



Connecting for a better future – digital, sustainable and inclusive

Our commitment to the environment

Vodafone Business – April 2021



Together we can
vodafone
business

At Vodafone, we believe that business success should not come at a cost to the environment

As a leading mobile and fixed networks operator, we see it as our responsibility to contribute positively to the societies in which we operate and in supporting the delivery of the 2030 United Nations Sustainable Development Goals (SDGs). We are working hard to build an inclusive and sustainable digital society.

Our networks play a vital role in keeping economies running and keeping people safe, informed, connected and entertained, as the COVID-19 pandemic has shown.

As countries emerge from the pandemic, there is a unique opportunity to build back better: build more energy-efficient infrastructure, drive more efficient use of natural resources and unleash the circular economy.

What is our commitment?

Delivering change requires leadership and we have committed to reaching net zero for the emissions from our operations by 2030, and net zero across our full value chain by 2040.

Our 2030 emission reduction targets are approved by the SBTi¹ and are in line with climate science and the goal to limit global temperature rise to below 1.5°C. We developed them with the support of the Carbon Trust, a globally recognised carbon and sustainability expert, using a specific information and communication technology (ICT) sector emission reduction pathway.

Our network infrastructure, such as base stations and data centres, accounts for 95% of our total energy consumption. Over the last five years, data traffic has increased by 1,000% but through our focus on energy efficiency, we managed to keep our energy consumption constant. We reduced the energy consumption per unit of data traffic by 90%.

Through our purpose agenda, we focus on three pillars:



Digital Society



Inclusion for All



Planet

Vodafone is creating a green network and by using our connectivity services, customers can reduce their own environmental footprint. Together we can drive decarbonisation, ensure more efficient use of resources, eliminate waste and create a more inclusive and sustainable future for everyone.

The electricity we use for our European networks will be 100% from renewable sources by July 2021, creating a Green Gigabit Network for customers across 11 countries, powered sustainably from wind, solar or hydro sources.

By 2025 we will use 100% renewable electricity across our global footprint.

In 2020 we invested €77 million in energy efficiency and renewable projects, which led to annual energy savings of 186GWh.

In 2019 we launched a €750 million Green Bond to support our energy efficiency efforts. The funds raised are directed to specific green projects as described by our Green Bond framework.

Vodafone have achieved an “A” rating in the CDP 2020 climate change assessment which ranks Vodafone in the top 5% of companies that were considered. We also run Taskforce on Climate-related Financial Disclosure (“TCFD”) scenario based risk assessment across all our key markets.

Tackling waste

We have committed to reusing, reselling or recycling 100% of our redundant network equipment by 2025. In 2020 we launched a business-to-business asset marketplace solution within Vodafone that allows us to resell and repurpose large decommissioned electrical items like masts and antennae, helping us reduce carbon emissions. Over the next years, we plan to expand the scope of the asset marketplace. We are driving initiatives to reduce device e-waste, through trade-in offers, aftersales services to extend the lifecycle of devices and refurbished routers. We also work with others in the industry. In 2019 we launched a partnership with Fairphone, a social enterprise that develops more sustainable smartphones.

Plastics is another focus area: we have removed all unnecessary plastics from offices and retail stores and halved the size of SIM card holders and we work with our suppliers to reduce plastics too. If every SIM card was halved in size, this would save around 100 million tonnes of plastic worldwide.²

¹ Science Based Targets initiative.

² Assumptions: weight of SIM card is 4.2g, saving 2.1g, number of SIM cards worldwide is 5.5 billion.

Our commitment to the planet

We've committed to reducing our total global carbon emissions to 'net zero' by 2040. Here's how we're going to do it...



2021



European network powered by 100% renewable electricity

2025



All network waste reused, sold or recycled

100%

of the electricity used by our networks from renewable sources

2030



Carbon emissions eliminated from:

- Our own activities
- The electricity we purchase and use



Carbon emissions halved from:

- Our supply chain
- Business travel
- Our joint ventures
- The use of products we have sold



Enable corporate customers to reduce their emissions by 350 million tCO₂e between 2020 and 2030

2040

0% FULLY NET ZERO



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Together we can build a sustainable future

In addition to reducing our own environmental footprint, we have committed to helping our customers reduce theirs. We have set a target to enable a cumulative reduction of 350 million tonnes of CO₂e emissions between 2020 and 2030 – the equivalent of Italy's total carbon emissions for 2019.

A key factor in our climate commitment is our leadership in IoT (Internet of Things). Vodafone is the largest global provider of IoT, connecting devices and allowing organisations to improve transparency, measure performance and act to improve. This applies across all sectors, from logistics, fleet management and smart metering to manufacturing, healthcare and agriculture.

Partnering to build back better

At Vodafone, we are laser focused on reducing our environmental footprint and helping our customers reduce theirs. That is why we have set an ambitious 'carbon enablement' target and are constantly seeking to partner with our customers to make an even bigger contribution to tackling climate change.

With Vodafone, you can rely on our network supporting your connectivity needs as a supplier with ambitious environmental goals. You can also count on solutions that enable you to continually improve efficiency and reduce your own carbon footprint using the insights, measures and automation that our leading technologies in IoT, cloud, edge, mobile communications and analytics bring. As a global leader in IoT, Vodafone operates over 110 million connections. By 2025, IoT connections are expected to reach over 25 billion, up from 9 billion in 2018.

We estimate that currently over a third of our IoT connections contribute to reducing carbon emissions. With connectivity and IoT,



reduction in energy consumption

In Guadalajara, Spain, 13,500 LED street lights were connected and managed using IoT, reducing energy use by 68%



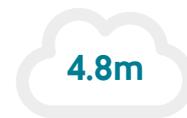
reduction in fertilizer use

Our connected agriculture solutions reduced the use of fertilizer by 20%



smart meters

We connected over 12 million smart meters, saving c.1.6 million tonnes of CO₂e in FY 2020



tonnes of CO₂e saved

Across Europe, our fleet management solutions helped operators to optimise their operations, reducing fuel consumption by 30% and saving an estimated 4.8 million tonnes of CO₂e in FY 2020

there is an unrivalled opportunity for Europe to be an industrial leader and an engine for a green and digital transformation.

How Vodafone can help you

Public sector organisations play a central role in creating sustainable cities and city services. From waste collection to transport networks, cities have the power to drive the green agenda to improve quality of life, drive out waste and create more sustainable cities for the future.

The EU's Recovery and Resilience Facility, which aims to invest over €670 billion in rebuilding economies, is a unique opportunity to create more digital, green and safe towns and cities. From the total fund of over €670 billion, 20% (€134 billion) is earmarked for digitalisation while 37% (over €247 billion) is set aside to encourage projects that accelerate the transformation to green and sustainable solutions.

Find out at <https://www.vodafone.com/our-purpose/planet> how Vodafone can help support your plans to create sustainable solutions for the future.

Our Vodafone companies in your country will be happy to help.

Please contact them for more information.