems
- Financial data: collected via SAP data management system, then consolidated via Hyperion Financial Management software
- Quantitative data relating to environmental information: various sources are merged in Excel. The new data management system has not been implemented yet.
- Qualitative data: questionnaires based on the GRI indicators (sent by e-mail to the relevant persons)

The captions accompanying the tables and graphs indicate what the figures are based on.

Changes in relation to previous reporting years

Vodafone Netherlands reports annually on its strategic and financial performance. This is the second time that we have published an integrated report. For changes to KPIs and notable changes to the facts and figures, please see the footnotes to the core KPIs and Social, Environment and Finance facts & figures.

Materiality matrix

The position of a theme on the axis indicates whether we consider it to be material ourselves (horizontal axis) or whether stakeholders outside our organisation regard it as important (vertical axis). The themes in the upper right corner are considered very important by our own organisation and by parties outside our organisation. By organisation we mean all the aforementioned entities that fall within the scope of this report. In the stakeholder overview we indicated which issues are of material importance to which specific stakeholders.

Assurance policy

This report has been reviewed by Ernst & Young Accountants LLP (EY). EY has issued an assurance report with limited assurance. We have the integrated report reviewed to increase its reliability for stakeholders. The Director of Corporate Affairs & Strategy was involved in the process of obtaining assurance.

Vodafone Netherlands and EY have an independent relationship. EY does not perform any work for Vodafone Netherlands other than reviewing this integrated report. The financial information is based on the annual financial statements of Vodafone Libertel B.V. for 2013- 2014. Vodafone has instructed Deloitte Accountants BV to audit the annual financial statements of Vodafone Libertel B.V. for 2013-2014.

Relevance for stakeholders

Critical

Very important

Important

The topics covered in this report

Circular Economy

Transparency about network management

Supply Chain

Socioeconomic contribution

Customer experience and needs

Innovation

Network quality

Fair and transparent tariffs and bills

Privacy and security

Impact on the environment

Ethical behaviour

Social applications of products and services

Transparency about own actions

Responsibility in telecommunications

Customer service

Radiation and health

Attractive employer

A learning organisation

Important

Very important

Critical

Relevance for Vodafone/impact on business success

Assurance report

To: The Management of Vodafone Libertel B.V.

Engagement

We have performed an assurance engagement to obtain limited assurance with regard to the Integrated Report for 2013/2014 (hereinafter: Report) of Vodafone in Amsterdam (hereinafter: Vodafone). The Report includes a statement of Vodafone's policy regarding corporate social responsibility and of its business operations, events and performance in this area during the 2013/2014 reporting year, which runs from 1 April 2013 to 31 March 2014.

The Report contains forward-looking information in the form of ambitions, strategies, plans, expectations and estimates. Uncertainty concerning achievability is an inherent characteristic of such information. We do not give any assurance regarding the assumptions and the achievability of forward-looking information contained in the report.

The 'Remuneration' chapter and the financial figures ('Facts and Figures: Finance') contained in the Report did not form part of our engagement. Comparative figures for periods earlier than 2012/2013 and the references in the Report (to www.vodafone.nl, external websites and other documents) also did not form part of our assurance engagement.

The management's responsibility

Vodafone's management is responsible for preparing the Report in accordance with the Sustainability Reporting Guidelines (G4) of the Global Reporting Initiative (GRI), including identifying stakeholders and determining material issues. Choices made by the management relating to the scope of the Report and the reporting policy are explained in the 'About this report' section.

The management is also responsible for implementing any internal control that it considers necessary to allow the Report to be prepared in such a way that it is free of material misstatements as a result of fraud or error.

The auditor's responsibility

Our responsibility is to form a conclusion on the Report on the basis of the assurance information obtained. We conducted our activities relating to the Report in accordance with Dutch law, including Standard 3810N 'Assurance engagements relating to sustainability reports'. This requires that we comply with applicable ethical rules and that we plan and perform our audit to obtain reasonable assurance that the Report is free of material misstatements.

The activities performed to obtain limited assurance aim to establish the plausibility of information and are less comprehensive than in the case of a reasonable assurance engagement. These activ-ities mainly involved obtaining information from company officers and analysing figures relating to financial and non-financial data.

We believe that the assurance information we obtained is sufficient and appropriate to support our conclusion.

Conclusion

Based on the activities we performed, nothing has come to our attention that would cause us to conclude that the information contained in the Report does not, in all material respects, reflect Vodafone's policy regarding corporate social responsibility and its business operations, events and performance in this area during the 2013-2014 reporting year (1 April 2013 to 31 March 2014), in accordance with the Sustainability Reporting Guidelines (G4) of the Global Reporting Initiative.

Rotterdam, 11 July 2014
Ernst & Young Accountants LLP

H Hollander RA

Glossary

2G
The second generation of mobile telecommunications standards, also known as GSM. See the definition of GSM.

3G
The third generation of mobile telecommunications standards, also known as UMTS. 3G or UMTS is a worldwide standard for mobile communication. See the definition of UMTS.

4G
The fourth generation of mobile telecommunications standards. It is the successor to the 3G standard. See the definition of LTE.

800, 900, 1800 and 2100 MHz bands/spectrum
The usable frequencies within the radio frequency spectrum are relatively scarce. If different technologies were to use the same frequencies, there would be a strong possibility of interference. That is why the radio frequency spectrum has been divided up into frequency bands. For many frequency bands the technology that must be used in the band has been determined. The 800, 900, 1800 and 2100 MHz bands are used for mobile telephony and mobile internet.

App/application
Software programs for mobile phones and tablets.

Brand Equity Share/BES
Measures the brand perception amongst Dutch consumers in comparison with competitors and is based on five components: performance, emotion, value, distinctiveness and brand recognition (measured by research agency Millward Brown).

Campaign Health Tracker
Measures various aspects of campaigns, including campaign recognition and association with the company. See the definition of Cut Through Score.

Convergence
Combination of landline, mobile and TV services.

Customer Effort Score/CES
This is used to measure how much effort the customer has had to make to get a question answered or a problem solved via our customer service team, for example, or how much effort the customer has had to make to place an order in our online shop. CES is measured on a 5-point scale, where 1 represents little effort and 5 considerable effort. The % concerns the respondents who gave a score of 1 or 2 on the 5-point scale.

Cut Through Score
This measures campaign recognition via the Campaign Health Tracker. Whether the consumer associates the campaign with Vodafone is also measured.

Data consumption/services
Data space needed to save information such as photos and e-mails, indicated in megabytes (MB) or gigabytes (GB). Data services use mobile internet.

Dropped call rate
Indicates the percentage of all telephone calls that are cut off for technical reasons before the parties speaking had been able to end their conversation and before either of them had hung up.

Eco-Rating
Sustainability label for phones, which is validated by KPMG and offers transparency in the chain. The Eco-Rating is based on three categories: company values and principles, the life cycle analysis and sustainable design.

Employee Engagement Index/EEI
Consists of three elements: commitment to the company, willingness to continue working for the company and the will to go the extra mile for the company. The index is calculated on the basis of the average score for seven questions (both positive and negative answers are included) and has a maximum score of 100.

Employee Net Promoter Score/ENPS
This makes it possible to measure the extent to which employees recommend their company to third parties. The Employee Net Promoter Score uses a 10-point scale, where 9 and 10 mean the employees are promoters (ambassadors) and 0 to 6 mean they are detractors (employees who do not recommend the company or are negative about it). The Employee Net Promoter Score is calculated by deducting the percentage of detractors from the percentage of promoters.

E-TASC
E-TASC (Electronics - Tool for Accountable Supply Chains) is a tool that allows ICT companies to monitor and evaluate suppliers on the basis of their Corporate Social Responsibility (CSR) practices. This makes it possible to identify risks at suppliers and improve their performance.

Integrated fixed and mobile solutions
See the definition of Unified Communication.

GeSI
The Global e-Sustainability Initiative is an international alliance of ICT companies and NGOs that aims to identify how innovative technologies can contribute to sustainable development.

GSM
Global System for Mobile Communications is a standard for mobile communication. GSM is regarded as the second generation of mobile telephony (2G).

Interconnect(ion)
Interconnection makes it possible for customers of two different telecom providers to communi-

cate with each other. It refers to the linking of one telecom provider to the infrastructure facilities of another provider.

LTE (for 4G)
Long Term Evolution, the 4th generation of mobile telecommunications standards and the successor to UMTS. Using LTE it is possible to transmit a higher capacity of data over the network at high speed.

Machine-to-machine (M2M)
Machine-to-machine communication, better known as M2M or telemetry, connects machines or devices remotely and exchanges information between these machines or devices, without human intervention. A device (e.g. a sensor) is connected to a SIM card. If the device detects an event, the SIM card passes on the information about it to a central server.

MVNO
A mobile virtual network operator is a company that does not hold a licence, but sells mobile telephony under its own brand name over the network of another telecom provider.

Network
A mobile telecommunications network is made up of base stations, also referred to as masts or antennas, which are connected to an exchange.

Net Promoter Score/NPS
The Net Promoter Score provides an indication of how highly a service is rated and is determined by asking customers about the extent to which they would recommend Vodafone to third parties. The Net Promoter Score uses a 10-point scale, where 9 and 10 mean the customers are promoters (ambassadors of Vodafone) and 0 to 6 mean they are detractors (customers who do not recommend Vodafone or are negative about it). The Net Promoter Score is calculated by deducting the percentage of detractors from the percentage of promoters.

Regional roaming
Regional or national roaming involves telecom companies taking over each other's connections in the event of failures. In 2012 the Dutch mobile telecom companies reached agreement on the use of each other's networks during failures.

RepTrak
The Reputation Institute's RepTrak™ Framework compares companies on the basis of reputation. It measures the stakeholder perception of companies by measuring the relationship between a stakeholder's emotional connection and the perception of seven rational dimensions: (1) Products/services, (2) Innovation, (3) Workplace, (4) Citizenship, (5) Governance, (6) Leadership and (7) Performance.

Roaming
Using the network of another mobile telecom company. This makes it possible to make calls or use mobile internet abroad.

Smartphone
A smartphone is a mini-computer that can be used to make calls and surf the internet.

Social Media Monitor
An annual study by Social Embassy examining the use of social media by the Netherlands' top 100 advertisers on the basis of gross media spending in the Netherlands (Source: Nielsen Research). The study consists of a survey amongst the companies which looks at their organisation of social media, their ambitions and their results, as well as an assessment by Social Embassy in terms of activity, interactivity and the building of communities. Based on this information the companies are given a score between 0 and 100.

Spectrum (auction)
Also known as radio frequency spectrum or radio waves. Used to transmit information wirelessly from a transmitter to one or more receivers. The transmitter uses an antenna to generate and transmit the radio waves. The radio waves carry the information, which is subsequently picked up by another antenna. A portion of the frequencies is freely available, although registration or a licence is required to use another portion. These licences are issued by Radiocommunications Agency Netherlands, which is also the Dutch government's supervisory body for the radio frequency spectrum and allocates and manages the radio frequency space. The frequency band licences for mobile telephony and mobile internet are auctioned.

Stakeholders
Stakeholders are the people or organisations that have an interest in an organisation, such as employees, customers, shareholders, suppliers, governments and media.

Transparency benchmark
An annual study examining the content and quality of the social reporting of Dutch companies. It is an initiative of the Dutch Ministry of Economic Affairs.

Triple-play services
Services that offer internet access, television and telephony in combination.

UMTS
UMTS stands for Universal Mobile Telecommunications System. For a definition see 3G.

Unified Communications
Also known as integrated (fixed and mobile) solutions. Refers to the process of integrating all means of communication, communication equipment and media to enable users to contact anyone, wherever they may be, in real time.

GRI Index G4

The GRI index forms an integral part of our integrated report and therefore also of the scope of assurance.

No.	ENG-GRI description	Page	Section	Not included
Strategy and Analysis				
G4-1	A statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy.	3	Interview with the CEO	
G4-2	Description of key impacts, risks and opportunities.	12	Strategy & Vision	
Organisational Profile				
G4-3	Name of the organisation.	3	Appendix: Organisational Profile	
G4-4	Primary brands, products and/or services.	3	Appendix: Organisational Profile	
G4-5	Location of the organisation's headquarters.	3	Appendix: Organisational Profile	
G4-6	The number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report.		One country	
G4-7	Nature of ownership and legal form.	3	Appendix: Organisational Profile	
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	3	Appendix: Organisational Profile	
G4-9	Scale of the organisation.	3	Appendix: Organisational Profile	
G4-10	a. Number of employees by employment contract and gender. b. Number of permanent employees by employee type and gender. c. Total workforce by employees and supervised workers and by gender. d. Total workforce by region and gender. e. Percentage of the organisation's work performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	19	Appendix: Social Facts & Figures	

No.	ENG-GRI description	Page	Section	Not included
Organisational Profile				
G4-11	Percentage of total employees covered by collective bargaining agreements.	-	0%	
G4-12	Description of the organisation's supply chain.	22	Appendix: Economics Facts & Figures	
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain.	4	Appendix: Organisational Profile	
G4-14	Whether and how the precautionary approach or principle is addressed by the organisation.	8	Appendix: Governance (Business Continuity, Security and Risk Management)	
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.	17	Appendix: Stakeholder Engagement	
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations.	17	Appendix: Stakeholder Engagement	
Identified Material Aspects and Boundaries				
G4-17	a. List of all entities included in the organisation's consolidated financial statements or equivalent documents. b. List of all entities included in the organisation's consolidated financial statements or equivalent documents that are not covered by the report.	3, 26	Appendix: Organisational Profile and About this report	
G4-18	a. Process for defining the report content and the Aspect Boundaries. b. Explanation of how the organisation has implemented the Reporting Principles for Defining Report Content.	26	Appendix: About this report	
G4-19	List of all the material Aspects identified in the process for defining report content.	27	Appendix: About this report	
G4-20	For each material Aspect, report the Aspect Boundary within the organisation.	26, 27	Appendix: About this report	
G4-21	For each material Aspect, report the Aspect Boundary outside the organisation.	14, 26, 27	Appendix: About this report + Stakeholder Engagement	

No.	ENG-GRI description	Page	Section	Not included
Identified Material Aspects and Boundaries				
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements.	-	Not applicable	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	26	Appendix: About this report	
Stakeholder Engagement				
G4-24	List of stakeholder groups engaged by the organisation.	14	Appendix: Stakeholder Engagement	
G4-25	Basis for identification and selection of stakeholders with whom to engage.	14	Appendix: Stakeholder Engagement	
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	14	Appendix: Stakeholder Engagement	
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	14 -16	Appendix: Stakeholder Engagement	
Stakeholder Engagement				
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	26	Appendix: About this report	
G4-29	Date of most recent previous report (if any).	-	12 juli 2013	
G4-30	Reporting cycle (such as annual, biennial).	-	Jaarlijks	
G4-31	Contact point for questions regarding the report or its contents.		Credits	
G4-32	a. The 'in accordance' option the organisation has chosen. b. The GRI Content Index for the chosen option.	26	Appendix: About this report; GRI Index G4: Comprehensive	

No.	ENG-GRI description	Page	Section	Not included
Stakeholder Engagement				
G4-33	a. Policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, the scope and basis of any external assurance provided. c. The relationship between the organisation and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organisation's sustainability report.	26, 28	Appendix: About this Report and Assurance	
Governance				
G4-34	The governance structure of the organisation, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	6, 8	Appendix: Governance	
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	8	Appendix: Governance	
G4-36	Report whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	8	Appendix: Governance	
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	Integrated Report: 37 Appendix: 8	Strategy Review: An Improved and Leading Reputation; Appendix: Governance (Organisation of Corporate Social Responsibility)	
G4-38	Composition of the highest governance body and its committees.	6, 7	Appendix: Governance (Board of Directors, Supervisory Board)	
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organisation's management and the reasons for this arrangement).	6	Appendix: Governance	

No.	ENG-GRI description	Page	Section	Not included
Governance				
G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	7	Appendix: Governance (Appointments)	
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.	9	Appendix: Governance (Compliance with Laws and Regulations and Ethics)	
G4-42	The highest governance body's and senior executives' roles in the development, approval, and updating of the organisation's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	8	Appendix: Governance	
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	Integrated Report: 37 Appendix: 8	Strategy Review: An Improved and Leading Reputation and Appendix: Management (Organisation of Corporate Social Responsibility)	
G4-44	a. Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organisational practice.	8, 10	Appendix: Governance (Remuneration and Organisation of Corporate Social Responsibility)	
G4-45	a. Highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	Integrated Report: 37 Appendix: 8	Strategy Review: An Improved and Leading Reputation; Appendix: Governance (Organisation of CSR, Environmental Management, Health & Safety Management, Business Continuity, Security and Risk Management)	

GRI Index G4

No.	ENG-GRI description	Page	Section	Not included
Governance				
G4-46	Highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics.	8	Appendix: Governance (Business Continuity, Security and Risk Management)	
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	Integrated Report: 37 Appendix: 8	Strategy Review: An Improved and Leading Reputation; Appendix: Governance (Organisation of CSR, Environmental Management, Health & Safety Management, Business Continuity, Security and Risk Management)	
G4-48	Highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material Aspects are covered.	27	Appendix: Governance (About this report)	
G4-49	Process for communicating critical concerns to the highest governance body.	Integrated Report: 37 Appendix: 8	Strategy Review: An Improved and Leading Reputation; Appendix: Governance (Organisation of CSR, Business Continuity, Security and Risk Management)	
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	Integrated Report: 12, 37	Strategy Review: An Improved and Leading Reputation; Strategy & Vision: Risks and Opportunities	
G4-51	a. Remuneration policies for the highest governance body and senior executives. b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.	8, 10	Appendix: Governance (Organisation of CSR and Remuneration)	
G4-52	Process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organisation.	10, 11	Appendix: Governance (Remuneration)	
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	10, 11	Appendix: Governance (Remuneration)	

No.	ENG-GRI description	Page	Section	Not included
Governance				
G4-54	Report the ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	10, 11	Appendix: Governance (Remuneration)	
G4-55	Report the ratio of percentage increase in annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	10, 11	Appendix: Governance (Remuneration)	
Ethics and Integrity				
G4-56	Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	9	Strategy and Vision; Appendix: Governance (Compliance with Laws and Regulations and Ethics)	
G4-57	a. The internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines.	9	Appendix: Governance (Compliance with Laws and Regulations and Ethics)	
G4-58	a. The internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	9	Appendix: Governance (Compliance with Laws and Regulations and Ethics)	

No.	ENG-GRI description	Page	Section	Not included
Material Aspects/Management Approach and Indicators				
Economic				
DMA	a. Report why the Aspect is material. Report the impacts that make this Aspect material. b. Report how the organisation manages the material Aspect or its impacts. c. Evaluation of the management approach.	Integrated Report: 3-6, 10, 11 Appendix: 22, 24-26	a) About this report (Determining the content) a, b and c) Interview, Strategy & Vision, Appendix: Economics and Finance Facts & Figures	
Economic Performance				
G4-EC1	Direct economic value generated and distributed.	Integrated Report: 8 Appendix: 22-25	Strategy & Vision (value chain); Appendix: Economics and Finance Facts & Figures	
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	12	Strategy & Vision: Risks & Opportunities	
G4 -EC3	Coverage of the organisation's defined benefit plan obligations.	11	Appendix: Governance (Remuneration)	
G4-EC4	Financial assistance received from the government.	-	None	
Indirect Economic Impacts				
G4-EC7	Impact of infrastructure investments and services supported.	3-6, 8, 21-32	Strategy & Vision (value chain); Strategy Review: Easiest Place to do Business and Build for the Future	
G4-EC8	Indirect economic impacts.	Integrated Report: 8, 22, 28-31, 35 Appendix: 22	Strategy & Vision (value chain); Appendix: Economics Facts & Figures; Strategy Review: Easiest Place to do Business, Build for the Future, A Playful and Connected Brand	
Procurement Practices				
G4-EC9	Proportion of spending on local suppliers.	8, 33	Strategy & Vision (value chain); Appendix: Economics Facts & Figures (supply chain)	

No.	ENG-GRI description	Page	Section	Not included
Environmental				
DMA	a. Report why the Aspect is material. Report the impacts that make this Aspect material. b. Report how the organisation manages the material Aspect or its impacts. c. Evaluation of the management approach.	Integrated Report: 3-6, 29 Appendix: 8, 9, 26	a) About this report (Determining the content), a) and b) Interview, Strategy Review: Build for the Future; b) and c) Appendix: Governance (Environmental Management, Compliance with Laws and Regulations and Ethics)	
Energy				
G4-EN3	Energy consumption within the organisation.	20	Appendix: Environment Facts & Figures	
G4-EN4	Energy consumption outside of the organisation.	21		Energy consumption is calculated in scope 3 CO_2 footprint. See Appendix: Environment Facts & Figures
G4-EN5	Energy intensity.	20	Appendix: Environment Facts & Figures	
G4-EN6	Reduction of energy consumption.	Integrated Report: 29 Appendix: 20	Strategy Review: Build for the Future, Appendix: Environment Facts & Figures	
G4-EN7	Reductions in energy requirements of products and services.	22, 24		Not reported quantitatively. Eco score as a way of encouraging suppliers to reduce the energy consumption of telephones. See Strategy Review: Easiest Place to do Business
Emissions				
G4-EN15	Direct greenhouse gas emissions (scope 1).	21	Appendix: Environment Facts & Figures	
G4 -EN16	Energy indirect greenhouse gas emissions (scope 2).	21	Appendix: Environment Facts & Figures	

No.	ENG-GRI description	Page	Section	Not included
Emissions				
G4-EN17	Other indirect greenhouse gas emissions (scope 3).	21	Appendix: Environment Facts & Figures	
G4-EN18	Greenhouse gas emissions intensity.	-	-	Not included, as control of CO_2 emissions intensity is too limited due to the large share of energy consumption in CO_2 emissions. For this reason energy intensity KPIs are used.
G4-EN19	Reduction of greenhouse gas emissions.	20, 21	Appendix: Environment Facts & Figures	
G4-EN20	Emissions of ozone-depleting substances (ODS).	-		Vodafone no longer uses ODS.
G4-EN21	NOX, SOX and other significant air emissions.	-	-	Vodafone has no significant emissions of NOX, SOX or other fine particles.
Effluents and Waste				
G4-EN23	Total weight of waste by type and disposal method.	20	Appendix: Environment Facts & Figures	Disposal method not reported
G4-EN25	Weight of transported, imported, exported or treated waste.	20	Appendix: Environment Facts & Figures	

No.	ENG-GRI description	Page	Section	Not included
Products and Services				
G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	-	Appendix: Economics (supply chain)	With the Eco-Rating we encourage suppliers to produce more sustainable telephones. They are responsible for taking product design measures to improve the environmental impact. We are therefore unable to provide any quantitative data in this regard.
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	Integrated Report: 24 Appendix: 20	Strategy Review: The Easiest Place to do Business; Appendix: Environment Facts & Figures	No reporting on packaging, only on mobile phones.
Compliance				
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	-	0	
Environmental Grievance Mechanisms				
G4-EN34	Number of grievances about environmental impacts filed, addressed and resolved through formal grievance mechanisms.	-	0	

No.	ENG-GRI description	Page	Section	Not included
Social				
Sub-category: Labour Practices and Decent Work				
DMA	a. Report why the Aspect is material. Report the impacts that make this Aspect material. b. Report how the organisation manages the material Aspect or its impacts. c. Evaluation of the management approach.	Integrated Report: 3-6, 11, 16-20 Appendix: 8, 26	Appendix: a) About this report, Interview and Strategy b) and c) Strategy Review: A Great Place to Work, Appendix: Governance (Health & Safety)	
Employment				
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	19	Appendix: Social Facts & Figures	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	-	None	
G4-LA3	Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work, by gender.	19	Appendix: Social Facts & Figures. Only the number of employees who have taken parental leave is included.	Number of employees who are entitled to parental leave and the percentage still employed by the organisation 12 months after parental leave.
Training & Education				
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	19	Appendix: Social Facts & Figures	Expressed in euros rather than hours per employee
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	17	Strategy Review: A Great Place to Work	
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	17	Strategy Review: A Great Place to Work	

No.	ENG-GRI description	Page	Section	Not included
Diversity and Equal Opportunity				
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	6-7, 19	Appendix: Governance and Social Facts & Figures	
Equal Remuneration for Women and Men				
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	19	Appendix: Social Facts & Figures	
Labour Practices Grievance Mechanisms				
G4-LA16	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms.	-	0	
Sub-category: Society				
DMA	a. Report why the Aspect is material. Report the impacts that make this Aspect material. b. Report how the organisation manages the material Aspect or its impacts. c. Evaluation of the management approach.	Appendix: 9,10, 26	a) Appendix: About this report, b) and c) Appendix: Governance (Compliance with Laws and Regulations and Ethics)	
Anti-corruption				
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	10	Appendix: Governance (Compliance with Laws and Regulations and Ethics)	
G4-SO4	Communication and training on anti-corruption policies and procedures.	10	Appendix: Governance (Compliance with Laws and Regulations and Ethics)	
G4-SO5	Confirmed incidents of corruption and actions taken.	10	Appendix: Governance (Compliance with Laws and Regulations and Ethics)	
Anti-competitive Behaviour				
G4-SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	-	None	

No.	ENG-GRI description	Page	Section	Not included
Sub-category: Product Responsibility				
DMA	a. Report why the Aspect is material. Report the impacts that make this Aspect material. b. Report how the organisation manages the material Aspect or its impacts. c. Evaluation of the management approach.	Integrated Report: 22, 23, 28, 29, 34, 35 Appendix: 26	a) About this report, b) and c) Strategy Review: Easiest Place to do Business, Build for the Future and A Playful and Connected Brand	
Product and Service Labelling				
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements.	22	Strategy Review: The Easiest Place to do Business (eco score)	
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	-	None	
G4-PR5	Results of surveys measuring customer satisfaction.	13, 24	Strategy & Vision: Core KPIs; Strategy Review: The Easiest Place to do Business	
Marketing Communications				
G4-PR6	Sale of banned or disputed products.	-	None	
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	35	Strategy Review: A Playful and Connected Brand (Top 4, Our biggest mistake: Advertising Code Committee)	
Customer Privacy				
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	5, 39	Interview, Strategy Review: An Improved and Leading Reputation	
Compliance				
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	-	0	

Credits