



Modern Slavery Statement 2019/20

Vodafone Group Plc



Vodafone Group Plc Modern Slavery Statement 2019/20

Forced, bonded or compulsory labour, human trafficking and other kinds of slavery and servitude represent some of the gravest forms of human rights abuse in any society.

We will not tolerate any such activities within our own operations or within our supply chain and are committed to taking appropriate steps to ensure that everyone who works for Vodafone – in any capacity, anywhere in the world – benefits from a working environment in which their fundamental rights and freedoms are respected.

In this fifth Statement, which relates to the financial year ended 31 March 2020, we report on our efforts to prevent modern slavery in line with the requirements of the UK Modern Slavery Act 2015. However, we have been focused on the rights and wellbeing of the people who work for Vodafone – and for our suppliers – for many years. This Statement provides details of our policies, our approach and the actions we have taken in the financial year 2019/20 to further strengthen our programmes and commitments to respect and uphold people's fundamental rights and freedoms. This Statement is published by Vodafone Group Plc¹ and its relevant subsidiaries (see Scope of Report and Review) in compliance with the UK Modern Slavery Act 2015.

¹ The scope of markets included in this Statement covers our mobile and fixed broadband operations in 19 countries where we have operational control: Albania, Czech Republic, Egypt, Germany, Ghana, Greece, Hungary, Ireland, Italy, Portugal, Romania, Spain, Turkey, the UK, Vodacom (South Africa) and Vodacom's subsidiaries: the Democratic Republic of Congo, Lesotho, Mozambique and Tanzania.



Highlights in 2019/20



Launched our Global Human Rights Policy, setting out our commitments to uphold the rights of our customers, colleagues, business partners and communities

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Joined the UN Global Compact Network UK's Modern Slavery Working Group, sharing challenges and leading practice in the prevention of slavery and human trafficking

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Established a cross-functional Human Rights Advisory Group to monitor compliance with the Group Human Rights Policy across the business

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Conducted an in-depth, on-site supplier audit following concerns raised by an NGO report

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Our business and supply chain

Vodafone Group is one of the world's leading technology communications providers, connecting people and organisations of all sizes to the digital society. We have extensive experience in connectivity, convergence and the Internet of Things (IoT), as well as championing mobile financial services and digital transformation in emerging markets.

Vodafone Group has mobile operations in 22 countries, partners with mobile networks in 42 more, and fixed broadband operations in 17 markets. As of 31 March 2020, Vodafone Group had 362 million customers, including 115 million mobile customers, 25 million broadband customers and 22 million TV customers in Europe and 168 million mobile customers in Africa. For more information, please visit: www.vodafone.com.

Our company is large, with a wide range of suppliers and other commercial third-party relationships, and relies on an international supply chain – with suppliers that range in size from small and medium-sized enterprises to large multinationals – that spans multiple tiers. We spend more than €24 billion a year with more than 11,000 direct suppliers around the world to meet our customers' needs. As we illustrate later, our direct suppliers can have a very large number of their own suppliers that, in turn, rely on a large number of their own suppliers and so on, down through several tiers in the supply chain.

The majority of our external spend is with suppliers that provide us with network infrastructure, IT and related services to

fixed lines, mobile masts and data centres that run our networks. Our next-largest area of spend is on the products we sell to our customers, including mobile phones, tablets, SIM cards, broadband routers, TV set-top boxes and IoT devices. The remaining expenditure is made up of a wide variety of goods and services procured to support our general business and administrative functions, including marketing, travel, professional advisory support, catering and cleaning.

We are not a mass-market manufacturer and do not directly own or operate large factories or other production facilities, with the exception of a small plant that manufactures specialist automotive IoT components, based in Italy. We do offer our customers a range of smartphones and tablets that carry the Vodafone logo; however, those devices are designed and manufactured on our behalf by suppliers – known as original design manufacturers – that are contracted to design and make products according to our specifications. We do not own, operate or control the manufacturing plants that make those Vodafone-branded devices, nor are we a handler of raw materials or commodities.

Procurement is a highly centralised function within the business. The procurement process is designed to ensure fair treatment of suppliers during the competitive tender process. The majority of our external spend is managed by our Vodafone Procurement Company (VPC) and the Vodafone Shared Services Centres that are based in Budapest,

Hungary and Ahmedabad, India. Globally, procurement is carried out using a single instance of an Enterprise Resource Planning (ERP) system, which helps to ensure that we maintain a consistent approach to supplier management across Vodafone, from on-boarding and vetting a supplier, to raising orders and paying for delivered goods and services. This makes it easier to monitor and improve supplier performance across our markets.



Further information on the structure of our supply chain can be found online at www.vodafone.com/supplychain



A typical electronics supply chain for Vodafone

Tier 1: direct suppliers

Vodafone buys products and services from approximately 10,800 suppliers. The majority of our spend is with large multinational companies supplying finished products.

We have a direct contractual relationship and work closely with our Tier 1 suppliers to develop innovative new products and services, engage their leadership and assess how they assure compliance across their operations.

Tier 2: such as electronics manufacturers and sub-assemblers

Electronics manufacturers and suppliers of electronic equipment have many suppliers of their own.

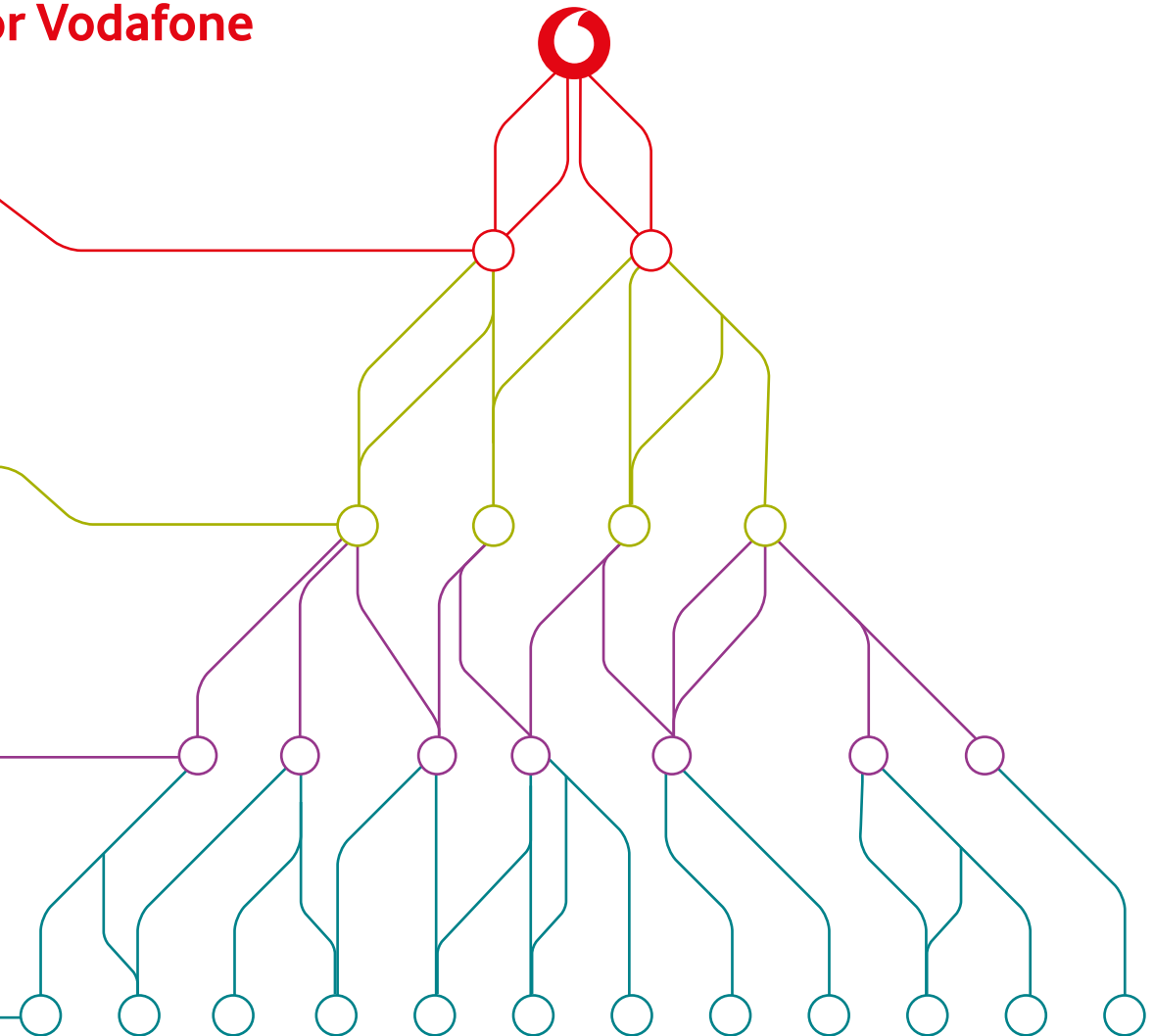
We work with our Tier 1 suppliers to gain insights into their suppliers – Tier 2 companies – particularly where we believe a supplier is high risk.

Tier 3: such as component suppliers

Components are sourced from a significant number of suppliers to form parts of the products being manufactured.

Tier 4+:

These products are made from materials sourced from many different commodity and raw material suppliers who can be found many layers further down the supply chain.



Our supplier base is dynamic: the network of suppliers and sub-suppliers is changing continually. We work through industry initiatives to enhance transparency throughout the supply chain. Where we have influence on the design or manufacture of products, we seek to ensure that those products do not contain metals that fund conflict in the Democratic Republic of Congo. We provide further details of our approach to this issue in our statutory Conflict Minerals Report available at the [Vodafone Sustainable Business Reporting Centre](#).

Vodafone's commitment to human rights and combatting modern slavery

We fully acknowledge our responsibility to respect human rights as set out in the United Nations Guiding Principles on Business and Human Rights and the International Bill of Human Rights (IBHR). The IBHR informs all of our policies related to the rights and freedoms of every individual who works for us, either as a direct Vodafone employee or indirectly through our supply chain.

Respect for the dignity of the individual – and the importance of each individual's human rights – forms the basis of the behaviours we expect in every workplace worldwide, which are communicated through our Code of Conduct. We will not accept any form of discrimination, harassment or bullying and require all of our managers to implement policies designed to ensure equality of opportunity and inclusion for all Vodafone employees.

We have also developed and implemented policies and processes that are intended to extend these commitments through our supply chain, which are embedded in our Code of Ethical Purchasing (see the 'Supply chain and Code of Ethical Purchasing' section on page 6). These include requiring our suppliers to take measures to avoid any form of forced, bonded or compulsory labour (or any other kind of slavery or human trafficking) within their own operations.

Codes and policies

Code of Conduct

Vodafone's Code of Conduct underpins everything we do. The Code is mandatory and extends to everyone working for or on behalf of Vodafone, including employees, directors, contractors, subsidiaries, joint ventures and suppliers. We expect our suppliers and business partners to uphold the same standards and to act ethically, putting our principles into practice in everything they do. The Code of Conduct can be found at www.vodafone.com/our-purpose/reporting-centre/code-of-conduct.

Specifically, with regards to human rights, the Code of Conduct states the following:

"We respect all internationally proclaimed human rights, including the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We strive to ensure that we are not complicit in human rights abuses. We shall, in all contexts, seek ways to honour the principles of internationally recognised human rights, even when faced with conflicting requirements. We are also committed to implementing the United Nations Guiding Principles on Business and Human Rights throughout our business operations."





Vodafone Human Rights Policy

In 2019, we launched our new Group [Human Rights Policy Statement](#), setting out the minimum requirements that every single person working for and with Vodafone must comply with to uphold the rights of our customers, colleagues, business partners and communities.

Existing policies relating to specific human rights topics were mapped and reviewed, and expert internal stakeholders were consulted to collate our Group-wide commitments into one policy document. The Policy was reviewed and approved by the Vodafone Group Executive Committee (ExCo) and signed by our Group CEO.

The prevention of slavery and human trafficking is included as an explicit commitment in the Human Rights Policy Statement given the potential risk exposure related to the global scale of our business and supply chains spanning multiple tiers.

Supply chain and Code of Ethical Purchasing

Every supplier that works for us is required to sign up to – and then abide by – our [Code of Ethical Purchasing](#). These commitments extend down through the supply chain so that a supplier with which we have a direct contractual relationship (Tier 1 supplier) in turn is required to ensure compliance across its own direct supply chain (Tier 2 supplier from Vodafone's perspective) and so on.

The Code of Ethical Purchasing was established more than 10 years ago and is based on international standards including the [Universal Declaration of Human Rights](#) and the [International Labour Organization's Fundamental Conventions on Labour Standards](#). It stipulates a range of ethical, labour and environmental standards that we expect to be followed across our supply chain, including areas such as child labour, health and safety, working hours, discrimination and disciplinary processes. Those requirements are backed up by risk assessments, audits and operational improvement processes, which we summarise below and which are also underpinned by binding contractual commitments.

The Code of Ethical Purchasing was developed in consultation with employees, suppliers, investors and NGOs and directly addresses the labour rights issues associated with modern slavery. The specific requirements regarding forced labour risks were updated in 2014 to make explicit reference to slavery and human trafficking:

- The Supplier shall not use any form of forced, bonded or compulsory labour, slavery or human trafficking.
- The Supplier's employees shall be entitled to leave work or terminate their employment with reasonable notice. Employees shall be free to leave work after such reasonable notice period expires. All employment shall be voluntary.

- The Supplier shall provide each of its employees with an employment contract which contains such a reasonable notice period.
- The Supplier shall not require employees to lodge deposits of money or withhold payment or place debt upon employees or require employees to surrender any government-issued identification, passports or work permits as a condition of employment.

The Code of Ethical Purchasing is overseen by the Vodafone Group Plc Board through the Group's Chief Financial Officer, who is an Executive Director of the VPC and also sits on the Vodafone Group ExCo. Development and implementation of the Code is led by the Global Supply Chain Management Director, who is also the Chief Executive Officer of the VPC and a member of Vodafone's global senior leadership team. The Code is reviewed annually, in line with Vodafone's risk profile, and there were no further amendments necessary in the reporting period.



For more information on how we manage compliance with our Code of Ethical Purchasing, please visit [Addressing supply chain risks](#)

For information about how we communicate our Codes to our employees and suppliers see the 'Other training and capacity-building initiatives' section on page 15. We encourage our employees to report suspected breaches of our Codes confidentially by using our *Speak Up* process, which can also be used to report a wide range of unethical or unlawful activities and can be used by employees and suppliers alike. For more information about this process and how we respond to any findings of non-compliance see the 'Grievance mechanisms' section on page 14.

Human resourcing policy

Vodafone has a global human resourcing policy that is updated annually. It sets out the overarching principles and controls to be followed and applied in each of our local operating companies in order to ensure that personnel resourcing is conducted in a fair, open and transparent manner. The policy is owned by the Global Resourcing Centre of Excellence and training is provided on induction to the resourcing teams.



Governance and accountability

Vodafone has an established Human Rights team that has a comprehensive understanding of modern slavery and supply chain issues. The team sits within our Sustainable Business Function, and our Group External Affairs Director, who sits on the Group ExCo, is responsible for Vodafone's approach to human rights issues.

The Human Rights team works in close collaboration with other teams in the business at both Group and local markets. To further strengthen our global governance on human rights issues, we have established a cross-functional Human Rights Advisory Group consisting of expert internal stakeholders accountable for the management of Vodafone's material human rights impacts such as responsible sourcing, freedom of expression and the right to privacy. The Advisory Group's mission and mandate is to monitor compliance with the Group Human Rights Policy across the business in a centralised manner at Group with performance against controls. Any subsequent corrective action plans will be formally documented, tested and tracked in our standard Compliance monitoring tool, in full alignment with standard enterprise risk management (ERM) procedures.

The Human Rights team has continually engaged with our local markets in the development of the new governance model, culminating in a joint discussion with our local market representatives at our 2020 Global

Sustainable Business workshop in London. This includes discussion on our potential material human rights impacts such as the prevention of slavery and human trafficking.

Collaboration in 2019-20

Business Against Slavery Forum: UK Home Office

Vodafone continues to actively participate with the UK Home Office Business Against Slavery Forum and the Transparency in Supply Chains Advisory Group, one of six groups which will feed into the Home Office's Modern Slavery Strategy and Implementation Group. As a strategic supplier to the government, Vodafone:

- contributed feedback on the public consultation on the potential revisions to the Modern Slavery Act;
- shared detailed information on our approach to the prevention of modern slavery in our business and supply chain as part of a supplier assessment; and
- was invited to present at the Cabinet Office Modern Slavery Roundtable.

UN Global Compact Network UK – Modern Slavery Working Group

In 2019, Vodafone was also invited to join the Modern Slavery Working Group hosted by the UN Global Compact Network UK. Vodafone actively contributes to discussions and shared experience in the working group.

Vodafone Foundation and the UK Modern Slavery Helpline

The UK [Modern Slavery Helpline](#) and Resource Centre (0800 012 1700) is run by the NGO Unseen and provides victims, the public, statutory agencies and businesses access to information and support on a 24/7 basis. Importantly, through the helpline potential victims are able to speak to fully-trained Helpline Advisors who can help them access relevant services, including government-funded support through the National Referral Mechanism.

In 2019, Unseen launched an urgent appeal for funds to keep the Modern Slavery Helpline running. In response, Vodafone Foundation selected Unseen as one of three charity partners for its employee fundraising campaign to #ShineALight for Girls. Women and girls are disproportionately affected by forced labour, accounting for 99% of victims in the commercial sex industry and 58% in other sectors². As of 31 March 2020, Vodafone Foundation's campaign had raised over £194,000 for Unseen.



Follow Vodafone Foundation on social media for the latest information about its programmes and campaigns:



Management of modern slavery risk

Assessing risk

We continue to use the approach defined from the results of the Group-wide modern slavery risk assessment conducted in 2017, when our business and supply chain activities were assessed against recognised indicators of modern slavery risk, including:

- potential employment of vulnerable groups (such as low-skilled, seasonal or migrant workers);
- likely involvement of labour recruiters and other third-party agencies in the recruitment of workers;
- consideration of how many workers are involved in the business or supply chain activity; and
- the country-by-country risk of modern slavery ([based on the Global Slavery Index](#)).

This assessment enabled Vodafone to better understand where to prioritise our efforts across our operations and supply chain. The resulting indicators were fed into our supplier on-boarding process to ensure that our areas of greatest potential exposure are identified and assessed for risk.

Our greatest areas of potential exposure are linked to our procurement of manufactured electronic products, the construction

services for our mobile and fixed assets, maintenance and support services at our offices, and warehousing of products. Customer support and telesales activities carried out in higher-risk geographies – some of which are outsourced and some of which we carry out directly – may also carry a level of risk.

Internal subject matter experts evaluate the likely risk exposure for every product and service that Vodafone procures and this information is fed into a supplier risk-screening tool. Labour rights are a key consideration in this process and all new suppliers are screened using this tool to determine an appropriate due diligence approach.

Conflict minerals and cobalt

We also recognise the forced labour risks associated with cobalt and the so-called conflict minerals – the term used to describe some of the raw materials (tin, tantalum, tungsten and gold) used throughout the global electronics industry. Vodafone is a member of the [Responsible Minerals Initiative](#) sub-group on cobalt. Our approach to managing this specific issue is set out in our [Conflict Minerals Report](#), our separate statutory disclosure.



Supply chain due diligence

Selecting new suppliers

Labour rights are a key aspect of the due diligence process applied to new suppliers and are a core factor evaluated on an ongoing basis with existing suppliers. We use a risk-based approach to determine the extent of scrutiny and challenge required when considering whether to appoint a new supplier. Factors such as locations, industries and activities with a history of poor labour standards are considered when determining whether a more detailed evaluation of the supplier is required.

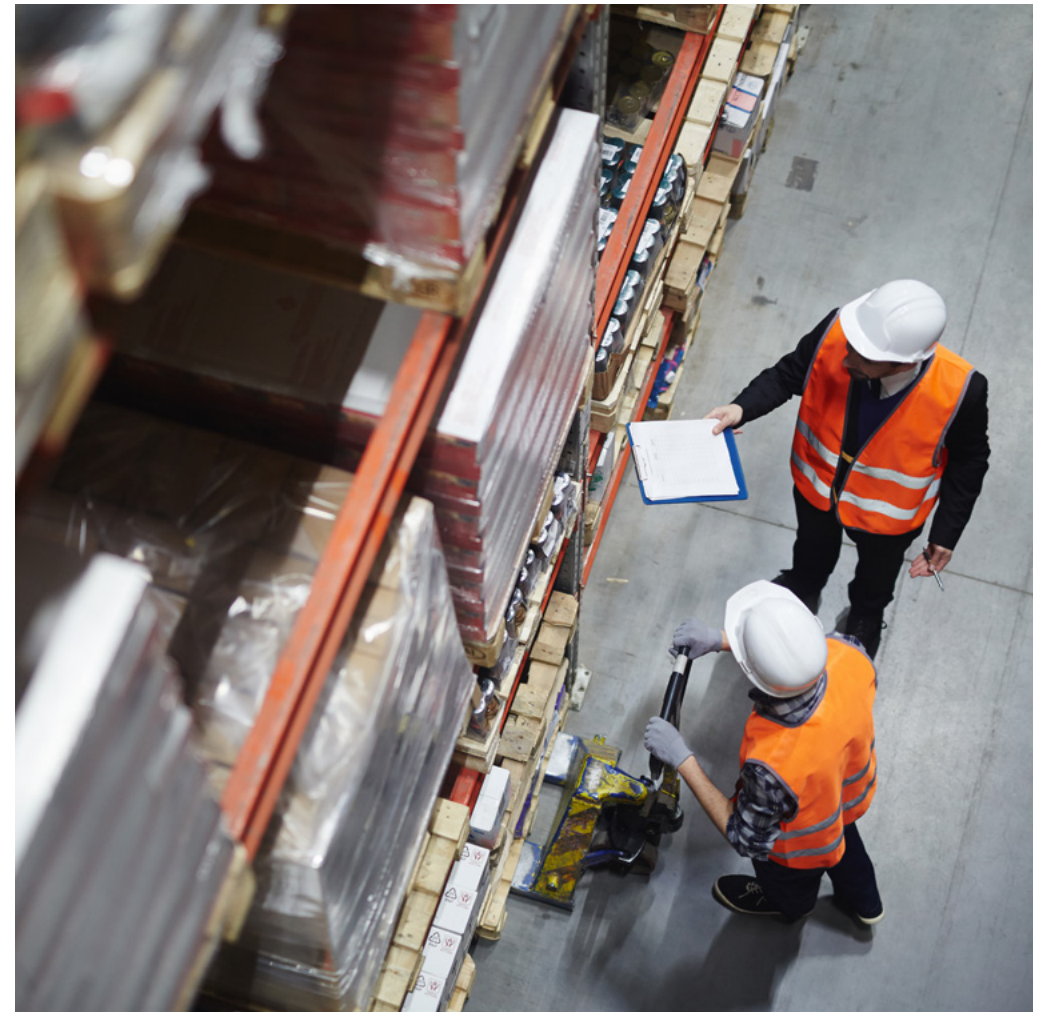
Potential new suppliers rated as higher-risk through the outcome of our initial risk-screening process (see the 'Management of modern slavery risk' section on page 9) are required to complete a self-assessment questionnaire and provide evidence that they operate ethically and responsibly, in line with our Code of Ethical Purchasing requirements.

A supplier providing an incomplete response triggers a review in which relevant Vodafone policy owners review the supporting data provided along with the self-assessment questionnaire, which is supplemented by a review of any adverse media coverage. These policy owners, who are independent of the business functions, will then determine whether to reject a supplier from being permitted to work with us. They will do so if that supplier does not meet our requirements

and, in the view of those policy owners, has no prospect of doing so even with support and remediation. If the information provided is found to be unsatisfactory, further on-site assessment may be required to verify compliance with the standards set out in the Code of Ethical Purchasing, and this may include a third-party audit by a credible independent source.

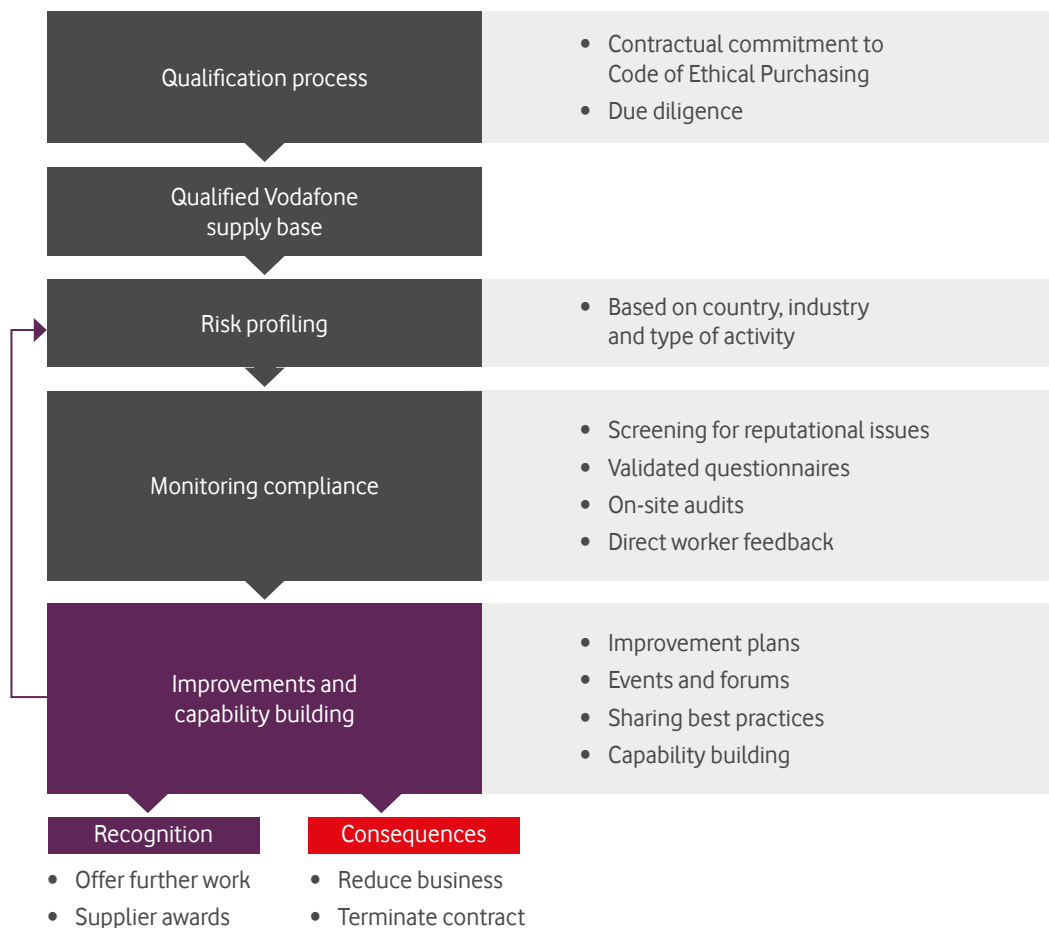
If a potential new supplier is found to be non-compliant, where feasible we try to work with them to help enhance their capabilities and address the issues of concern, using corrective action plans and training. We share our free online modern slavery training with all suppliers and encourage them to use it and to cascade it with their suppliers (see the 'Publicly available modern slavery training for suppliers' section on page 15) in order to build awareness and understanding about the risk of modern slavery in their supply chains.

If we receive sufficient assurance of compliance on completion of our due diligence processes, the supplier will be qualified. Our suppliers are then required to sign up to and abide by our Code of Ethical Purchasing, which includes explicit provisions related to modern slavery. We also require that our suppliers cascade the Code to their own supply chains (see the 'Codes and policies' section on page 5).



Mechanisms for ensuring our suppliers operate responsibly to our standards

Vodafone Code of Conduct Vodafone Code of Ethical Purchasing



Ongoing monitoring

Where we have identified that a particular supplier is high-risk and requires monitoring, we evaluate that supplier's compliance with our Code of Ethical Purchasing through a detailed assessment that may involve an on-site audit. We conduct some of these audits ourselves, sending appropriately qualified auditors from recognised audit firms or Vodafone auditors into the supplier's operations to examine working conditions on the ground and speak directly to employees on the factory floor or relevant worksite.

Other site audits are conducted under the Joint Audit Cooperation (JAC) initiative, an association of telecommunications operators established to improve ethical, labour and environmental standards in the ICT supply chain, of which Vodafone is a participating member alongside 16 other telecommunications operators (AT&T, Deutsche Telekom, Elisa, KPN, MTC, Orange, Proximus, Rogers, Swisscom, Telecom Italia, Telefónica, Telenor, Telia Company, Telstra, VEON and Verizon).

Suppliers that are deemed not to comply with our standards as set out in our Code of Ethical Purchasing are provided with a corrective action plan to address any areas for improvement and are required to submit evidence that this has been completed. Corrective action plans through JAC are uploaded to a platform and reviewed on a quarterly basis by an independent provider, and ongoing monitoring occurs if and when grievances are raised (see the 'Grievance mechanisms' section on page 14 for more information).

We also monitor our strategic suppliers through our Supplier Performance Management programme, which measures whether our suppliers have a responsible supply chain as well as other factors such as delivery, quality and commercial performance. Strategic suppliers are required to submit responses to our questionnaire with evidence related to their compliance annually. This evidence is then validated and assessed internally and each supplier is given a scorecard highlighting areas for improvement.

Beyond Tier 1

We have various measures to encourage and assess the compliance of suppliers in Tier 2 and beyond, where we do not have direct control. For example, we require that our suppliers cascade our Code of Ethical Purchasing to their own supply chains (See the 'Codes and policies' section on page 5). As part of our Supplier Performance Programme, strategic suppliers are also evaluated on how they assess the social and ethical risks in their supply chains and how they measure their effectiveness in ensuring compliance. Through our membership of JAC, we also have access to audit reports of suppliers that we share in common.

In the 2019-20 financial year, our on-site audits (together with those conducted through JAC) identified 16 incidents relating to forced labour activities prohibited under our Code of Ethical Purchasing. These incidents, which are similar to issues uncovered last year, are related to issues such as: non-compliance with China labour laws regarding having more than 10% of agency workers (called 'dispatch workers') as part of the workforce; health fees paid by workers, and employees not receiving copies of their employment contract. One additional incident was reported of ID documents being retained for longer than is necessary.

None of the incidents was critical and all were minor non-conformances. Most of the cases related to workers who had highlighted, during confidential worker interviews, that

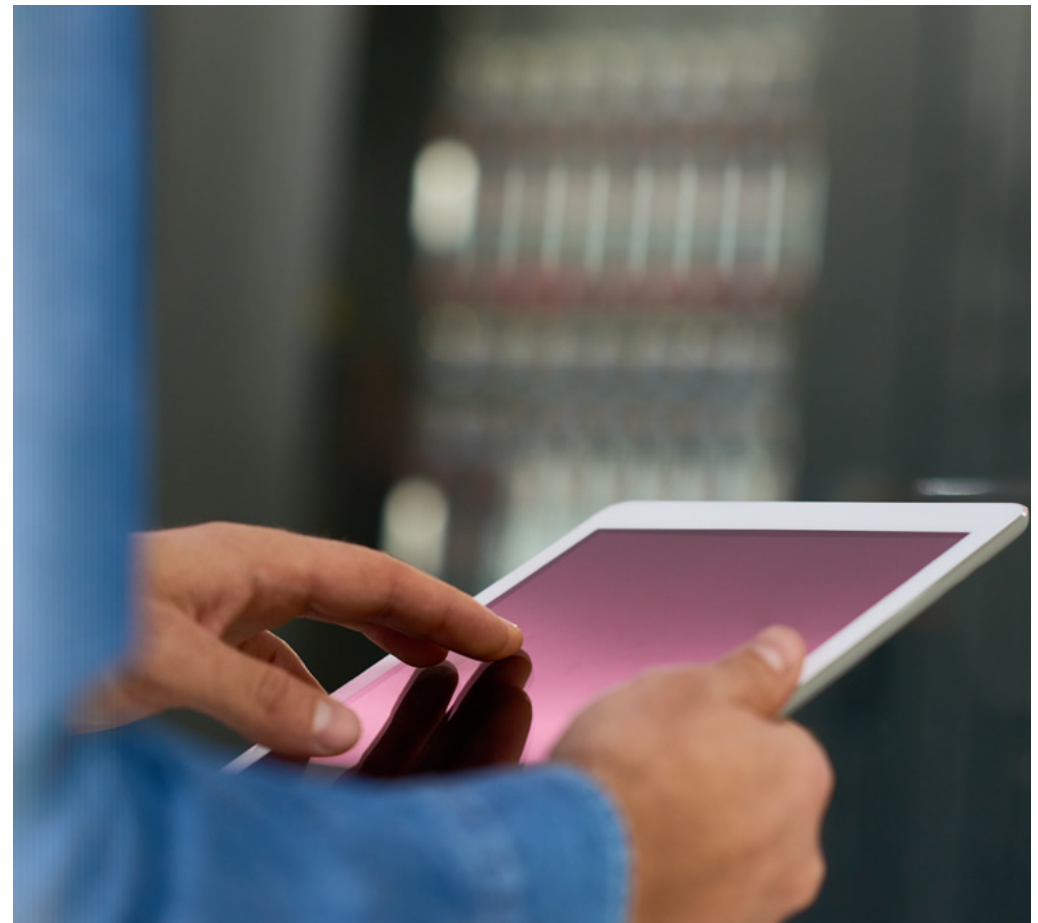
they did not have a copy of their contract or formal confirmation of their remuneration. Those suppliers have subsequently issued workers with a copy of their contract and remuneration. The other cases were related to suppliers that had failed to comply with local labour requirements by exceeding the percentage of agency workers permissible as part of the overall workforce.

The suppliers in these cases have since committed to a plan to achieve compliance, which will be periodically reviewed to ensure progress by Vodafone observers visiting the site. The one case related to a supplier retaining ID documents longer than is necessary has been rectified by the supplier committing to returning ID documents immediately after verifying worker identity and inputting their information into HR systems.

We also use mobile devices to gain insights into the views and experiences of some of our Tier 2 suppliers' employees, to understand the extent to which Tier 1 suppliers are mandating compliance of their suppliers. We were the first telecoms operator in the world to use worker surveys to enable employees to use their personal mobile phones to provide anonymous feedback on key aspects of their working conditions through the use of local-language surveys. Following Vodafone, other industry members from JAC have also adopted this solution, and collectively we have surveyed 20 common factories employing 26,998 workers.

Anonymous worker surveys using mobile devices are now integrated into part of the on-site audits programme as a means to include the worker voice. The survey sections related to modern slavery risks are focused on working hours and overtime, as these

are often proxy indicators for a broad range of other labour rights issues. The results of these surveys are integrated into our on-site audit reports, and findings that require action are incorporated into the relevant suppliers' corrective action plans.



How we respond to concerns raised by our stakeholders

In July 2019 we were made aware of a stakeholder (NGO) report raising concerns related to an outsourced call centre in Latin America providing services for Vodafone. The NGO's report had highlighted specific allegations related to:

- alleged underpayment of wages and unlawful deduction of wages;
- gender-based discrimination and lack of respect for women's privacy;
- disregard for employee safety on night travel back home; and
- repression of workers' right to join a union.

The way we approach any such allegations is to perform an in-depth on-site audit with a senior Vodafone representative together with an independent auditor from a recognised audit firm with local country experience and knowledge to evaluate any allegations.

Upon becoming aware of these allegations, we felt it necessary to conduct an in-depth on-site audit to rule out any indicators of modern slavery. The audit was carried out across three full days on the ground and it was conducted in alignment with the full industry association audit methodology (with specific focus on the NGO's allegations.)

This audit approach involves a full assessment of policies and practices across social, environmental safety and ethical requirements. In addition, for this audit, we conducted

detailed forensic pay slip and employee record reviews together with comprehensive worker interviews; we spoke with 18 staff members in person, and also conducted anonymous worker surveys whereby the workers could feedback using their own mobile phones. We found that physical employee safety issues (such as fire prevention and evacuation) were fully compliant with the requirements, with worker wellbeing and environment such as lighting, seating and ergonomics also meeting all requirements. No evidence of forced labour was found.

Furthermore, there was no evidence of worker extortion on transport late at night and the company settled the transportation monies directly with the travel firm. We also established there was to be an employee delegation with worker representation elected onto a committee that meets with management regularly.

The audit found no critical issues and raised one non-conformance related to inconsistent disciplinary practices on worker performance management. A corrective action was raised which was resolved through ensuring line managers were aware of the company's policy related to identifying workers with poor performance and supporting them to improve.

Neither Vodafone nor our independent auditor could find any evidence to support critical claims made. We take any allegations of this nature very seriously and will thoroughly investigate any such concerns.



Grievance mechanisms

We encourage everyone who works for Vodafone to report suspected breaches of our Code of Ethical Purchasing as soon as possible via our *Speak Up* process. There are a number of ways people can do this, including via our anonymous external confidential reporting service – a local-language, online and phone reporting hotline that is prominently communicated to all employees, suppliers and contractors on a regular basis. *Speak Up* operates under a non-retaliatory policy; everyone who raises a concern in good faith is treated fairly regardless of the outcome of any subsequent investigation.

Speak Up is also made available to all of our suppliers and is communicated through our Code of Ethical Purchasing. For suppliers that decide to maintain their own grievance mechanisms, we require that they inform us of any grievances raised relating to work done on behalf of Vodafone directly.

The *Speak Up* programme is overseen by our Group Risk and Compliance Committee, and senior executives review each individual complaint reported via *Speak Up*. Each grievance raised is formally and robustly investigated and is monitored to verify that any corrective action plan or remediation has been conducted.



Other training and capacity-building initiatives

The Vodafone 'Doing What's Right' mandatory training course is designed to help employees across the organisation understand the underlying principles, objectives and practical implications of Vodafone's Code of Conduct (See the 'Codes and policies' section on page 5 for further information) and, in turn, reflect upon their personal responsibilities and required behaviours. Training is delivered through e-learning courses, face-to-face line manager events, webinars and induction programmes for new employees.

To date, over 90% of active employees around the world have completed the e-learning training (this rate excludes employees in Germany due to local works councils' restrictions). In addition, for higher-risk employees, such as those working in procurement, network operations, Vodafone Business sales and government relations, tailored face-to-face training programmes are used to cover relevant scenarios.

We also require everyone in our global supply chain organisation, VPC – as well as other people who work closely with suppliers – to complete training on our Code of Ethical Purchasing on an annual basis. The programme includes specific guidance on

how to identify and report non-compliance issues when visiting supplier sites and how to communicate expectations to suppliers effectively. This training includes a module on human rights, in addition to modules on ethics, health and safety, and the environment. The training explicitly refers to the withholding of documentation, illegal recruitment fees and freedom of movement. See the 'Codes and policies' section on page 5 for further information.

Publicly available modern slavery training for suppliers

We have previously developed and launched a freely accessible and interactive modern slavery online training module to help build awareness and understanding of modern slavery among suppliers and other partners across our supply chain. The training is available in English, Mandarin Chinese and Hindi and continued to be promoted across our supply chain during the year.

The 20-minute module is tailored to the challenges of the ICT supply chain and follows an avatar through the different modern slavery risks that exist in the work cycle (recruitment, working, leaving). It was designed to provide



an introduction to the subject matter and enable suppliers to spot 'red flags' within their business operations and supply chain. The course uses in-depth examples from a range of high-risk sectors – such as recruitment fees in the construction sector and passport retention in electronics manufacturing – and highlights both Vodafone's expectations and international standards in relation to these issues.

Since its launch in 2018, Vodafone's modern slavery online training has been distributed to over 11,000 suppliers. We encourage all our stakeholders to register and access the free training on their desktop or mobile device via <http://modernslavery.vflearning.com>.

Evaluating our progress

Modern slavery is a hidden risk, making the evaluation of progress complex. We use the following performance indicators to monitor and report on the effectiveness of our policies and procedures in this area.

Key performance indicator (KPI)	Reason for KPI	2017-2018 ³	2018-2019	2019-2020
Number of site assessments conducted (either by Vodafone or through JAC⁴)	We explicitly investigate practices that could result in modern slavery conditions through our various engagements with our suppliers, e.g. audits, frequent supplier visits and JAC assessments.	98	85 We have had a slight reduction in the number of supplier audits as a result of a decrease in the number of suppliers we work with overall, as well as supplier consolidation in the marketplace. Through our partnership with JAC, we are able to share assessments of common suppliers, increasing our visibility further down the supply chain and reducing audit fatigue on suppliers.	74 We had a reduction in the number of audits we had to postpone in Q4 as a result of Coronavirus (COVID-19) restricting site access and safeguarding the safety of auditors working on our behalf.
Number of issues related to forced labour identified	By monitoring the number of issues identified, we can better adapt our policies and procedures. For example, if the numbers significantly decrease, we would investigate greater awareness-raising activities and improved grievance mechanisms to gain confidence that issues are not going unreported. If the numbers significantly increase, we would review our due diligence processes to gain confidence that such activity is investigated and eliminated.	16	9	16
Number of remedial actions taken in response to forced labour issues identified	By monitoring the number of remedial actions taken, we gain greater confidence that our corrective plans are being actioned and any activity is investigated and eliminated.	16	9	16
Number of reports to our external <i>Speak Up</i> hotline related to modern slavery concerns	By monitoring the number of issues identified, we can better adapt our policies and procedures. For example, if the numbers significantly decrease, we would investigate greater awareness-raising activities and improved grievance mechanisms to gain confidence that issues are not going unreported. If the numbers significantly increase, we would review our due diligence processes to gain confidence that such activity is investigated and eliminated.	0	1 (See ' <i>Speak Up</i> : Investigating grievances' case study)	0
Number of sites where we have conducted a confidential survey of supplier employees via their personal mobile phones	The increased provision of an anonymised, local language, confidential survey will enable greater transparency of specific worker concerns and indicators that may point to potential modern slavery conditions.	10	12	20

³ For 2015-2016 and 2016-2017 results please refer to previous statements available on the [Vodafone Group Sustainable Business Reporting Centre](#).

⁴ JAC assessments are reported on a calendar-year basis.

Scope of report and review

This Statement describes the activities that Vodafone Group Plc is undertaking to prevent slavery and human trafficking in our business operations and supply chains. It has been published in accordance with the Modern Slavery Act 2015 and covers Vodafone's mobile and fixed broadband operations in the 19 countries where we have operational control⁵. The Act requires all large UK businesses (with a turnover of £36m or more) to publish such a statement. The following UK-registered entities, which are part of Vodafone, are covered by the content of this Statement:

- Vodafone Group Services Limited (VGSL), including Vodafone Group Plc – which supports our local operating companies;
- Vodafone Sales and Services Limited (VSSL) – which supports our commercial, marketing and brand functions;
- Vodafone Limited (also known as Vodafone UK) – our local UK operating company;
- Talkmobile Limited – our online-only UK mobile brand;
- Vodafone Global Enterprise Limited (VGEL) – which supports our multinational customers;

- Vodafone Enterprise Global Limited (VEGL) – which provides off-footprint services and support to multinational business customers; and
- Vodafone Global Network Limited (VGNL) – which is responsible for carrier services globally, including ownership of subsea cables and associated assets.

The Boards of each of these entities have reviewed this Modern Slavery Statement and have approved it. Separately, this Statement has also been reviewed by the Vodafone Group Plc Board, as required, and has been signed on its behalf by the Vodafone Group CEO.



Nick Read,
Chief Executive,
Vodafone Group Plc

⁵ The scope of markets included in this Statement covers our mobile and fixed broadband operations in 19 countries where we have operational control: Albania, Czech Republic, Egypt, Germany, Ghana, Greece, Hungary, Ireland, Italy, Portugal, Romania, Spain, Turkey, the UK, Vodacom (South Africa) and Vodacom's subsidiaries: the Democratic Republic of Congo, Lesotho, Mozambique and Tanzania.

View our previous Modern Slavery Statements [here](#).

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