



Vodafone Group Plc
Modern Slavery Statement 2021/22

Introduction

We want everyone who works for Vodafone – in any capacity, anywhere in the world – to benefit from a working environment in which their fundamental rights and freedoms are respected.

In this statement we report on what we do to prevent slavery, servitude and forced, bonded or compulsory labour, human trafficking, sexual exploitation and child labour ('modern slavery') both within our own operations and our supply chain.¹

This is Vodafone's seventh Modern Slavery Statement, issued under section 54 of the UK Modern Slavery Act 2015 and relates to the financial year ended 31 March 2022.



This Statement is published by Vodafone Group Plc ('Vodafone') and its relevant subsidiaries (see page 12)

In 2021/22 we:

- Reviewed and refreshed our modern slavery risk assessment (page 6)
- Investigated reports of forced labour in solar panel supply chains (page 6)
- Collaborated with industry peers to investigate allegations of forced labour in China (page 9)
- Checked the use of prison labour in our wider supply chain (page 6)

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1. We use the definition of slavery from section 54(12) of the Modern Slavery Act 2015 (legislation.gov.uk)

Our business and supply chain

Vodafone is the largest pan-European and African technology communications company. We sell products and services which provide connectivity, technology, platforms and innovation.

As of 31 March 2022, we had over 323m mobile customers, more than 28m fixed broadband customers and over 22m TV customers. Vodafone is also a world leader in the Internet of Things (IoT), connecting more than 150m devices and platforms through innovation that aligns with the aspirations of society for cleaner and safer cities, better transport and improved agriculture.

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 offer our customers a range of IoT products and connected devices (e.g. routers and set-top boxes) 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 do we handle raw materials or commodities.

Our business



Vodafone Group Plc is incorporated and domiciled in England and Wales.

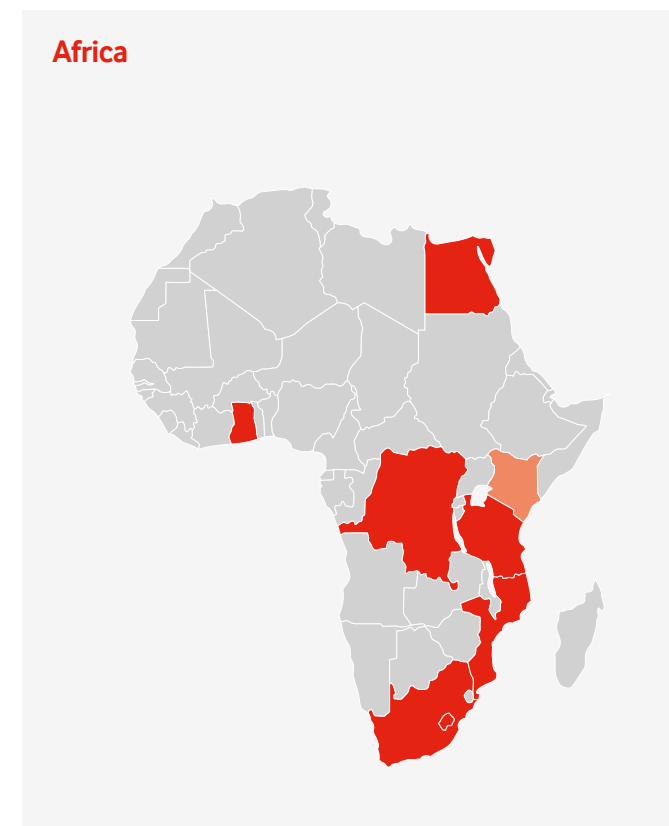
Vodafone Group operates mobile and fixed networks in 17 countries in Europe and Africa, holds interests in associates and joint ventures in Australia, Kenya, India and the Netherlands, and partners with mobile networks in 48 more. All subsidiaries where Vodafone Group owns more than 50% and/or has operational control are required to comply with our codes and policies.

We have more than 95,000 employees working across Europe and Africa, roughly 92% of whom are employees and 8% are contractors.

 Information on subsidiaries in-scope of this Statement can be found on page 12



 Vodafone Operating Company
 Associate/Joint Venture



 Read more about where we operate at www.vodafone.com/about-vodafone/where-we-operate

Our business and supply chain continued

Supply chain

We rely on suppliers that range in size from small and medium-sized enterprises to large multinationals, spanning multiple tiers.

We spend more than €24 billion a year with around 9,000 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. We estimate that there are around 500,000 employees in the first tier of our supply chain.

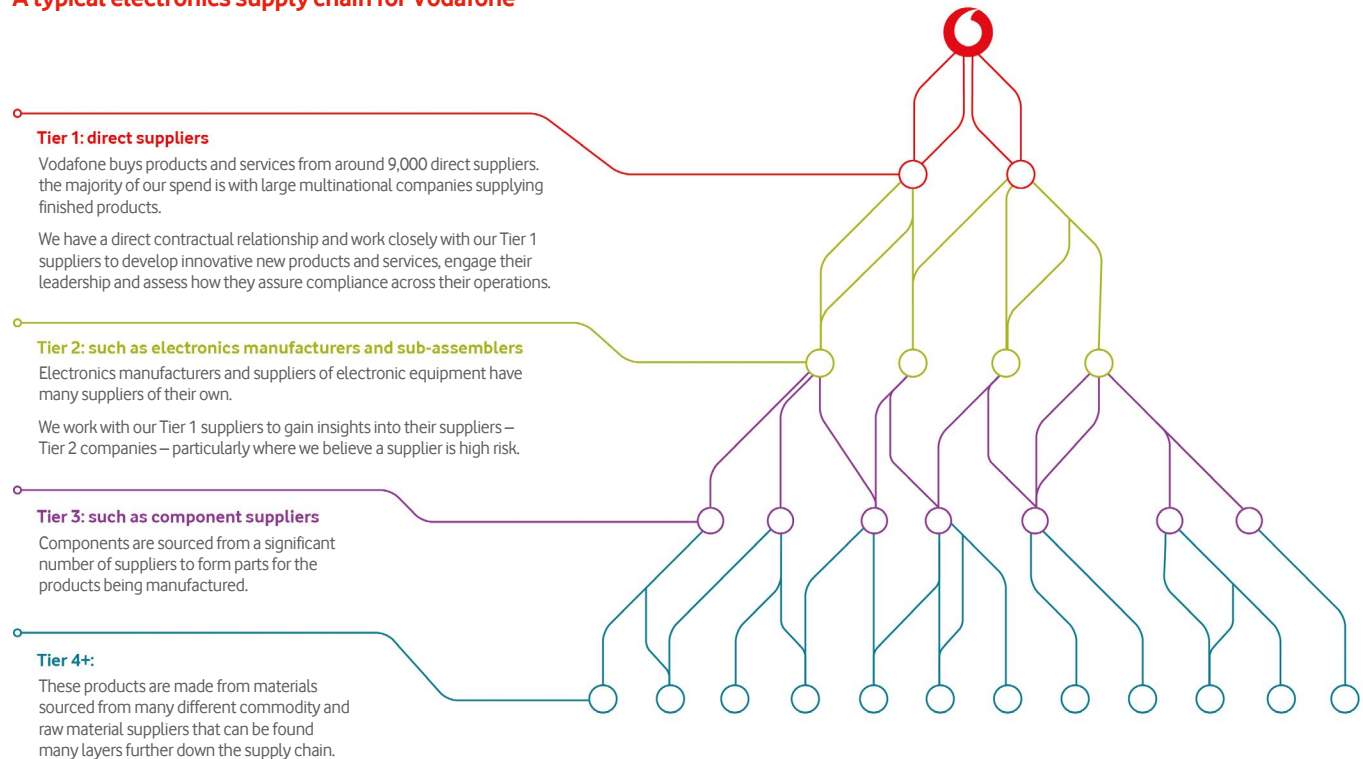
The majority of our external spend is with suppliers that provide us with network infrastructure, IT and services related to fixed lines, mobile masts and data centres that run our networks. Our next-largest area of spend is on the products we sell to our customers, including mobile phones, tablets, 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.

The majority of our external spend is managed by our Vodafone Procurement Company that is based in Luxembourg and Vodafone Intelligent Solutions (VOIS). This centralised approach 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 not only makes it easier to monitor and improve supplier performance across our markets, but also ensures fair treatment of suppliers during the competitive tender process.

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 the 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.

A typical electronics supply chain for Vodafone



Top ten tier one supplier sourcing countries (headquarter location) (>95% of total spend)

- China
- Finland
- France
- Italy
- Japan
- South Africa
- South Korea
- Sweden
- Taiwan
- United States



For more information about the Vodafone Sustainable Business Reporting Centre please visit:

<https://www.vodafone.com/about-vodafone/reporting-centre/sustainability-reports>

Our policies and commitments


We align with the United Nations Guiding Principles on Business and Human Rights. This means we work to make sure our policies, governance and due diligence processes take account of human rights risks so that we can properly manage and mitigate them.

The Group's Chief External and Corporate Affairs Officer oversees Vodafone's human rights programme and is a member of the Executive Committee. A senior human rights manager manages our programme, with the support of a cross-functional internal Human Rights Advisory Group (HRAG) comprising senior managers responsible for responsible sourcing, privacy, security, policy, legal and diversity and inclusion.

Each HRAG member is responsible for implementing the relevant internal policies that are covered by our Human Rights Policy and collaborating with our operating companies to integrate policy controls.

We report on our progress to the Purpose and Reputation Steering Committee, where we also raise any concerns regarding how our operations – or business partners' operations – could result in a negative human rights impact. In 2021, we also established an ESG Committee as a principal committee of the Vodafone Group Plc Board. The Committee provides oversight of Vodafone's Environment, Social and Governance strategy, Purpose, sustainability and responsible business practices, as well as Vodafone's contribution to the societies we operate in under Vodafone's Social Contract. Our policies are implemented in all our subsidiaries where we have operational control.

We have also developed and implemented policies and processes that are intended to extend our commitments through our supply chain, which are embedded in our Code of Ethical Purchasing.

 [Read more about where we operate on page 2](#)

 [Click here to read our Code of Ethical Purchasing: **vodafone.com/code-of-ethical-purchasing**](#)

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 Vodafone, including employees, directors, contractors and subsidiaries. The Code also details what we expect from our suppliers and business partners in upholding the same standards and to act ethically, putting our principles into practice in everything they do.

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

“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.”



The Code of Conduct can be found at [**vodafone.com/code-of-conduct**](https://vodafone.com/code-of-conduct)

ii. Vodafone Human Rights Policy Statement

Vodafone Group's 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. We expect our suppliers and business partners to uphold the same standards, as enshrined in our Code of Ethical Purchasing. 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.

The Policy was reviewed and approved by the Vodafone Group Executive Committee (ExCo) and signed by our Chief Executive.



The Human Rights Policy Statement can be found at [**vodafone.com/human-rights-policy-statement**](https://vodafone.com/human-rights-policy-statement)

Collaboration in 2021/22

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

ii. UN Global Compact – Modern Slavery Working Group and Child Labour Working Group

Vodafone continues to participate in the Modern Slavery Working Group and Child Labour Working Group hosted by the UN Global Compact Network UK. Vodafone contributes to discussions and shared experience.

iii. Joint Alliance for CSR (JAC, formerly known as the Joint Audit Co-operation) – Human Rights Workstream

Vodafone is Chair of the JAC initiative, an association of telecommunications operators established to improve ethical, labour and environmental standards in the ICT supply chain. Other members include Airtel, AT&T, BT, Deutsche Telekom, Elisa, KPN, MTN, MTS, Orange, Proximus, Swisscom, TDC, 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.

Our policies and commitments continued

iii. 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 in order 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 the 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 annually and agree on local action plans for any required adjustments.



Click to read more about Fair Pay at Vodafone:
[vodafone.com/fair-pay](https://www.vodafone.com/fair-pay)

iv. 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 encouraged to ensure compliance across its own direct supply chain (Tier 2 supplier from Vodafone’s perspective) and so on.

The Code of Ethical Purchasing 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 can be found at
[vodafone.com/code-of-ethical-purchasing](https://www.vodafone.com/code-of-ethical-purchasing)

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 CEO of VPC develops, implements and oversees the Code of Ethical Purchasing, which is reviewed annually. The CEO is a member of Vodafone’s senior leadership team and reports to Vodafone Group’s Chief Financial Officer.

v. Responsible Minerals Statement

Vodafone published a Responsible Minerals Statement in 2021. It sets out our approach to supporting the responsible sourcing of conflict minerals (tin, tungsten, tantalum and gold) as well as cobalt. The Statement explicitly refers to forced labour stating that:

“We recognise the risks associated with the sourcing of certain minerals used throughout the global electronics industry. We strive to ensure that we do not contribute to conflict, nor by any means profit from, or contribute to, any forms of torture, inhumane treatment, forced labour, child labour, human rights violations, or other serious violations of international human rights and humanitarian law, crimes against humanity or genocide related to the sourcing of these minerals.”



For more information on our work on Responsible Minerals please visit: www.vodafone.com/responsibleminerals



For information about how we communicate our Codes and policies to our employees and suppliers see the ‘Training and capacity-building initiatives’ section on page 10

Remedy and grievance mechanisms

We encourage everyone who works for Vodafone to report suspected breaches of our codes and policies 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 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 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.

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

Supply chain and Code of Ethical Purchasing

Our policy covers the following ILO indicators:

- Freedom of workers to terminate employment
- Freedom of movement
- Freedom of association
- Prohibits any threat of violence, harassment and intimidation
- Prohibits the use of worker-paid recruitment fees
- Prohibits compulsory overtime
- Prohibits child labour
- Prohibits discrimination
- Prohibits confiscation of workers’ original identification documents

Assessing risks in our business and supply chain

We focus on the most salient human rights issues in our operations and act first on the most severe risks, based on how they could affect people rather than just the risk to our business.

We check for human rights concerns when:

- developing new products, services, technologies or making substantial changes to existing ones;
- entering new markets or in anticipation of changes in our existing operating environments;
- considering new partnerships and acquisitions; and
- engaging with our suppliers.

In 2021, we commissioned external human rights experts to evaluate potential impact and recommended actions when operating in higher-risk geographies. They also conducted an independent human rights assessment as part of our market entry in Ethiopia. The risk of forced labour was explicitly considered in both engagements.

We keep pace with changes in the markets where we operate by collaborating and contributing to multi-stakeholder forums, keeping in touch with civil society, and reviewing various internal risk and media briefings.

We also conduct topic-specific impact assessments and in 2021, internal expert stakeholders reviewed and refreshed our Group-wide modern slavery risk assessment, considering our business and supply chain activities against recognised indicators of modern slavery risk, including:

- vulnerable groups (such as low-skilled, seasonal or migrant workers);
- labour recruiters and other third-party recruitment agencies;
- 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).

Our greatest areas of potential exposure to modern slavery remain consistent and 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, warehousing of products, and customer support and telesales activities carried out in higher-risk geographies – some of which are outsourced and some of which we carry out directly.

We also identified other areas to explore. For example, in 2021, Vodafone was made aware of reports describing the use of forced labour in the polysilicon (a solar panel component) supply chain. As part of our ambition to reach net zero carbon emissions, we are looking at renewable energy options. Although we are not a major purchaser of solar panels, we mapped our supplier base and contacted key suppliers to better understand the risk. Our suppliers themselves purchase solar panels from a number of manufacturers and both confirmed that they were not using any of the suppliers named in various reports such as 'In Broad Daylight'. We will continue to monitor the situation.

This refreshed risk assessment enabled us 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.



For information about how we screen suppliers based on risk see the 'Supply chain due diligence' section on page 7

Case study:

Devices donated to social enterprise to provide training and opportunities for prison labour to support rehabilitation

In 2021, Vodafone Italy launched a circular economy initiative to allow customers to return old smartphones in exchange for a discount on a new mobile phone. Our direct supplier donated the old devices to a social enterprise, which in turn was employing prisoners to disassemble the phones for recycling and providing the opportunity to learn new skills and support rehabilitation. We engaged with our direct supplier to request evidence that the prisoners' employment met the International Labour Organisation's requirements for use of prison labour. We were satisfied that:

- The prisoners apply to do the work.
- The wages and conditions of work are formally made clear to the workers.
- The conditions of work and pay are similar to work outside the prison.
- Wages are paid directly to the workers, with clear and detailed wage slips showing hours worked, wages earned and any deductions authorized by law.
- The daily working hours are in accordance with the law.
- Safety and health measures respect the law and workers are included in the social security scheme for accident and health coverage.
- Workers may withdraw their consent at any time, subject only to reasonable notice requirements.

Supply chain due diligence

Selecting new suppliers

We include labour rights as a key aspect of the due diligence process we apply to new suppliers and in our ongoing evaluations of 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. We consider factors such as locations, industries and activities with a history of poor labour standards when determining whether we need a more detailed evaluation of the supplier.

Potential new suppliers rated as higher-risk through the outcome of our initial risk-screening process must complete a self-assessment questionnaire and provide evidence that they operate ethically and responsibly, in line with our Code of Ethical Purchasing.

If a potential supplier provides an incomplete response it triggers a review in which relevant Vodafone subject matter experts assess the supporting data provided along with the questionnaire, alongside a review of any adverse media coverage. These subject matter experts, who are independent of the business functions, will then decide 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 subject matter experts, has no prospect of doing so even with support and remediation.

If the information provided is unsatisfactory, an 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. Where feasible we try to work with companies to help enhance their capabilities and address the issues of concern, using corrective action plans and training. 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 encourage our suppliers to cascade the Code to their own supply chains.

We share our free online modern slavery training with all suppliers and encourage them to use it and to cascade it with their suppliers in order to build awareness and understanding about the risk of modern slavery in their own supply chains.

 [Read more about Policies and commitments on page 4](#)

 [Read more about training on page 10](#)



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, including employees' accommodation facilities where relevant.

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.

Following an audit, suppliers are required to prepare a 'Management Response' which sets out the plans for resolving any issues raised. This includes:

- Corrective action plans;
- Preventative action plans;
- Timeframe and implementation schedule; and
- Ownership and accountability.

Corrective action plans through JAC are uploaded to a platform and reviewed on a quarterly basis by a third party, and ongoing monitoring occurs if grievances are raised. (see 'Grievance and remedy mechanisms' on page 5 and 'Audit findings and CAPs' on page 9).

The audit will be considered complete if all findings and recommendations are effectively resolved and all corrective action plans are completed and reported in a timely manner.

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 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 annual questionnaire with evidence related to their compliance. This evidence is then validated and assessed internally and each supplier is given a scorecard highlighting areas for improvement.

Supply chain due diligence continued

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 encourage our suppliers to cascade our Code of Ethical Purchasing to their own supply chains (See 'Policies and commitments' on page 4).
- We evaluate strategic suppliers on how they assess the social and ethical risks in their supply chains and how they measure their effectiveness in ensuring compliance as part of our Supplier Performance Programme.
- We have access to audit reports of Tier 1, 2 and 3 suppliers that we share with other members of JAC since 2009.

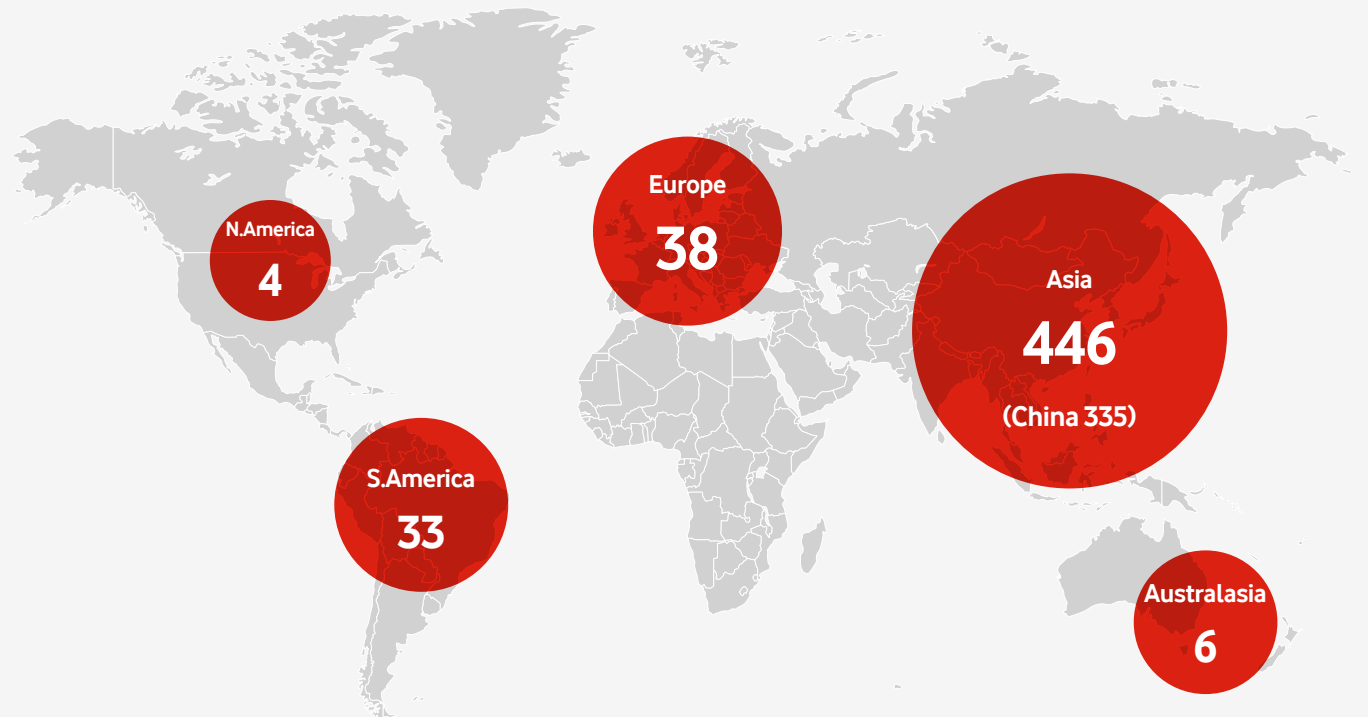
We also obtain direct feedback from our suppliers' employees to identify modern slavery risks and identify areas for improvement. While the assessment of working hours and working conditions of our suppliers is important, it can be difficult because supervisors and managers may attempt to falsify timesheets and other workplace records.

We use an independent company to gather confidential and unbiased feedback directly from our suppliers' employees. Employees can take an offsite anonymous worker survey using their mobile to reply anonymously to pre-recorded questions in their local language at any time and from any location. We require participating suppliers to allow their employees to respond to questions freely and privately.

The responses provide us with important insights into our suppliers' employees' working hours and conditions (which are often proxy indicators for a broad range of other labour rights issues) so we can work with suppliers to put in place appropriate remedial measures if required. These anonymous worker surveys are integrated into our on-site audit programme and the results are included in our on-site audit reports. Findings that require action are incorporated into the relevant suppliers' corrective action plan.

Following Vodafone, other industry members from JAC have also adopted this solution, and collectively we surveyed 17 common factories employing 21,582 workers during 2021.

Total number of Tier 1, 2 and 3 suppliers audited by JAC since 2019



Supply chain due diligence continued

Audit findings and Corrective Action Plans (CAPs)

In calendar year 2021, our on-site audits (together with those conducted through JAC) identified 16 incidents relating to forced labour prohibited under our Code of Ethical Purchasing.

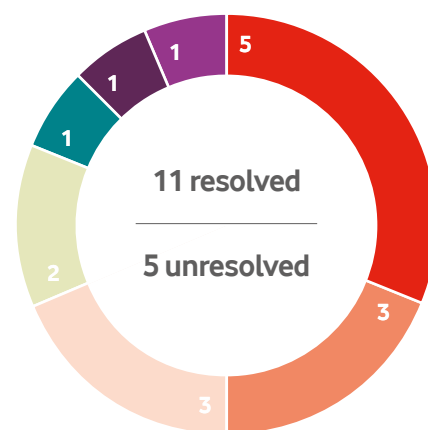
We provided a corrective action plan to the suppliers responsible for all 16 incidents and these were also uploaded to the JAC platform for quarterly review by a third-party provider.

As of March 2022, 11 of the action plans have been closed following evidence that the suppliers had addressed the areas for improvement. The suppliers with the five remaining open corrective action plans have committed to a plan to achieve compliance, which will be periodically reviewed by the JAC member companies to ensure progress and timely closure.

These incidents, which are similar to issues uncovered last year, are related to:

- Failure to comply with Chinese labour law that stipulates that temporary labour should not exceed 10% of overall workforce
- Failure to reimburse workers for recruitment fees
- Provision of employment contract terms in conflict with local labour laws
- Failure to ensure that all contracts are signed
- Lack of due diligence performed on recruitment agencies
- Lack of a policy prohibiting forced labour.

Nature of incidents relating to forced labour activities



Total Incidents	Count
Exceeding 10% of temporary labour	5
Recruitment fees not reimbursed	3
Contracts in conflict with local labour laws	3
Unsigned contracts	2
No checking of agency recruiters	1
Salary payment dates incorrectly defined in contracts	1
No policy to prohibit forced labour	1

Conflict minerals and Cobalt

Our approach to managing 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, and our Responsible Minerals Statement.

Human rights risks, including forced labour, have also been linked to artisanal cobalt mining in the Democratic Republic of the Congo. We include in-scope cobalt suppliers (in accordance with the Responsible Minerals Initiative reporting standard) in our responsible minerals programme, which conforms to 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 subgroup on cobalt.

Case study:

Industry collaboration to investigate allegations of forced labour in China

The Joint Alliance for CSR human rights task force continues to monitor allegations of forced labour of Uyghur and other ethnic minority citizens in China. It meets to understand the actions needed to engage suppliers, and to review JAC's approach to due diligence.

In 2021, Vodafone issued letters to 34 of our key manufacturing suppliers involved of devices and network equipment to seek confirmation that they were not using suppliers named in reports such as the Australian Strategic Policy Institute report (ASPI report), and also to confirm they had undertaken due diligence to ensure they were not using forced labour in their own supply chains.

The majority (31 out of 34 suppliers) confirmed that the companies alleged to be using forced labour were not direct suppliers to them. The remaining three suppliers (all of which are large multinational companies) failed to respond.

Other JAC members followed a similar approach and will work together to inform next steps for engaging with all suppliers who failed to respond or who failed to provide a satisfactory response, using JAC's audit and verification programme.

Training and capacity-building initiatives

The Vodafone 'Doing What's Right' mandatory training course is designed to help employees understand the underlying principles, objectives and practical implications of Vodafone's Code of Conduct (See 'Our policies and commitments' on page 4) 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 89% 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 'frontline' 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. This training includes:

- Guidance on how to identify and report non-compliance issues when visiting supplier sites.
- Guidance on how to communicate expectations to suppliers effectively.
- Modules on human rights, ethics, health and safety, and the environment.
- Explicit reference to forced labour indicators such as withholding of documentation, illegal recruitment fees and freedom of movement.

Modern slavery training for suppliers

Our interactive modern slavery online training module was developed and launched to help build awareness and understanding of modern slavery among our suppliers and other partners across our supply chain. The training is available in English, Mandarin Chinese and Hindi.

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.

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	2019-20 ¹	2020-21	2021-22
Number of site assessments conducted (either by Vodafone or through JAC)²	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.	74	76	71
Number of issues related to forced labour	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	20	16 See Audit findings and Corrective Action Plans on page 9
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	20	11 See Audit findings and Corrective Action Plans on page 9
Number of reports to our external Speak Up 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	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.	20	13	17

1. For data on previous years, please refer to Vodafone Group Sustainable Business Reporting Centre. <https://www.vodafone.com/about-vodafone/reporting-centre/sustainability-reports>

2. JAC assessments are reported on a calendar year basis.

Appendix

This Statement describes the activities that Vodafone Group Plc has undertaken in the financial year 2021/22 to prevent modern slavery in our business operations and supply chains. This Statement is published by Vodafone Group Plc ('Vodafone') and its relevant subsidiaries 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 (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 and approved this Modern Slavery Statement and the CEO from each has signed the 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 Chief Executive.



Nick Read

Chief Executive

Vodafone Group Plc

27 May 2022