



Modern Slavery Statement 2020/21

Vodafone Group Plc



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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 sixth Statement, which relates to the financial year ended 31 March 2021, we report on our efforts to prevent modern slavery in line with the requirements of the UK Modern Slavery Act 2015. We have been focused on the rights and wellbeing of our employees – 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 2020/21 to further strengthen our programmes and commitments to respect and uphold people's fundamental rights and freedoms. This Statement is published by Vodafone Group Plc ('Vodafone') and its relevant subsidiaries (see 'Scope of report and review' on page 17) in compliance with the UK Modern Slavery Act 2015.

Highlights in 2020/21



Introduced programmes to counter the heightened risk of child and forced labour as a result of COVID-19

 [Page 3](#)




Collaborated with industry peers to investigate allegations of forced labour

 [Page 9](#)



Included cobalt in our Conflict Minerals due diligence and reporting to enhance our approach to the responsible sourcing of minerals

 [Page 10](#)



COVID-19 and the heightened risk of child and forced labour

In November 2020, the International Labour Organization (ILO) highlighted the link between increased socio-economic vulnerability as a result of COVID-19 and the risk of child and forced labour. Recognised root causes, such as limited employment opportunities, inadequate access to quality education and poverty, have been exacerbated by the crisis.

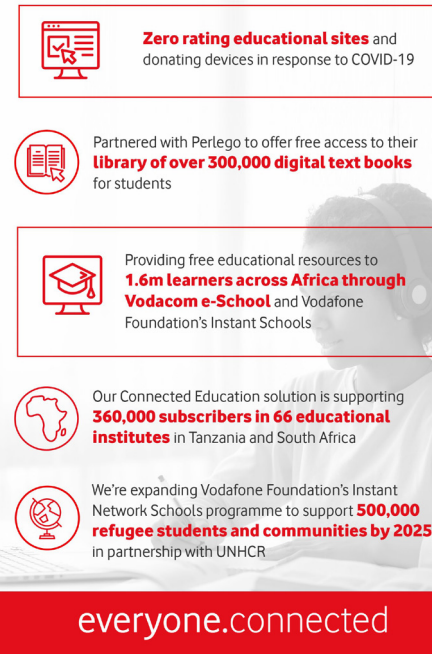
The ILO states that the fundamental principles and rights at work, including freedom from forced labour and child labour, are not only at heightened risk but are also key to global recovery.






Vodafone has played its part in addressing these root causes: in addition to our [5-point plan](#) introduced in response to the pandemic, we introduced [everyone.connected](#), bringing together various programmes to counter the impacts of COVID-19 for our customers, colleagues and the communities where we operate.

Education

The impact of school closures around the world highlighted the need for digital-enabled education to be more widespread. We recognise the potential of technology to make education accessible for all. See the graphic on the right for more information on how we are supporting students.

Some of the ways we are helping



-  **Zero rating educational sites** and donating devices in response to COVID-19
-  Partnered with Perlego to offer free access to their **library of over 300,000 digital text books** for students
-  Providing free educational resources to **1.6m learners across Africa through Vodacom e-School** and Vodafone Foundation's Instant Schools
-  Our Connected Education solution is supporting **360,000 subscribers in 66 educational institutes** in Tanzania and South Africa
-  We're expanding Vodafone Foundation's Instant Network Schools programme to support **500,000 refugee students and communities by 2025**, in partnership with UNHCR

everyone.connected

Jobseekers

Recognising the increased financial pressures faced by jobseekers, Vodafone launched a comprehensive support package in Europe, Turkey, Egypt and South Africa, which combined price discounts and data offers, zero-rating access to job portals and continued access to free learning and skills through the e-learning marketplace Udemy and Vodafone's Future Jobs Finder tool. For more information please visit www.vodafone.com/covid19.

Small and medium-sized enterprises

Vodafone addressed the concern about the liquidity problems that many businesses, especially micro and small enterprises, faced when the COVID-19 crisis started.

To assist businesses most at risk within our supply chain, Vodafone ensured that all new orders issued to our micro and small suppliers providing goods and services to Vodafone's European operations between 1 April and 1 October 2020 were paid in 15 days, instead of the customary 30 to 60 days. From 1 October 2020, payments for small suppliers reverted to customary terms, with micro suppliers being paid in 29 days.

Over 1,200 micro and small suppliers have benefited from Vodafone's COVID-19 payment term relief policy.

Vodafone UK will continue to abide by the Prompt Payment Code because we know that cash flow is vitally important in these difficult times.

We know that the economic crisis precipitated by COVID-19 is dialling back progress, creating an even greater need for society to focus on inclusion as we recover and rebuild for the future.

Vodafone Foundation – *Instant Network Schools*

Before the pandemic, refugees were twice as likely to be out of school as other children, with only 63% enrolled in primary education and 24% in secondary education. Ensuring that the most vulnerable are also part of the shift to digital education is essential.

Since 2013, Vodafone Foundation and the United Nations High Commissioner for Refugees have established [47 Instant Network Schools](#) across eight refugee camps in Africa, benefiting 100,000 refugee students and 1,000 teachers to date. The programme provides access to digital learning content and the internet, improving the quality of education in some of the most marginalised communities in Africa.

The programme has been shown to increase digital skills for 61% of students and 125% of teachers, improving student confidence, motivation and academic performance. It has also led to higher levels of school attendance, with examples of young people accessing tertiary education from within refugee camps for the first time.

Instant Network Schools is a prime example of how investments in digital technology can help accelerate the number of students able to access education. The programme is now expanding through a €26 million joint investment by Vodafone Foundation and UNHCR to [reach 500,000 young refugees and their communities by 2025](#).

Our business and supply chain

Vodafone Group is one of the world's leading telecoms and technology service providers. 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 operates mobile and fixed networks in 21 countries and partners with mobile networks in 48 more. As of 31 December 2020, we had over 300 million mobile customers, more than 27 million fixed broadband customers and over 22 million TV customers, and we connected more than 118 million IoT devices.

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, information technology and services related 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 based in Italy that manufactures specialist automotive IoT components. 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 Enterprise Resource Planning System that

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 10,500 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.

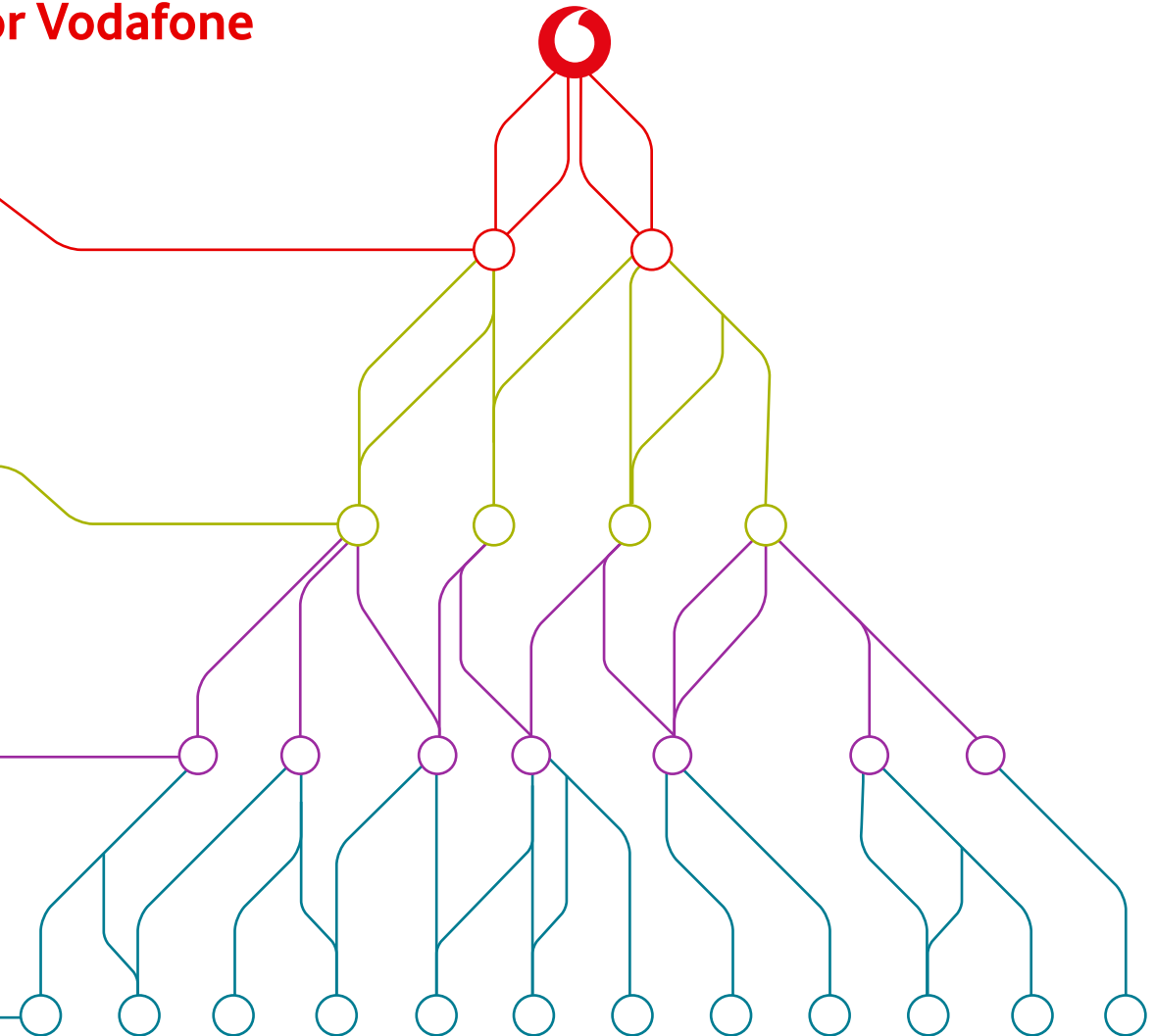
We work with our Tier 1 suppliers to gain insights into their suppliers – Tier 2 companies – particularly where we believe a supplier is high risk.

Tier 3: such as component suppliers

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

Tier 4+:

These products are made from materials sourced from many different commodity and raw material suppliers that 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 over 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 throughout our supply chain, which are embedded in our [Code of Ethical Purchasing](#) (see below). 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.

Our policies are implemented in all 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 in the Democratic Republic of Congo, Lesotho, Mozambique and Tanzania.

Codes and policies

i. 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.

Specifically, with regard 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."

ii. Vodafone Human Rights Policy

Vodafone's Group [Human Rights Policy Statement](#) sets 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 given the potential risk exposure related to the global scale of our business and supply chains spanning multiple tiers.

iii. 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) is required to ensure compliance across its own direct supply chain (Tier 2 supplier from Vodafone's perspective) and so on.

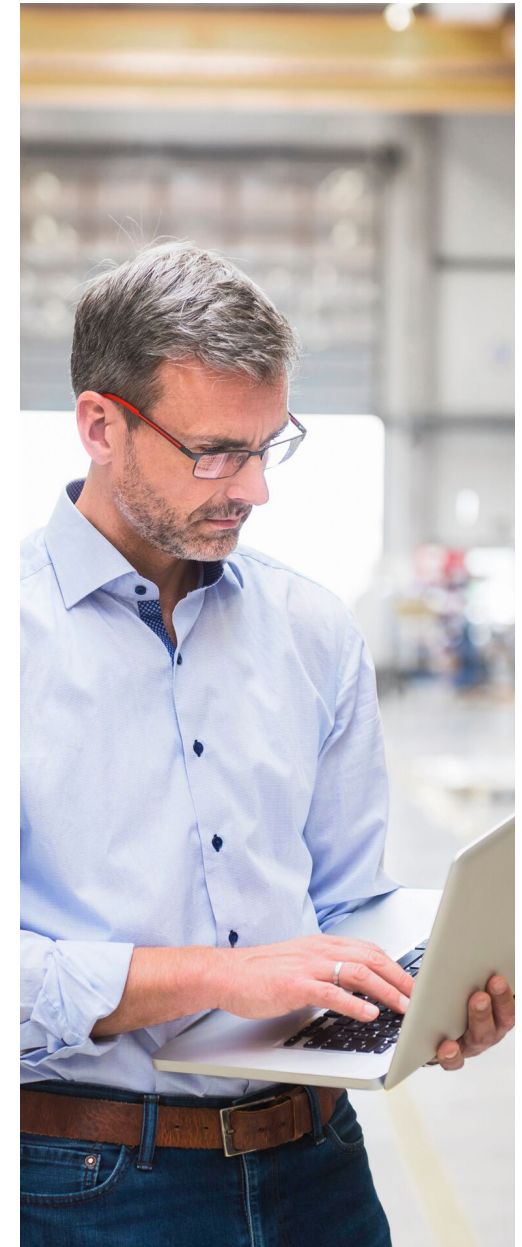
The Code of Ethical Purchasing was established more than 10 years ago and is based on international standards including the [Universal Declaration of Human Rights](#) and [ILO's Fundamental Conventions on Labour Standards](#). It stipulates a range of ethical, labour and environmental standards that 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 are underpinned by binding contractual commitments.

The Code of Ethical Purchasing was developed in consultation with employees, suppliers, investors and non-governmental organisations 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 that 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 CEO of the VPC, who reports to the Group's Chief Financial Officer who 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 CEO 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 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](#).



iv. Global Resourcing Policy and Fair Pay Principles

Vodafone has a Global 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 to ensure that employee 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.

There is also a clear culture in our business of ensuring we offer competitive and fair pay to our employees. Our approach to Reward at Vodafone is underpinned by our Fair Pay Principles, which we apply to all employees regardless of level, location or role. One of our principles is 'Ensure a good standard of living' – we work with an independent organisation, Fair Wage Network, to assess how our pay compares to the 'living wage' in each of our markets as we are committed to providing a good standard of living for our people and their families. We monitor our position across our principles annually and agree on local action plans for any required adjustments.

v. Conflict Minerals Policy

Vodafone has a Conflict Minerals Policy that was updated in 2021. It sets out the approach to supporting the responsible sourcing of conflict minerals: tin, tungsten, tantalum and gold. The policy explicitly makes reference to forced labour, stating that:

"Vodafone has a responsibility to respect human rights and not contribute to conflict, nor by any means profit from, or contribute to, by any party of any forms of torture, inhumane treatment, forced labour, worst forms of child labour, gross human rights violations, or other serious violations of international humanitarian law, crimes against humanity or genocide related to the sourcing of tin, tantalum, tungsten or gold."



More information on our work on Conflict Minerals can be found [online](#)



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 and 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 the Group and local markets level. 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.

Collaboration in 2020-21

i. UK Home Office – Business Against Slavery Forum

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 that will feed into the Home Office's Modern Slavery Strategy and Implementation Group.

ii. United Nations Global Compact – Modern Slavery Working Group

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

iii. Joint Audit Cooperation (JAC) – Human Rights Workstream

Vodafone is Chair of the JAC initiative, an association of telecoms operators established to improve ethical, labour and environmental standards in the information and communications technology (ICT) supply chain. Other members include AT&T, Deutsche Telekom, Elisa, KPN, MTS, Orange, Proximus, Swisscom, Telecom Italia, Telefónica, Telenor, Telia Company, Telstra and Verizon.

Vodafone is a member of JAC's industry task force on human rights. The task force tackles risks in the downstream supply chains of the telecoms industry and addresses topics such as human trafficking. The task force is monitoring the situation in relation to allegations of forced labour of Uyghur and other ethnic minority citizens in China. It meets to understand the actions needed to engage suppliers and review JAC's approach to due diligence.

iv. Trust Your Supplier

Vodafone is a founding member of Trust Your Supplier. The platform enables organisations to use a common industry approach to review risks, including human rights, when on-boarding suppliers. This platform provides access to supplier information that is verified by third parties using blockchain technology. This initiative is at the early stages, with several large international companies, including Vodafone, on-boarding their suppliers onto the platform for verification.



Management of modern slavery risk

i. Assessing risk

We continue to use the approach defined based on the results of our Group-wide modern slavery risk assessment, which mapped our business and supply chain activities 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 the 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.

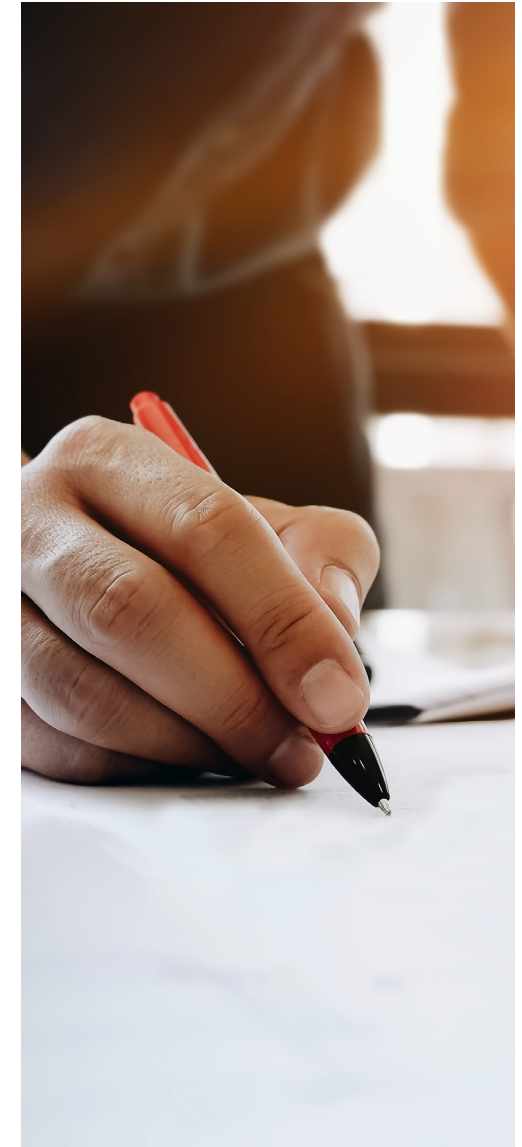
Internal subject matter experts evaluate the likely risk exposure for new products and services that Vodafone procures, and this information is fed into a supplier risk-screening tool. Labour rights are a key consideration in this process and all new suppliers are screened using this tool to determine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

As part of our ongoing due diligence, Vodafone reviews human rights allegations against our direct suppliers to assess the risk of their potential involvement in human rights violations. We will not work with suppliers that fail to engage with us on addressing any issues that have been found.

ii. Conflict minerals and cobalt

Our approach to managing 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 – is set out in our Conflict Minerals Report, our separate statutory disclosure.

Human rights risks, including forced labour, have been linked to artisanal cobalt mining in the Democratic Republic of Congo. Vodafone published its first public Statement on Human Rights and Artisanal Cobalt Mining in the Democratic Republic of Congo at the end of 2017. We have since included cobalt into of our formal responsible minerals programme in conformance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We continue to support industry initiatives trying to address this issue and are part of the Responsible Minerals Initiative sub-group on cobalt.



Supply chain due diligence

i. 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.

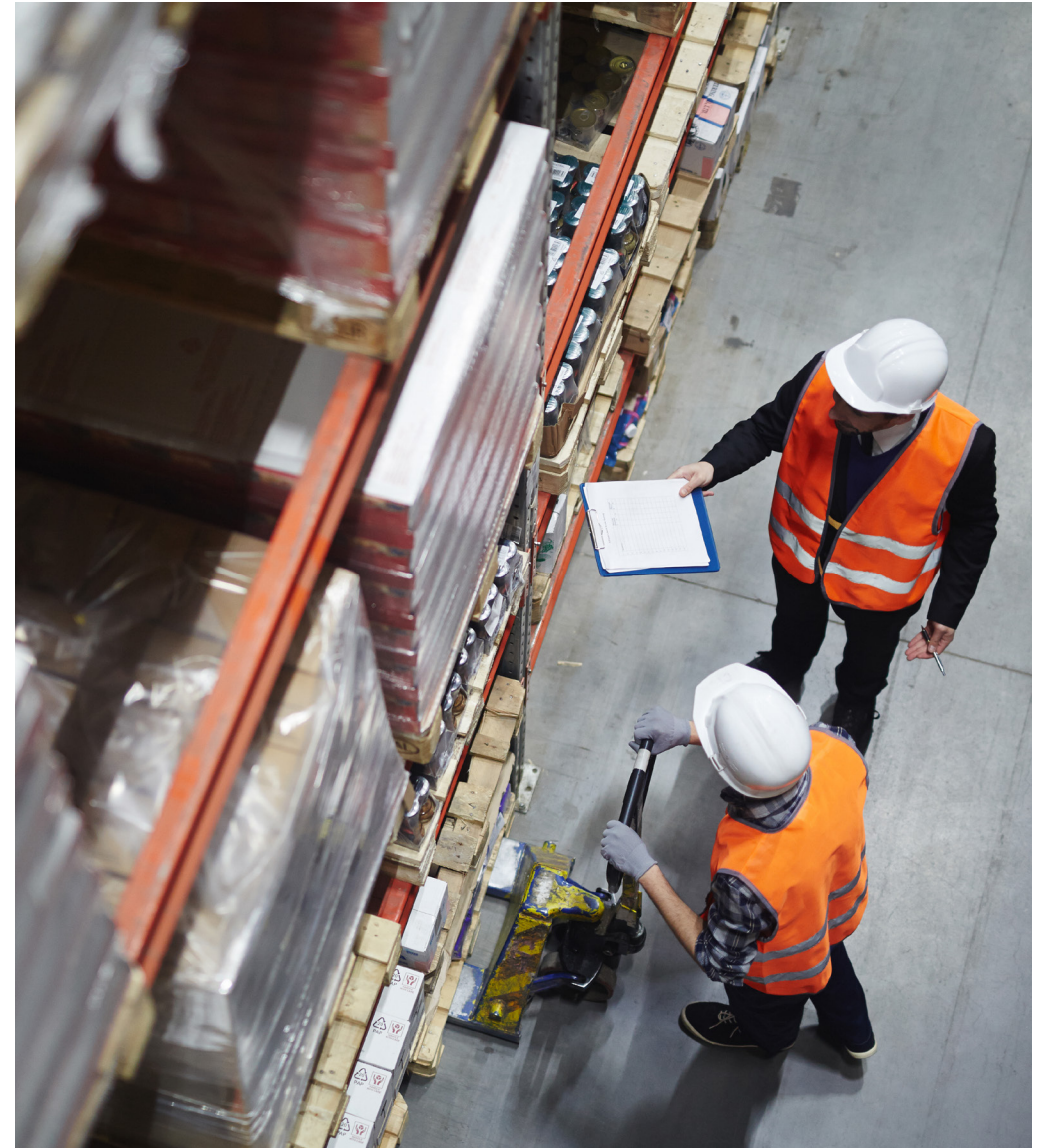
Potential new suppliers rated as higher-risk through the outcome of our initial risk-screening process (see the 'Management of modern slavery risk' section on [page 10](#)) are required to complete a self-assessment questionnaire and provide evidence that they operate ethically and responsibly in line 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.

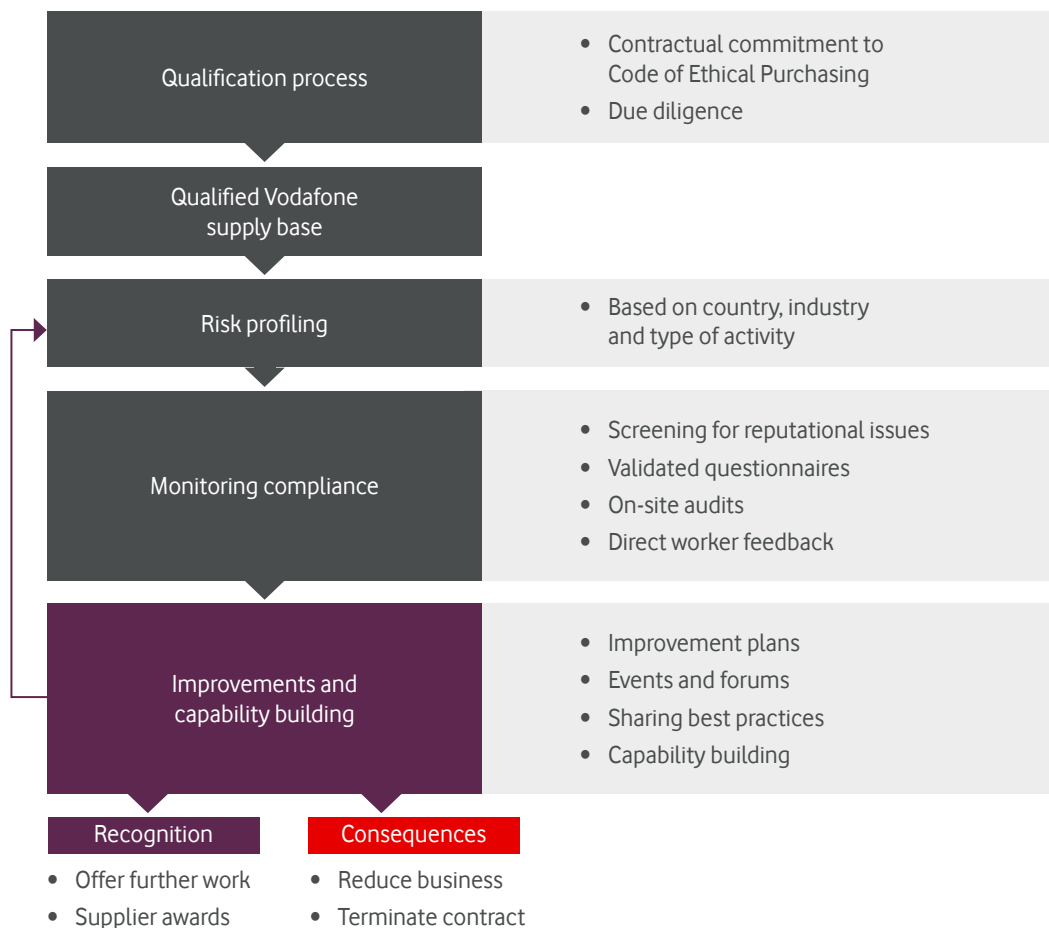
If a potential new supplier is found to be non-compliant, where feasible, we try to work with them to help enhance their capabilities and address the issues of concern, using corrective action plans and training. We share our free online modern slavery training with all suppliers and encourage them to use it and to cascade it with their suppliers (see the 'Publicly available modern slavery training for suppliers' section on [page 15](#)) 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 6](#)).



Mechanisms for ensuring our suppliers operate responsibly to our standards

Vodafone Code of Conduct Vodafone Code of Ethical Purchasing



ii. 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 JAC initiative.

Suppliers that do not 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 quarterly 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.

iii. 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 6](#)). As part of our Supplier Performance Management 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 in JAC, we also have access to audit reports of suppliers that we share in common.

Audit findings in 2020/21

In the financial year 2020/21, our on-site audits (together with those conducted through JAC) identified 20 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:

- non-compliance with China's labour laws regarding having more than 10% of agency workers (called 'dispatch workers' – suppliers that had failed to comply with local labour requirements by exceeding the percentage of agency workers permissible as part of the overall workforce) as part of the workforce;
- employees paid late to dates defined in contracts;
- contracts not having key terms, such as working hours or wages, defined; and
- copies of contracts not given to employees.

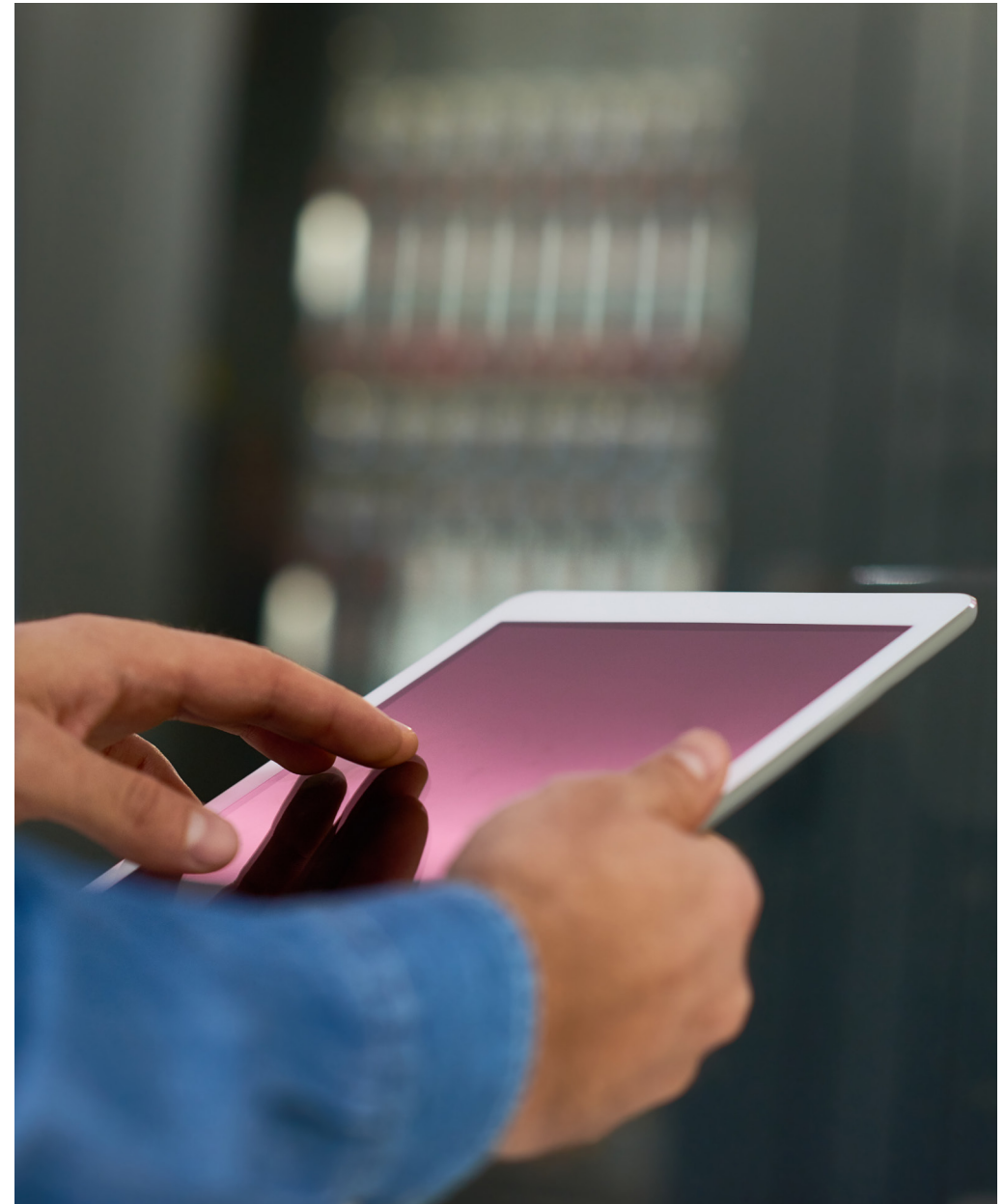
Most of the cases related to workers who had highlighted these issues during confidential worker interviews. In the cases where contracts were not given to employees, those suppliers have subsequently been assigned corrective actions to issue workers with a copy of their contracts and remuneration. The suppliers in these cases have since committed to a plan to achieve compliance, which will be periodically reviewed by the JAC industry association member companies to ensure progress and timely closure.

There were also two cases that were followed up and rectified by the supplier: in one, a worker had been required to pay a fee to get a job; in the other, the worker had paid a financial penalty when their contract was terminated.

Worker surveys

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 surveyed 13 common factories employing over 25,000 workers during 2020.

Anonymous worker surveys using mobile devices are now integrated into part of the on-site audits programme results as a means to include workers' voices. The survey sections related to modern slavery risks focus 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.

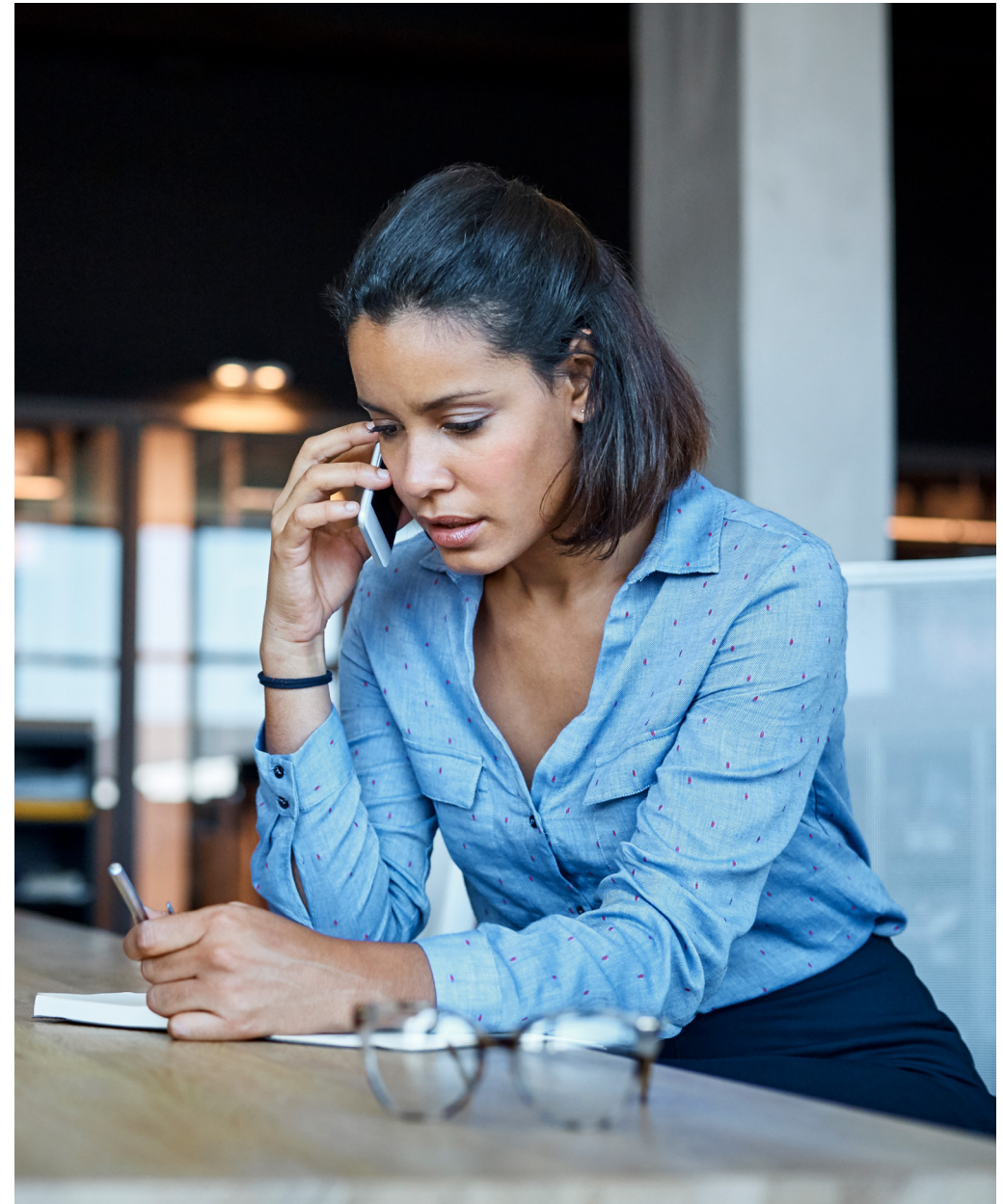


Grievance mechanisms

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 6](#) for more 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, tailored face-to-face training programmes are used to cover relevant scenarios for higher-risk employees, such as those working in procurement, network operations, Vodafone Business sales and government relations.

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 6](#) for more 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 was 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 key performance indicators (KPIs) to monitor and report on the effectiveness of our policies and procedures in this area.

KPIs	Reason for KPI	2018-2019 ²	2019-2020	2020-2021
Number of site assessments conducted (either by Vodafone or through JAC³)	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.	85	74	76
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.	9	16	20 (See 'Beyond Tier 1' section on page 12 for more information)
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.	9	16	20
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.	1 (See Slavery and Human Trafficking Statement 2018-19 for more information)	0	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.	12	20	13

² For data on previous years, please refer to [Vodafone Group Sustainable Business Reporting Centre](#).

³ 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 its business operations and supply chains. This Statement is published by Vodafone Group Plc ('Vodafone') and its relevant subsidiaries (see below) in compliance with the UK Modern Slavery Act 2015.

The Act requires all large UK businesses (with a turnover of £36 million 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 – 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 – which supports our multinational customers;

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

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



Nick Read,
Chief Executive Officer,
Vodafone Group Plc

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

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