



No sooner said... than done
Corporate Responsibility Report 2006



vodafone

About this report

Vodafone Netherlands provides mobile communications services. The company has its own network in the Netherlands and is part of the worldwide Vodafone Group Plc. This report discusses Corporate Responsibility (CR) and above all it focuses on the activities of Vodafone Netherlands over the last year. From the many reactions we receive it is clear to us that there is widespread interest in the way we work within society. We find this inspiring because the world around us has top priority in our thinking and in our actions.

Given that mobile communications have such a huge impact on society Vodafone aspires to set an example in the way that it assumes corporate responsibility worldwide. This report relates to the Netherlands during the calendar year 2006. At the end of this report you will find a report on the progress we have made in achieving our corporate responsibility objectives worldwide and our new commitments.

You can view the Vodafone Group's international Corporate Responsibility Report for the 2006 financial year – we said, we have, we will – at www.vodafone.com/responsibility. If you would like us to send you copy, please send an e-mail to samenleving.nl@vodafone.com. Please send any comments and suggestions to the same e-mail address and we will gladly enter into a correspondence with you.

With Vodafone...

Vodafone is one of the largest mobile telecommunications companies in the Netherlands and is part of the worldwide Vodafone Group, the world's leading telecommunications company for mobile telephony with 200 million proportionate customers on five continents. The Vodafone Group has holdings in the share capital of mobile operators in 26 countries and collaborative arrangements with partner networks in 34 countries.

Because we operate throughout the world we always consider the local situation and we always allow plenty of scope for local initiatives. Our Corporate Responsibility policy is based on our findings. This results in the setting of central targets that are adopted by each local Vodafone company. Progress in achieving these targets is evaluated and reported on a regular basis.

The national companies also help to determine Vodafone's international policy. Vodafone Netherlands has done so by erecting inconspicuous antennae and by introducing solar handset chargers for mobile phones. In this report we would like to tell you more about how the central issues apply to the situation in the Netherlands.



The best way to discover better ways of doing things is to listen attentively and to try to understand. This always challenges us and enables us to discover new ways of contributing to a better society.

Responsible

Letter from Guy Laurence, CEO Vodafone Libertel N.V.

'No sooner said... than done' is the third report on our corporate responsibility performance in the Netherlands. Last year the whole of Vodafone became even more aware that our policy of doing business in a sustainable way is helping to improve the quality of our organisation, our products and services, our financial results and the society in which we operate. Taking responsibility is a priority for all of us.

There is an ongoing debate on mobile phones, masts and health. A whole raft of international studies and the conclusions of the World Health Organisation and the Health Council of the Netherlands show no health effects have been found, yet they do not appear to be able to dispel the concerns for everyone. Our focus is on total transparency on the technology we use and scientific conclusions about its safety. In order to strengthen the dialogue on the subject, we seek to directly engage with all stakeholders. To improve this process with concerned communities, we recently introduced the Community Team pilot. I personally support this initiative and expect this approach to improve the local situation regarding the placement of our antenna network.

The Vodafone Netherlands Foundation supported this year even more excellent social initiatives this year and expanded the already very successful World of Difference programme. This programme offers individuals the opportunity to fulfil their passion for a charitable cause somewhere in the world. During the whole year the company monitored progress in the exciting projects of last year's winners. Two of these projects were based in Africa, focussing on a 'skill centre' and a medical research centre and the two others were located in South America and Afghanistan focussing on disadvantaged children and school projects. I encourage you to read more about their great work elsewhere in the report. This year the independent jury of the World of Difference programme decided to select not four but five winners and I look forward to their contribution next year.

Our employees also made their own contribution via the Vodafone Community Programme, donating the sum that would normally have been spent on a Christmas present to good causes they selected. It is very encouraging to

see that the collective sense of social commitment also produces results close to home.

We were delighted to be involved in several projects in the healthcare sector. Our UMTS technology was used to determine whether patients had suffered strokes and to send heart films directly to the hospital. Furthermore we simplified our tariff structure and made our pricing clear and easy to understand so that our customers have a clear insight into our call charges.

We have continued to make progress in the work we do on a daily basis. We are now reusing all of our network equipment. Also with the collection and reuse of old mobile phones we extend the economic life span of the phones, reduce the impact on the environment and enable people in developing countries to enjoy the benefits of mobile communications at a price they can afford.

Vodafone plays a key role in sustainable thinking and sustainable enterprise worldwide. The same applies in the Netherlands. I can see that our employees are proud to make a contribution to this. A company that has taken the lead in ensuring that its commercial, sustainability and CR performance targets are fully integrated in the way that we think and act on a daily basis.

We are open to ideas and suggestions as to how we can take more responsibility for the world around us. I hope this report will inspire you to work together with us to create a world that experiences the convenience and delight of the increasing possibilities of mobile communications and is open to new ideas on how to take better responsibility for the world around us.

Maastricht, 1 March 2007



Guy Laurence, CEO Vodafone Libertel N.V.

Please send your reaction to samenleving.nl@vodafone.com





There are many ways of studying the effects of electromagnetic fields used for mobile telephony and so far no adverse health effect have been proven. Vodafone is keeping track of the scientific debate and aspires to total transparency

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It is only once you know how to exceed expectations that you are on the right track.

Internal reporting system

Vodafone uses the same internal reporting systems in each country. The reporting system developed for social issues produces a quarterly qualitative and quantitative report. All of the issues and points are meticulously quantified and compared with previous periods and supplemented with projections for the future. This reporting system helps Vodafone to measure its progress on individual issues as effectively as possible.

Our passions

Vodafone plays an important role in Society. Our services touch people's lives everyday, and have a big impact on it. We strive for this being a positive impact one of the drivers of our corporate responsibility.

As they attend to their economic performance companies are finding that their social role is becoming more and more important. Different 'stakeholders' are also showing an increasing interest in our social performance. This is one of the reasons why we make corporate responsibility a strategic choice. A choice that has advantages not only for Vodafone but also for society as a whole.

Aware

Vodafone has developed a keen awareness of its actions and its social role. We are aware of the huge freedom offered by mobile communications, yet we are also aware of the possible drawbacks of rapid technological development and inappropriate use of mobile communications and we have a proactive policy to deal with these aspects. We want all of the parties involved – customers, employees, government officials, regulators, business partners, suppliers and non-profit organisations – to be fully involved and to be proactive wherever necessary. That way we can make carefully

considered choices because we realise that greater freedom and economic prosperity call for new rules.

Method

How do we go about this? We start by listening to feedback on our social performance and the way we do business. We believe it is very important to see both sides of an issue and to reach a consensus. This enables us to identify ways in which we can make a contribution. We set performance targets, we work to achieve these targets, we measure our performance and on this basis we enter into another dialogue.

Dialogu

Vodafone Netherlands is currently discussing a range of issues with different parties. For example, we were the first company to take serious steps to protect children from exposure to unsuitable material via mobile phones. We want to enter into a dialogue with more of the organisations involved so we can discuss points of view on all aspects of mobile communications.

Strategic goal

This approach is deeply embedded in the Vodafone organisation. 'Being a responsible company' is one of the company's six strategic goals. We are also passionate about contributing to the society in which we operate and about constantly exceeding the expectations of our customers and other stakeholders.

Evaluation

At the end of this report we have listed the most important social issues and the progress that we have made in each case. We have also listed new commitments that will be adopted worldwide. In each chapter of this report you will find a concise evaluation of the situation in the Netherlands under the heading 'No sooner said... than done'.

Our approach

No sooner said...

An annual CR Report

Health

CR performance targets

Tariffs

Energy

Socially inclusive products

Protection of children

Social commitment

Social/healthcare applications

...than done

This is the third CR Report produced by Vodafone Netherlands

Better public information

More fully integrated in our business strategy

Transparent pricing

Ongoing energy efficiency programme
Introduction of the solar handset charger

Introduction of easy-to-use 'Simply' handsets

Ongoing compliance with Content Standards
Introduction of content classification system "Kijkwijzer"

Supported more charities
World of Difference volunteer programme

Stroke detection via UMTS

Rock solid

Much like the internet, mobile communications are one of the most influential developments in today's society. They change people's lives, they change the way we work and the way we spend our free time, and they change the way we communicate with one another. These developments are occurring very rapidly and they are not always easy to follow. Vodafone sees it as an important task to ensure that society is kept informed of the technology and the possibilities and correct use of mobile communications.



Each new freedom creates advantages and obligations. We have to be very clear about both.

Strengte voorwaarden

We take measures to make a visit to the mobile internet as safe as possible. Everyone has access to mobile internet and there is very little legislation. So all of the information that can be accessed via "Vodafone live!" has to meet strict conditions. We have spamfilters and we exclude unsuitable material from "Vodafone live!". If we find out that our network is being misused, we take immediate action. Vodafone cannot change the world single-handedly but we can do our utmost to exert an active influence on those that want to use our network and those with whom we collaborate. Our conditions are clear: no unsuitable material and young users must always be taken into account. The same counts for 'KijkMij TV', the new service we introduced where our customers can show mini clips that they made with their mobile to other customers and make money with it. Each clip must comply with Vodafone's robust content standards and is carefully screened by us. In this way, we will prevent unsuitable video clips such as clips with for example discriminating, violent or illegal content from being broadcast on 'KijkMij TV'. We demand total reliability from all of our partners so our customers do not have to contend with unwanted text messages, viruses or extra call charges.

Simplicity

New mobile phones and faster connections create more and more possibilities. Wireless technology enables people to work, make video calls, make payments, place orders, take part in TV games, watch TV and send messages or data from anywhere. In parallel the need for a product that concentrates on simplicity grew. So Vodafone developed an easy-to-use handset that can be used simply to make calls. The Vodafone Simply handset takes the complication out of communication. We aim to be the most attractive operator for all users by anticipating and meeting specific needs.

Safety

It is also very important to provide an insight into the technology of mobile communications and its safety. Vodafone considers safety to be of paramount importance. We take every measure to assure safety. And we provide a complete insight into our technology, explain the safest way to use it and provide access to the scientific studies that have been conducted on the subject and the conclusions drawn by the World Health Organization.

Health

Does exposure to radio waves pose any health risks? Especially given the increasing use of mobile communications and

the installation of new masts? Having reviewed 1,186 studies, the World Health Organisation has concluded that: "From all evidence accumulated so far, no adverse short- or long-term health effects have been shown to occur from the RF signals produced by base stations." Naturally we understand that some people appear to be sensitive to radio waves and electromagnetic fields. However, the World Health Organisation concludes that these complaints cannot be attributed to the radio waves used for mobile telephony. It has said that more research needs to be done to identify the cause of the complaints.

It is self evident that we follow all developments closely. Some relevant developments last year were the completion of the Interphone national studies in thirteen countries, and the results of the second 'COFAM study' in Switzerland were published. This did not change the conclusion of the World Health Organisation that short- or long-term effects are unlikely to be found. Also this year Vodafone will continue to contribute to international scientific research programme's. Because prudence is always called for – as is the case with any new technological development.

Transparency

Anyone who has questions about mobile phone masts and the use of mobile phones will get a clear answer from Vodafone. The communication from the Dutch Government is clear in its stance and endorses the conclusions of the World Health Organisation. Local authorities also have a responsibility to base their local policies on facts and at the same time to address possible complaints seriously. We give high importance to local dialogue. To this end we introduced the Community Team and expect this approach to improve the local situation regarding the placement of our antenna network.

Antennae and the environment

With the increasing use of mobile telephony there is a need for greater capacity and speed. Both are possible thanks to UMTS and HSDPA, which are a far more efficient technologies than GSM. Mobile internet, fast data transfer, video calls and watching mobile television are all possible. But for users to enjoy the possibilities of UMTS new antennae need to be installed. The government has made strict agreements with all operators in the Netherlands regarding the installation of antennae. These agreements is set out in the Antennae Covenant that is evaluated on a yearly basis. These agreements also include the visual intrusion. Vodafone has shown maximum commitment by developing antennae that are as inconspicuous as possible.

Greater commitment

Together with all of the other mobile operators, who have joined forces in the MoNet industry association, Vodafone is doing its utmost to ensure that all of the parties concerned are well informed on the installation of antennae. If, for example, Vodafone is planning to install a new antenna on top of an apartment complex, all of the residents receive a detailed information pack and can vote on the installation of the antenna. If fifty percent plus one of the residents vote against the installation of the antenna, the antenna is not installed. Vodafone believes that it is very important that all parties should be involved in the decision to install an antenna in a fair and transparent way and is seeking ways to improve this dialogue so all of the parties concerned can make a conscious decision.

The distribution of antennae

The location of an antenna is determined by the distance between two antennae, because mobile phone antennae emit very low level RF fields and have a limited range. The local situation may affect the signal because radio waves can be blocked by buildings. Ideally antennae need to be installed somewhere high and the radio waves they emit need to be transmitted horizontally. Vodafone always considers the situation before suggesting that an antenna be installed. It complies with strict internal guidelines and tries to ensure that antennae are as inconspicuous as possible. In our densely populated country we need to make the most of the space, so wherever possible we install our masts together with other operators at the same location.

Our approach

No sooner said...

Radio frequency fields, mobile phones and health

Installation of antennae

...than done

Compliance with SAR values and clear explanations in all of our mobile phone manuals

Advice for those who are concerned about steps they can take to reduce the radiation from mobile phones

Implementation of international RF Health & Safety policy

Ongoing support of our research programme

Compliance with international Vodafone rules that apply to the installation of antennae

More accessible information about locations and RF field strength of antennae in the antennae register (www.antennebureau.nl)

Ongoing improvements in public information

International safety guidelines for electromagnetic fields

The safety limits that apply to the RF fields emitted by antennae are established at a European level by ICNIRP. These standards prescribe the maximum radiation power of antennae and guarantee public safety. The standards are supported by the conclusions that the World Health Organisation (WHO) has drawn from a great deal of scientific research. The Dutch Government endorses the ICNIRP standards and is advised on this by the Health Council of the Netherlands. For more information see www.gr.nl, www.antennebureau.nl and www.monet-info.nl



The world of mobile communications calls for straight talk.

Our approach

No sooner said...	...than done
Marketing guidelines	Implementation of Responsible Marketing Guidelines
Information on Vodafone live!	Introduction of stricter content guidelines
Mobile etiquette	Theatre production and information
Children	Age recommendation and possibility of blocking certain material
	Introduction of content classification pictograms

All Vodafone companies comply with a set of international rules that apply to the marketing and advertising of its services and products. Our advertising agencies are well aware of our international guidelines and refrain from making proposals that might conflict with these guidelines. Issues such as religion, politics, discrimination, sex and sexism never feature in our campaigns.

Code of practice

We adopt the same approach with our suppliers and business partners for whom we have drawn up a clear code of practice. All of this serves to ensure that our customers are provided with honest and complete information so that they are never disappointed and never purchase the wrong product. We also offer to protect our customers from unwanted text messages, spam and viruses and we lead the way in this respect. Erotic content can be blocked on our handsets and all of the entertainment that can be accessed via our network comes with an age recommendation for young users.

Protection of privacy

Vodafone also guarantees to protect its customers' privacy. We have Global Guidelines on Privacy. For example, we only ever reveal personal details if we are legally required to do so.

Not suitable for all ages

Vodafone believes that what is learnt in the cradle lasts till the tomb and is guided by this in its efforts to protect young people from information and images intended for adults. There is a content classification system (Kijkwijzer) for films and videos that helps parents make the right choice for their children. And together with NICAM Vodafone has developed a content classification system for mobile phones that shows what age certain entertainment is suitable for. Because we know that children are very keen on chat rooms, we make sure that they are bound by strict rules. We advise parents and childminders to keep an eye on things and to encourage the children to talk about the subjects they are discussing in order to prevent children from giving out personal details or being persuaded to meet up with a stranger.

Mobile etiquette

The use of a mobile phone can cause irritation or put safety at risk. Vodafone has produced informative brochures that remind people to be considerate when using their mobile phones. We also explain why, for example, people should only make and receive hands-free calls while driving and we advise people on how to reduce the risk of making and receiving calls while driving to a minimum.

Vodafone does not have any factories. But we do have offices, shops, computer rooms, network equipment, more than 3000 employees and almost 3.9 million customers, all of whom have at least one mobile phone. All in all Vodafone is responsible for the use of a considerable amount of energy and materials. And this will increase as the use of mobile communications increases. We aim to limit and reduce our impact on the environment wherever we can.

Energy

An ever increasing usage of mobile telephony results into an increase of our energy consumption. But the energy efficiency of the equipment we use is increasing, and we expect that in relative terms our energy use and the "carbon dioxide emissions per MB of mobile call traffic" will decrease. Vodafone reports on its energy efficiency and will set new energy targets in the coming year.

Reuse of old handsets

The rapid development of mobile communication technology means that mobile phones are regularly replaced. Vodafone introduced years ago a worldwide programme to promote the reuse and recycling of old handsets and accessories. Old handsets are reconditioned by a certified organisation and reused as far as possible. This extends the economic life span of the phone and helps to reduce the waste flow. It also enables people in poorer parts of the world to enjoy the benefits

of mobile communications. The money derived from the recycling programme is donated to a good cause. Vodafone intends to collect 50% more handsets for reuse and recycling and will start early 2007 with a new approach to the recycling program.

Our approach

No sooner said...

Energy

Waste

...than done

Implementation of energy plan based on audit

Waste assessment and implementation of an improvement plan

Electricity consumption in the Netherlands

2006 Financial year	2005 Financial year
61,124,687 kWh	59,341,806 kWh
CO₂-conversion factor*:	
0.53	0.47
CO₂ emissions:	
32,396,084 kilos of CO ₂	27,890,648 kilos of CO ₂

Collection and reuse of old phones

7522	5792
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* For details and projections of CO₂ emissions and CO₂ emissions per MB see pages 24 and 25 of the Group CR Report.



The environment belongs to everyone. So we all need to take care of it.



You are only really satisfied if what you get is worth more to you than what you gave for it

Products

The rapid development of mobile communication technology leads to ongoing innovation. There are new products, new services, new possibilities and, of course, new tariffs. All kinds of things are possible yet at the same time we also want to make our products and services as user-friendly as possible.

Many people are experiencing an increasing need for simplicity and clarity. Vodafone took this message to heart last year and introduced easy-to-use products and services simpler call tariffs.

Yet Vodafone also wishes to maintain its position as the most innovative mobile communications company. By being socially responsible in the way that we pursue both of these objectives, we can go on being of service to society.

New clear tariffs

So we can offer our customers simpler tariffs we developed BloX. This new tariff plan enables customers to add relevant extras like 'Unlimited SMS' and 'Unlimited calls to domestic fixed lines' to their 'Basis Abonnement' at any time of the day.

Leading in reducing costs of calling abroad

Vodafone reduced last year the average European roaming costs for Vodafone customers. By April 2007 a reduction of at least 40% will be implemented. This initiative builds further on the success of Vodafone Passport that was introduced in 2005. Since the introduction of Vodafone Passport in June 2005, already more than 1.1 million Vodafone customers in the Netherlands have signed up for the free service, thus benefiting from substantially lower prices for mobile voice calls when abroad, on holiday or on business trips.

As simple as can be

Some people simply want to use their mobile phone to make and receive calls. They are not interested in all of the other possibilities. They want a simple phone that they can take anywhere. A phone that is easy to use and easy to read and one that only includes the most essential functions. It was for these people that Vodafone developed Vodafone Simply. With a cheap tariff for subscribers and pre-paid customers. Vodafone Simply is as simple as can be.

Solar handset chargers

With millions of mobile phone users and just as many mobile phones and PDAs that constantly need to be charged, there is clearly a need for a sustainable solution that will help to reduce energy use. Vodafone has come up with just such a solution in the form of a compact solar handset charger that you can take with you anywhere. The Vodafone Solar Charger – the first solar handset charger for mobile phones and

PDAs – was unveiled in June 2005 and met with a view positive response. The small charger has a solar collector that is able to generate a sufficient charge when exposed to ordinary daylight. It charges most handsets and is connected to the handset via a cable and a universal plug.

The world of UMTS

The new UMTS network that Vodafone is rolling out is a good alternative to fixed line computer connections. It offers faster speeds and more possibilities, which include mobile connections for laptop computers. UMTS technology is also being embraced by the healthcare sector and is being adopted for new safety applications.

Ethical business practices

Five years ago Vodafone put all of the principles of ethical business practice down on paper. This is a vision that goes beyond corporate responsibility and commitment. A vision that makes us responsible for all of our actions within our normal business processes – even if we are only part of the process, as is the case when we are purchasing phones and equipment. This vision calls for clear agreements – Guidelines and our Business Principles. How do we want to do business and with whom?

For the attitudes and behaviour of our buyers, suppliers, business partners and customers also determine the extent to which we are able to achieve this vision. To develop awareness of these principles we have built an organisation that sets clear performance targets at the highest level and assigns responsibilities to different parts of the company as far as possible. This approach has embedded awareness of the principles ethical business practices deeply within our corporate culture.

Ethical codes and business principles

Our economic and financial policy is based on our ethical codes and business principles (www.vodafone.com/governance). Our business principles relate to bribery, corruption, conflicts of interest, protection of data, the environment, health and safety, human rights, working conditions, political commitment and transparency. To give just one example, it goes without saying that Vodafone never makes donations to political organisations anywhere in the world.



Je kunt je opvattingen delen met je toeleveranciers en deze aanzetten om ze opnieuw te delen met hun directe omgeving.

Detection of strokes

Vodafone is helping the healthcare sector to develop new systems that will speed up the diagnosis procedure and improve patient contact with the aid of UMTS technology. Together with the University of Twente Vodafone set up a test programme that is designed to detect strokes via the camera images on a mobile phone. These images enable specialists to issue effective instructions that may well save the patient's life. Various hospitals now check patient heart monitors via UMTS and ambulance personnel can send a diagnosis to the hospital while they are still en route so that all of the necessary preparations can be made to provide the right kind of care.

Diagnosis

The Diagnostic Centre in Eindhoven provides a wide range of diagnostic services for 430 general practitioners and 120 midwives. Many patients found it difficult to get to the service centre so doctors' surgeries were often used instead, but this placed a strain on the patient records system. So the DCE decided to implement a mobile solution in the form of a mobile medical examination bus. Vodafone set up an infallible UMTS connection with the patient records system which makes it possible to call up the patient's file with all of the latest details and to complete a diagnosis within 48 hours. The DCE bus has been a huge success. It reduces the administrative work considerably and offers patients and their doctors an excellent service which makes it possible to treat

diseases and ailments more rapidly and more effectively.

Youth healthcare

In Zeeland Vodafone helped to set up the first mobile youth healthcare system for the municipal health service. UMTS technology enables 120 youth healthcare professionals in Zeeland to make diagnoses from anywhere and to ensure that treatment is properly coordinated. It also means that the healthcare professionals can always call up all of the medical details via the connection with the electronic patient files in the central computer. This reduces the administrative work considerably and enables the healthcare professionals to deal directly with other healthcare institutions and to arrange for children who need care to be treated more rapidly.

Potential cost savings in healthcare sector

Millions of euros could be saved annually in the Netherlands by using mobile telephone services in the healthcare sector. Not only that, but it would also provide better care for patients and increase productivity. These were some of the conclusions reached in a study by the Imperial College in London, commissioned by Vodafone to investigate the role of mobile telephones to make healthcare more accessible and efficient. In September the findings were presented today to members of Parliament and healthcare administrators in the Netherlands.

Strong impulse for the third world economy

Research has shown that mobile communications have given a significant impulse to the economy in the third world, where the poor and sometimes even non-existent infrastructure makes it very difficult to do business.

Thanks to mobile phones supply and demand can now be more closely tailored to one another. Countless small production and trading companies are being set up and money is changing hands. Farmers can find out the exact market price for their products and this makes it possible for them to run tiny businesses. Mobile phones are also being used for banking. The M-pesa platform developed in Kenya enables people to pay money into and to withdraw money from their bank account. Vodafone supports various projects in developing countries because mobile phones are clearly helping to improve the economy and conditions within society. Former President Mandela presented our sister company Vodacom with a prestigious award for opening up poor communities with mobile telephony. As part of this process old handsets that have been handed in are reconditioned and reused in third world countries. The extends the economic life span of the handset and also makes it possible to offer third world customers a mobile phone and tariffs that they can afford.

Our approach

No sooner said....

Tariffs

Products

Social

...than done

Transparent tariffs for home and abroad
40-80% cheaper roaming for Vodafone customers

Vodafone Simply handset and services
Solar handset charger

Use of UMTS technology for stroke detection
Research on efficiency improvement in the healthcare sector

Sustainable supply chain management

Vodafone itself does not make any mobile phones or network equipment. We buy these from suppliers all over the world. Our primary suppliers have to meet conditions that are consistent with our business principles and we encourage our suppliers to impose these same conditions on their suppliers. To ensure that this happens we confer intensively with our top 25 suppliers, who gain 54% of our purchasing budget. We get other suppliers to fill in a detailed questionnaire about the way they work. Vodafone is also involved in a Global e-Sustainability Initiative (GeSI) – an initiative undertaken by all of the major ICT companies that seeks to assure sustainable supply chain management and good working conditions. We assess, monitor and evaluate our relationships with all of our manufacturers at a national and international level. Last year Vodafone Netherlands completed the implementation of its own supplier assessment programme.

CR Organisation

Vodafone treats corporate responsibility as a strategic goal and has opted for a centrally managed organisation. Corporate Responsibility is managed at an international level by our Corporate Responsibility Director, who reports to the International Board of Directors. In the Netherlands corporate responsibility is a corporate function and the CR programme is managed by the CR Manager who is also responsible for the internal reporting of the results. Reports are issued quarterly together with the operational and financial reports.



Some ambitions deserve to be generously supported. We see this as a chance to invest in unique opportunities to create a better and healthier society.

Committed

Vodafone is committed to social investment. Last year the Vodafone Netherlands Foundation donated money, services and materials worth a total of 695000 euros to different causes. Besides investing via the Vodafone Netherlands Foundation Vodafone also invests in society via the Vodafone Community Programme, which enables our employees to work for good causes either in their free time or during working hours with financial support from Vodafone.

Making choices

First and foremost we choose to support organisations that work on behalf of children and teenagers in the Netherlands. When choosing which organisations to support one of the main criteria is that we can help these organisations to go a step further. We have signed long-term contracts with several partner organisations, but we also make one-off donations to projects. We also help to set up new initiatives that are consistent with our policy. You can find out more at samenleving.nl@vodafone.com.

Our partners

Our partners are organisations with whom we have long-term agreements because their efforts help specific groups which are then able to help others.

De Opkikker

The Opkikker Foundation organises day trips for children with long-term illnesses. A complete day out for the child together with his or her whole family. So they can forget the things they need to deal with

on a daily basis and simply enjoy being together. For when a child has a long-term illness it places a strain on the whole family. The Opkikker Foundation works in close collaboration with hospitals throughout the Netherlands.

Veldwerk Nederland

The Veldwerk Nederland Foundation organises an annual competition to find the greenest school in the Netherlands. All primary schools are invited to enter inspiring projects to protect nature and the environment and to create a sustainable society. The best projects win a prize and are carried out with the Veldwerk Nederland Foundation acting as a coordinator.

IVN Watch

The Dutch Society for Nature and Environment Education (IVN) organises a successful international Watch project which teaches children about water management. The project is carried out in all primary schools in the Netherlands and is supported by the Dutch Government.

Service Medical

The Service Medical Foundation is the only mobile sports medicine organisation in the Netherlands. The members of the foundation provide medical aid at hundreds of large sporting events every year. The Vodafone Netherlands Foundation provides the foundation with mobile communication equipment and credit for voice and data applications.

Victory for Life

The Victory for Life Foundation helps teenagers and young adults who are overweight to embark on a healthier lifestyle and to develop a more positive self-image. Teenagers and young adults can go to the Victory Camp supported by the Foundation.

On Wheels

The On Wheels Foundation offers children suffering from Duchenne – an incurable muscular dystrophy disease – a chance to enjoy themselves in a suitable environment.

Princess Christina Competition

The Princess Christina Competition Foundation organises nine music competitions for talented teenagers aged between twelve and nineteen. The winners are coached and receive training that enables them to develop their musical talent and possibly a career in music.

Cultural biography

A project of the Municipality of Maastricht. Tourists and inhabitants receive historical information of certain locations through a rented PDA.

World of Difference

The World of Difference programme offers some special people the chance to spend a whole year working full-time for their favourite charity and thus make a world of difference. Last year an independent jury selected for the second time the candidates. Each winner will receive an average salary plus expenses, which means they can realise their dream.

For the four candidates that were selected in 2005 the programme ended last year. Frédérique Kallen (Noorbeek) worked for the Mama Alice Foundation in Ayacucho, Peru. Heidi Jalloh-Vos (Dordrecht), a physician trained in tropical medicine, worked for the Cordaid Foundation in Bo, Sierra Leone. Dorien Beurskens (Apeldoorn) set up a new skill centre in Beira,

Mozambique, for underprivileged young people for the Young Africa Foundation. Hayde Zarkeshan (The Hague) worked for the KidsRights Foundation and initiated and coordinated aid projects at Dutch schools for the poorest children in South Africa and Afghanistan.

The quality of the entries of World of Difference 2006 appeared to be so high that the independent jury has decided to, as an exception, select not four but five winners. From 1 November 2006 the following winners started to make a world of difference:

Bram de Vries from Goudriaan will establish, via the Demotech Association, an irrigation project in Guatemala and the Philippines, where people will be able to make their own water pump using simple materials. George Seremwe from Utrecht will, via the Child Future Africa Association, help orphans in the Northern parts of Zimbabwe to go back to school again. Annekoos Wiersinga from Arnhem works as tropical doctor in a newly built hospital in Makeni, Sierra Leone via the Lion Heart Foundation. Machiel Spuij from Heeten lives in Masasi, Tanzania, and will, aided by the Fair Trade Original Association, ensure the registration of his cashew nut factory and registration of farmers' organisations with FLO (Fairtrade Labelling Organisation) to enable the local farmers to obtain a reasonable yield from their cashew harvest. Pieter van Eijk from Wageningen will, via the Wetlands International

Association, offer micro loans to the local population in Indonesia for starting of for example an own business. They can repay their loan by re-establishing peat forests. Please look at http://www.vodafone.nl/over_vodafone/sponsoring/World_of_difference for the latest developments of their projects.

Vodafone Community Programme

The Vodafone Community Programme gives all Vodafone employees the chance to get involved in inspiring initiatives. The projects are suggested and enthusiastically supported by our employees.

Christmas donation

Vodafone employees choose to donate the money that would normally be spent on a Christmas gift to charity. They themselves suggest charities then decide which of these on a short list are to receive a donation.

Christmas 2006 our employees donated to eleven charities in The Netherlands. Projects vary from support to special houses for Cancer patients, Food bank Zuid Limburg, the construction of waterworks in Cameroun, building a Kindergarden in Namibia and others.



International Evaluation

No sooner said... than done

Every year we set ourselves international objectives and make commitments to improve our service to society. We set specific performance targets, establish procedures and project results. In the evaluation that follows you can see the progress that was made during the financial year 2005-2006. The information on the following pages was originally published in the Vodafone Group Plc International Corporate Responsibility Report 2006, which covers the financial year that ended on 31 March 2006.

Deloitte & Touche LLP assessed our progress in relation to the previous year and has confirmed that it has been accurately reported. (See the Independent Assurance Report on page 35 of the Vodafone Group Plc Corporate Responsibility Report 2006.) The criteria on which the assessment was based are listed on www.vodafone.com/responsibility/assurance.

The tables also show our performance targets for the medium term and the long term. These are our ambitions and the achievement of these ambitions will help to ensure that our corporate responsibility performance is one of the best in the world in 2010.

The issues that we consider to be most important were identified in dialogue with our stakeholders. Vodafone is also willing to tackle new issues suggested by society. We want to be absolutely sure that we meet the expectations of those concerned to their satisfaction.

You can find more information at www.vodafone.com/responsibility/targets

Our approach

We choose to support...

- Nature and the environment
- Innovative use of mobile technology
- Children and teenagers up to the age of 16

We don't support...

- Politics and religion
- Events, sport, meetings
- Expeditions
- Fundraising initiatives
- Individuals

Objectives and commitments

Our international corporate responsibility objectives and commitments

Issue	No sooner said...	...than done	Progress	No sooner said...	Streefdatum
Socially inclusive products	We will reduce the level of preventable exclusion and increase access to the use of our products by at least a third by 2010.*	Our research on the factors that make it difficult for people to use mobile phones led to the introduction of the Vodafone Simply handset which makes it easier for older people to use mobile phones.	Due by March 2010	We will reduce the level of preventable exclusion and increase non-user access to mobile communications by at least a third.	March 2010
	By 2008 we will introduce three significant products that enable everyone (including people with sensory impairment) to enjoy the benefits of mobile communications.	We launched M-PESA – a platform that enables people in developing countries to use their mobile phones for banking – and developed aids for those who are hard of hearing and the Vodafone Speaking Phone for people with sight impairment.	Due by March 2008	We will introduce at least three new products that reduce exclusion and increase access.	March 2008
Mobile phones, masts and health	We will directly engage in a dialogue with mobile phone users, key opinion formers and politicians on mobile phones, masts and health by March 2006.	We commissioned a major survey of public opinion on health and mobile communications. We ensure that the information we provide is on health is complete, clear and up to date.	✓	We will set targets and track and report stakeholder opinion on how responsibly Vodafone is acting regarding mobile phones, masts and health.	March 2007
	From 2006 we will provide advice that addresses the concerns of customers who wish to reduce their exposure to RF fields from their handsets.	We have published a set of guidelines that are consistent with the advice given by the World Health Organisation and have instructed our customers service and sales assistants to refer customers to them.	✓		
Network rollout	By March 2007 we will have developed local methodologies for assessing the visual impact of masts/base stations.	We launched a global database to share best practice examples across the Group. Due to the subjectivity of the criteria used to measure visual impact of masts and base stations in different regions, new guidelines are being developed.	Target redefined	We will develop a method to measure and track key stakeholder opinion on how responsibly Vodafone is deploying its network.	March 2007
Earning the trust of customers	By March 2006 we will launch two new initiatives that provide clearer call charges that are easier for our customers to understand.	We launched two new tariff structures to provide a clearer insight into call charges: Vodafone Passport and Vodafone Connect.	✓	We will be a recognised leader in responsible marketing and advertising.	March 2007
	We will be a recognised leader in responsible marketing and advertising by March 2007.	All operating companies must ensure that all marketing and advertising activities are responsible by seeing to it that their advertising agencies follow the international Responsible Marketing Guidelines. All complaints are reported and evaluated.	Due by March 2007	We will dialogue with the key stakeholders on customer privacy issues and seek their views on the appropriate balance between protection of privacy and new anti-crime and terrorism legislation.	March 2007
Content standards	We will implement access control solutions that prevent inappropriate access to age-restricted content and services via our network by March 2007.	We launched access controls at all six local operating companies that offer age-restricted content on the Vodafone live! domain.	✓	We will develop and make available a global mobile internet filtering solution.	March 2007
	We will develop and make available a global mobile internet filtering solution by March 2007.	We continued to roll out our internet filtering system. This is now available at two local operating companies, and nine other operating companies have set target dates for the implementation of the system.	Due by March 2007		
	From March 2006 we want to be able to take direct action in response to complaints about spam from our customers.	All local operating companies were sent a self assessment questionnaire. All findings will be evaluated next year.	✗ 60%		
Supply chain	By March 2006 we will issue guidelines on premium rate 'adult' subscription services and recommend an industry-wide Code of Practice to prevent abuse.	We developed Group guidelines to help local operating companies develop their own codes of conduct for premium rate 'adult' subscription services where no national codes exist. We are recommending that these codes of conduct should form the basis of an industry-wide code of practice.	✓	We will implement the supplier qualification process in accordance with the Code of Ethical Purchasing.	March 2007
	We will complete site evaluations of ten of our global suppliers (selected on the basis of risk) by March 2006.**	We completed 15 more site evaluations of high risk global suppliers with a view to assuring responsible production.	✓		
Environment	Each Vodafone operating company will complete a CR evaluation with five local suppliers by March 2006.	All our operating companies have completed CR evaluations of at least five high-risk suppliers (a total of 84 suppliers across the Vodafone Group).	✓	We will establish and report against Group-wide quantitative targets for network energy efficiency and related carbon dioxide emissions.	March 2007
	We will work with other major ICT companies to establish international guidelines for suppliers by March 2007.	A self-assessment questionnaire and risk assessment tool have been developed for suppliers.	Due by March 2007	We will achieve a 40% reduction in network energy carbon dioxide emissions per MB of traffic.	March 2007
Reuse and recycling	By March 2007 we will establish and report against Group-wide quantitative targets for network energy efficiency and related carbon dioxide emissions.	We have established a Group-wide target for network energy efficiency which is backed up by our local operating companies' programmes to improve the measurement and forecasting of energy use.	Due by March 2007	We will increase the number of phones collected for reuse and recycling by 50%.	March 2007
	All of our operating companies will set up collection schemes for old handsets and accessories by March 2007.	All of our local operating companies have set up a national collection programme.	✓ Achieved one year in advance	We will actively support the development of programmes in at least three developing countries to repair, reuse and recycle mobile phones.	March 2007
	We will increase the number of phones collected by 50% by March 2007.	We collected 1.37 million handsets for reuse - 20% more than in the previous financial year.	Due by March 2007	We will send 95% of network equipment waste during the period from April 2006 to March 2007 for reuse or recycling.	March 2007
Employees	We will actively support the development of programmes in at least three developing countries to repair, reuse and recycle mobile phones by March 2007.	We have launched programmes in Egypt and Albania and are in the process of setting up a scheme in Roemenia.	✓	We will ensure that every employee in the business has an annual performance dialogue and development discussion with their line manager.	March 2007
	We will continue to send 95% of network equipment waste during the period from April 2005 to March 2006 for reuse or recycling.	We have recycled or reused 97% of network equipment waste.	Due by March 2007	We will continue to achieve a 'Pride in Vodafone' score (in our employee survey) that is at least equal to the high performance norm of the 'World's Most Admired Companies' survey.	March 2007
	We will reduce work-related accidents resulting in lost time by a further 10% (compared with the 2004/05 baseline) by March 2008.	We reduced work-related accidents that resulted in lost time by 20% compared with the 2004/05 baseline, meeting our target two years early.	✓ Achieved two years in advance	We will reduce work-related accidents resulting in lost time by a further 10% (compared with the 2005 baseline)	March 2008

New commitments

* Many older people and people with people with sensory impairment are excluded from using mobile phones and could be included through adapted products.

** This replaces the existing three-year target (2004) of conducting evaluations of our top 25 global suppliers.

make the most of now

Everyone, every company, plays a role in society and can help to create a better world by showing respect for nature and the environment. Vodafone especially has very strong reasons for doing so because mobile communications are so much a part of people's lives. We want to encourage everyone to come up with ideas and, above all, to be conscious of their actions. Don't put it off. Start today and above all, let's work together.

You can keep an eye on our approach by clicking on 'Corporate Responsibility' in the 'About Vodafone' section of our website www.vodafone.nl and on our international website www.vodafone.com/responsibility.

We would like to invite everyone to suggest ideas and to tell us how we can do more to achieve our vision and our values.

We welcome your feedback. Please send any comments or suggestions to samenleving.nl@vodafone.com.

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