

# Vodafone Group Plc

Modern Slavery Statement 2022/23



# Introduction

Vodafone's purpose is to connect for a better future by using technology to improve lives and enable inclusive and sustainable digital societies. We achieve this by focusing on three pillars: Inclusion for All, Planet and Digital Society, which serve as the framework for everything we do at Vodafone.

Our purpose is underpinned by our responsible business practices: protecting data, protecting people and business integrity.

Protecting people includes our aim that everyone who works for Vodafone – in any capacity, anywhere in the world – should benefit from a working environment in which their fundamental rights and freedoms are respected.

This Statement is published by Vodafone Group Plc ('Vodafone') and its relevant subsidiaries (see page 9) and reports on what we do to prevent slavery, servitude and forced, bonded or compulsory labour, human trafficking, sexual exploitation and child labour ('modern slavery') both within our own operations and our supply chain.<sup>1</sup> This is our eighth Modern Slavery Statement, issued to comply with section 54 of the UK Modern Slavery Act 2015, and relates to the financial year ended 31 March 2023.



It can be found on Vodafone's website [vodafone.com/about-vodafone/reporting-centre/sustainability-reports](https://vodafone.com/about-vodafone/reporting-centre/sustainability-reports)



and on the UK Government registry [modern-slavery-statement-registry.service.gov.uk/statement-summary/AC1wdgk/2021](https://modern-slavery-statement-registry.service.gov.uk/statement-summary/AC1wdgk/2021)



For further information, please refer to Vodafone's annual report [vodafone.com/ar2023](https://vodafone.com/ar2023) and Vodafone's ESG addendum: [investors.vodafone.com/esgaddendum](https://investors.vodafone.com/esgaddendum).

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

## In 2022/23 we:

- Reviewed and refreshed our modern slavery risk assessment [page 4](#)
- Led industry peers in understanding human rights risks in solar panel supply chains [page 4](#)
- Engaged with peers on risks related to buying choices for solar panels [page 4](#)
- Benchmarked and updated our **Code of Ethical Purchasing** to reflect recent changes in policies and standards [page 6](#)
- Updated the Vodafone Global Resourcing Policy (now called the "Talent Acquisition Policy") to account for modern slavery risks [page 6](#)
- Reviewed our grievance mechanism (Speak Up) and improved the user experience for reporting any human rights concerns [page 6](#)

## Contents

1	Introduction
2	Our business and supply chain
3	Modern slavery risks
7	Evaluating our progress
9	Appendix

# Our business and supply chain

**Unique in its scale as the largest pan-European and African technology communications company, Vodafone aims to transform the way our customers live and work through our innovation, technology, connectivity, platforms, products and services.**

## Our business structure

Whilst Vodafone Group Plc is incorporated and domiciled in England and Wales, we operate mobile and fixed networks in 17 countries in Europe and Africa, hold interests in associates and joint ventures in Germany, Australia, Kenya, India and the Netherlands, and partner with mobile networks in 46 more. We have more than 96,000 employees and 8,000 contractors working globally.

As of 31 March 2023, we provide mobile and fixed services to over 300 million customers in 17 countries and we are a world leader in the Internet of Things (IoT), connecting over 160 million devices and platforms. With Vodacom Financial Services and M-Pesa, we have the largest financial technology platform in Africa, serving more than 56 million people across six countries.

We are not a mass-market manufacturer and do not directly own or operate large factories or other production facilities, apart from a small plant that assembles specialist automotive IoT components, based in Italy. We do not own, operate or control the manufacturing operations that make Vodafone-branded devices, nor do we handle raw materials or commodities.

Vodafone Procurement Company and our shared services division Vodafone Intelligent Solutions (\_VOIS) manage our external spend with suppliers and provide services to Vodafone.

This Statement covers the subsidiaries listed on [page 9](#).

## Our governance structure

Vodafone's Chief External and Corporate Affairs Officer is a member of the Executive Committee and oversees our approach to human rights. A senior manager is responsible for the human rights programme, with the support of a cross-functional internal Human Rights Advisory Group (HRAG) comprising senior leaders responsible for privacy, security, policy, legal, diversity and inclusion and responsible sourcing. Each HRAG member is responsible for implementing the relevant internal policies that align with our Human Rights Policy and for collaborating with our operating companies to integrate policy controls.

We report on progress to our Purpose and Reputation Steering Committee – a subsidiary body of the Executive Committee – where we also raise any concerns regarding how our or our business partners' operations could result in a negative human rights impact. Since 2021, we also have an ESG Committee as a principal committee of the Vodafone Group Plc Board. The Committee provides oversight of Vodafone's Environment, Social and Governance strategy, purpose, sustainability and responsible business practices, including human rights related activities, as well as Vodafone's contribution to the societies we operate in under Vodafone's social contract.

Vodafone's Audit and Risk Committee oversees our systems of internal control, risk management framework and compliance activities. The Committee is composed entirely of independent Non-Executive Directors.

### Top ten tier one supplier sourcing countries (headquarter location) (c.80% of total spend)

- |                  |                |
|------------------|----------------|
| – United States  | – Italy        |
| – Germany        | – Sweden       |
| – China          | – South Africa |
| – South Korea    | – Finland      |
| – United Kingdom | – Japan        |

## Our supply chain

We spend approximately €25 billion a year with around 9,000 direct suppliers. Our suppliers range from small businesses to large multinational companies. We estimate that there are around 250,000 employees in our supply chain. Our direct suppliers have many suppliers of their own, such as electronics manufacturers, sub-assemblers, component and commodity suppliers. The complexity and dynamic nature of our supply chain impacts our ability to map the entire supply chain beyond our direct suppliers. However, we know which regions our first-tier suppliers operate in, the level of spend and category of procurement activity.

The majority of our external spend is with large well-known global suppliers that provide us with the devices we resell to our customers (for example: mobile phones, tablets, routers, IoT devices and set-top boxes that connect to our network, and equipment and services we need for those devices to connect and have access to our fixed and mobile networks where we operate). The components and assembly required for devices and network equipment are largely manufactured in Asia – a key focus area for Vodafone and our industry in terms of modern slavery risks. Network equipment may be installed, upgraded and/or maintained in the countries where we operate, constituting a lower risk of modern slavery. This is because the work is highly skilled, and we have oversight through our own local operating companies.

The majority of our external spend is managed by our Vodafone Procurement Company that is based in Luxembourg and Vodafone Intelligent Solutions (\_VOIS). This centralised approach helps to ensure that we maintain a consistent approach to supplier management across Vodafone, from on-boarding and vetting a supplier, to raising orders and paying for delivered goods and services. This not only makes it easier to monitor and improve supplier performance across our markets, but also ensures fair treatment of suppliers during the competitive tender process.

We also procure a wide variety of goods and services to support our general business such as, cloud and software services and other categories needed for our functions, including things like marketing, content, travel, professional advisory support, facilities management, catering and cleaning where our risk focus is on procurement with a strong association to our brand.

# Modern slavery risks

## Modern slavery risks in our business

Our external risk review found that the risk of modern slavery in our direct operations (including retail) is low, given the relatively high-skilled profile of our direct hires, the nature of work conducted and the direct oversight by our operating companies. Security and other checks (such as 'right to work checks') required in the recruitment of our people also mitigate against modern slavery risks. This year we reviewed our Global Resourcing Policy (now called the "Talent Acquisition Policy") to further address modern slavery risks. We included specific requirements on minimum age and checks to make sure candidates have not paid a fee to get a job with Vodafone. Other business activities which are outsourced and therefore have potentially a higher risk – such as property maintenance, logistics, warehousing and catering – are covered by the due diligence processes for our supply chain to manage these risks.

## Modern slavery risks in our supply chain

Our greatest areas of potential exposure to modern slavery remain consistent and are linked to our procurement of manufactured electronic products, as well as, where carried out in higher risk geographies, the construction services for our mobile and fixed assets, maintenance and support services at our offices, warehousing of products, and customer support and telesales activities.

The main risks in our supply chain that have either a direct or indirect causal link to modern slavery and form part of our audit and verification criteria are child labour, forced labour, health and safety, freedom of association, discrimination, disciplinary practices, working hours, wages and compensation and business ethics. Vodafone uses the same criteria as the Joint Alliance for CSR (JAC) (see on-site assessments below).

## Identifying, assessing and managing modern slavery risks

### Due diligence in our supply chain

We aim to identify modern slavery risks before we take on a new supplier and monitor them for compliance against our Code of Ethical Purchasing and Code of Conduct in the life of the contract, as below. We work collaboratively with others in our sector to identify risks.

### Qualification process

- New suppliers must demonstrate policies and procedures that support safe working, diversity in the workplace and climate commitments in their tender through an ethical, labour and environmental risk questionnaire, comprising up to 20% of the overall evaluation (5% on diversity and inclusion, 5% on the environment and 10% on health and safety where applicable).
- Our suppliers must sign up to our Code of Ethical Purchasing, which includes explicit provisions related to modern slavery. They must cascade the provisions (or their equivalent) to their own supply chains.

### Risk assessment

- Risk profiling is undertaken during the qualification process.

### Based on industry

- We review our supplier base and contact key suppliers to better understand the risk. The information is fed into our supplier on-boarding process to ensure that our areas of greatest potential exposure are identified and assessed for risk.

### Based on country

- Depending on the category of what we are buying, we then also take into consideration the country context risk.

### Screening for issues

- Vodafone's Code of Ethical Purchasing requires that suppliers shall immediately report to us any serious breaches of the Code and that we will together agree a schedule for corrective action.
- We monitor our strategic suppliers through our Supplier Performance Management programme, which requires suppliers to evidence whether they have a responsible supply chain through an annual questionnaire.
- We review human rights allegations made against our direct suppliers to assess the risk of their potential involvement in human rights violations.

## On-site assessments

- We are members of the Joint Alliance for CSR (JAC, formerly known as the Joint Audit Co-operation).
- JAC is an association of telecommunications operators established to improve ethical, labour and environmental standards in the information and communication sector (ICT) supply chain and undertakes regular audits of suppliers in ICT value chains. They cover labour, health and safety, environmental, ethics and management systems. Vodafone uses these assessments in addition to our own to identify and manage risks in our supply chain (see evaluating our progress section [page 7](#)).
- In addition to formal assessments on specific supplier sites, we also assess risks during other supplier assessments such as safety visits to network sites and regular visits to manufacturing centres whereby any observations that have cause for concern can be raised directly with our experts in our procurement teams.

## Direct worker feedback

- Suppliers undergoing a JAC assessment are required to allow their employees to complete an offsite worker survey using their mobile to reply anonymously to pre-recorded questions in their local language at any time and from any location.
- Findings that require action are incorporated into the relevant supplier's corrective action plan.

## Improvement and capability building

- Our employees must do regular training so they are able to spot the risks of modern slavery either in our own business or in relation to workers in our supply chain

## Capability building

- All Vodafone employees must complete our 'Doing What's Right' mandatory training course, which supports our Code of Conduct.
- We require everyone in our global supply chain organisation to complete annual training on our Code of Ethical Purchasing.

## Improvement plans

- Direct strategic suppliers are required to submit responses to Vodafone's annual questionnaire with evidence related to their compliance to Vodafone's Code of Ethical Purchasing. Each supplier is given a scorecard highlighting areas for improvement.

## Modern slavery risks continued

### Events and forums to share learning on modern slavery risk

- This year we spoke on a panel at techUK about human rights risks in technology supply chains and contributed to discussions at the Modern Slavery and Human Rights Policy and Evidence Centre's Business Roundtable.

### Sharing best practices

- Vodafone is current Chair of the board of JAC and JAC's taskforce on human rights.
- Vodafone participated in the UK Home Office Business Against Slavery Forum.
- Vodafone continues to participate in the Modern Slavery Working Group and Child Labour Working Group hosted by the UN Global Compact Network UK.

### Recognition

- We consider suppliers for future contracts if they comply with our policies and display behaviour in line with our Code of Conduct and Code of Ethical Purchasing.
- Vodafone provides recognition awards for our outstanding suppliers.

### Consequences

- Vodafone's suppliers operate under the 'Vodafone Absolute Rules' underpinned by a zero-tolerance approach to unsafe behaviours in all of our businesses. If a supplier breaches these rules, fails to improve and continues to pose a grave threat to workers' health and safety, Vodafone will terminate their contract.

### Improvements to our due diligence process

Vodafone has enhanced its system to assess key risks when on-boarding new suppliers that we intend to work with. The system, called Supplier Assurance Risk Management (SARM), uses a proprietary framework to identify suppliers with risks that are material to Vodafone, related to money laundering, bribery, conflict minerals, conflict of interest, corporate security, cyber security, environment, health & safety, payment card industry, privacy, product safety, responsible sourcing and sanctions and trade control. Modern Slavery risks are considered under 'Responsible Sourcing', where we review suppliers of Vodafone branded products (such as branded uniforms purchased by one of our businesses). In these cases, suppliers are required to provide information related to our policy requirements, of which we validate the following:

- Having policies related to child labour, disciplinary practices, non-discrimination, forced labour, health and safety, managing their own suppliers.
- If accommodation is provided by employers.
- Confirmation that fines are not used as a disciplinary measure.
- Permitting freedom of association.
- Having a defined process to pay their employees.
- Ensuring conditions of employment are communicated which include payment terms and working hours.

We also assess the suppliers' major manufacturing and/or major sub-contractor locations and request evidence of an audit report including declaring any legal violations during the last three years.

The responses are reviewed by experts in our procurement organisation who will evaluate the risk and if necessary, identify any remedial actions required before on-boarding, which may include an on-site Vodafone or JAC audit, or a review of any existing audit reports shared by the supplier.

### Case study:

#### Forced Labour Risk in Global Solar Panel Supply Chains

Following a number of reports from academic institutions, media and governments published in 2021, we were aware of and concerned about the potential existence of forced labour in our solar panel supply chain. As stated in our 2021/22 modern slavery statement, we reached out to our key manufacturing suppliers of devices and network equipment to ensure they were not working with the suppliers identified in the report. This year, we have taken steps to carry out due diligence in this area to screen the supply chain for red flags – in particular companies allegedly involved in forced labour.

Vodafone does not procure solar panels directly, as these are provided as part of renewable energy solutions by energy companies which supply to us. In the UK, we worked with our renewable energy solution supplier to provide information related to their policy on forced labour and details of the provenance of their solar panel manufacturers and raw materials supply chain such as the sources of polysilicon and locations of manufacturing plants. Our expert supply chain team checked the details provided by our supplier against reports detailing companies suspected or found using forced labour. Independent audit reports to verify conditions have been challenging to obtain as the solar panel industry is at an early stage in establishing audit and verification of their supply chains, made difficult also with access restricted due to COVID19 preventing visits. There are also challenges to safeguarding the safety and security of any third-party auditors in specific regions making verification difficult. For solar panel manufacturers listed in the US, we also review regulatory disclosures (such as the 20-F filings to the Security & Exchanges Commission) which requires companies to detail their supply chain locations and compliance to the Uyghur Forced Labour Prevention Act (UFLPA).




We shared our due diligence approach with other peers within the Joint Alliance for CSR (JAC) initiative to increase wider awareness of the issue and support efforts in this area, including sharing the mapping of high-risk suppliers and geographies.

## Modern slavery risks continued




**Our policies and commitments to manage modern slavery risks**

Our policies are implemented in all our subsidiaries where we own more than 50% or have management control. Our Supplier Code of Ethical Purchasing and Code of Conduct extend our commitments through our supply chain.

We align with the United Nations Guiding Principles on Business and Human Rights (UNGPs). This means we work to make sure our policies, governance and due diligence processes take account of human rights risks so that we can properly manage and mitigate them. We set out below our policies which are relevant to preventing the risk of modern slavery in our business and supply chain.

Vodafone Group Policy	Application	Relevance to modern slavery
<b>Code of Conduct</b>   Available at: <a href="https://vodafone.com/code-of-conduct">vodafone.com/code-of-conduct</a>	<ul style="list-style-type: none"> <li>– Underpins all Vodafone's activities.</li> <li>– Extends to everyone working for and on behalf of Vodafone.</li> <li>– Owned by Vodafone's Chief Executive.</li> </ul>	<ul style="list-style-type: none"> <li>– Details what we expect from our suppliers and business partners in upholding the same standards and to act ethically.</li> <li>– Refers to our commitment to prevent complicity in human rights abuses.</li> <li>– Refers to Vodafone's policy against any form of child labour.</li> </ul>
<b>Responsible Mineral Policy</b>   Vodafone's Responsible Minerals Statement available at: <a href="https://vodafone.com/responsibleminerals">vodafone.com/responsibleminerals</a>	<ul style="list-style-type: none"> <li>– Applies to all Vodafone employees, contractors and direct suppliers.</li> <li>– Owned by the Chief Commercial Officer.</li> </ul>	<ul style="list-style-type: none"> <li>– Requires that Vodafone's use of relevant minerals (tin, tantalum, tungsten, gold and cobalt) does not directly or indirectly finance conflict or benefit non-state armed groups.</li> <li>– Recognises the risks associated with the sourcing of certain minerals used throughout the global electronics industry.</li> <li>– Strives to ensure that we do not contribute to or profit from conflict nor human rights abuses related to the sourcing of these minerals.</li> </ul>
<b>Fair Pay Principles</b>   Available at: <a href="https://vodafone.com/fair-pay">vodafone.com/fair-pay</a>	<ul style="list-style-type: none"> <li>– Applies to all Vodafone employees.</li> <li>– The principles are monitored annually and a local action plan for any required adjustments is implemented accordingly.</li> <li>– Owned by Group Reward within Group Human Resources.</li> </ul>	<ul style="list-style-type: none"> <li>– Covers competitive and fair pay to our employees. This applies to all employees regardless of level, location or role.</li> <li>– Strives to ensure a good standard of living for all employees.</li> </ul>
<b>Human Rights Policy</b>   Vodafone's Human Rights Policy Statement is available at: <a href="https://vodafone.com/sustainable-business/operating-responsibly/human-rights/our-policy">vodafone.com/sustainable-business/operating-responsibly/human-rights/our-policy</a>	<ul style="list-style-type: none"> <li>– Applies to all Vodafone companies in which Vodafone Group holds an interest of over 50%, or has management control.</li> <li>– The Statement was reviewed and approved by the Vodafone Group Executive Committee and signed by our Chief Executive.</li> <li>– Owned by the Vodafone Chief External and Corporate Affairs Officer and overseen by the Group Purpose and Reputation Steering Committee</li> </ul>	<ul style="list-style-type: none"> <li>– Sets out the minimum requirements we observe to respect the rights of our customers, colleagues, business partners and communities.</li> <li>– Includes our commitment to the prevention of slavery and human trafficking.</li> </ul>

## Modern slavery risks continued

Vodafone Group Policy	Application	Relevance to modern slavery
<b>Speak Up Policy</b>   Available at: <a href="https://vodafone.com/about-vodafone/how-we-operate/suppliers/supplier-ethics">vodafone.com/about-vodafone/how-we-operate/suppliers/supplier-ethics</a>   It can also be found in Vodafone's Code of Conduct: <a href="https://vodafone.com/code-of-conduct">vodafone.com/code-of-conduct</a> (p8)	<ul style="list-style-type: none"> <li>– Applies to all Vodafone employees, contractors and direct suppliers.</li> <li>– In 2022, we undertook a review of the Speak Up process to check it against the requirements of the UNGPs.</li> <li>– Owned by the Chief Human Resources Officer and overseen by the Group Risk and Compliance Committee.</li> </ul>	<ul style="list-style-type: none"> <li>– Encourages everyone to report suspected breaches of our codes and policies, via our anonymous external confidential reporting service.</li> <li>– Speak Up operates a non-retaliatory policy; everyone who raises a concern in good faith is treated fairly, regardless of the outcome of any subsequent investigation.</li> <li>– Speak Up reports can relate to danger to the health and safety of employees or the public, or potential abuses of human rights. If we decide to proceed with an investigation, a qualified expert will investigate, keeping the person who raised the concern informed throughout the process. Where reports made to Speak Up require remedial action, this could include consequences at the individual level, or changes to internal processes and procedures.</li> <li>– Speak Up is made available to everyone and is communicated through our Code of Ethical Purchasing. It is available in local-languages, online and phone reporting. For suppliers that decide to maintain their own grievance mechanisms, we require that they inform us of any grievances raised relating to work done for Vodafone.</li> </ul>
<b>Supplier Code of Ethical Purchasing</b>   Available at: <a href="https://vodafone.com/code-of-ethical-purchasing">vodafone.com/code-of-ethical-purchasing</a>	<ul style="list-style-type: none"> <li>– Every supplier must comply with the Code and cascade it to sub-suppliers.</li> <li>– The Code was developed in consultation with employees, suppliers and NGOs.</li> <li>– The policy owner is the CEO of Vodafone Procurement Company and Group Supply Chain Director.</li> </ul>	<p>The Code of Ethical Purchasing sets out our expectations of our suppliers and covers the following International Labour Organization (ILO) indicators:</p> <ul style="list-style-type: none"> <li>– Freedom of workers to terminate employment</li> <li>– Freedom of movement</li> <li>– Freedom of association</li> <li>– Prohibits any threat of violence, harassment and intimidation</li> <li>– Prohibits the use of worker-paid recruitment fees</li> <li>– Prohibits compulsory overtime</li> <li>– Prohibits child labour</li> <li>– Prohibits discrimination</li> <li>– Prohibits confiscation of workers' original identification documents.</li> </ul>
<b>Talent Acquisition Policy</b> (internal policy, not public)	<ul style="list-style-type: none"> <li>– Applies to all markets, resourcing teams, external providers and any other outsourced teams and HR business partners who are involved in resourcing at all bands/levels of our business.</li> <li>– Applies to all internal or external hiring.</li> <li>– Owned by the Global Resourcing Centre of Excellence.</li> </ul>	<ul style="list-style-type: none"> <li>– Sets out the overarching principles and controls to be followed and applied in each of our local operating companies to ensure that employee resourcing is conducted in a fair, open and transparent manner.</li> <li>– Aligns Vodafone's resourcing processes so that all resourcing activity is of a high standard, and that every candidate's experience will be similar across Vodafone.</li> <li>– Ensures that resourcing is not used as a mechanism for bribery or to induce a business advantage.</li> </ul>



## Evaluating our progress

Modern slavery is a hidden risk, making the evaluation of progress complex. To monitor and report on the effectiveness of our policies and procedures in managing modern slavery risks in our supply chain, we include yearly data from our work with JAC<sup>1</sup>. JAC reports on progress with respect to third party factory audits of common suppliers carried out on behalf of all its members in its own reporting.<sup>2</sup>

Key performance indicator (KPI)	Reason for KPI	2020-21 <sup>3</sup>	2021-22	2022-23
<b>Number of site assessments conducted collectively by JAC members<sup>2</sup></b>	In collaboration with other JAC members, we investigate practices by suppliers in the ICT supply chain that could result in modern slavery conditions.	76	71	83
<b>Number of issues found related to forced labour</b>	By monitoring the number of issues identified, we can better adapt our policies and procedures.  For example, if the numbers significantly decrease, we would investigate greater awareness-raising activities and improved grievance mechanisms to gain confidence that issues are not going unreported. If the numbers significantly increase, we would review our due diligence processes to gain confidence that such activity is investigated and eliminated.	20	16	14 <sup>4</sup>
<b>Number of remedial actions taken in response to forced labour issues identified</b>	By monitoring the number of remedial actions taken, we gain greater confidence that corrective plans are being actioned and any activity is investigated and eliminated.	20	11	5 <sup>5</sup>
<b>Number of reports to Vodafone's external Speak Up hotline related to modern slavery concerns</b>	By monitoring the number of issues identified, we can better adapt our policies and procedures.  For example, if the numbers significantly decrease, we would investigate greater awareness-raising activities and improved grievance mechanisms to gain confidence that issues are not going unreported. If the numbers significantly increase, we would review our due diligence processes to gain confidence that such activity is investigated and eliminated.	0	0	0
<b>Number of sites where JAC have conducted a confidential survey of supplier employees via their personal mobile phones</b>	The increased provision of an anonymous, local language, confidential survey will enable greater transparency of specific worker concerns and indicators that may point to potential modern slavery conditions.	13	17	15

1. JAC assessments are reported on a yearly basis. For data on previous JAC reports, please refer to JAC's Annual KPI Reports: <https://jac-initiative.com/resources/#>.

2. In the calendar year 2022, Vodafone carried out two audits as part of our contribution and cooperation within JAC, and four of our own supplier quality assessments. We found no issues related to forced labour and did not have to take remedial action.

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

4. The onsite audits conducted collectively by JAC members identified 14 incidents relating to forced labour. These incidents, which are similar to issues uncovered last year, were related to: lack of policies prohibiting forced labour, improper use of fees as a disciplinary measure, provision of employment contract terms in conflict with local labour laws and failure to ensure that all contracts are signed by the employer, and workers provided with a copy.

5. JAC provided a corrective action plan to the suppliers responsible for all 14 incidents and these were also uploaded to the JAC platform for quarterly review by JAC members. As of March 2023, five of the action plans have been closed following evidence that the suppliers had addressed the areas for improvement. The suppliers with the remaining open corrective action plans have committed to a plan to achieve compliance, which will be periodically reviewed by the JAC member companies to ensure progress and timely closure.



## Evaluating our progress continued

## Case study:

**Vodafone's engagement with suppliers**

New suppliers to Vodafone undergo an evaluation as described in our due diligence section of this report called SARM (Supplier Assurance Risk Management). Functions in Vodafone that want to on-board any new supplier must complete a comprehensive risk assessment which, using a risk-based approach, then categorises risks with a supplier as low, medium or high risk depending on the scope of their activity.

Our risk assessment process requires suppliers to provide details of their supply chain and evidence in order that Vodafone can evaluate any risks. This year, a prospective supplier of Vodafone branded products to one of our local markets was flagged as high risk on 'Responsible Sourcing' because it was using an Original Design Manufacturer in China.

As a result of the supplier's risk assessment by one of our Supply Chain experts, Vodafone asked the supplier to provide an independent report to validate social and environmental conditions and to commit to providing details of the upstream supply chain sources to verify the presence of any conflict minerals using the industry approach defined by the Conflict Free Smelter Initiative (CFSI). In this case, we worked with our supplier to, in-turn, work with their suppliers to obtain the information and establish actions on verifying key risks.

**Our plans for 2023/24:**

In this year's Statement we are disclosing our plans for next year's improvements:

- Review the risk management process to prevent modern slavery in our own operations
- We have processes in place to manage modern slavery risks in our operations and aim to improve them.
- Take into consideration human right risks in product design
- We plan to review our systems to identify and mitigate human rights risks during product design and supplier onboarding.
- Improve the assessment of the workforce at risk
- We will continue to work on identifying the working conditions of those working on our behalf to improve the identification of at-risk groups in our supply chain.
- Review the information we make publicly available on the Speak Up process

As per previous years, Vodafone continues to disclose information about Speak Up in our annual report and will continue to review opportunities to expand this where appropriate.

# Appendix

**This Statement describes the activities that Vodafone Group Plc has undertaken in the financial year 2022/23 to prevent modern slavery in our business operations and supply chains.**

**This Statement is published by Vodafone Group Plc ('Vodafone') and its relevant subsidiaries in compliance with the UK Modern Slavery Act 2015.**

The Act requires all large UK businesses (with a turnover of £36 million or more) to publish such a statement. The following UK-registered entities, which are part of Vodafone, are covered by the content of this Statement:

- Vodafone Group Services Limited (VGSL), including Vodafone Group Plc – which supports our local operating companies;
- Vodafone Sales and Services Limited (VSSL) – which supports our commercial, marketing and brand functions;
- Vodafone Limited (also known as Vodafone UK) – our local UK operating company;
- Talkmobile Limited<sup>1</sup> – our online-only UK mobile brand;
- Vodafone Global Enterprise Limited (VGEL) – which supports our multinational customers;
- Vodafone Enterprise Global Limited (VEGL) – which provides off-footprint services and support to multinational business customers; and
- Vodafone Global Network Limited (VGNL) – which is responsible for carrier services globally, including ownership of subsea cables and associated assets.

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



**Margherita Della Valle**

Chief Executive

Vodafone Group Plc

26 May 2023

1. This company did not meet the financial threshold this year but has been included to ensure consistency with past disclosures and promote best practices.