Health and safety – Our approach

Ensuring the safety of everyone involved in our operations is a core value for Vodafone. We believe all accidents and injuries are preventable, and we are driving a culture where safety is an integral part of every business decision across the Group.

Loss of life or injury related to our operations is unacceptable. Our strategy is designed to tackle the root causes of major incidents and to create a mature safety culture across the Group. We are working hard to ensure employees and contractors know how to identify and manage risks, and take personal responsibility for their own safety and the safety of those around them. This vigilance is essential to our vision not just of eliminating major incidents, but preventing any incidents that could affect the health and safety of our people.

We have already achieved improvements and continue to push ourselves with challenging objectives. Our suppliers consistently tell us that Vodafone's expectations exceed those of other operators, and we believe we have an opportunity to lead our industry on health and safety. We are determined to be admired for our approach and our performance on health and safety.

Managing key risks

Our focus is on reducing the impact of our top five risks across all operations: occupational road risk, working with electricity, working at height, control of contractors and legacy infrastructure. We ask each of our markets, our supply chain teams, and our group technology teams to clearly demonstrate what they are doing to reduce or eliminate these risks.

We have a wide range of programmes and systems to tackle each of these key risks, often tailored to the particular needs of each market (see our Performance section for some examples). By concentrating on these key risks and understanding the risk profile of our business, we are tackling the safety issues that are most likely to arise in our day-to-day operations.

In focus: Absolute Rules

Our Absolute Rules on safety focus on high risk activities and zero tolerance of unsafe behaviours.

- Always wear seat belts when travelling in or operating vehicles
- Always use suitable personal protective equipment, a safety harness and fall protection when working at height
- Never carry out electrical work on electrical equipment, circuits and gear if you are not qualified
- Never work under the influence of substances (alcohol or drugs) that are illegal or in excess of legal levels or where this impairs the individual’s ability to perform tasks
- Never exceed speed limits or travel at speeds that are dangerous for the type of vehicle or conditions
- Never use a hand-held phone while driving and only make calls by pulling over or using hands-free devices, when it is safe to do so.
Health and safety – Our approach

Occupational road risk

Road traffic accidents involving employees, contractors or members of the public account for a high proportion of our major incidents in emerging markets. These usually occur on public roads as a result of poor driving conditions and unsafe driving behaviour. Rates of road traffic injuries in low- and middle-income countries are twice those in high-income countries and 80% of road traffic deaths occur in middle-income countries.

Although reducing risk related to driving on public roads is challenging, we can help to minimise the severity and likelihood of accidents by raising awareness, training and reinforcing our strict rules on driving. Our road risk programmes include driver training for the most-at-risk employees and we aim to improve safety by addressing driving behaviour among employees, contractors and the wider community.

We discipline employees who fail to comply with our Absolute Rules (see feature box on page 109) and we use GPS vehicle tracking systems to monitor and therefore deter speeding violations, which are an internationally recognised major cause of accidents.

Working with electricity

The risk of injury from electric shock is a major concern for those deploying or maintaining our network equipment, and ensuring only qualified people work on electrical equipment is one of our Absolute Rules.

We work with contractors to make sure they have a documented risk management process for working with electricity, that those working on electrical equipment are authorised, competent and medically fit, that electrical equipment is fit for its intended purpose, and that appropriate safety devices are in place before work starts.

We also provide an e-learning module for employees working with electricity that ensures they have a basic awareness of how to detect and manage electrical hazards, as well as instruction on how to deal with incidents should they arise.

Working at height

The danger of falling when working at height is a particular risk for employees and contractors working on rooftops, towers and masts. Our priority is to make sure that anyone operating at height is trained on the risks involved, follows agreed procedures and always uses the appropriate safety equipment.

Our network site design principles include criteria to make sure all sites are designed with safe access in mind and our policy standard on working at height includes guidance on how to implement control requirements. We also have an ongoing programme to replace ladder cages with fall-arrest systems to reduce incidents related to working at height.

Managing our contractors

We require all our suppliers and contractors to meet strict health and safety requirements, and we monitor their performance through our supplier management programme (see our Responsible supply chain section).

Our procurement team works closely with key contractors to help them improve safety management in their own teams and among sub-contractors. We hold workshops for key network suppliers to promote collaboration and raise standards across the industry. A particular focus is on working with suppliers to ensure their design specifications for network infrastructure meet our requirements and minimise health and safety risks.

Examples of the ways we aim to improve safety management among our suppliers include:

- A Safety Passport system for high-risk projects, which has been introduced for one major supplier. This system only allows sub-contractors on site if they have documentation showing they have completed appropriate health and safety training before starting work
- Our health and safety contractors team website in Greece which provides information for contractors and sub-contractors on health and safety including the Absolute Rules, Safety Passports and Safety Alerts to help them train their employees
- Our ONESAFETY database in Italy, which provides information on key risks and environmental characteristics of network sites to registered contractors and professionals. The database enables communication between field technicians and our Network Monitoring Centre so users can raise potential problems and update site risk information.

In focus: Red card for safety

Our consequence management system for suppliers who do not meet our health and safety requirements makes it clear that failing to demonstrate robust safety management is linked to the termination of purchase orders and contracts. Suppliers receive a warning for any high-potential or near-miss incident. Incidents that could have been prevented or those that lead to injury or fatality may result in the termination of our contract with the supplier or in the supplier being excluded from bidding for new work with us for a probationary period. To work with us in future, the supplier must repeat our full qualification process.
Our vision and approach
Transformational solutions
Operating responsibly

Health and safety – Our approach

Legacy infrastructure

Through the acquisition of other companies, particularly in emerging markets, we have inherited some infrastructure that does not meet our safety standards. In addition, some of our own infrastructure was built prior to the introduction of our safety standard on design.

We therefore carry out improvement programmes and checks to masts, towers and other equipment, modifying or replacing it where necessary. Technology Directors in each market have annual targets to upgrade and replace infrastructure, and are audited to make sure they fulfil these targets.

Reporting and investigating incidents

On a quarterly basis we monitor and audit our local markets against our Group safety strategy and objectives, and each market reports health and safety incidents through our global online reporting system. All major or high-potential incidents must be reported within 48 hours to the Group Director of Health, Safety and Wellbeing and a full investigation is undertaken into the causes. Local market CEOs are required to oversee these investigations personally and to ensure corrective actions are implemented.

We share these findings across the Group to prevent similar incidents happening elsewhere. Safety Alerts notify our employees, local markets and relevant suppliers of any incidents or near misses that might have implications for other parts of the business. We also share lessons on good practice that we believe should be emulated.

Health and safety management

Our Group Health, safety and wellbeing team, which reports to the Group Human Resources Director, oversees health and safety management across Vodafone. The team works closely with key Group functions and local market representatives, who share best practice through a health, safety and wellbeing network. For more on wellbeing, see Our people section.

Senior leaders across the Group conduct safety tours to raise awareness, personally assess health and safety standards and make recommendations for improvement. We hold leadership workshops for executives and senior managers to reinforce leadership behaviours that contribute to a strong health and safety culture.

Our Group Health and Safety Policy and accompanying suite of standards on specific risks sets out our expectations across our markets with clear guidance on risk assessment, incident reporting and management of key risks. We have strong management systems in place to ensure compliance in all our markets, and managers across the Group receive health and safety training appropriate to their role.

Management systems in our local markets are aligned with internationally recognised standards and our operations in Greece, Italy, South Africa and the UK are accredited to OHSAS 18001. Employees are trained to ensure management systems are used effectively. A maturity matrix tailored to our business helps us consistently assess the maturity of how we manage health and safety across the Group, and set targets to improve our safety culture.

Our approach to health and safety management operates on a cycle of four key elements: plan, do, check and act (see graphic).

Fatalities and LTI data, as well as selected supporting statements in this section, were reviewed as part of EY’s assurance of Vodafone’s Sustainability Report.

For more details see our Assurance Statement.

June 2014

Notes:
1. Global Status Report on Road Safety 2013, World Health Organization
Health and safety – Performance in 2013/14

We are working hard to instil a culture of safe behaviour and strive towards our objective of zero fatalities. We have a wide range of programmes and systems to tackle our key risks, often specifically tailored to the particular needs of our markets. Despite this we greatly regret to report that 12 people died while undertaking work on behalf of Vodafone last year. Strengthening programmes to target occupational road risk – one of our biggest risk areas and the main cause of these fatalities – remains a major focus for all markets. However, through increased awareness and a strong focus on managing our top five safety risks, our injury rates have continued to decline in 2013/14.

Making safety part of leadership

At Vodafone, we make it clear that if you want to be a leader in our business, you must personally value safety. We continued to embed safety into leadership programmes such as our Technology Excellence programme, Leading in The Vodafone Way and induction training for senior leaders. Executives across the Group, local market Technology Directors and local market HR Directors now have annual personal objectives on health, safety and wellbeing, and similar objectives have been extended to senior leadership teams in every local market. This is reinforcing health and safety as the responsibility of our key decision makers, as a core part of what they do and what others need to do to be considered for senior positions.

In 2013/14, executives and senior leaders in each local market were required to conduct at least one site tour per quarter to show that safety is important to them and ensure people know that Vodafone cares about their personal safety.

In focus: Mission Reach makes safety personal in India and Qatar

Our Mission Reach programme in India is raising awareness of our Absolute Rules (see our Approach section) on safety, checking employees have completed their safety induction and letting them know we care about their personal safety. People across our business in India each make weekly calls to 10 employees and contractors working in high-risk roles, holding a scripted conversation with them on safety, asking questions depending on what they are doing that day such as “Are you wearing your helmet?” or “Does someone know where you are going?”. In 2013/14, more than 100,000 calls were made.

In Qatar, we ran a week-long awareness raising campaign in 2013/14 to make safety personal for employees. The main focus was the value of being safe for your family, to emphasise the importance of following our Absolute Rules on safety.

Occupational road risk

In 2013/14, introducing and strengthening programmes to reduce occupational road risk, one of our biggest risks and the main cause of fatalities, remained a major focus for all local markets. Road risk programmes tailored to local needs have now been implemented in all our local markets – two years ahead of our 2016 target. Programmes include:

- Piloting Speed Governor in India which is a device that was fitted onto all field staff’s motorbikes to limit their speed to 60km. Reflector jackets are now included as part of mandatory personal protective equipment for our motorbike riders and travel during the hours of darkness is banned to reduce accidents
- Launching a Driving Safety Campaign in Portugal to raise employee awareness about responsible driving and the importance of our Absolute Rules – initiatives included inviting employees to try simulators that replicated the experience of rolling over in a car, driving under the influence of alcohol and driving at high speeds, and a Q&A session with a representative of the National Authority for Road Safety
- Holding a Road Safety Action Day in Germany to educate employees on braking and reaction distances, bike safety and the risks of drink driving – participants wore ‘drunken-glasses’ in a driving simulator to understand how alcohol affects vision and reactions
- Discouraging texting behind the wheel through our network application, DriveSafe, in New Zealand – the app sends an automated response to all text messages received while driving, to let the sender know the person they have contacted is driving and will not respond immediately

<table>
<thead>
<tr>
<th>Objective</th>
<th>Our performance in 2013/14</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensuring local and regional executives complete at least two senior management site tours a year</td>
<td>An average of one site tour per quarter was conducted by senior management in each market</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
Health and safety – Performance in 2013/14

- Conducting an online assessment for all fleet drivers and employees with a company car in Spain to raise awareness of our Absolute Rules on safe driving and ensure they have the necessary driving qualifications
- Assessing more than 1,100 of our vehicles and training over 2,360 of our drivers in Turkey as part of our certification to international traffic management standard, BS ISO 39001, for developing and maintaining a road traffic safety management system. Vodafone is the first company to achieve this standard in Turkey.

As well as raising awareness among our employees and contractors, we are consulting with international motoring organisations and other multinational companies about how we can help to improve standards of road safety and share lessons learnt more widely in the countries where we operate. Through our involvement in Fleet Forum, which has over 200 member organisations, we are working with others to improve road safety in emerging and middle-income countries in a coordinated and efficient way.

Working with electricity

We continued to roll out our e-learning module on working with electricity in 2013/14 to provide employees with a basic awareness of electrical hazards and risks. Designed to reinforce local training requirements, the module includes information on how to recognise risks as well as appropriate interventions and controls to be used when working with electricity. It is available for all employees.

Working at height

Research has shown that ladder cages used to prevent falls from height can lead to a false sense of security when climbing, cause additional injury in the event of a fall and hinder rescue attempts. In 2013/14, we achieved our target to complete installation of fall-arrest systems on all cages on vertical ladders over four metres high across all our local markets.

Managing our contractors

Contractors’ safety performance is monitored through a combination of site inspections, formal audits and assurance programmes that require them to verify that appropriate safety systems are in place.

Our consequence management system, which clearly shows that if suppliers fail to meet our safety standards they risk termination of contracts, has been communicated to suppliers and is now being implemented across our markets. In 2013/14, 16 warnings were issued to suppliers as a result.

We are also continuing to assess the effectiveness of our Safety Passport system for high-risk projects, which requires subcontractors to show that they have received appropriate safety training before they are allowed on site to begin work.

See Responsible supply chain for more on our work with our contractors to manage and improve their health and safety performance.

Legacy infrastructure

Our legacy infrastructure upgrade programme aims to improve the safety of base stations built prior to the introduction of our new design standards. In 2013/14, we continued to extend our programme of preventative maintenance across our markets. We estimate that the process was complete for 88% of our sites at the end of its third year, putting us on track to complete the four-year programme as planned. As part of this process, the safety standards we have established for the installation of all new base stations will be progressively rolled out to existing sites.

Reporting and investigating incidents

Lost time injury rates fell by a further 16% to 1.03 per 1,000 employees in 2013/14 as a result of our continued efforts to prevent incidents across the Group by targeting key risks (see examples outlined above). The number of high-potential incidents we recorded — those that do not cause a major accident but could have under different circumstances – has increased by 14%. This increase in general reporting of incidents is a strong indication that awareness of safety is continuing to increase and our management systems are working.

We deeply regret that 11 contractors and one employee lost their lives in 2013/14 while working for Vodafone. Nine of these fatalities were the result of road traffic accidents and three from working at height. The majority (eight) were in India, with two in Egypt, one in Portugal and one in the UK. In addition, three members of the public died as a result of vehicle accidents in Ghana and Mozambique.

Any fatality is unacceptable and we continue our efforts to drive a culture of zero fatalities across the Group. Every fatal incident was fully investigated to determine root causes, and reviewed by Vodafone Executives at Group and local market level. Action plans have been put in place to prevent recurrence and lessons learned have been shared across the Group. We also issued three Group-wide Safety Alerts to raise awareness of the causes of major incidents in 2013/14. These were related to lifting operations (using equipment such as cranes), working at height and street works (involving digging up roads and managing traffic).

See Data on page 115 for more detailed, year-on-year performance.
Health and safety – Performance in 2013/14

Strengthening health and safety management

In 2013/14, we established a new safety maturity matrix that provides consistent criteria to measure and compare health and safety management across the Group. The matrix integrates elements of the International Safety Rating System (ISRS), used previously, but is tailored to our business and puts greater emphasis on improving performance rather than simply complying with standards.

The matrix helps our senior leaders measure the health and safety culture in the business against a set of consistent criteria. Results of the assessment will be used to create a tailored improvement plan for each local market, which is regularly reviewed by the relevant Leadership Team. Maturity levels of each market are being assessed to establish a baseline, and these levels will be validated annually through internal audits every three to five years.

In focus: Vodafone India recognised for health and safety standards

In July 2013, Vodafone India was recognised as the winner of the Golden Peacock Occupational Health and Safety award 2013 for our commitments to the highest standards of health and safety for both our employees and contractors.

Fatalities and LTI data, as well as selected supporting statements in this section, were reviewed as part of EY’s assurance of Vodafone’s Sustainability Report. For more details see our Assurance Statement.

June 2014
# Health and safety – Data

## Total number of fatalities (employees and contractors)

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee fatalities</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Contractor fatalities</td>
<td>20</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>21</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

## Cause of fatalities (employees and contractors)

<table>
<thead>
<tr>
<th>Cause</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrocution</td>
<td>4</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Work at height</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Road traffic accident</td>
<td>13</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Criminal activity</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Plant, product or equipment related</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Slip/trip/fall</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

## Total number of fatalities by country (employees and contractors)

<table>
<thead>
<tr>
<th>Country</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Republic</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Egypt</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>India</td>
<td>14</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Portugal</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Romania</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Turkey</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>UK</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Vodacom</td>
<td>3</td>
<td>2</td>
<td>0</td>
</tr>
</tbody>
</table>

Notes:
1. Vodacom markets include South Africa, Democratic Republic of Congo, Lesotho, Mozambique and Tanzania
Health and safety – Data

**Number of lost-time incidents**

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of lost-time incidents (employees)</td>
<td>146</td>
<td>112</td>
<td>101</td>
</tr>
</tbody>
</table>

**Lost-time incident rate per 1,000 employees**

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lost-time incident rate per 1,000 employees</td>
<td>1.69</td>
<td>1.23</td>
<td>1.03</td>
</tr>
</tbody>
</table>

Fatalities and LTI data, as well as selected supporting statements in this section, were reviewed as part of EY’s assurance of Vodafone’s Sustainability Report.

For more details see our Assurance Statement.

June 2014