

Taxation and our total economic contribution to public finances 2019 and 2020



Taxation and our total economic contribution to public finances

This Report sets out our total contribution to public finances in all our countries of operation for 2020 – the financial year 1 April 2019 to 31 March 2020.

- | | |
|--|--|
| <ul style="list-style-type: none"> 3 CFO introduction 4 Data highlights 2020 5 Overview 6 Multinationals, governments and tax <ul style="list-style-type: none"> • Developing tax regimes for the digital age 7 Vodafone's Tax Principles and Strategy 9 Political engagement and our contribution to the development of tax policy 10 Vodafone's commitment to B Team's Responsible Tax Principles and our alignment with GRI-207 11 GRI-207 – Tax standard | <ul style="list-style-type: none"> 13 Country contributions 13 Country overview 14 Introduction 16 Reporting by country <ul style="list-style-type: none"> • Europe • AMAP* • Vodafone Business • Other entities 41 Appendices 42 1. Summary table of our contributions, by country 46 2. Key Vodafone Group financials and statistics 47 3. Voluntary disclosure of Vodafone's OECD country by country report under the BEPS programme |
|--|--|

* This report covers the year ended 31 March 2020 and includes comparative data for the year ended 31 March 2019. The Group revised its reporting segments on 1 October 2018 to reflect changes to its organisational structure. The Rest of the World region (previously AMAP – Africa, Middle East and Asia Pacific) comprises the Vodacom, Turkey and Other Markets operating segments.



CFO introduction

We continue to believe that our comprehensive and transparent disclosure of our financial contributions to governments plays a critical role in increasing our stakeholders' understanding of the complex area of taxation and their trust in Vodafone as a good corporate citizen.

Environmental, social and corporate governance issues have never been more important than in the current climate. At Vodafone, we are committed to leveraging the power of technology, our networks and services, focusing in particular on five of the UN Sustainable Development Goals (SDGs) (see [Vodafone's purpose](#)), and in this report we also provide insights into how our tax reporting measures up against responsible tax principles and global reporting standards.

Misunderstandings about corporate tax contributions can affect public confidence towards country tax regimes, leading to an erosion of public trust. This makes the publication of clear information on how businesses contribute to government finances even more important.

In this report, we disclose the taxes paid by Vodafone on a country by country and actual cash-paid basis – the sums of money actually paid to governments in a given year. We regularly publish that data to remove the potential for any perceived ambiguity that may result from complex accounting treatments.

We publish this report as an extension of our required financial disclosures.

We recognise the need for governments to be able to secure the funds they require to develop and maintain civil infrastructure and public services to support local communities and wider society. Business must contribute to the financing of these services. We believe it is in the interest of every business to support the operation of fair, effective and predictable tax regimes that the public can trust and that meet government public financing needs.

It is in the interest of businesses to support the operation of fair, effective and predictable tax regimes that the public can trust and that meet governments' public financing needs.

This year, we have welcomed the debate on the taxation of the digital economy. While digitalisation is transformative to societies, the way in which some tech businesses operate and drive value provides a challenge to long-established tax systems. These tax systems need to be reviewed to ensure an equitable

approach, and we think that there is room to explore a common framework for taxation, whether globally or across Europe, to provide for the appropriate taxation of profits, and reliefs and allowances for expenditure, losses and investment. Digital businesses must be taxed in a sustainable and transparent way, with profits taxed where value is created, an issue we discuss in more detail in this report.

As part of this update, we have moved some of the contents online to our dedicated [Tax and Economic Reporting centre](#) to focus the report on the contributions themselves, as well as our views on current tax matters. Our strategy, policy and principles in relation to tax have remained consistent and this change allows us to focus on the contributions themselves while ensuring the information supporting understanding of tax remains accessible.

As in previous years, it is not possible to reconcile many of the financial metrics disclosed in this report with those published in our Annual Report in June 2020, as the latter were prepared on a statutory basis in line with international accounting principles, rather than on an actual cash-paid basis.

We continue to engage with many stakeholders from non-governmental organisations (NGOs), industry bodies, professional finance and accounting communities to policymakers and tax authorities, and welcome their perspective on the information and views contained in our latest report.



M. Della Valle

Margherita Della Valle
Chief Financial Officer
Vodafone Group Plc

Data highlights 2020¹

Our business



415 million

mobile customers²



93,000

average number of employees³



25.4 million²

fixed broadband customers



103 million

IoT SIM connections



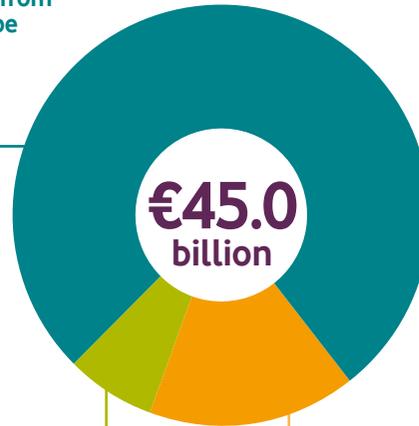
41.5 million

M-Pesa mobile money customers

Our revenue¹

Vodafone's turnover was **€45.0 billion**, on which we made a profit before tax of **€2.9 billion**.

€33.8 billion revenue from Europe



€4.0 billion service revenue from Turkey, Partner Markets and common functions

€7.2 billion service revenue from Africa

€14.9 billion

adjusted EBITDA

€2.9 billion

profit before tax

€7.4 billion

on capital expenditure

Our total economic contribution

In cash terms, we contributed more than **€12.4 billion** to public finances globally.

€2.3 billion direct non-tax-based fees

€2.6 billion direct taxes



€7.5 billion indirect taxes

25.3%

Group effective tax rate

€1.1 billion

total corporate taxes paid

For more information, see our [Annual Report 2020](#) and our [ESG Addendum 2020](#).

¹ Figures taken from Vodafone Group Annual Report 2020

² Includes share of associates

³ This figure is for direct employees of Vodafone and does not include employees of our joint ventures and associates

Overview

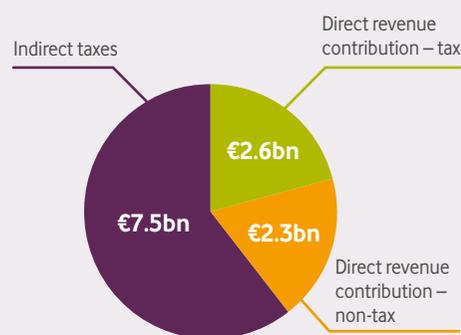
In 2020, Vodafone's revenue was €45.0 billion, on which we made a profit before tax of €2.9 billion. We contributed – directly and indirectly – more than €12.4 billion to the public finances in our countries of operation, as compared with €12.7 billion in 2019. The year-on-year decrease is a result of fewer spectrum licence auctions that took place in 2020 and lower direct tax payments in India and South Africa.

Specifically, we paid over €2.6 billion in direct taxes, including more than €1 billion in corporate income taxes, nearly €2.3 billion via non-taxation-based revenue mechanisms, such as payments for the right to use spectrum, and collected nearly €7.5 billion of indirect taxes for governments around the world. We also invested €8.9 billion⁵ in our network and services globally.

Across the Group as a whole, our underlying effective tax rate (ETR) for the 2020 financial year was 25.3%, which is higher than last year (2019:23.4%). The rate increased because of the completion of the acquisition of Liberty Global assets, as well as the effects of writing off our deferred tax asset in Spain in 2019. When comparing our total profit before tax with our total corporate taxes paid in actual cash terms, our actual cash-paid ETR was higher than our Group ETR, at 31.9%. We therefore pay nearly €1 in corporate tax for every €3 we make in profit globally.

At a country level, our total contribution is broadly in line with last year in the majority of our markets, with some exceptions either where we have acquired new businesses, e.g. Germany, or reflecting the absence of spectrum auctions. Our Indian contributions also increased year on year due to payments made following the decision in a legal case about the reporting of adjusted gross revenue (AGR). Those AGR payments more than offset reductions in direct and indirect tax contributions as a result of a tough operating environment in India. Changes also reflect local circumstances such as increased capital expenditure (and, therefore, capital allowances) or the effect of refunds of taxes overpaid in previous periods.

Total contributions to governments



⁵ See reconciliation on [page 55](#)



Multinationals, governments and tax

Developing tax regimes for the digital age

There continues to be ongoing political and technical debate on digital taxation, specifically focused on the development of new tax rules targeting technology companies that have little or no physical presence in a country but generate profits, usually through large numbers of local online customers.

International measures

During 2020, the main focus of the debate was on the evolving scope of the Organisation for Economic Co-operation and Development's (OECD) proposals to address the tax challenges arising from digitalisation via an international solution. The OECD proposals are based on two pillars: the first one considers different ways of allocating taxing rights between countries, and the second pillar looks at ways to give countries additional taxing rights where another country has either not applied its taxing rights or has done so at a low tax rate.

While the OECD has made significant progress on the technical framework of its proposals, it has to date been unable to reach an agreement with all members of the OECD Inclusive Framework (IF). The IF is still committed to reaching an agreement and is targeting a deadline of mid-2021. Before then, the IF will continue its technical work following a January 2021 public consultation on the latest blueprints and will attempt to get agreement at a political level on the proposals.

In January 2021, the European Commission separately launched a Digital Levy initiative, linked to the European Union's (EU) strategic

objectives on how to shape Europe's digital future and to help ensure that Europe is fit for the Digital Age. The Commission published an Inception Impact Assessment setting out its plans, which represent the first steps towards the potential introduction of an EU-wide digital tax. The document notes that it is important for the initiative not to undermine the OECD work on digital taxation and should be compatible with any agreement at an international level. While the work will take account of international developments, the European Commission has identified additional policy options, such as corporate income tax top-ups for companies undertaking digital activities in the EU, possible future revenue taxes on digital activities, and taxes on digital transactions conducted business-to-business in the EU.

Unilateral measures

In the absence of an international agreement on digital taxation, during 2020 there was an increase in the number of unilateral measures introduced by individual countries. While there are an increasing number of differences between the specific regimes, they typically comprise taxes that are applied to gross revenues arising from digital activities (e.g. digital platforms, sale of user data and online advertising) and do not permit relief for related costs and expenses. While Europe was at the forefront of introducing unilateral measures, territories in Africa and South America are now introducing their own regimes and rules. The African Tax Administration Forum (ATAF) has also released its suggested approach

to drafting Digital Services Tax (DST) legislation that includes examples of the types of activities that may be subject to DST, and proposes a fixed rate calculated on gross turnover, which is not creditable against income taxes. In certain territories, payments of the DST taxes are now becoming due for in-scope taxpayers.

Vodafone position

We have positively engaged in the debate on the taxation of the digital economy and consider it appropriate for digital businesses to be taxed in a sustainable and transparent way, with profits taxed where value is created, including where material value (critical to that digital business's success) is clearly proven to be generated by local users. We agree that multinational companies and governments should engage to achieve consensus on one single international solution as soon as possible, focused on ensuring that profits are allocated between the territories in line with the value generated, without either double taxation or non-taxation.

In respect of the current OECD Pillar One proposals, we do not consider that consumer-facing businesses, with routine margins, who have made significant physical and tangible investments in the infrastructure of a country with heavily regulated revenues generated, monetised and subject to tax within that same market jurisdiction should be the target of any new international tax rules. We are therefore supportive that the OECD is undertaking further work to consider an exclusion for the operation

of certain sectors related to the operation of infrastructure (which is provided as a service to consumers), and specifically the core activities of regulated telecommunications network operators. We also support the OECD's acknowledgement following the public consultation that there is the need for further simplification and an effective dispute resolution mechanism, especially given the potential for increased controversy and complex double taxation.

In respect of the various DST regimes and proposals, our view is that a company's tax liability should be based on the profit generated from the company's business activities in that country, not a company's revenues (which are not an indicator of profit). The current DST regimes do not follow this concept and we therefore do not support any unilateral digital taxes. We also have concerns about double taxation, and the detrimental effect on loss-making or low profit margin companies. In addition, there should be certainty that any introduced DST is temporary in nature and revoked immediately if international consensus is achieved by the OECD.

We are therefore supportive of one, single global solution that has a clearly articulated principled approach to properly address the specific tax challenges associated with the digital economy and is agreed at an international level. This single global solution should immediately supersede all unilateral DSTs.

Vodafone's Tax Principles and Strategy

Tax laws are often unclear and subject to a broad range of interpretations. When combined with the unavoidably complex financial affairs of large multinational companies, this can lead to uncertainty and, on occasion, unpredictable outcomes.

Vodafone operates within a clearly defined governance framework on tax that is designed to provide certainty for all stakeholders with an interest in our tax affairs. We have a long-established Tax Strategy that is underpinned by our Tax Principles and supported by our Tax Risk Management Policy (first published in 2009) and includes our Tax Code of Conduct (first published in 2007). This Tax Policy is mandatory for all our local operating markets and any associated legal entities, and we encourage our joint ventures and associates to follow similar principles to those we have outlined.

Our tax governance framework is overseen by the Group Executive Committee as well as the Audit and Risk Committee of the Vodafone Group Plc Board, with key issues reviewed at least twice a year.

Vodafone's Tax Principles

We employ professionals who are responsible for our tax affairs in every country in which we operate. Our tax teams must follow a clearly defined set of principles and behaviours, along with our Tax Strategy, [Code of Conduct](#) and Tax Risk Management Policy, which are also aligned with the Vodafone Group Code of Conduct. These Principles state that:

We will:

- comply fully with all relevant legal and regulatory obligations in line with our broader social responsibilities and our stakeholders' expectations;
- act with integrity in all tax matters, disclosing all relevant facts to tax authorities in all countries in which we operate under a policy of full transparency and based on open and honest relationships with those authorities;
- pursue clarity and predictability on all tax matters, wherever feasible; and
- seek to protect shareholder value in line with our broader fiduciary duties.

We will not:

- seek to establish arrangements that are artificial in nature, are not linked to genuine business requirements and would not stand up to scrutiny by the relevant tax authorities;
- artificially transfer profits from one jurisdiction to another to minimise tax payments; or
- pay more tax than is properly due under a reasonable interpretation of the law and upon receipt of a lawful demand.

Key components of our Tax Strategy



Compliance

In all territories in which we operate, ensure that there is integrity in all reported tax numbers, timely compliance with relevant statutory tax obligations and payment of all taxes due under the rules set by governments.



Transparency

Support responsible taxation through a transparent relationship with tax authorities. Manage the Group's reputation through an appropriate, externally published, tax policy, and clear reporting on our tax and economic contributions.



Tax cost and risk management

Ensure the Group has a sustainable, effective tax rate and cash taxes. Manage all tax costs and risks in accordance with the Tax Risk Management Policy and robustly defend tax positions for the benefit of the Group's stakeholders.



Constructive engagement

Engage with governments, authorities and other bodies constructively and cooperatively in the interests of all our stakeholders, and support development of effective tax systems, laws and administration.



People

Be a great place to work and develop for all our people. Ensure there is a diverse and inclusive working environment with a focus on continual professional development and digital skills, and be a respected world-class tax team.



Business partnering

Be recognised as a trusted and vital partner by our business stakeholders and customers, facilitating solutions that align with the commercial aims and overall business strategy of the Group.

European Commission illegal state aid investigations

UK Controlled Foreign Companies (CFC) rules

In October 2017, the European Commission announced it had commenced a formal state aid investigation into certain aspects of the UK's CFC rules. The investigation focuses on the Group Financing Exemption (GFE), which essentially subjects profits from overseas financing to UK tax at an effective rate of up to 4.75%. The investigation will consider whether this exemption, allowed under the UK tax rules, constitutes illegal state aid.

As we were party to litigation in relation to our Luxembourg financing activities under the previous CFC rules, and as an interested party who could potentially be impacted by any outcome of the investigation, we welcomed the opportunity to submit observations to the Commission. We shared our view on issues including European and UK law, comparable legal and factual situations, proportionality and appropriate reference points.

In April 2019, the European Commission published its full decision in relation to

its investigation into the GFE in the UK's controlled foreign company rules and whether the GFE constituted unlawful state aid. It concluded the GFE does not constitute unlawful state aid when the managing of the financing activities is properly established outside the UK.

We undertake no artificial tax avoidance activities in respect to our Luxembourg financing activities (or any other subsidiary or activity). Our Luxembourg entities are properly established and carry out genuine economic activities. We therefore do not believe that questions of artificiality arise in any analysis of our business and do not expect any adverse findings as a result of the Commission's investigation.

Advance tax agreements

Vodafone has received advance tax agreements from the Luxembourg authorities in order to confirm that the standard provisions of the Luxembourg tax regime apply to our facts and circumstances. Such agreements are a standard part of most countries'

administrative tax practices, are open to any company and do not in themselves constitute state aid if they merely give certainty to a company as to how the relevant laws are to be applied in practice (whether in relation to complex commercial transactions or to areas of uncertainty in domestic or international tax law). These agreements may be provided on an informal or formal basis.

In the Commission's view, the tax rulings provided in the cases under investigation went far beyond simple advance tax agreements, to the extent that the companies involved allegedly gained an advantage over their competitors. Vodafone has not entered into any special agreements with the Luxembourg tax authorities and none of our interactions amount to any form of bespoke arrangement with, or preferential treatment from, those authorities. We are therefore not the focus of any related European Commission investigation.





Political engagement and our contribution to the development of tax policy

When governments look to develop or change tax policy, they invariably seek input from a wide range of interested stakeholders, including business advocacy groups and a large number of individual companies. Vodafone regularly engages with governments – typically through public consultation processes or in our role as a member of an industry group – to provide our perspective on how best to balance the need for government revenues from taxation against the need to ensure sustainable investment.

We are active participants in:

- the European Roundtable of Industrialists (ERT) on finance and taxation;
- the tax policy committee of the European Telecommunications Network Operators' Association (ETNO); and
- the GSMA, which represents the mobile industry when looking at emerging issues across the EU.

We have also shared our insights as a multinational operator with the European Commission Directorate-General for Taxation and Customs Union (DG TAXUD).

We have many local engagements; for example, in our local markets we:

- actively participate in the tax policy committees of Assotelecomunicazioni and the Confindustria Digitale in Italy;
- contribute to the tax committees of telecommunications industry organisations in Germany that work on legal developments of tax policy and on tax administration, including the interpretation and application of tax law;
- are a leading industry representative in the UK government's business forum on Business Tax and Competitiveness that aims to establish a more competitive UK tax system;
- are active participants in the African Industries Tax Association; and
- actively engage in various industry and economic forums in Tanzania and the Democratic Republic of Congo (DRC), with the support of the GSMA, and also frequently participate in tax policy discussions at specific tax conferences in Africa where both revenue authorities and corporates are represented.

We welcome engagement with civil society groups, NGOs and corporate tax activists, many of whose insights have shaped this report over the years. In particular, we are grateful to Oxfam and Action Aid for their detailed feedback and observations in that time.

We are a founding member of the [B Team's Responsible Tax Principles](#) and an active contributor to those principles, which are designed to improve the way businesses consider tax as part of their financial approach.

Vodafone's commitment to B Team's Responsible Tax Principles and our alignment with GRI-207

The B Team is a group of members from civil society organisations, systems experts, sustainability pioneers, economists, entrepreneurs and corporate houses who have come together to discuss the role of the private sector in addressing the world's most pressing problems and also to work towards achieving the United Nations SDGs agreed by all nations in 2015.

The B Team has developed a set of tax principles with a group of leading companies (including Vodafone), along with involvement from civil society, investors and representatives from civil society.

Vodafone's policies and its implementation are principally in alignment with B Team's Responsible Tax Principles.

Summary of the B Team's Responsible Tax Principles and our adherence to them:

Principle	Vodafone's compliance summary	Reference and remarks
Principle 1 – Accountability & Governance Tax is a core part of corporate responsibility and governance and is overseen by the board of directors (the Board).	Compliant	Refer to: <ul style="list-style-type: none"> • Vodafone's Tax Principles and Strategy; and • para 3 of Vodafone's Tax Risk Management Policy.
Principle 2 – Compliance We comply with the tax legislation of the countries in which we operate and pay the right amount of tax at the right time, in the countries where we create value.	Compliant	Refer to para 2.2 of Vodafone's Tax Risk Management Policy.
Principle 3 – Business Structure We will only use business structures that are driven by commercial considerations, are aligned with business activity and which have genuine substance. We do not seek abusive tax results.	Compliant	A full list of all of our subsidiaries, joint arrangements and associated undertakings is found on page 221 of our 2020 Annual Report. We explain where we have entities in tax havens and the activities these businesses carry out. We are fully transparent about the same. Please refer to Vodafone, Luxembourg and tax havens .
Principle 4 – Relationship with Authorities We seek, wherever possible, to develop cooperative relationships with tax authorities, based on mutual respect, transparency and trust.	Compliant	Refer to para 2.3 of Vodafone's Tax Risk Management Policy .
Principle 5 – Seeking & Accepting tax Incentives Where we claim tax incentives offered by government authorities, we seek to ensure that they are transparent and consistent with statutory or regulatory frameworks	Compliant	We do not receive any tax incentives from government that are not available to all and stated in the local tax statutes.
Principle 6 – Supporting Effective Tax Systems We engage constructively in national and international dialogue with governments, business groups and civil society to support the development of effective tax systems, legislation and administration.	Partially compliant	We seek to engage with governments in markets where we have significant presence, including developing countries. This can be challenging, however, especially if there is not a sufficient level of trust and/or spirit of cooperative compliance between the parties.
Principle 7 – Transparency We provide regular information to our stakeholders, including investors, policy makers, employees, civil society and the general public, about our approach to tax and taxes paid.	Partially compliant	We are fully transparent on all the required information to all our stakeholders, and the information can be found in this report and on our website . We do not have any material tax incentives to disclose.

GRI-207 – Tax standard

The Global Reporting Initiative (GRI) launched a new standard on Tax in 2019, GRI-207. The standard requires companies who report under the GRI framework to disclose information about their approach to

tax, including information relating to their governance, risk management and how they approach stakeholder engagement. The standard also requires disclosure of tax information on a country by country basis.

Vodafone does not report under the GRI Standards, but we do prepare our sustainability reporting with reference to the Standards. The table below sets out where information required by the GRI Standards can be found within our Tax and Economic Contribution (TEC) Report.

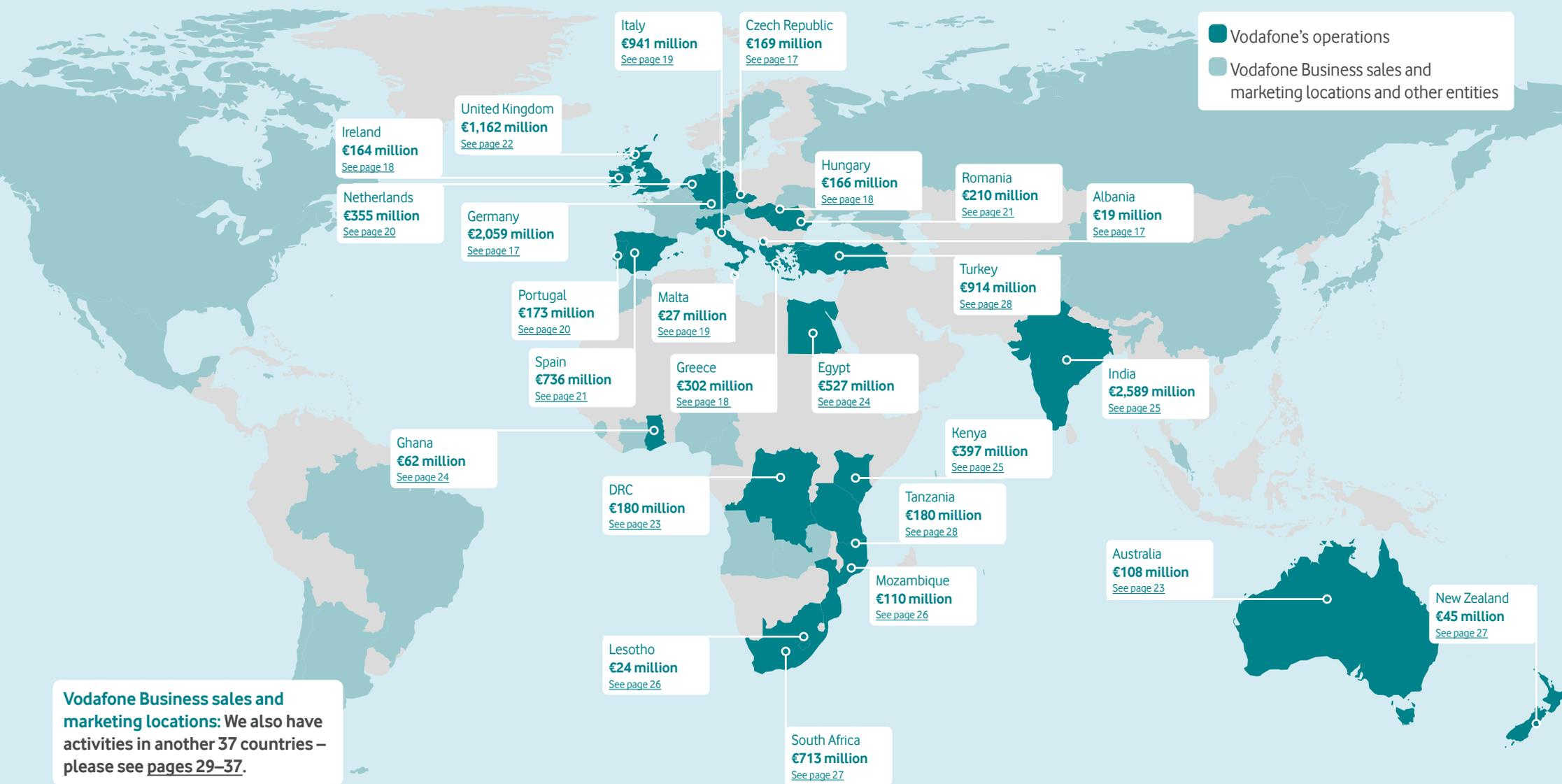
Tax disclosures	Requirement of the GRI disclosure standard	Whether Vodafone's report contains the information
Disclosure 207-1 Approach to tax	a. A description of the approach to tax, including: i. whether the organization has a tax strategy and, if so, a link to this strategy if publicly available; ii. the governance body or executive-level position within the organization that formally reviews and approves the tax strategy, and the frequency of this review; iii. the approach to regulatory compliance; iv. how the approach to tax is linked to the business and sustainable development strategies of the organization.	Yes
Disclosure 207-2 Tax governance, control, and risk management	a. A description of the tax governance and control framework, including: i. the governance body or executive-level position within the organization accountable for compliance with the tax strategy; ii. how the approach to tax is embedded within the organization; iii. the approach to tax risks, including how risks are identified, managed, and monitored; iv. how compliance with the tax governance and control framework is evaluated.	Yes
	b. A description of the mechanisms for reporting concerns about unethical or unlawful behavior and the organization's integrity in relation to tax.	See the Speak up section of Vodafone's Code of Conduct .
	c. A description of the assurance process for disclosures on tax and, if applicable, a reference to the assurance report, statement, or opinion.	The 2020 TEC Report has not been separately assured. The processes and governance used to prepare this report are the same as those followed in 2018 (and previous reports), which were assured. Further, the compliance to our Tax Risk Management Policy is undertaken by our second-line risk function and internal audit.
Disclosure 207-3 Stakeholder engagement and management of concerns related to tax	a. A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: i. the approach to engagement with tax authorities; ii. the approach to public policy advocacy on tax; iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.	Yes

GRI-207 – Tax standard

Tax disclosures	Requirement of the GRI disclosure standard	Whether Vodafone's report contains the information
Disclosure 207-4 Country-by-country reporting	a. All tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes.	Yes
	b. For each tax jurisdiction reported in the report: <ul style="list-style-type: none"> i. Names of the resident entities; ii. Primary activities of the organization; iii. Number of employees, and the basis of calculation of this number; iv. Revenues from third-party sales; v. Revenues from intra-group transactions with other tax jurisdictions; vi. Profit/loss before tax; vii. Tangible assets other than cash and cash equivalents; viii. Corporate income tax paid on a cash basis; ix. Corporate income tax accrued on profit/loss; x. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax. 	See the country by country section of our TEC Report. We do not disclose v. or ix. within our TEC Report, but we do publish our OECD country by country template, which includes this information, per jurisdiction on an aggregated basis. We provide a narrative description of x. where this information is meaningful to understanding our contributions in each jurisdiction.
	c. The time period covered by the information reported.	Yes
	Reporting recommendations: <ul style="list-style-type: none"> i. Total employee remuneration; ii. Taxes withheld and paid on behalf of employees; iii. Taxes collected from customers on behalf of a tax authority; iv. Industry-related and other taxes or payments to governments; v. Significant uncertain tax positions; vi. Balance of intra-company debt held by entities in the tax jurisdiction, and the basis of calculation of the interest rate paid on the debt. 	We currently disclose ii., iii. and iv. in our TEC Report.

Country overview

Total contributions made to governments across our operations



Introduction

In this section of the Report, we provide an overview of our total contribution to public finances for each country in which there is a registered Vodafone entity. These contributions are reported on an annual actual cash-paid basis, as we believe this is the most meaningful and transparent metric we can use when assessing a company's tangible role in helping to fund public services.

In the 2020 financial year, our local operating companies, holding companies' subsidiaries and other legal entities around the world paid €2.6 billion in direct taxes to governments in our countries of operation, plus €2.3 billion in other non-taxation-based fees and levies. Our total direct cash contribution to public finances during the year was therefore €4.9 billion.

The Report also includes our revenue and profit before tax for each country; our cumulative revenue in 2020 was €53.1 billion⁶ and our total profit before tax was over €200 million (see table on pages 42–44). We also collect large amounts of tax on governments' behalf; for example, Pay As You Earn (PAYE) income tax, employees' national insurance contributions, withholding

taxes, sales and consumption taxes: VAT and our 2020 indirect tax contribution was nearly €7.5 billion. In total, our cumulative contribution to public finances in all our countries of operation was therefore more than €12.4 billion. We also invested €8.9 billion in the networks and services relied upon by our customers.

International accounting rules governing the reporting of a multinational company's profit and loss tax liabilities and charges are complex and reflect a wide range of factors such as deferred taxation, losses, Group-level taxation and various provisions related to uncertain tax positions. The cash payments or reliefs arising from any one of those factors may also be felt several years in the future. As a result, therefore, there can be a variance between a multinational company's statutory reported numbers in a specific time period (particularly in territories with holding companies as well as a local operating company) and the actual cash paid numbers set out below⁷. For more detailed information about our Group financial performance, see our [Annual Report 2020](#).

For each country listed in this section of the Report, we provide a narrative summary of the activities undertaken in that jurisdiction, together with the total of registered Vodafone entities, including legacy and dormant

subsidiaries. The details of the individual entities can be found in Note 33 of our Annual Report 2020. This Report has been prepared using data presented in the Vodafone Group Plc Annual Report 2020.

The country by country reporting requirements set out by the OECD require, on a confidential basis, large multinational companies to disclose data similar to that provided here to national tax authorities. As previously stated, we support the OECD's approach, to which over 100 countries have committed. For transparency, and as we committed to do in our previous report, we have included our OECD country by country report in Appendix 3, along with the explanations we believe are necessary to be able to understand the numbers contained within it and why they differ from those disclosed below.

Data table definitions

The table of financial data for each country (including India, joint ventures and associates) consists of the information on [pages 16–40](#). We have no view on the merits of direct versus indirect taxation nor on the distinction between the revenues that flow to governments from taxation versus those obtained through other means, such as spectrum fees.

€12.4 billion contributed in cash to public finances

€2.6 billion in cash in direct taxes to governments

€2.3 billion to governments in other non-taxation-based fees and levies, such as spectrum licences

€8.9 billion invested in the networks and services relied upon by our customers

93,000 employees globally

⁶ See reconciliation to Group revenue on [page 55](#)

⁷ [Tax and British business, CBI, 2013](#)



Revenue

The revenue figure that we disclose for each country is the same as the turnover figure in our Group accounts; it is also synonymous with turnover or sales, as those terms are commonly understood.

We believe that the external revenue number is by far the most meaningful in terms of providing greater insight into the flow of money into a company – within the context of the total economic contribution that a company makes in each country in which it operates. This is different from the basis of the revenue metric contained in the OECD report calculation, which is broken down into both internal and external revenue; see [page 47](#) for further details.

Profit before tax

This represents the total taxable revenue in each country minus allowable expenses. This provides the starting point for the corporate tax calculations in each country, although – for a wide range of reasons – it may not necessarily reflect the agreed or final figure in the relevant tax return. The number excludes dividends as these relate to distributions of profits after tax between companies. It also excludes certain accounting adjustments that have no effect on the local taxable profit of the entities within each country.

Direct revenue contribution: taxation

This encompasses Vodafone's total direct tax contributions in each country, including corporation tax, business rates or equivalent, employers' national insurance contributions or equivalent, sector-specific taxes (such as 'special' taxes or 'telecoms' taxes) and other taxes, are listed on our [website](#). We also separately disclose the amount of corporation

tax we pay, by country. These, together with the other direct taxes paid, reflect cumulatively the total tax contributions paid to governments by the relevant Vodafone entities in each country.

Direct revenue contribution: non-taxation mechanisms

This encompasses all other forms of revenue raised in addition to a country's direct taxation regime, including telecoms licence fees, radio spectrum management fees, proceeds from revenue-sharing agreements, usage fees and proceeds from radio spectrum auctions. Examples of these payment types are listed on our [website](#).

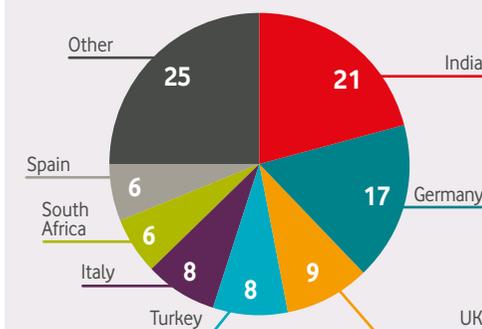
Indirect revenue contribution

This encompasses taxes collected by companies on behalf of national governments, including PAYE income tax, employees' national insurance contributions, withholding taxes, sales, and consumption taxes and VAT. These indirect contributions to government revenue would not be collected (or generated to the same extent) if we did not employ people and offer services or products to our customers who are responsible for paying the tax in question, or procure goods and services from our suppliers on which such taxes are due.

Capital investment

This includes our significant investments in building and maintaining the networks and services relied upon by the 415 million mobile and 25 million broadband customers around the world (as at March 2020). These investments are often taken into account by local tax authorities when determining corporate tax liabilities.

Total economic contributions to governments 2020 – %



Employment

This figure is the average number of people employed by our businesses in the 2020 financial year. This includes direct Vodafone employees as well as our relevant share of employees who work for our joint ventures, associates or other part-owned companies.

It is worth noting that these figures will also vary widely from country to country and from year to year as a result of local differences between, and annual movements in, factors such as levels of profit and capital investment. There are also wide variations in local taxation regimes and other government revenue-raising mechanisms, many of which change from year to year. For example, non-taxation-based revenues will typically be very high in a year during which a government benefits from the proceeds of a spectrum auction, but much lower in a year when no such auction takes place. It is therefore not possible to draw any meaningful conclusions when seeking to compare the financial data for one country with that of another.

Reporting by country

In the tables in this section, we aim to provide an informative overview of our activities in each of the countries in which we operate. This includes a summary of our activities in each location, a brief description of the purpose of those entities and the relevant financial data, all of which help to determine Vodafone's overall tax and economic contribution in a local market. We have removed the list of legal entities by jurisdiction as that information can be found on pages 221–226 of our [2020 Annual Report](#).

The countries included here extend beyond those in which we have an operating licence as a mobile and/or fixed-line telecoms provider and include three further categories:

- countries in which we maintain an active corporate function servicing the Group as a whole but where we do not operate as a communications provider;
- countries in which we have a legal entity focused on marketing, sales and client support for large corporate and multinational customers but do not operate as a communications provider; and
- countries in which we have legacy legal entities that were inherited as part of an acquisition in the past and that do not play an active role in the Group's overall structure or are otherwise dormant.

In a number of countries, we have holding companies that manage our subsidiary investments and joint ventures, and whose main source of income are dividends from their respective subsidiaries and joint ventures. Those dividends are paid from the profits that remain after we have paid tax to the government of the country in which the subsidiary company is located.

We do not artificially transfer profits from one jurisdiction to another to minimise tax payments.

Our holding companies are based in countries that provide a stable foundation for numerous multinational organisations and enable the efficient flow of funding between individual country businesses in a manner that is also transparent. As we explain in our Tax Principles, we do not enter into artificial arrangements (by which we mean arrangements that are not linked to genuine business requirements) that would not stand up to scrutiny by the relevant tax authorities; nor do we artificially transfer profits from one jurisdiction to another to minimise tax payments. Those Principles apply to all of our legal entities in all countries, including dormant entities in so-called tax

haven locations. As it takes time and money to liquidate those dormant entities, it is often simpler to retain them as inactive legacy entities with continued full disclosure to the relevant tax authorities.

In this Report, we do not cover Partner Market agreements with third-party local telecommunications operators where we have no operational control over, or shareholding in, those third parties. This remains true even where the local operator is permitted to use the Vodafone brand, as we do not have a shareholding in, or control over, those third parties. Branches are also not covered by this report.

As in previous years, the following tables also include the tax and economic contributions of our investments in associate companies (Safaricom, Indus Towers and Vodafone Idea) and joint ventures (including Vodafone Hutchison Australia⁸ and VodafoneZiggo in the Netherlands). Associates are entities where we do not have control but we do have influence over their operation. Joint ventures are companies where we have joint control with one or more parties. We believe it is important to include the contributions made by these entities as we have invested in these companies and those investments are part of Vodafone Group's activities; they are therefore included within our consolidated accounts. These companies are also responsible for important economic and social contributions wherever they operate. Details of these companies can be found on pages 227–228 of our [2020 Annual Report](#).

⁸ Now listed as TPG Telecom Limited on the Australian Stock Exchange following the completion of a merger with TPG Telecom Limited on 13 July 2020



Europe

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Albania									
2020	126	9	5	1	4	3	11	21	465
2019	124	10	3	1	3	7	13	20	398
	We are a significant international investor in Albania, where we operate mobile and fixed broadband services with 1.7 million customers as of 31 March 2020. We also provide communications services to Albanian businesses. We entered the market in 2001 through the award of a mobile licence. In February 2020, we acquired ABCOM to enhance our mobile businesses with broadband and pay TV services.								
Number of legal entities	1								
Czech Republic									
2020	703	68	36	20	16	8	125	100	2,304
2019	572	62	32	17	15	10	102	76	1,823
	We have one of the largest and most modern 4G networks in the Czech Republic, where we operate mobile and fixed-line services with 4.5 million customers as of 31 March 2020. We offer 3G and 4G coverage for the Czech population and provide communications services to Czech businesses. We entered the market in 2005 through the acquisition of Oskar Mobil. In August 2019, we completed the acquisition of UPC in the Czech Republic, providing fixed-line capability, transforming us into a converged player. The increases in contribution are due to UPC's results being included for the first time.								
Number of legal entities	8								
Germany									
2020	12,101	598	389	257	131	54	1,616	2,421	16,367
2019	10,452	118	348	239	109	37	1,355	1,817	14,620
	Vodafone Germany is one of the leading integrated communications companies in Germany, with almost 60 million SIM cards and 10.8 million fixed broadband customers. It offers mobile, fixed-line and TV services, as well as a comprehensive ICT portfolio for business customers, including secure cloud computing services hosted and operated within Germany. Vodafone's largest data centre is located in Germany and provides a range of IT services across the Group as a whole. In August 2019, we acquired the Unity Media business in Germany, creating a converged national challenger to the incumbent. Vodafone entered the market in 1993, when it acquired a 17% equity interest in E-Plus. In 1999, we acquired a 35% stake in Mannesmann Mobilfunk as a result of our merger with AirTouch, which also resulted in the disposal of our interest in E-Plus. In 2000, Vodafone completed its takeover of Mannesmann AG and took full control of what is now Vodafone Germany. We have a number of holding companies in the country. These companies only own assets in Germany and do not affect our overall local tax position. The increase in our tax contribution in 2020 is driven by the acquisition of Unity Media, with the additional employees and revenues driving the increase in corporation tax, employment taxes and VAT collected. Our direct non-tax contributions increased following our purchase of 5G spectrum in 2020.								

Number of legal entities	28								
	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Greece									
2020	958	78	59	22	37	8	234	110	2,281
2019	947	63	66	21	45	8	228	123	2,254
	We are a significant international investor in Greece, where we operate mobile, fixed-line and TV services with 5.4 million mobile and fixed broadband customers as of 31 March 2020. We also provide communications services to Greek businesses. We entered the market in 1992 when Panafon S.A. was awarded a mobile licence. In 2014, we acquired the Hellas Online fixed-line and TV business.								
Number of legal entities	6								
Hungary									
2020	735	45	68	58	10	20	78	112	4,081
2019	561	57	74	63	11	55	73	73	3,606
	We are a significant international investor in Hungary, where we operate mobile services with 3.8 million mobile customers as of 31 March 2020. We also provide communications services to Hungarian businesses. We entered the market in 1999 through the award of a mobile licence to Vodafone Hungary. We also operate a large shared services centre in Hungary that provides specialist finance, supply chain, HR and enterprise support to companies across the Vodafone Group as a whole. In August 2019, we completed the acquisition of UPC in Hungary, providing fixed-line capability, transforming us into a converged player. The decrease in the non-tax contribution is due to a payment for 5G spectrum that was made in 2019.								
Number of legal entities	2								
Ireland									
2020	965	19	21	21	<1	11	132	137	1,275
2019	977	17	23	21	3	11	118	143	1,329
	We are one of the largest international investors in Ireland, where we operate mobile and fixed-line services with 2.3 million customers as of 31 March 2020. We are also a significant provider of communications services to Irish corporate and public sector customers. We entered the market in 2001 through the acquisition of Eircell. We operate a data centre in Ireland that provides IT services to companies across the Group as a whole. Many of the legal entities in Ireland were inherited as a result of small local acquisitions to expand our Irish operations and most of these are now dormant. Three of the companies incorporated in Ireland are resident for tax purposes in the UK and their contributions are included under the UK.								
Number of legal entities	11								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Italy									
2020	5,623	583	173	87	86	44	723	798	6,663
2019	6,009	677	328	92	236	500	759	935	7,308
	<p>We are one of the largest international investors in Italy, where we operate mobile and fixed-line services with 22.1 million customers as of 31 March 2020. We are also a significant provider of communications services to Italian corporate and public sector customers, from small and medium-sized enterprises and municipalities to national agencies, central government and multinational companies.</p> <p>We entered the market in 1999 through the acquisition of our original stake in Omnitel as part of the merger with AirTouch. In 2014, we acquired one of the world's leading automotive machine-to-machine (M2M) companies, Cobra Group, now Vodafone Automotive, and located the headquarters of our global automotive Internet of Things (IoT) practice in the country. We also operate a data centre in Italy that provides a range of IT services to companies across the Vodafone Group as a whole. In March 2020, we merged our passive network infrastructure into Infrastrutture Wireless Italiane S.p.A. (INWIT) in return for a 37.5% holding. We disposed of a 4.3% stake in INWIT in April 2020.</p> <p>Our corporate tax contribution decreased during the year because of falling profits in 2019 and 2020.</p> <p>Non-tax contributions decreased due to lower payments for spectrum licences in the current year.</p>								
Number of legal entities	11								
Malta									
2020	81	89	10	1	9	4	14	11	342
2019	82	91	11	1	10	3	14	13	347
	<p>We have been a significant international investor in Malta, where the business operates mobile and fixed-line services with around 0.3 million customers as of 31 March 2020. Vodafone Malta also provides communications services to Maltese businesses. We entered the market in 1990 through the award of a mobile licence. We then completed the sale of our Maltese telecoms business to Monaco Telecom on 1 April 2020.</p> <p>Our global insurance operations remain based in Malta, where we provide services such as individual customer warranties for companies across the Vodafone Group as a whole.</p>								
Number of legal entities	2								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Netherlands									
2020	1,984	114	26	26	<1	<1	329	426	3,187
2019	1,941	46	27	27	-	<1	310	409	3,832
	<p>In December 2016, we merged our business, Vodafone Netherlands, with Liberty Global's Dutch business, Ziggo, to create VodafoneZiggo, in which we have a 50% interest. VodafoneZiggo is a unified communications provider and operates mobile, fixed-line video and broadband services, and has in total 8.5 million customers as of 31 March 2020. The business is also a significant provider of communications services to Dutch corporate and public sector customers, from small and medium-sized enterprises and municipalities to national agencies, central government and multinational companies. We originally entered the market in 1995 through the award of a mobile licence to Vodafone Libertel BV.</p> <p>The Netherlands is also Vodafone's main holding company location as the country offers:</p> <ul style="list-style-type: none"> • a stable economic and political environment; • an extensive network of international bilateral treaties designed to protect companies investing overseas; • a commitment to providing certainty in advance on tax matters; and • a long-established principle of capital import neutrality under which the Netherlands authorities do not levy additional taxes on investments overseas by companies based in the Netherlands when specific conditions are met. <p>Our holding companies in the Netherlands own the majority of the Group's international assets, which makes it more straightforward for us to invest in expanding our businesses worldwide. This is particularly important for our emerging markets companies, whose access to capital would be severely constrained if they were limited to local sources of financing only.</p> <p>The profits of VodafoneZiggo have been offset against losses from earlier years, meaning no corporate tax was payable in 2019 or 2020.</p>								
Number of legal entities	40								
Portugal									
2020	1,083	56	11	9	2	30	132	182	1,395
2019	1,028	50	39	14	24	30	125	222	1,397
	<p>We are one of the largest international investors in Portugal, where we operate mobile, fixed-line and TV services with 4.7 million mobile customers and 0.7 million fixed broadband customers as of 31 March 2020. We entered the market in 1999 following the merger with the AirTouch group under which we acquired Telecel.</p> <p>Our corporate tax payments have decreased as a result of the government incentive to stimulate investment described in our 2018 Tax and Economic Contribution (TEC) Report.</p>								
Number of legal entities	5								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Romania									
2020	911	(50)	18	8	10	33	159	126	5,998
2019	800	9	12	2	10	25	130	108	4,748
	<p>We are a significant international investor in Romania, where we operate mobile services with 9.3 million customers as of 31 March 2020. We also provide communications services to Romanian businesses. In August 2019, we completed the acquisition of UPC in Romania, providing fixed-line capability and transforming us into a converged player with 0.7 million customers as of 31 March 2020. We entered the market in 2005 through the acquisition of Mobifon, and in 2014 we established a financial services business to bring the M-Pesa mobile money service to Romanian society; however, it ceased operations in December 2017. We also operate a large technology shared services centre in Romania that provides specialist back-office and technology support to companies across the Vodafone Group as a whole. The increase in all our contributions in 2020 mainly arose as a result of the acquisition of UPC Romania.</p>								
Number of legal entities	8								
Spain									
2020	4,308	(518)	207	206	<1	130	399	762	4,381
2019	4,681	(633)	174	174	<1	126	434	814	5,204
	<p>We are one of the largest international investors in Spain, where we operate mobile, fixed-line and TV services with 16.7 million customers as of 31 March 2020. We are also a significant provider of communications services to Spanish corporate and public sector customers, from small and medium-sized enterprises and municipalities to national agencies, central government and multinational companies. We entered the market in 2000 when Vodafone Group acquired a stake in Airtel Movil, which was awarded its first mobile licence in 1995. In 2014, we acquired the ONO Group, which offers cable TV and fixed-line services. We incurred a loss in Spain in both the 2020 and 2019 financial years as a result of an intense competitive environment. That has meant the profits earned by our business have not been sufficient to cover the interest costs on Spain's historic debt financing, including debt that financed spectrum licences and the acquisition of the ONO Group. The increase in our direct tax contribution is mainly due to municipal taxes paid for previous years following criteria issued by the Supreme Court.</p>								
Number of legal entities	8								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
United Kingdom									
2020	7,738	(1,055)	243	209	33	59	861	1,211	15,315
2019	7,197	(870)	231	216	16	478	849	1,535	16,615
	<p>Vodafone was founded in the UK more than 30 years ago and the country remains the domicile of the Group. As Vodafone has expanded internationally, the UK accounts for less than 1% of the Group's total adjusted operating profit as of 31 March 2020. More than 93% of our customers and around 85% of our employees are outside the UK.</p> <p>We are one of the largest private infrastructure investors in the UK, where we operate mobile and fixed-line services with 18.8 million customers as of 31 March 2020. We are also a significant provider of communications services to UK corporate and public sector customers, from small and medium-sized enterprises and local government departments to central government and some of the world's largest multinational companies.</p> <p>In addition to the Vodafone UK local operating business, the Group's core global functions are located in the UK. These include the corporate headquarters that provide professional support services to companies across the Group as a whole. For example, the Vodafone brand (and associated intellectual property assets) and global brand management teams are located within the UK. This means that under transfer pricing arrangements (explained on our website), which have been agreed with tax authorities around the world, all of the Group's operating businesses pay royalty fees into the UK for the use of the Vodafone brand and to fund the activities of the team that oversees it. Similarly, the global function that supports the Group's affiliate Partner Market network is also based in the UK. We also have a number of UK holding companies (which ultimately own the entire Group) as well as companies that manage the external treasury activities of the Group as a whole.</p> <p>Non-tax contributions were lower in 2020 due to the acquisition of 5G spectrum in the prior year.</p> <p>The profit earned in the UK during 2020 is lower year on year due to increased interest costs as a result of the Group's acquisition of Liberty Global's operations in Germany and Central Europe.</p> <p>Our long history in the UK means that we have a significant number of legal entities linked to past mergers and acquisitions or discontinued lines of business that play no active role in the Group today. 41% of all Vodafone legal entities in the UK are dormant but remain registered for the reasons we explained on page 16. In the last two years, we have been able to close down 49 companies that no longer play an active role in the Group.</p>								
Number of legal entities	120								

Africa, Middle-East and Asia-Pacific

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Australia									
2020	1,059	(74)	13	11	1	45	51	123	1,126
2019	1,152	(23)	15	13	2	65	62	171	1,250
	<p>In Australia, our 50–50 joint venture with Hutchison Telecommunications (Australia) Limited had 5.5 million customers as of 31 March 2020. We first entered the market in 1992 through the award of a mobile licence to Vodafone Pty Limited and established the joint venture with Hutchison in 2009. Vodafone Hutchinson Australia merged with TPG Telecom in July 2020. Following the merger, Vodafone owns 25.05% of TPG Telecom.</p> <p>Spectrum licences were acquired in 2019, leading to higher non-tax contributions in this year, which were not present in 2020.</p>								
Number of legal entities	19								
Democratic Republic of Congo									
2020	460	(3)	25	20	5	63	91	57	580
2019	409	(3)	31	26	5	43	80	63	589
	<p>Vodacom Congo is the second largest mobile operator in Democratic Republic of Congo (DRC), with 13.8 million customers as of 31 March 2020.</p> <p>Vodacom Congo (RDC) SA is a subsidiary of the South Africa-based Vodacom Group Limited, which owns 51% of the company. Congo Wireless Network owns the remaining interest. Vodacom entered DRC in 2002 through the award of a mobile licence. Vodacom Congo also operates mobile financial services through Vodacash SA (also known as M-Pesa in other markets), providing mobile money transfer, savings and credit services to people who are unable to access traditional banking systems.</p> <p>In 2020, we renewed licence fees, resulting in an increase in our non-tax contributions.</p>								
Number of legal entities	2								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Egypt									
2020	1,457	420	136	33	104	110	280	268	9,906
2019	1,115	354	101	27	74	66	231	202	9,213
	<p>We are a significant international investor in Egypt, where we operate mobile services with 40.2 million mobile customers and 0.7 million fixed broadband customers as of 31 March 2020. We also provide communications services to Egyptian businesses. We own 54.9% of Vodafone Egypt (the remaining stake is owned by Telecom Egypt) and entered the market in 1998 through the award of a mobile licence. We also operate a large technology shared services centre in Egypt that provides IT and customer support to companies across Vodafone Group as a whole.</p> <p>Our direct tax contributions increased due to the increased profits of the business in Egypt but also due to a new law introduced in January 2020, which increased the social security tax paid by employers. The growth in revenue also drove higher spectrum licence fees and increased VAT collected. These drove the increases in our non-tax and indirect tax contributions respectively.</p>								
Number of legal entities	7								
Ghana									
2020	218	(56)	5	5	1	7	50	40	808
2019	244	(253)	13	5	8	9	52	36	1,008
	<p>We are a significant international investor in Ghana, where we operate mobile and fixed-line services with 8.9 million customers as of 31 March 2020. We also provide communications services to Ghanaian businesses. We own 70% of Vodafone Ghana (the remaining 30% is owned by the Ghanaian government) and entered the market in 2008 through the acquisition of Ghana Telecom. Vodafone Ghana also provides mobile financial services through M-Pesa, enabling people who are unable to access traditional banking systems to benefit from money transfer, savings and credit services.</p> <p>Our business in Ghana operates in a market where the profits we can generate by providing services to customers (as described above) do not yet cover the cost of funding the investments needed to build and run the required network and operations.</p>								
Number of legal entities	3								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
India									
2020	3,566	(3,027)	164	81	82	1,338	1,087	745	18,273
2019	4,006	(4,438)	315	195	120	792	1,250	804	20,559
	<p>We are one of the largest international investors in India, where we operate mobile and fixed-line services with 297 million customers as of 31 March 2020. We are also a significant provider of communications services to Indian corporate and public sector customers, from small and medium-sized enterprises and municipalities to national agencies, central government and multinational companies.</p> <p>We entered the market in 2007 through the acquisition of assets owned by Hutchison. Local rules limiting the extent to which non-Indian shareholders could own assets in certain sectors led to unavoidably complex ownership arrangements until 2013, when we were permitted to acquire the remaining interests held by minority investors and were then able to begin to rationalise our overall corporate structure in India – a process that continues. In 2018, Vodafone India merged with Idea Cellular to form Vodafone Idea Limited and we hold 44.4% of the combined business.</p> <p>Because of the challenging environment in India, we again incurred a loss in 2020, as the spectrum costs, investment in our networks and the interest costs incurred with local Indian banks exceeded the profit we made from providing our services to customers.</p> <p>The impact of the Supreme Court decision in the adjusted gross revenue (AGR) case is reflected in the 2020 loss before tax, and the payments we have subsequently made contribute to the increased direct non-tax contribution for the year.</p> <p>We operate large technology shared service centres in India that provide specialist back-office and technology support to companies across the Group as a whole.</p> <p>We also own 42% of Indus Towers, one of the world's largest mobile transmission tower companies, which provides the passive infrastructure for the network for Vodafone Idea and one of its competitors. In November 2020, Indus Towers merged with Bharti Infratel and as a result we now own 28.1% of the combined company.</p> <p>The tax treatment of the 2007 acquisition remains the focus of an ongoing dispute with the Indian government, which is explained on our website.</p> <p>The reductions in our direct and indirect tax contributions in 2020 were due to the continued challenging environment in India. The direct tax contributions were also lower, as 2019 included tax payments relating to the merger of Vodafone India with Idea Cellular.</p>								
Number of legal entities	31								
Kenya									
2020	927	368	262	152	110	21	114	127	1,823
2019	861	435	218	113	104	19	126	128	1,805
	<p>We are one of the largest international investors in Kenya, where our associate Safaricom (26.13% owned by Vodafone) operates mobile services with 35.7 million customers as of 31 March 2020. Safaricom also provides communications services to Kenyan corporate and public sector customers. Vodafone entered the Kenyan market in 2000 through the acquisition of our stake in Safaricom. Other legal entities include the companies responsible for the M-Pesa mobile money service, the most popular financial technology platform in Africa. M-Pesa was originally launched in Kenya and it remains a mainstay of the country's financial system, used by millions of Kenyans every day.</p> <p>Direct tax contributions were higher in 2020 due to an increase in excise duties as well as an increase in revenues.</p>								
Number of legal entities	4								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment	
			Total paid	Split between: Direct taxes Corporate tax					
Lesotho									
2020	84	28	8	1	7	6	10	11	227
2019	82	31	7	<1	7	5	9	13	217
	<p>Vodacom Lesotho is the largest mobile operator in Lesotho, providing the network and services relied upon by 1.7 million customers as of 31 March 2020.</p> <p>Vodacom Lesotho (Pty) Limited is a subsidiary of the South Africa-based Vodacom Group Limited, through Vodacom International Holdings Pty Limited, which owns 80% of the company. The remaining interest in Vodacom Lesotho is owned by Sekhametsi Enterprises (Pty) Limited. Vodacom entered Lesotho in 1996 through the award of a mobile licence. Vodacom Lesotho also provides mobile financial services through M-Pesa, enabling customers to benefit from money transfer, savings, credit and other financial services.</p> <p>The increase in our indirect revenue contribution is due to an increase in the VAT rate for telecommunications services.</p>								
Number of legal entities	1								
Mozambique									
2020	352	107	35	6	29	40	34	72	570
2019	300	80	35	4	31	12	30	66	541
	<p>Vodacom Mozambique is the second largest mobile operator in Mozambique, providing networks and services relied upon by 7.7 million customers as of 31 March 2020.</p> <p>Vodacom Mozambique – VM SA – is a subsidiary of the South Africa-based Vodacom Group Limited, which owns 85% of the company. The remaining interests are owned by Interlec Holdings Limited (6.5%), Whatana Investments Limited (6.5%) and various other minority shareholders. Vodacom entered Mozambique in 2003 through the award of a mobile licence. Vodafone M-Pesa SA enables customers to benefit from money transfer, savings, credit and other financial services.</p> <p>In 2020, our non-tax contributions increased due to telecoms licence renewals and acquiring 4G spectrum licences.</p>								
Number of legal entities	2								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
New Zealand									
2020	394	53	8	5	3	<1	37	42	2,348
2019	1,161	22	35	18	17	1	109	150	2,771
	<p>We sold our business in New Zealand in July 2019. Prior to this, we were a significant international investor in New Zealand, where Vodafone New Zealand operated mobile, fixed-line and TV services. Vodafone New Zealand was also a significant provider of communications services to the country's corporate and public sector customers.</p> <p>We entered the market in 1998 through the acquisition of BellSouth's New Zealand operations, and in 2012 we acquired the TelstraClear fixed-line and TV business. In 2018, we acquired a rural fixed-line provider, BayCity Communications Limited and its associated companies, in two separate transactions, further extending the reach of the business.</p> <p>The 2020 contributions only include those made by Vodafone New Zealand prior to the disposal in July 2019. Following the disposal, we have continued to operate a branch in New Zealand, providing procurement support services to our Partner Market in New Zealand.</p>								
Number of legal entities	1								
South Africa									
2020	4,150	942	336	34	303	26	350	599	5,439
2019	4,275	1,161	358	31	327	27	354	599	5,354
	<p>Vodafone owns 64.5% of the Vodacom Group; the remaining 35.5% is publicly owned through a listing on the Johannesburg Stock Exchange. Vodacom is a pan-African tech provider and is one of the continent's largest public companies. Vodacom owns our operating businesses in DRC, Lesotho, Mozambique, South Africa and Tanzania, and it also owns 35% of Safaricom.</p> <p>The majority of Vodacom's revenues are derived from its biggest operating company, Vodacom South Africa (Pty) Limited, which was founded in 1994. In the South African market, Vodacom South Africa is the largest mobile operator and provides mobile and fixed-line services to over 45.2 million customers as of 31 March 2020. Vodafone acquired a majority interest in Vodacom Group in 2009.</p> <p>Vodacom Group owns several holding companies in South Africa – its country of domicile – as well as an insurance business that provides services to companies across the Vodacom Group. There are also a number of dormant companies with no active role in either Vodafone Group or Vodacom Group.</p>								
Number of legal entities	26								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Tanzania									
2020	404	21	35	10	25	20	125	60	557
2019	387	53	25	2	23	17	110	65	540
	<p>Vodacom Tanzania is the largest mobile operator in Tanzania with 15.5 million customers as of 31 March 2020.</p> <p>Vodacom Group Limited owns 75% of Vodacom Tanzania. 25% of the company is listed on the Dar es Salaam Stock Exchange following an IPO in August 2017.</p> <p>Vodacom entered the market in 2000 through the award of a mobile licence. It also provides mobile financial services through M-Pesa, enabling customers to benefit from money transfer, savings, credit and other financial services.</p>								
Number of legal entities	6								
Turkey									
2020	2,358	35	331	292	39	213	369	260	3,111
2019	2,350	(35)	311	271	40	220	353	249	3,262
	<p>We are a significant international investor in Turkey, where we operate mobile and fixed-line services with 24.6 million customers as of 31 March 2020. We are also a significant supplier of communications services to Turkish corporate and public sector customers. We entered the market in 2005 following our acquisition of the assets of Telsim. We have a holding company that owns our Turkish operating business. We also operate a technology R&D centre that provides specialist expertise to companies across the Group as a whole.</p> <p>Improved performance of the business led to higher bonus payments and increased VAT collected, driving the increases in direct and indirect contributions respectively.</p> <p>The decrease in non-tax contributions are due to payments for treasury share liabilities for earlier years made in 2019.</p>								
Number of legal entities	9								

Vodafone Business sales and marketing locations

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax				
Angola								
2020	1	1	<1	<1	-	-	-	-
2019	2	<1	<1	<1	-	<1	-	8
	Vodacom Business Limitada is a business-focused ICT subsidiary of the Vodacom Group through Vodacom Business Africa Group (Pty) Limited (VBA). VBA provides a range of communications services – from mobile and fixed-line connections to IoT and cloud computing – to both Vodafone and Vodacom's large corporate and multinational customers that have a presence across Africa. Vodacom disposed of the Angolan business in March 2020.							
Number of legal entities	1							
Argentina								
2020	-	<1	-	-	-	<1	-	-
2019	-	<1	-	-	-	<1	-	-
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers in the country.							
Number of legal entities	1							
Austria								
2020	-	(1)	-	-	-	<1	(1)	-
2019	<1	<1	-	-	-	<1	<1	-
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	1							
Bahrain								
2020	2	1	-	-	-	<1	<1	-
2019	1	<1	-	-	-	<1	-	-
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	1							

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Belgium									
2020	<1	<1	1	1	-	<1	1	<1	16
2019	<1	1	1	1	-	<1	1	<1	21
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. The entity also acts as our representative office in engaging with Brussels-based European institutions.								
Number of legal entities	1								
Brazil									
2020	-	(2)	<1	<1	<1	-	<1	-	-
2019	<1	(4)	<1	<1	-	-	<1	<1	1
	Our local legal entities provide marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. The company that supported Vodafone Automotive is in the process of being closed down.								
Number of legal entities	3								
Bulgaria									
2020	-	-	<1	-	<1	-	<1	-	-
2019	-	-	<1	-	<1	-	-	-	-
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
Cameroon									
2020	3	<1	<1	-	<1	-	1	<1	-
2019	5	1	<1	<1	-	-	1	<1	31
	Vodacom Business Cameroon SA is a business-focused ICT subsidiary of the Vodacom Group through Vodacom Business Africa Group (Pty) Limited (VBA). VBA provides a range of communications services – from mobile and fixed-line connections to IoT and cloud computing – to both Vodafone and Vodacom's large corporate and multinational customers who have a presence across Africa.								
Number of legal entities	1								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment	
			Total paid	Split between: Direct taxes Corporate tax					
Canada									
2020	-	<1	<1	<1	<1	-	<1	-	4
2019	-	(2)	<1	<1	-	-	<1	-	4
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
Chile									
2020	-	<1	-	-	-	-	-	-	-
2019	-	<1	<1	<1	-	-	<1	-	1
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
China									
2020	1	(1)	<1	<1	<1	-	1	<1	24
2019	4	(1)	<1	<1	<1	-	1	<1	22
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. We also operate a company supporting Vodafone Automotive.								
Number of legal entities	4								
Côte d'Ivoire									
2020	1	<1	<1	<1	<1	<1	<1	<1	-
2019	2	(1)	<1	<1	-	<1	<1	-	8
	Vodacom Business Cote d'Ivoire S.A.R.L. is a business-focused ICT subsidiary of the Vodacom Group through Vodacom Business Africa Group (Pty) Limited (VBA). VBA provides a range of communications services – from mobile and fixed-line connections to IoT and cloud computing – to both Vodafone's and Vodacom's large corporate and multinational customers who have a presence across Africa. Vodacom disposed of the business in Côte d'Ivoire in March 2020.								
Number of legal entities	n/a – sold in 2020								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment	
			Total paid	Split between: Direct taxes Corporate tax					
Denmark									
2020	-	<1	<1	-	<1	-	<1	2	-
2019	-	<1	-	-	-	<1	<1	<1	-
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
Finland									
2020	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-
	Our local legal entity provides connectivity for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
France									
2020	13	(3)	7	3	3	-	2	6	80
2019	19	4	2	1	1	<1	<1	4	45
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. We also operate a company supporting Vodafone Automotive.								
Number of legal entities	4								
Hong Kong									
2020	54	5	1	1	-	<1	<1	1	74
2019	60	(2)	1	1	<1	<1	<1	3	79
	Our local legal entities provide marketing, sales and client support for Vodafone's large corporate and multinational customers.								
Number of legal entities	1								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment	
			Total paid	Split between: Direct taxes Corporate tax					
Japan									
2020	3	<1	<1	<1	<1	-	<1	1	15
2019	6	<1	<1	<1	<1	-	1	1	13
	Our local legal entities provide marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. We also operate a company supporting Vodafone Automotive.								
Number of legal entities	3								
Malaysia									
2020	2	1	<1	-	<1	<1	<1	-	-
2019	2	(1)	<1	-	<1	<1	<1	<1	-
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
Mexico									
2020	-	<1	<1	-	<1	-	<1	-	1
2019	-	<1	-	-	-	-	<1	-	2
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
Nigeria									
2020	24	1	2	2	<1	1	2	1	-
2019	28	2	2	1	1	2	3	3	201
	Vodacom Business Africa (Nigeria) Limited is a business-focused ICT subsidiary of the Vodacom Group through Vodacom Business Africa Group (Pty) Limited (VBA). VBA provides a range of communications services – from mobile and fixed-line connections to IoT and cloud computing – to both Vodafone's and Vodacom's large corporate and multinational customers who have a presence across Africa. Vodacom disposed of its Nigerian business in March 2020.								
Number of legal entities	n/a – sold in 2020								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax				
Norway								
2020	-	<1	<1	-	<1	-	-	-
2019	-	<1	<1	-	<1	-	-	-
	We have one legal entity in Norway, which is currently dormant. We also have a branch of the UK business, which provides marketing, sales and client support for its large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	2							
Oman								
2020	-	-	-	-	-	-	-	-
	We have one legal entity in Oman, supporting our Partner Market in the country. The company was dormant in the 2020 financial year.							
Number of legal entities	1							
Poland								
2020	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
	We have one legal entity in Poland, which is currently dormant.							
Number of legal entities	1							
Russia								
2020	<1	<1	<1	<1	<1	<1	-	3
2019	<1	<1	<1	<1	<1	<1	<1	4
	Our local legal entities provide marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. We also operate a company supporting Vodafone Automotive.							
Number of legal entities	2							

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax				
Serbia								
2020	-	-	<1	-	<1	-	-	-
2019	-	-	-	-	-	-	-	-
	We have a branch in Serbia, which holds a telecoms licence allowing us to provide support for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	1							
Singapore								
2020	45	(5)	1	1	<1	-	1	6
2019	53	(1)	1	1	(1)	1	1	3
	Our local legal entities provide marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	1							
Slovakia								
2020	-	-	-	-	-	-	-	-
	Our local branches provide connectivity for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	2							
South Korea								
2020	8	(1)	<1	<1	-	<1	<1	7
2019	9	(1)	<1	<1	-	-	1	6
	Our local legal entities provide marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. We also operate a company supporting Vodafone Automotive.							
Number of legal entities	2							

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax				
Sweden								
2020	<1	<1	<1	<1	<1	-	<1	3
2019	<1	<1	<1	<1	<1	<1	<1	3
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	1							
Switzerland								
2020	10	(11)	1	1	<1	<1	<1	1
2019	22	(4)	<1	<1	<1	<1	1	3
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. We also operate a company supporting Vodafone Automotive.							
Number of legal entities	3							
Taiwan								
2020	1	(1)	<1	-	<1	<1	<1	-
2019	1	<1	<1	-	<1	<1	<1	-
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	1							
Ukraine								
2020	<1	1	<1	<1	<1	-	<1	<1
2019	<1	(4)	<1	<1	<1	-	<1	<1
	Our local legal entity provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.							
Number of legal entities	1							

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment	
			Total paid	Split between: Direct taxes Corporate tax					
United Arab Emirates									
2020	-	(1)	-	-	-	-	<1	17	
	Our local branch provides marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country.								
Number of legal entities	1								
USA									
2020	129	(2)	5	3	2	<1	15	7	245
2019	83	11	(8)	3	(11)	<1	14	4	267
	Our local legal entities provide marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. Our 2019 direct tax contributions include refunds of US state taxes. We had paid these amounts in earlier years as part of the Verizon Wireless disposal, some of which were due back to us on the finalisation of the state tax liability for that year.								
Number of legal entities	5								
Zambia									
2020	5	(2)	<1	<1	-	-	1	1	-
2019	6	(2)	-	-	-	<1	2	<1	134
	AfriConnect (Zambia) Limited is a business-focused ICT subsidiary of the Vodacom Group through Vodacom Business Africa Group (Pty) Limited (VBA). VBA provides a range of communications services – from mobile and fixed-line connections to IoT and cloud computing – to both Vodafone's and Vodacom's large corporate and multinational customers who have a presence across Africa. Vodacom disposed of its investment in Zambia in March 2020.								
Number of legal entities	n/a – sold in 2020								

Other entities

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax				
Cayman Islands								
2020	-	<1	-	-	-	-	-	-
2019	-	<1	-	-	-	-	-	-
	Our legal entity in the Cayman Islands is a legacy of the transaction with Hutchison in 2007, which led to what is now Vodafone India, as explained in the India section on our website . Hutchison owned the assets in India indirectly via a Cayman Islands holding company. In its 2012 ruling, the Indian Supreme Court examined the Cayman Islands entity established by Hutchison (and subsequently acquired by Vodafone) and concluded that it had not been established to avoid tax. Under Vodafone's ownership, the Cayman Islands holding company has no income and plays no role in reducing the taxes payable by our Indian operations or by the Group.							
Number of legal entities	1							
Guernsey								
2020	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
	Our legal entities in Guernsey are a consequence of prior acquisitions. These holding companies play no role in reducing the taxes payable by the Group.							
Number of legal entities	5							
Jersey								
2020	-	-	-	-	-	-	-	-
2019	-	<1	-	-	-	-	-	-
	We have a number of legal entities in Jersey. These holding companies are subject to tax in the UK. Their overall tax contributions are therefore included within the numbers disclosed for the UK.							
Number of legal entities	8							

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)			Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax					
Luxembourg									
2020	105	1,391	9	8	1	-	11	46	378
2019	116	1,268	8	5	3	-	15	7	367
	<p>Our legal entities in Luxembourg conduct financing, procurement and roaming activities on behalf of the Group as a whole. Our local legal entities also provide marketing, sales and client support for Vodafone's large corporate and multinational customers who have an operating presence in the country. We also own 50% of our joint venture Tomorrow Street, a start-up incubator hub created in partnership with the Luxembourg government. Further details of our Luxembourg subsidiaries can be found on our website.</p> <p>Luxembourg provides a large proportion of the Group's funding to many of our businesses worldwide, as explained. Under transfer pricing rules, all such arrangements must operate under commercial 'arm's-length' principles, which are externally benchmarked and verified. In simple terms, the interest and fees associated with this funding activity must be comparable with those levied by an external financial institution. In addition, Luxembourg hosts our global procurement and roaming subsidiaries, which serve Vodafone businesses worldwide as strategic centres of excellence; they also operate as profit centres in their own right, charging third parties (such as Partner Market operators) fees on a commercial basis for a variety of services, including the provision of specialist roaming management and procurement services to third parties.</p>								
Number of legal entities	14								
Mauritius									
2020	18	(5)	1	<1	1	-	<1	<1	5
2019	18	311	1	-	1	-	<1	-	5
	<p>Our legal entities in Mauritius are a legacy of prior acquisitions, predominantly the acquisition of the Hutchison assets in 2007, which led to what is now Vodafone Idea in India (as explained above in the Cayman Islands section).</p> <p>Mauritius is a common base for multinational investment into India and Africa, and a number of assets acquired by Vodafone and Vodacom in the past have involved assuming ownership of Mauritius-based companies. These entities play no role in reducing the taxes payable by our African or Indian operations (or the operations of the Group), and many of them are now dormant.</p> <p>Vodacom's Mauritius-based companies also provide HR and wholesaling services to other members of the Vodacom Group.</p>								
Number of legal entities	16								
Morocco									
2020	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-
	We have one legacy legal entity in Morocco. This is now dormant.								
Number of legal entities	1								

	Revenue (€m)	Profit before tax (€m)	Direct revenue contribution: Tax (€m)		Direct revenue contribution: Non-tax (€m)	Indirect revenue contribution (€m)	Capital investment (€m)	Employment
			Total paid	Split between: Direct taxes Corporate tax				
Seychelles								
2020	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
	We acquired two legal entities in the Seychelles when Vodacom Group increased its stake in Vodacom Tanzania in 2014. We exited this structure following our acquisition of Mirambo's stake in Vodacom Tanzania in October 2019.							
Number of legal entities	n/a							

Appendices



Appendix 1: Summary table of our contributions, by country

The table below sets out the data for five of the most relevant indicators of Vodafone's overall contributions to the public finances and wider economies of the countries within which we operate. It also includes the revenue and profit before tax (PBT) figures for each of our businesses. All the contributions and capital investment data presented is for the 2020 financial year on an actual cash-paid basis and is drawn from our audited accounts.

The source data for this report is predominantly drawn from information included within the publicly available [Vodafone Group Annual Report](#), the public accounts of the Group's listed operating company subsidiaries and the accounts of various non-listed Group operating company subsidiaries.

Vodafone Group's public accounts are certified by the Group's external auditors, and the public accounts of the Group's listed operating company subsidiaries are certified by those companies' external auditors.

	Revenue		PBT (ex dividends)		Direct revenue contributions:				Direct revenue contribution: Non-tax		Indirect revenue contribution		Capital investment		Direct employment	
					Total	Split between:		Total								
	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	Direct taxes €m	Corporate tax €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20	FY18/19
Europe																
Albania	126	124	9	10	5	1	4	3	3	7	11	13	21	20	465	398
Czech Republic	703	572	68	62	36	20	16	32	8	10	125	102	100	76	2,304	1,823
Germany	12,101	10,452	598	118	389	257	131	348	54	37	1,616	1,355	2,421	1,817	16,367	14,620
Greece	958	947	78	63	59	22	37	66	8	8	234	228	110	123	2,281	2,254
Hungary	735	561	45	57	68	58	10	74	20	55	78	73	112	73	4,081	3,606
Ireland	965	977	19	17	21	21	<1	23	11	11	132	118	137	143	1,275	1,329
Italy	5,623	6,009	583	677	173	87	86	328	44	500	723	759	798	935	6,663	7,308
Malta	81	82	89	91	10	1	9	11	4	3	14	14	11	13	342	347
Netherlands	1,984	1,941	114	46	26	26	<1	27	<1	<1	329	310	426	409	3,187	3,832
Portugal	1,083	1,028	56	50	11	9	2	39	30	30	132	125	182	222	1,395	1,397
Romania	911	800	(50)	9	18	8	10	12	33	25	159	130	126	108	5,998	4,748
Spain	4,308	4,681	(518)	(663)	207	206	<1	174	130	126	399	434	762	814	4,381	5,204
United Kingdom	7,738	7,197	(1,055)	(870)	243	209	33	231	59	478	861	849	1,211	1,535	15,315	16,615
TOTAL	37,316	35,370	38	(332)	1,266	927	339	1,369	404	1,291	4,813	4,512	6,418	6,288	64,055	63,479

	Revenue		PBT (ex dividends)		Direct revenue contributions:				Direct revenue contribution: Non-tax		Indirect revenue contribution		Capital investment		Direct employment	
					Total	Split between: Direct taxes Corporate tax		Total								
	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	€m	€m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20	FY18/19
Rest of World region																
Australia	1,059	1,152	(74)	(23)	13	11	1	15	45	65	51	62	123	171	1,126	1,250
Democratic Republic of Congo	460	409	(3)	(3)	25	20	5	31	63	43	91	80	57	63	580	589
Egypt	1,457	1,115	420	354	136	33	104	101	110	66	280	231	268	202	9,906	9,213
Ghana	218	244	(56)	(253)	5	5	1	13	7	9	50	52	40	36	808	1,008
India	3,566	4,006	(3,027)	(4,438)	164	81	82	315	1,338	792	1,087	1,250	745	804	18,723	20,559
Kenya	927	861	368	435	262	152	110	218	21	19	114	126	127	128	1,823	1,805
Lesotho	84	82	28	31	8	1	7	7	6	5	10	9	11	13	227	217
Mozambique	352	300	107	80	35	6	29	35	40	12	34	30	72	66	570	541
New Zealand	394	1,161	53	22	8	5	3	35	<1	1	37	109	42	150	2,348	2,771
South Africa	4,150	4,275	942	1,161	336	34	303	358	26	27	350	354	599	599	5,439	5,354
Tanzania	404	387	21	53	35	10	25	25	20	17	125	110	60	65	557	540
Turkey	2,358	2,350	35	(35)	331	292	39	311	213	220	369	353	260	249	3,111	3,262
TOTAL	15,429	16,344	(1,186)	(2,617)	1,359	650	709	1,464	1,890	1,275	2,599	2,764	2,405	2,544	45,217	47,107
Vodafone Business sales and marketing locations																
Angola	1	2	1	<1	<1	<1	-	<1	-	-	-	<1	-	-	-	8
Argentina	-	-	<1	<1	-	-	-	-	-	-	<1	<1	-	-	-	-
Austria	-	<1	(1)	<1	-	-	-	-	<1	<1	<1	<1	(1)	<1	-	-
Bahrain	2	1	1	<1	-	-	-	-	<1	<1	<1	-	-	-	-	-
Belgium	<1	<1	<1	1	1	1	-	1	<1	<1	1	1	<1	<1	16	21
Brazil	-	<1	(2)	(4)	<1	<1	<1	<1	-	-	<1	<1	-	<1	-	1
Bulgaria	-	-	-	-	<1	-	<1	<1	-	-	<1	-	-	-	-	-
Cameroon	3	5	<1	1	<1	-	<1	<1	-	-	1	1	<1	<1	-	31
Canada	-	-	<1	(2)	<1	<1	<1	<1	-	-	<1	<1	-	-	4	4
Chile	-	-	<1	<1	-	-	-	<1	-	-	-	<1	-	-	-	1
China	1	4	(1)	(1)	<1	<1	<1	<1	-	-	1	1	<1	<1	24	22
Côte d'Ivoire	1	2	<1	(1)	<1	<1	<1	<1	<1	<1	<1	<1	<1	-	-	8
Denmark	-	-	<1	<1	<1	-	<1	-	-	<1	<1	<1	2	<1	-	-
France	13	19	(3)	4	7	3	3	2	-	<1	2	<1	6	4	80	45
Hong Kong	54	60	5	(2)	1	1	-	1	<1	<1	<1	<1	1	3	74	79

	Revenue		PBT (ex dividends)		Direct revenue contributions:				Direct revenue contribution: Non-tax		Indirect revenue contribution		Capital investment		Direct employment		
					Total	Split between: Direct taxes		Total									
	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	€m	€m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20 €m	FY18/19 €m	FY19/20	FY18/19	
Japan	3	6	<1	<1	<1	<1	<1	<1	-	-	<1	1	1	1	1	15	13
Malaysia	2	2	1	(1)	<1	-	<1	<1	<1	<1	<1	<1	-	<1	-	-	-
Mexico	-	-	<1	<1	<1	-	<1	-	-	-	<1	<1	-	-	1	2	-
Nigeria	24	28	1	2	2	2	<1	2	1	2	2	3	1	3	-	201	-
Russian Federation	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	<1	-	<1	3	4	-
Serbia	-	-	-	-	<1	-	<1	-	-	-	-	-	-	-	-	-	-
Singapore	45	53	(5)	(1)	1	1	<1	1	-	1	1	1	6	3	168	174	-
South Korea	8	9	(1)	(1)	<1	<1	-	-	<1	-	1	-	<1	1	7	6	-
Sweden	<1	<1	<1	<1	<1	<1	<1	<1	-	<1	<1	<1	3	<1	3	3	-
Switzerland	10	22	(11)	(4)	1	1	<1	<1	<1	<1	<1	1	1	3	2	2	-
Taiwan	1	1	(1)	<1	<1	-	<1	<1	<1	<1	<1	<1	-	<1	-	-	-
Ukraine	<1	<1	1	(4)	<1	<1	<1	<1	-	-	<1	<1	<1	<1	-	-	-
United Arab Emirates	-	n/a	(1)	n/a	-	-	-	n/a	-	n/a	-	n/a	<1	n/a	17	n/a	-
USA	129	83	(2)	11	5	3	2	(8)	<1	<1	15	14	7	4	245	267	-
Zambia	5	6	(2)	(2)	<1	<1	-	-	-	<1	1	2	1	<1	-	134	-
TOTAL	303	305	(19)	(2)	19	12	7	<1	2	4	26	26	27	23	659	1,027	
Other entities																	
Cayman Islands	-	-	<1	<1	-	-	-	-	-	-	-	-	-	-	-	-	-
Guernsey	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jersey	-	-	-	<1	-	-	-	-	-	-	-	-	-	-	-	-	-
Luxembourg	105	116	1,391	1,268	9	8	1	8	-	-	11	15	46	7	378	367	-
Mauritius	18	18	(5)	311	1	<1	1	1	-	-	<1	<1	<1	-	5	5	-
Morocco	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seychelles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	123	134	1,386	1,579	10	8	3	9	-	-	11	15	47	7	383	372	
GLOBAL TOTAL	53,171	52,153	220	(1,372)	2,654	1,597	1,058	2,842	2,296	2,571	7,450	7,318	8,896	8,862	110,313	111,986	

Notes to table on pages 42–44:

- The table includes all contributions from countries where the Group has a legal entity presence (including India, joint ventures and associates); it also includes branches or permanent establishments from the 2020 year.
- Vodafone Business includes all jurisdictions in which we have separate legal entities supporting our Vodafone Business sales, marketing and client support activities, except where the contributions from these entities are in Europe or the Rest of World regions, in which case the Vodafone Business element is included within those lines.
- A reconciliation between our Annual Report revenue and PBT figures and the data in the table above can be found on [page 46](#).
- The figures included in the data table are rounded to the nearest million and totals may not add up to the individual data points disclosed due to rounding.

Appendix 2: Key Vodafone Group financials and statistics

Reconciliation of revenues and profit before tax (as reported in this Report) to the Vodafone Group 2020 results

	Revenues (€m)	Profit before tax (€m)	Capital expenditure (€m)	Corporate tax (€m)
Figures as per Annual Report 2020 pages 30, 35 and 37*	44,974	3,158	7,411	930
Include revenue from associates and joint ventures not included in revenue in our accounts	7,512	-	-	-
Add intra-company items eliminated from the Group results	685	-	80	-
Include PBT of associates and joint ventures	-	(2,630)	-	-
Exclude Group items that do not impact local taxable profits	-	(310)	-	-
Include capital expenditure from associates and joint ventures not included in our accounts	-	-	1,406	-
Include corporate taxes paid by associates and joint ventures not included in our accounts	-	-	-	170
Taxes classified as non-corporate tax in the Tax and Economic Contribution Report	-	-	-	(36)
Rounding	-	2	(1)	(5)
Figures as per Tax and Economic Contribution Report 2020 data (and country by country tables)	53,171	220	8,896	1,058

Reconciliation of revenues and profit before tax (as reported in this Report) to the Vodafone Group 2019 results

	Revenues (€m)	Profit before tax (€m)	Capital expenditure (€m)	Corporate tax (€m)
Figures as per Annual Report 2019 pages 26, 28 and 35*	43,666	2,884	7,227	1,040
Include results from Vodafone India	1,561	(3,591)	366	(32)
Include revenue from associates and joint ventures not included in revenue in our accounts	6,370			
Add intra-company items eliminated from the Group results	558		128	
Include PBT of associates and joint ventures		(270)		
Exclude Group items that do not impact local taxable profits		(394)		
Include capital expenditure from associates and joint ventures not included in our accounts			1,136	
Include corporate taxes paid by associates and joint ventures not included in our accounts				141
Exclude non-corporate taxes				(4)
Include tax relating to the formation of Vodafone Idea				92
Rounding	(2)	(1)	(2)	(1)
Figures as per Tax and Economic Contribution Report 2019 data (and country by country tables)	52,153	(1,372)	8,859	1,236

Please note, that while we are able to reconcile the revenue and PBT figures as reported in the Vodafone Group Annual Report 2020 to those reported here, it is not possible to do this for the contributions made to governments as these are disclosed on a cash-paid basis for the reasons we have set out earlier in the Report on [page 14](#).

* As reported in the Vodafone Group Annual Accounts for the year ended 31 March 2020, published in June 2020

Appendix 3: Voluntary disclosure of Vodafone's OECD country by country report under the BEPS programme

Under OECD rules, all large multinational companies are required to file a country by country report (CbCR) with local tax authorities. The OECD CbCR is a confidential report that is specifically produced for tax authorities and is prepared on a different basis than our voluntary reporting; it is prepared on a consolidated basis, as detailed in this disclosure. Given the comprehensive nature of our public disclosures and the wider context of our country by country taxation and total economic contribution report, we have no hesitation in sharing this information publicly.

Specifically, the OECD report requires data to be aggregated for all entities in each jurisdiction. This can lead to transactions between entities in the same country being counted on multiple occasions, as only income is reflected, not expenditure. In addition, the OECD report does not provide an explanation of the nature of the activity or activities that take place in a jurisdiction, which we believe is vitally important in order to understand the context of a multinational company's CbCR. We believe that the contextual information we have included in this Report provides a more useful picture of the taxes we pay in each of our countries of operation and how they relate to the activity we undertake.

In this appendix, we have published table 1 of the CbCR, as filed with tax authorities for 31 March 2019 and 31 March 2018.

Below we provide some definitions of the key terms used in the OECD CbCR table, as these differ from our own in certain areas. We also provide a reconciliation of the OECD data to our Taxation and Total Economic Contribution Report.

We also publish a diagram to illustrate how the Group operates, including information about the activities undertaken by our operating companies, as well as our key global centres of excellence. These support our operating companies, joint ventures and associates, to enable them to deliver mobile services to 415 million mobile customers and 25.4 million fixed broadband customers.

The specialist global functions provide strategic support to all our operating companies across two categories:

- Group support functions – provide support with, for example, technology development, IT, corporate functions such as HR, and global support for our multinational corporate customers; and
- specific support functions – provide support with procurement, financing and roaming arrangements, in addition to the management of the Vodafone brand.

[The value chain diagram can be found here.](#)

Definitions for the OECD CbCR table

Revenue

Under the OECD rules, revenues are reported under two overlapping categories:

- external: which the OECD defines as “the sum of revenues ... generated from transactions with independent parties”; and
- internal: which is defined as “the sum of all revenues ... generated from transactions with associated enterprises”.

External revenue is what would typically be determined as turnover, in that it represents money received by the company from third parties (i.e. from individuals and business customers), but also includes other sources of income from third parties, such as interest income.

Internal revenue includes transactions between subsidiaries, holding companies and Group entities. These transactions are subject to transfer pricing rules that require the attribution of revenues and profits on an ‘arm’s-length’ basis, based on independent comparable valuations (see our [website](#) for more on transfer pricing). Examples of internal revenues include royalties, brand and intellectual property licence fees, and interest payments (but exclude dividend receipts).

Although the internal revenue metric provides a useful insight into the movement of money between corporate entities into – and within – a particular jurisdiction, it is impossible to avoid

some form of double counting. For example, money earned in one country from a third party (and reported in that country as external revenue) is then used to fund licence fees, royalties, procurement and other intra-company costs with a corporate entity based in another country. That money will also then be reported as internal revenue in the recipient country. However, the internal revenue reported is not incremental; it is, in essence, the same money already accounted for in the first country's external revenue figure.

Profit before tax

This OECD figure represents the total taxable revenue in each country less expenditure, and reflects the starting point for a corporate tax calculation. However, it does not reflect the profit on which we pay tax, as the impact of the tax laws in each jurisdiction are not included and therefore tax-exempt gains and losses are not taken into account in this number. For example, this number includes dividends received, which are usually tax exempt, as well as all gains and losses arising on the disposal or writing down of a business.

We exclude these tax-exempt gains and losses in our voluntary reporting, as these amounts are usually exempt from tax by the standard tax laws of a country. Therefore, the amounts reported in our voluntary report are more closely related to the amounts on which we pay tax in each jurisdiction.

For example, the OECD CbCR for Luxembourg includes losses on the writedown of our investment [on our website](#), which are not tax deductible; and in the UK, the OECD CbCR profit includes dividends paid between UK companies, which are tax exempt under standard UK tax rules.

Tax accrued

The OECD figure reflects the amounts that are included in our accounts for our tax liability for the year being reported. However, this amount does not include any adjustments for prior years once the tax bill has been finalised, nor does it include deferred taxes (which are intended to reflect the differences between when amounts are recorded in the accounts and when they are paid in tax returns). It also does not include any amounts relating to any tax audits being carried out by tax authorities.

Tax paid

The OECD figure reflects the amount of corporate tax paid in the year. However, the OECD report requires this figure to be disclosed against the country that suffers the tax liability, whereas in our Report we include these figures against the country that actually receives the tax. The difference between what we disclose and the OECD requirements is related to withholding taxes. These are taxes that a government requires to be deducted from certain payments made to companies, usually overseas. The OECD requires that withholding tax is reported as though it was a tax paid in the country in which the entity (that suffered the tax) is located, whereas we report this as tax paid in the country that actually received the tax.

Stated capital and accumulated earnings

The OECD figure reflects the amount of money invested in a company in return for shares (capital) and the amount of profits built up over time, which remain in the company. However, the OECD definition can mean that money invested through a chain of companies is counted multiple times, with the result that the amounts reported do not bear any resemblance to the actual sum of money invested. For example, in the UK, capital is reported as €1.9 trillion under the OECD rules. However, the injected money has been counted multiple times due to aggregation challenges and therefore gives a false indication of the overall amount of money invested.

Tangible assets

The OECD figure provides a measure of the actual infrastructure in a country; for example, it includes our investments in network infrastructure. This equates to the capital expenditure figures disclosed in our Report – albeit ours is reported on a cash-paid basis. However, the OECD's figure excludes intangible assets, such as spectrum and loan portfolios.

Employees

The number of employees provides an indicator of activity in the country but the context of any operations also needs to be considered, as not all activities are labour-intensive.



Overview of allocation of income, taxes and business activities by tax jurisdiction, 2018

	Revenue			Profit (loss) before income tax (€)	Income tax paid (on cash basis) (€)	Income tax accrued – Current year (€)	Stated capital (€)	Accumulated earnings (€)	Number of employees	Tangible assets other than cash and cash equivalents (€)
	Unrelated party (€)	Related party (€)	Total (€)							
United Arab Emirates	-	-	-	(267,196)	-	-	-	(97,811)	13	8,937
Albania	118,739,407	1,435,752	120,175,159	(4,711,206)	(1,249,371)	(1,485,586)	43,295,736	107,510,508	401	95,840,110
Angola	1,678,805	-	1,678,805	(1,358,675)	(353,079)	(355,671)	-	(1,134,059)	9	128,739
Argentina	-	280,050	280,050	221,104	-	(6,962)	179,377	70,786	-	-
Austria	85,782	1,655,897	1,741,679	(45,869)	(874)	-	13,431,689	(14,679,541)	-	1,269,165
Australia	7,425,160	7,003,070	14,428,230	2,386,494	(476,748)	(79,012)	964,868,496	(958,632,394)	14	1,207,313
Belgium	512,181	8,152,003	8,664,184	(804,648)	(865)	-	19,462,197	(6,478,205)	20	1,509,228
Bahrain	1,332,487	687,711	2,020,198	326,490	-	-	303,101	(103,935)	-	-
Brazil	11,932,119	1,770,723	13,702,842	(8,846,146)	(607,436)	(495,347)	1,294,892	(25,541,180)	-	2,105,141
Canada	-	1,041,120	1,041,120	(22,090)	(18,720)	-	8,386,579	(5,151,992)	5	-
Democratic Republic of Congo	366,243,614	-	366,243,614	(89,366,552)	(8,161,102)	(5,420,517)	757,404	(484,150,200)	599	240,517,568
Switzerland	30,701,505	5,788,758	36,490,263	2,220,830	(356,113)	(580,700)	108,629,773	4,458,109	1	542,203
Côte d'Ivoire	2,424,833	-	2,424,833	164,334	(205,381)	(87,297)	-	495,895	10	133,362
Chile	-	-	-	(397,469)	-	-	-	(885,773)	-	-
Cameroon	11,288,388	35,678	11,324,066	1,033,860	(686,842)	(395,740)	718,262	4,227,112	64	2,374,736
China	4,667,216	3,344,380	8,011,596	(125,680)	(25,611)	3,366	16,196,060	(5,031,249)	21	550,522
Czech Republic	544,400,554	1,644,349	546,044,903	51,723,291	(8,251,733)	(9,675,791)	56,967,110	627,549,239	1,734	314,394,112
Germany	10,933,178,838	644,034,904	11,577,213,742	387,465,539	(86,589,439)	(117,677,243)	4,478,357,622	(12,950,578,874)	14,946	7,744,146,631
Denmark	-	1,228,136	1,228,136	(344,653)	(1,091)	-	16,460,360	(16,871,839)	-	81,653
Egypt	980,304,986	58,024,246	1,038,329,232	280,122,292	(53,912,892)	(49,468,717)	90,917,051	655,385,211	8,545	588,784,183
Spain	5,009,673,643	116,807,494	5,126,481,137	(639,601,800)	(588,950)	-	22,233,573,736	(10,506,441,666)	5,078	5,886,755,569
France	21,005,356	38,773,188	59,778,544	1,909,896	(1,368,120)	(1,340,374)	5,521,924	16,065,003	43	23,385,041
United Kingdom	9,639,225,556	7,548,441,244	17,187,666,800	(53,759,200,121)	(85,220,626)	(159,650,987)	1,854,178,251,610	(227,402,673,083)	17,120	4,176,118,793
Guernsey	-	-	-	(400,538)	-	-	28,634,792	1,367,311	-	-
Ghana	257,673,628	917,382	258,591,010	(168,082,147)	(2,921,161)	(2,107,681)	3,139,221	(1,163,150,921)	1,052	125,956,030
Greece	874,044,842	2,840,709	876,885,551	36,252,906	(188,970)	(17,364,440)	369,442,011	39,525,589	1,913	469,002,129

	Revenue			Profit (loss) before income tax (€)	Income tax paid (on cash basis) (€)	Income tax accrued – Current year (€)	Stated capital (€)	Accumulated earnings (€)	Number of employees	Tangible assets other than cash and cash equivalents (€)
	Unrelated party (€)	Related party (€)	Total (€)							
Hong Kong	65,351,179	4,412,103	69,763,282	16,401,277	167,424	(14,453)	131,524,352	(127,183,439)	83	9,133,638
Hungary	530,993,996	82,518,397	613,512,393	57,559,174	(9,549,788)	(9,991,817)	730,928,594	(203,441,689)	3,762	210,762,996
Ireland	995,315,768	62,979,020	1,058,294,788	23,403,830	(6,351,810)	(3,181,396)	654,309,038	(16,400,966)	1,313	441,179,544
India	4,745,507,968	135,558,868	4,881,066,836	(2,424,275,092)	(93,865,971)	(11,224,843)	15,967,841,944	(5,681,120,059)	21,659	2,840,465,315
Italy	6,385,719,969	195,849,770	6,581,569,739	650,210,372	(229,632,996)	(230,224,144)	63,245,329	5,740,084,706	7,332	3,408,374,366
Jersey	3	27,862	27,865	(3,262)	-	-	1,096,350,586	(1,092,430,687)	-	-
Japan	5,731,893	34,995,926	40,727,819	(115,690)	(384,112)	(27,246)	509,759	(4,885,067)	21	1,389,445
Kenya	52,510,666	802,668	53,313,334	107,408,872	(7,440,959)	(1,694,182)	30,701,943	153,529,432	32	261,164
Korea	9,566,436	58,151,380	67,717,816	1,194,951	(21,207)	(631)	3,358,343	(3,091,954)	14	884,744
Cayman Islands	-	-	-	(2,092,930,020)	-	-	13,064,310,544	(2,404,165,091)	-	-
Lesotho	82,887,424	35,600	82,923,024	33,996,930	(7,223,532)	(7,680,313)	430,450	56,223,505	206	51,510,567
Luxembourg	195,847,482	1,600,005,561	1,795,853,043	(1,436,780,458)	(29,615,717)	(30,348,989)	455,733,749,849	(71,466,713,140)	351	3,210,369
Malta	89,022,823	151,929,586	240,952,409	92,384,741	(9,782,696)	(8,446,160)	64,853,311	634,662,187	338	50,126,212
Mauritius	19,159,134	10,237,699	29,396,833	(2,094,952,716)	(846,056)	(8,717,470)	13,918,336,267	(5,173,127,863)	5	42,040
Mexico	-	596,995	596,995	26,453	(1,948)	-	163,719	528,543	3	-
Malaysia	3,961,229	6,330,418	10,291,647	(481,546)	(33,452)	(11,558)	4,202,781	463,125	-	-
Mozambique	253,760,869	-	253,760,869	75,903,549	(10,371,485)	(19,183,845)	122,396,243	44,899,138	512	171,758,182
Nigeria	57,488,798	361,630	57,850,428	(2,495,500)	(1,202,486)	(1,672,490)	1,447,774	(52,451,976)	412	22,015,252
Netherlands	4,238,558	14,512,692	18,751,250	(5,838,141,772)	(4,928,885)	(112,398,754)	86,083,768,765	(12,167,768,145)	-	6,702,303
Norway	134,422	-	134,422	-	-	-	-	-	-	-
New Zealand	1,255,653,780	19,758,841	1,275,412,621	59,378,300	(10,962,108)	(20,933,551)	278,127,864	747,051,058	2,967	587,368,878
Portugal	1,015,119,824	27,324,832	1,042,444,656	8,763,192	(3,998,860)	(6,053,212)	80,467,745	167,607,091	1,386	888,779,552
Qatar	473,447,031	570,504	474,017,535	(188,727,303)	-	(324,775)	-	-	504	-
Romania	799,712,842	71,669,264	871,382,106	16,886,640	(8,239,791)	(444,914)	149,898,773	28,188,180	4,220	362,110,151
Russian Federation	339,639	2,051,913	2,391,552	117,623	(15,329)	(33,595)	18,494,724	(18,573,436)	4	171,520
Sweden	186,613	2,615,113	2,801,726	(83,964)	(161,879)	-	730,425	1,430,445	2	407,088
Singapore	58,858,562	686,437	59,544,999	6,604,283	(371,153)	(330,251)	55,617,729	(25,822,927)	191	11,498,687

	Revenue			Profit (loss) before income tax (€)	Income tax paid (on cash basis) (€)	Income tax accrued – Current year (€)	Stated capital (€)	Accumulated earnings (€)	Number of employees	Tangible assets other than cash and cash equivalents (€)
	Unrelated party (€)	Related party (€)	Total (€)							
Sierra Leone	-	-	-	918,041	-	-	25,929	23,912	-	-
Turkey	2,880,152,448	49,443,427	2,929,595,875	(13,574,417)	(27,411,091)	(31,393,221)	8,438,217,024	(6,953,840,597)	3,311	878,186,373
Taiwan, Province of China	316,203	1,100,414	1,416,617	(11,667)	(287,496)	-	1,217,443	21,938	-	-
Tanzania	390,450,708	-	390,450,708	103,596,641	(19,348,282)	(18,701,090)	228,913,470	207,075,393	530	233,195,907
Ukraine	131,622	1,030	132,652	(2,232,541)	-	(36,464)	13,522,650	11,167,577	-	443,875
United States	78,482,383	145,685,883	224,168,266	(10,796,096)	7,811,144	(312,986)	62,365,583	(92,499,966)	284	27,842,140
South Africa	4,649,518,558	137,196,993	4,786,715,551	2,756,726,718	(360,419,047)	(354,782,032)	9,538,587,511	2,580,419,842	5,168	2,152,472,155
Zambia	10,637,551	77,734	10,715,285	(1,508,478)	(361,193)	(363,575)	298,435	(2,638,660)	174	4,662,232
TOTAL COUNTRIES	53,926,745,281	11,261,395,354	65,188,140,635	(64,005,376,689)	(1,086,035,885)	(1,244,716,656)	2,489,177,703,899	(347,197,727,549)	106,372	32,039,765,860

Overview of allocation of income, taxes and business activities by tax jurisdiction, 2019

	Revenue			Profit (loss) before income tax (€)	Income tax paid (on cash basis) (€)	Income tax accrued – Current year (€)	Stated capital (€)	Accumulated earnings (€)	Number of employees	Tangible assets other than cash and cash equivalents (€)
	Unrelated party (€)	Related party (€)	Total (€)							
United Arab Emirates	-	4,905,384	4,905,384	447,000	-	-	-	(473,045)	18	10,356
Albania	105,036,976	20,481,652	125,518,628	9,923,372	(1,727,871)	(2,208,936)	40,758,066	119,272,034	398	94,911,424
Angola	1,706,650	-	1,706,650	722,488	-	(115,886)	-	(985,330)	8	-
Argentina	-	-	-	(108,857)	-	-	179,000	(150,000)	-	-
Austria	9,494	2,459,000	2,468,494	89,369	-	-	13,053,000	(14,304,000)	-	892,000
Australia	6,583,973	6,600,546	13,184,519	(540,896)	(93,510)	(184,608)	5,195,820	1,721,030	14	1,712,653
Belgium	372,000	9,268,000	9,640,000	1,200,539	-	-	8,568,000	(5,153,000)	21	1,144,000
Bahrain	1,349,206	564,582	1,913,788	(95,000)	-	-	303,442	297,177	-	-
Brazil	5,002,742	671,000	5,673,742	(3,836,684)	-	-	1,295,083	(9,467,255)	2	2,110,431
Canada	-	-	-	(1,746,286)	-	-	8,387,000	(5,130,000)	4	-
Democratic Republic of Congo	409,130,344	-	409,130,344	(2,785,609)	(3,878,471)	(5,058,009)	879,028	(547,346,994)	589	249,633,429
Switzerland	21,823,351	3,084,117	24,907,468	(3,885,582)	(422,635)	(3,000)	108,744,623	3,749,856	2	3,054,056
Côte d'Ivoire	2,409,388	-	2,409,388	(1,133,066)	(100,364)	(115,886)	7,515,007	(7,449,017)	8	-
Chile	-	-	-	(316,671)	-	-	-	(488,000)	2	-
Cameroon	5,320,733	-	5,320,733	944,549	(401,455)	(231,771)	434,236	2,937,230	31	220,098
China	4,062,795	3,555,734	7,618,529	(981,348)	(12,808)	(45,074)	18,798,901	(11,662,862)	22	634,977
Czech Republic	573,022,252	5,057,396	578,079,648	62,158,659	(14,390,427)	(12,507,421)	56,697,782	203,979,531	1,823	287,277,699
Germany	10,423,902,770	585,896,022	11,009,798,792	107,934,816	(109,217,124)	(110,309,851)	4,486,789,461	(11,779,111,539)	14,620	7,521,664,557
Denmark	-	1,159,000	1,159,000	286,068	736	-	16,460,000	(16,253,000)	-	73,000
Egypt	1,153,909,809	64,880,481	1,218,790,290	353,746,436	(43,011,566)	(89,982,574)	66,746,988	447,518,647	9,213	708,373,462
Spain	4,682,809,444	82,141,161	4,764,950,605	(6,411,942,071)	(172,206)	31,001	24,736,949,279	(17,676,526,932)	5,204	5,630,543,343
France	19,043,844	27,196,000	46,239,844	4,090,973	(749,892)	-	5,521,880	21,929,404	45	20,634,167
United Kingdom	9,742,435,675	6,986,560,242	16,728,995,917	899,691,304	(45,759,386)	(74,649,003)	1,875,592,561,603	(249,395,762,421)	16,615	4,856,716,638
Guernsey	-	-	-	(8,011,833)	-	(347,657)	34,635,892	(10,286,841)	-	-
Ghana	246,539,671	1,022,572	247,562,243	(253,347,123)	(1,231,608)	(1,088,203)	1,080,714,266	(1,245,009,761)	1,008	116,743,001
Greece	947,001,791	4,773,397	951,775,187	59,959,295	(43,593,862)	(28,523,510)	370,556,180	120,097,773	2,254	454,533,695

	Revenue			Profit (loss) before income tax (€)	Income tax paid (on cash basis) (€)	Income tax accrued – Current year (€)	Stated capital (€)	Accumulated earnings (€)	Number of employees	Tangible assets other than cash and cash equivalents (€)
	Unrelated party (€)	Related party (€)	Total (€)							
Hong Kong	60,160,466	38,076,513	98,236,979	(1,676,990)	24,986	(11,603)	131,673,056	(104,224,237)	79	11,649,965
Hungary	560,998,981	74,537,367	635,536,348	57,438,396	(10,829,353)	(10,265,397)	715,353,979	(176,200,926)	3,606	199,275,408
Ireland	976,662,973	63,199,799	1,039,862,772	4,200,367	(5,136,162)	(5,542,076)	655,515,016	91,480,931	1,329	408,120,520
India	1,601,753,171	564,513,766	2,166,266,938	(1,237,139,005)	41,877,489	(69,979,154)	800,117,524	552,295,674	14,402	12,792,146
Italy	6,011,577,242	165,491,300	6,177,068,541	618,701,697	(230,911,001)	(153,811,583)	248,970,524	5,337,747,186	7,308	3,260,896,243
Jersey	-	20,010	20,010	(9,511)	-	-	1,273,509,454	(1,273,509,454)	-	-
Japan	6,023,680	5,849,307	11,872,987	(438,080)	(139,300)	(183,662)	531,610	(4,875,558)	13	1,944,993
Kenya	53,976,201	1	53,976,202	122,858,156	(8,740,337)	(846,235)	53,966,224	(141,979,431)	23	220,420
Korea	8,600,615	1,313,705	9,914,320	(632,761)	2,307	(6,795)	3,361,185	(3,842,358)	6	1,219,626
Cayman Islands	-	-	-	(4,766,026,528)	-	-	14,131,672,705	(7,170,191,619)	-	-
Lesotho	82,492,789	106,247	82,599,035	31,131,362	(7,093,715)	(7,444,360)	284,611	55,942,120	217	50,789,080
Luxembourg	173,973,762	1,689,150,260	1,863,124,022	1,878,938,469	(22,001,124)	(23,698,641)	455,733,787,026	(69,936,873,495)	367	3,604,540
Malta	84,188,334	140,042,277	224,230,611	91,153,350	(9,859,080)	(8,161,628)	74,552,183	451,959,503	347	49,966,290
Mauritius	535,188	30,351,303	30,886,492	(372,989,021)	(7,755,531)	(10,619,966)	15,096,294,918	(5,661,524,666)	5	22,319
Mexico	-	763,000	763,000	368,582	-	-	164,000	502,000	2	-
Malaysia	1,682,640	781,132	2,463,772	(557,000)	(53,901)	(17,394)	4,195,961	15,755	-	109,323
Mozambique	303,016,664	-	303,016,665	79,822,378	(26,281,709)	(25,474,797)	83,183,890	149,242,063	541	205,725,614
Nigeria	28,310,314	-	28,310,314	2,863,047	(702,545)	(811,200)	1,010,950	15,905,261	201	2,054,244
Netherlands	7,530,136	16,207,396	23,737,532	(8,824,244,992)	(24,525,848)	(24,545,130)	90,140,660,097	(18,893,546,087)	-	6,522,326
Norway	127,335	-	127,335	42,408	-	136	-	-	-	-
New Zealand	1,167,590,426	19,607,828	1,187,198,254	22,527,159	(14,239,438)	(13,405,084)	313,029,810	774,977,419	2,771	592,705,386
Portugal	1,031,086,223	29,656,421	1,060,742,644	50,640,623	(23,498,685)	(1,909,042)	81,194,008	175,321,922	1,397	864,901,496
Qatar	-	-	-	-	-	-	-	-	-	-
Romania	806,020,507	82,712,673	888,733,180	8,922,562	(3,252,171)	(8,624,836)	150,264,080	73,476,345	4,748	358,053,133
Russian Federation	477,000	1,492,000	1,969,000	63,840	(21,091)	(17,452)	19,171,000	(17,993,000)	4	124,000
Sweden	88,000	2,424,000	2,512,000	23,748	(69,312)	(5,604)	695,000	411,000	3	756,000
Singapore	53,331,519	66,582,690	119,914,209	(999,000)	351,861	(211,591)	56,204,209	(13,195,207)	174	10,159,355

	Revenue			Profit (loss) before income tax (€)	Income tax paid (on cash basis) (€)	Income tax accrued – Current year (€)	Stated capital (€)	Accumulated earnings (€)	Number of employees	Tangible assets other than cash and cash equivalents (€)
	Unrelated party (€)	Related party (€)	Total (€)							
Turkey	2,390,485,163	122,363,031	2,512,848,195	(35,057,113)	(31,921,422)	(32,999,462)	5,767,624,265	(4,687,086,708)	3,262	707,220,561
Taiwan, Province of China	598,702	292,032	890,734	213,000	(2,881)	(1,800)	1,218,814	67,429	-	215,667
Tanzania	401,525,956	376,794	401,902,750	53,389,590	(18,882,026)	(17,038,553)	222,597,482	266,248,744	540	249,861,623
Ukraine	212,000	-	212,000	(3,907,397)	(53,570)	-	13,523,000	(12,033,000)	-	186,000
United States	89,733,000	209,849,000	299,582,000	11,058,257	3,342,000	(279,000)	(62,022,000)	103,961,000	267	14,846,000
South Africa	4,539,984,162	255,294,979	4,795,279,141	2,199,448,134	(328,957,593)	(338,878,317)	5,047,812,965	4,182,262,858	5,354	2,053,716,556
Zambia	6,425,036	-	6,425,036	(2,818,899)	-	(231,771)	3,179,499	(4,287,880)	134	220,098
TOTAL COUNTRIES	48,800,641,094	11,391,331,116	60,191,972,210	(15,200,227,330)	(994,091,603)	(1,080,362,387)	2,497,425,041,582	(375,673,603,730)	98,999	29,018,761,921

Reconciliation of revenues and profit between the 2019 CbCR and 2019 voluntary disclosure

	External revenue	Profit before tax	Corporate tax	Employees
Figures per OECD CbCR	48,801	(15,200)	994	98,999
Add associates and joint ventures	6,370	(270)	233	13,007
Intra-Group items eliminated from Group results	(571)	14,656	-	-
Exclude Group items that do not impact local taxable profits	-	(441)	-	-
Exclude income not accounted for as revenue in the Group accounts	(2,445)	-	-	-
Entities excluded from TEC Report (branches)	-	-	-	(18)
Rounding	(2)	(7)	(2)	(2)
Figures per 2019 Taxation and Total Economic Contribution Report	52,153	(1,372)	1,236	111,986

Reconciliation of revenues and profit between the 2018 CbCR and 2018 voluntary disclosure

	External revenue	Profit before tax	Corporate tax	Employees
Figures per OECD CbCR	53,892	(64,004)	1,085	106,134
Add associates and joint ventures	5,063	617	184	8,542
Intra-Group items eliminated from Group results	(305)	67,138	-	-
Exclude Group items which do not impact local taxable profits	-	1,995	-	-
Exclude income not accounted for as revenue in the Group accounts	(1,878)	-	-	-
Taxation on transfer of Safaricom to Vodacom Group	-	-	100	-
Entities excluded from TEC Report (Qatar, branches)	(473)	189	(1)	(517)
Rounding	5	1	(3)	4
Figures per 2018 Taxation and Total Economic Contribution Report	56,304	5,934	1,364	114,164

Summary of interaction between operating companies and global support functions

Vodafone Group Plc is one of the world's largest global communications companies. The diagram on the right outlines the summary we provided to tax authorities under the OECD BEPS submission, to help them understand how the parts of the Group work together to deliver products and services to our customers.

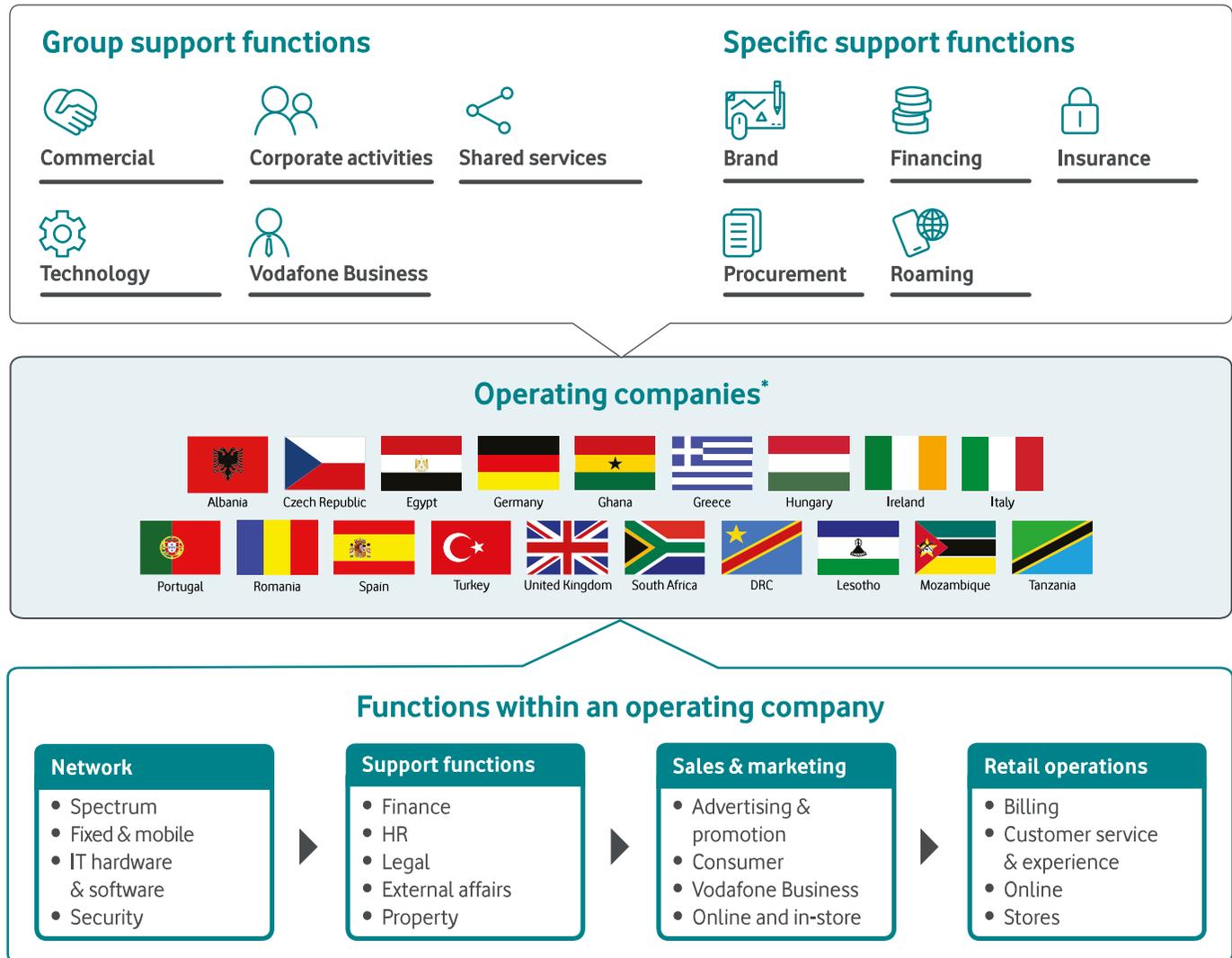
Our 19 operating companies are supported by key global centres of excellence that enable them to deliver a broad range of communications services to customers in local markets. It is our operating companies that generally have the direct relationships with our customers and build and operate the mobile and fixed-line networks.

It is our operating companies that acquire spectrum licences, market our services to customers and provide customer support.

As with other multinational companies, our scale and worldwide reach has meant that we have developed specialist global functions dedicated to supporting the needs of our operating companies. This enables them to access world-class expertise in the most efficient manner possible.

At Vodafone, these specialist global functions provide strategic guidance and support to our operating companies in the areas of:

- technology and IT, commercial practice and retail operations, as well as HR, legal, public policy, security, communications privacy, and relationships with our multinational corporate customers; and
- global services relating to procurement, insurance, financing and roaming arrangements, and the management of the Vodafone brand.



*Does not include Vodafone joint ventures or associates

© 2021 Vodafone Group Plc

Registered Office:

Vodafone House

The Connection

Newbury

Berkshire

RG14 2FN

Registered in England No. 1833679

