

Sustainability report

Vodafone Romania

Financial Year 2022-2023



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Message from the management

Dear readers,

In the world of business, just like in sports, the game is constantly evolving. As a telecommunications company, we found ourselves in a crowded, highly regulated market with diminishing growth opportunities. The pressure to perform was relentless, and we realized that to stay ahead, we needed to change our game plan.

We embarked on a transformational journey akin to a sports championship. Recognizing that telecom alone couldn't sustain our growth, we made the bold decision to enter the technology arena. This shift required a complete overhaul of our business model, much like a team changing its strategy mid-season.

Our first move was to recruit individuals with the right skills and mindset to thrive in the technology sector. We also invested heavily in upskilling and reskilling our existing workforce, ensuring they were equipped to navigate the new landscape. This transformation wasn't just about changing what we do; it was about reshaping who we are as a company. We redefined our culture, anchoring it on more resilient foundations to weather any challenge.

Central to our transformation was the commitment to our core business customers. While extending our offerings with new technologies and digital solutions, we remained steadfast in delivering reliable connectivity services to our client base. Our goal was clear: to become the Trusted Technology Partner for customers, businesses, and authorities alike. But what would be a business without a mission? We run for different championships, but we aim to win in the world games. We are driven by a mission to create a better future for all. We aspire to leave no one behind, leveraging our impact to benefit not just our customers but also the planet. By 2040, we aim to achieve carbon neutrality, contributing to a more sustainable world for generations to come.

Each day, we build towards our vision, fueled by the spirit of competition and the desire to succeed against all odds. Our journey from telecommunications to technology is not just about survival - it's about thriving in a rapidly changing world. And just like in sports, victory belongs to those who adapt, innovate, and never lose sight of their ultimate goal.

Achilleas Kanaris
CEO Vodafone Romania

Together we can!



About the report

This is Vodafone Romania's fifth Sustainability Report and includes information on the company's activities for the financial year 2022-2023 (1 April 2022 - 31 March 2023), from the perspective of economic, social, and environmental impacts.

The report complies with the requirements of **Directive 2014/95/EU**, transposed into Romanian law by **Order of the Minister of Public Finance No. 1938/2016** and **Order of the Minister of Public Finance No. 3456/2018**. The report has been prepared with reference to the GRI Standards 2021 (GRI Referenced).

The content of the report has been developed based on the results of the materiality analysis process carried out in June-August 2008, which included stakeholder consultation and internal analysis of the economic, social, and environmental impact dimensions.

Contact

For more information about this report, feedback, suggestions, and other questions, please contact us at: publicrelationsdepartment_ro@vodafone.com.



Vodafone Romania – Overview

About us

Vodafone Romania is a division of Vodafone Group, one of the world's leading telecommunications and technology service providers, with extensive experience in communications, convergence, and the Internet of Things, as well as in promoting mobile financial services and digital transformation in emerging markets.

Vodafone Group

Vodafone is the largest telecommunications company in Europe and Africa. Our mission is to connect for a better future, using technology to improve people's lives, digitize critical sectors of the economy, and facilitate inclusive and sustainable digital societies.

We provide mobile and fixed services to more than 300 million customers in 17 countries, partner with mobile networks in 46 other countries, and are a global leader in the Internet of Things (IoT), connecting more than 167 million devices and platforms. Through Vodacom Financial Services and M-Pesa, we have the largest fintech platform in Africa, providing access to financial services to over 71 million people in 7 countries.

We are committed to reducing the company's environmental impact to achieve net zero emissions by 2040 while helping our customers reduce their carbon emissions by 350 million tons by 2030. We are taking significant steps to reduce waste from mobile devices and achieve our goal of reusing, reselling, or recycling 100% of our network equipment that becomes redundant by 2025.



Vodafone Group Global Presence (2022-2023)



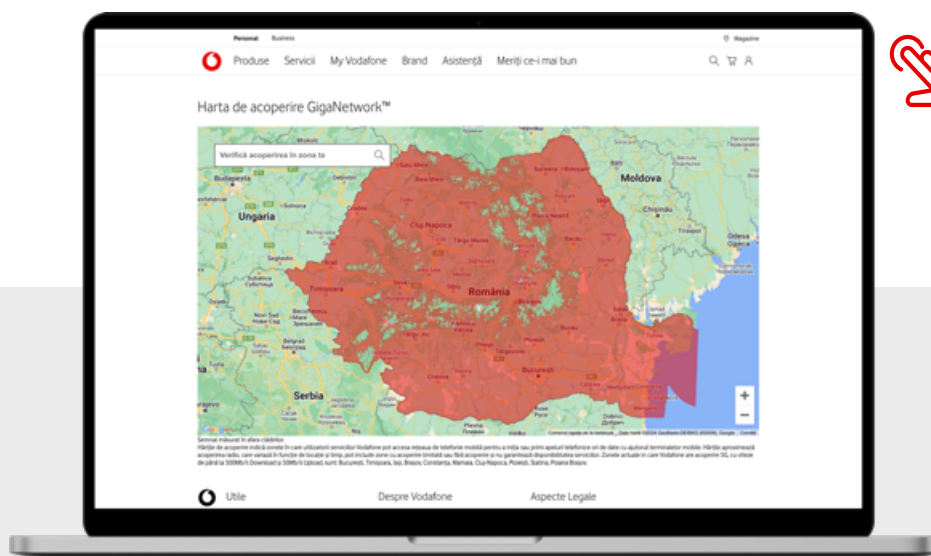
372 million customers
€45.7 billion, revenues in 19 markets
(data for the financial year 2022-2023)

Read more about **Vodafone Group's performance**.

Vodafone Romania

We have been present in Romania since 1997. Over the years, we have continuously invested in innovation, being the first telecommunications company to offer GPRS (2001), 3G (2005), 4G (2012) and 5G (2019) services. The company invests around €200 million every year in network infrastructure and technological innovation. Vodafone Romania's firsts in the local market include the first call center service (1997), the first corporate foundation (1998), the launch of SMS, data and fax services (1998), the first automatic speech recognition system (2014), the first NB-IoT network (2018) and the first 5G network (2019). As of 2019, Vodafone Romania has become an operator of converged services.

Being part of the Vodafone Group allows us to offer our customers innovative services, unique offers, and a wide range of exclusive products at great prices. In Europe, Vodafone has the largest 5G network and in Romania, we are the first operator to launch 5G services, as early as the first half of 2019.



GigaNetwork™ coverage map

Our business model

We are aware of the important role we play in Romania's digitalization process, in a society where connectivity and access to information are becoming essential elements for progress and sustainable development.

Thus, Vodafone Romania's complete portfolio of communication solutions covers all the needs of users, individuals, and companies.



Our customers benefit from:

- Complete communications, mobile voice, mobile data, national and roaming, prepaid and postpaid solutions.
- Fixed service solutions including high-speed fixed internet, TV, and fixed calls.
- IoT, insurance, and security solutions.
- For business customers, we offer a range of mobile, fixed, and converged services to support their growing and dynamic communications needs.
- Also for business customers, we offer a wide range of IoT, Cloud & Security services, including international calling, IP transit, and messaging.
- Our converged offerings include mobile, fixed, and high-quality content.

Products and services

Our goal is to connect users, businesses, and families for a better future, using technology to improve people's lives and enable inclusive and sustainable digital societies. We achieve this by focusing on three pillars: *Digital Society, Inclusion for All, and Planet*, 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.

We are constantly investing in the development and improvement of the network to provide the best customer experience in the use of services and the best technological solutions.

And the certifications we have received recognize our efforts:

GigaNetwork mobile network certified "Best in test"

The Vodafone GigaNetwork mobile network has been certified "Best in test" for the second year in a row by independent German auditor umlaut, part of Accenture. Vodafone GigaNetwork achieved the highest overall score of 877 points in the umlaut assessment, 27 points ahead of the next highest operator, and scored highest in mobile voice, data, and network reliability. This is the eighth consecutive year that the German auditor has recognized Vodafone Romania's mobile network.

The report of the measurements can be found [here](#).



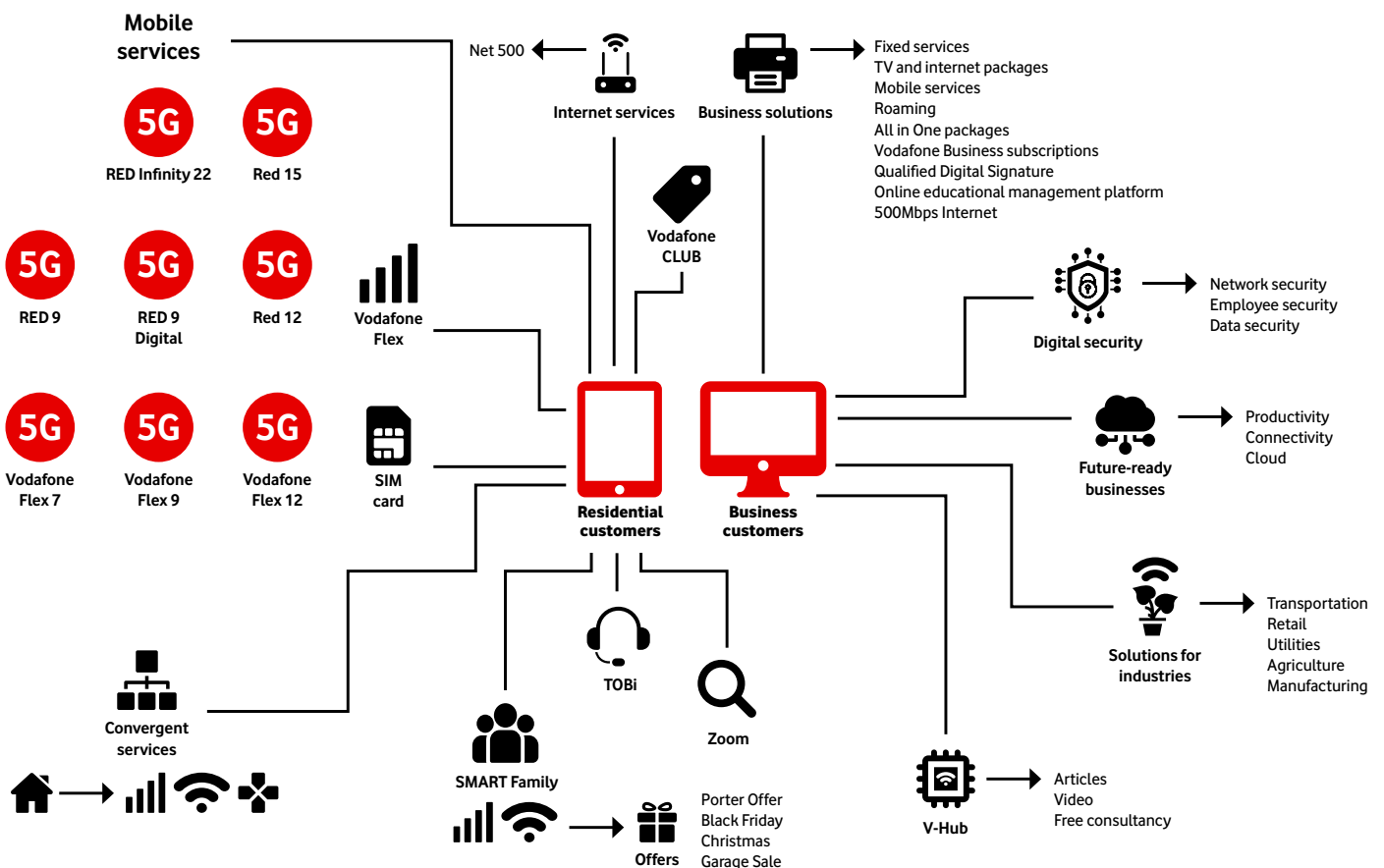
Our services

- **Individual customers**

- Mobile Voice and Mobile Internet
- Fixed internet
- Television
- Internet of Things (IoT)

- **Corporate customerse**

- Mobile Voice and Mobile Internet
- Voice and Broadband internet
- Television
- Cloud and Hosting
- Security
- ICT and IoT solutions



As of March 31, 2023, Vodafone Romania’s customer base for mobile and fixed services and IoT solutions amounted to 9.7 million customers. Of these, more than 8.9 million are mobile service customers.

Value chain

We work with a large number of direct suppliers, who in turn have their suppliers with their own supply chains. They help us provide the network infrastructure and related services and account for the majority of our procurement spend.

The products we supply to our customers represent the second largest category of our procurement spend. As a large organization, we are also a significant purchaser of goods and services to support general business and administrative functions such as marketing, travel, and professional services.

Downstream

Tier 1: direct suppliers

We have a direct contractual relationship and work closely with our Tier 1 suppliers to develop innovative products and services and assess how they ensure compliance in their operations.

Tier 2: electronics manufacturers and subcontractors

Electronics manufacturers and electronic equipment suppliers have many of their own suppliers. We work with our Tier 1 suppliers to gather information about their suppliers - Tier 2 companies - particularly if we believe a supplier may be high-risk.

Tier 3: component suppliers

Components are purchased from suppliers to develop parts or complete products.

Tier 4: materials

These products are made from materials that are sourced from a wide range of suppliers and from a variety of raw materials.

Code of Ethical Purchasing

Our Code of Ethical Purchasing requires all our Tier 1 suppliers to ensure that their subcontractors have equivalent policies, procedures, and verification systems in place to manage risk and ensure compliance in their own supply chains. We work with some of our Tier 1 suppliers to directly monitor their subcontractor base and help them improve their standards.

We also work with our colleagues and suppliers to share best practices and strengthen compliance at the top of our supply chain.

We also work closely with the infrastructure providers who supply, install, and maintain our networks, as well as suppliers of branded products and services. We have less control over Tier 2 suppliers and other sub-suppliers operating further down our supply chain, so the risk of non-compliance is also greater. We work with our direct suppliers to monitor and manage risks at this level.

Upstream

In 2010, Vodafone launched a franchise program that complements the company's retail ecosystem alongside its reseller network and its own stores. We are currently focusing on expanding our nationwide presence through franchise stores.

We believe in the added value that franchisees can bring to both the business and the local community through a better understanding of and responsiveness to customer needs. In the 13 years of the program, Vodafone has improved its business model, optimized processes for greater efficiency with bottom-line impact, and built a community of partners.

As a result, we offer one of the most competitive franchise entry packages in the market, but with the launch of EasyTech, we also offer a new retail concept that helps us to be increasingly relevant to our customers.

Performance and corporate governance

We are one of the leading providers of converged telecommunications services in our market, and we recognize the important role we play in the growing digitalization of the country. We are constantly investing in our infrastructure to provide quality services that all our customers can rely on. This is why, in the 2022-2023 financial year, we expanded our mobile network by around 400 4G sites, providing mobile voice and data connectivity to around 90,000 residents in 145 localities.

As of March 31, 2023, we provide mobile communications coverage (voice and data) to 99.7% of Romania's population and 92.12% of the country's territory.

We fulfil all our tax obligations promptly and act as an honest partner, conducting our business ethically and transparently. At Vodafone Romania, we are open and transparent with all relevant authorities regarding the tax aspects of the company, and we are committed to providing relevant information to the tax authorities.

Achilleas Kanaris is both a member of the Board of Directors and the Executive Director. Together with the Executive Committee, he ensures that Vodafone Romania's strategy is implemented in line with the company's values and mission while maintaining a constructive dialogue with all stakeholders.



Governance structure

Executive Committee membership

Name	Position	Type of membership (executive, non-executive, independent, non-independent)	Term of office	Age*	Gender
Achilleas Kanaris	CEO	Executive	3 years	48	M
Mahmut Nedim Baytorun	General Marketing Operations Director	Executive	3 years	42	M
Mihnea-Tudor Rădulescu	General Sales Director	Executive	Permanent	47	M
Ana-Maria Popa	Head of Customer Operations	Executive	Permanent	39	F
Okan Cengaver	IT Director	Executive	Permanent	49	M
Alexandra-Iuliana Olaru	Head of Corporate & External Relations	Executive	Permanent	50	F
Nicolae Țucă Vîlceanu	Head of Technology	Executive	Permanent	47	M
Marius Corcoman-Tarcolea**	General Finance Director	Executive	Permanent	53	M
Zsuzsanna Raskóné Tóth	HR Director	Executive	3 years	50	F
Péter Soós	Head of Strategy & Planning	Executive	3 years	47	M

Executive Committee membership by age and gender	Financial year 2022-2023					
	Men		Women		Total	
	No.	Share	No.	Share	No.	Share
<30 years	0	0%	0	0%	0	0%
30-50 years	6	60%	3	30%	9	90%
>50 years	1	10%	0	0%	1	10%

30% of the positions in the Executive Committee are held by women.
The Executive Committee is composed of 50% managers from Romania.

Employees in top management positions recruited from local communities***	Number	% of total
	5	50%

*on March 31, 2023

**ceased his activity in April 2023

***are Romanian nationals

At the Vodafone Group level, an ESG Committee has been appointed with four members, one of whom is also the Chairman. The role of the ESG Committee is to ensure oversight of the ESG program, sustainability and accountability of business practices, and Vodafone's contribution to the social contract. Its key responsibilities are to oversee the ESG program, monitor progress against key performance indicators and external ESG index results, and track progress against ESG commitments and targets. Locally, at Vodafone Romania, ESG reporting is carried out under the supervision of the Head of Corporate Security and the Head of Public Affairs, ESG, and Communications.

Vodafone Group's **Remuneration Committee** establishes, evaluates, and recommends to shareholders for approval the remuneration policy for executive directors, determines the remuneration of executive directors, and approves the remuneration of the Chairman and members of the Executive Committee. The Committee also reviews remuneration schemes across the Group to ensure they are aligned with our strategy, support our purpose, and celebrate the 'Vodafone Spirit'.

The Group External Affairs Director is directly responsible for climate change, sustainability strategy, and performance. The Group External Affairs Director reports directly to the Chief Executive Officer and is a member of the Group Executive Committee. This senior Executive Committee is responsible for reviewing climate change performance and receives regular formal updates on climate change strategy and progress from the Group External Affairs Director. The Group External Affairs Director chairs 'Planet Steerco', which discusses, reviews, and presents existing and new Vodafone Group CDP Climate Change targets to the Executive Committee, such as the target to accelerate 100% renewable energy procurement or progress on carbon reduction commitments, and the strategy of the Task Force on Climate-related Financial Disclosures (TCFD).

Risk management

On behalf of the Board, the Audit and Risk Committee provides oversight of key, emerging, and watchlist risks and guidance on the risks the company is prepared to take to achieve its strategic objectives. The Board approves Vodafone's strategy and has overall responsibility for ensuring that the risk management approach supports that strategy.

It is important to set the context and have a clear understanding of the environment in which we operate. We therefore assign each of our risks to a specific category (strategic, operational, or financial) and identify whether the source of the risk is internal or external. This approach helps us to better understand how to manage the risk most effectively and to implement appropriate levels of monitoring and mitigation.

Main risks (listed by category, not in order of importance)	Description	Risk ranking movement	Potential impact/scenario	Mitigation activities
Adverse changes in macroeconomic conditions (financial risk)	Adverse changes to economic conditions could result in reduced customer spending, higher interest rates, adverse inflation, currency devaluations, or movements in foreign exchange rates. Adverse conditions could also lead to limited debt refinancing options and/or an increase in costs.	Increasing	A severe contraction in economic activity leads to lower cash flow generation for the Group and disruption in global financial markets, which impacts our ability to refinance debt obligations as they fall due in a cost-effective manner.	We have a relatively resilient business model. Our offers are competitive in the markets in which we operate. We are supporting our business customers' efficiencies through our innovative products. We have a long average life of debt which reduces refinancing requirements, and all of our bond debt is effectively held at fixed interest rates.
Disintermediation (strategic risk)	Failure to effectively respond to threats from emerging technology or disruptive business models could lead to a loss of customer relevance, market share, and new/existing revenue streams	Increasing	Further developments in mobile handset technologies, such as eSIM, could lead to an increase in customer churn, higher costs, and lower revenue.	We are focused on strengthening relationships with our customers through innovative and transformative products and services that go beyond our leading connectivity propositions. We aim to be less complex as an organization, by simplifying our product portfolio, improving our operating model, and progressing with our digital transformation.
Adverse political and policy environment (strategic risk)	An adverse political and policy environment could impact our strategy and result in increased costs, create a competitive disadvantage, or have a negative impact on our return on capital employed.	No change	Exposure to additional liabilities and reputational damage, triggered by policymaker and/or regulatory authority interventions were to adversely change in the markets in which we operate.	We actively scan the external horizon, gather intelligence to inform decision-making, and address issues openly with policymakers, regulatory authorities, customers, and impacted stakeholders to find mutually acceptable ways forward. As a last resort, we uphold our rights through legal means.
Strategic transformation (strategic risk)	Failure to effectively execute our transformational activities, including shaping our portfolio and delivering on product innovation, could result in loss of business value and/or additional cost.	New / change in scope	We are not an active participant in in-market consolidation in key markets and do not benefit from the resulting synergies, or we are adversely impacted by market remedies imposed by regulators following in-market consolidation.	Concerning shaping our portfolio, we actively monitor and pursue opportunities to optimize our portfolio to deliver value for our shareholders and improve returns. We are prioritizing our efforts on three key areas: customers, simplicity, and growth.
Adverse market competition (strategic risk)	Significant activity by competition, such as price wars, new market entrants, or business practices, may lead to reduced margins and market share, and increased customer churn.	No change	Aggressive pricing, accelerated customer losses to low-value players on mobile and fixed, and disruptive new market entrants in key European markets could result in greater customer churn and pricing pressures, impacting our financial position. In addition, high inflation levels and low confidence in the economic outlook could have further impact.	We closely monitor the competitive environment in all markets and react accordingly to both consumer and business needs. We continue to develop our offers to differentiate ourselves in front of customers through benefits, such as flexible contract terms or buyback option for devices.

Main risks (listed by category, not in order of importance)	Description	Risk ranking movement	Potential impact/scenario	Mitigation activities
Cyber threat (operational risk)	An external attack, insider threat, or supplier breach could cause service interruption or confidential data breaches.	No change	We have developed scenarios including attacks on core infrastructure, a bulk data breach, and loss of major customer-facing systems. An example includes threat actors using destructive malware to disable our ability to service new and existing customers.	We have a risk-based approach to managing cyber security. We actively identify risks and threats, design layers of control, and implement controls across the Group. We implement controls that prevent the majority of attacks, in addition to controls to detect events and respond quickly to reduce harm. We perform regular cyber crisis simulations with senior management in our markets and Group functions using a tailored set of scenarios.
Supply chain disruption (operational risk)	Disruption in our supply chain could mean that we are unable to execute our strategic plans, resulting in increased cost, reduced choice, and lower network quality	No change	Political decisions affecting our ability to use equipment from specific vendors could cause trade and supply chain disruptions.	We are closely monitoring the evolution of the geopolitical environment. This enables us to respond to emerging challenges and to comply with regulations, economic sanctions, and trade rulings. We also mitigate our exposure through having multi-year contracts with key suppliers, forecasting and forward ordering our inventory requirements in anticipation of extended lead times as well as continuing to execute our logistics optimization strategy for network infrastructure logistics.
Technology resilience and future readiness (operational risk)	Network, system, or platform outages, or ineffective execution of the technology strategy could lead to dissatisfied customers and/or impact revenue.	No change	A major outage in a critical data center or a failed IT transformation activity could reduce service to customers, affecting revenue and reputation.	Recovery targets for critical assets are established to limit the impact of service outages. A global policy outlines the controls required to ensure that technology services are resilient and in alignment with these targets. We prioritize IT transformation and modernization programs to address specific technology resilience risks, while also supporting business processes and portfolio simplification. IT transformation programs carry risks of scope creep and cost overruns, therefore we are increasingly using an incremental delivery approach to be able to realize benefits and adapt faster while applying tight governance.

Main risks (listed by category, not in order of importance)	Description	Risk ranking movement	Potential impact/scenario	Mitigation activities
Data management and privacy (operational risk)	Data breaches, misuse of data, data manipulation, inappropriate data sharing, or data unavailability could lead to fines, reputational damage, loss of value, loss of business opportunity, and failure to meet our customers' expectations.	New / change in scope	Failure to manage the privacy of our stakeholders' data effectively and compliantly could result in regulatory fines, paying significant reparation of damages to impacted individuals, and also reputational damage that could result in higher churn rates.	We process data ethically, with integrity, securely, and always consistently with applicable laws and our values. We are known for our robust approach to privacy and strike the right balance between business objectives and customer and regulatory expectations. We manage this through various privacy and data management-specific policies and related controls, measured by a global control effectiveness target for each related control and underpinned with mandatory training programs.
Organizational simplification (operational risk)	Failure to effectively execute our goal to simplify our organization and operating model could result in a reduced speed of decision-making and delivery, reduced clarity on accountabilities, and higher costs.	New / change in scope	Unsuccessful attempts to drive organizational simplicity could result in lower employee engagement, higher talent attrition, and failure to become a more efficient organization.	We have a clear organizational strategy of simplification, which underpins the delivery of operational excellence and employee engagement, measured in our Spirit Beat survey annually. Robust communication plans and employee engagement activities throughout periods of change are further mitigation activities to encourage talent retention and engagement. We have specialist teams managing our organization's simplification agenda, working with leaders to design and embed changes. We also have governance structures, sponsored by the Executive Committee in place to align on potential changes while considering their implications, risks and mitigating actions across all relevant dimensions.

Business ethics and responsibility

Business ethics and responsibility are the cornerstones of a sustainable company. As customers and consumers become increasingly aware of the impact of their purchasing decisions on the environment and the community, it is essential that any business operates with the highest moral standards and is accountable not only to its shareholders but also to society as a whole. Business ethics is not only about complying with the law but also about making decisions that reflect integrity, honesty, and respect for all stakeholders, including employees, customers, and the community.

That is why our **Code of Conduct** is based on a fundamental principle for us: We do what is right, and to earn the trust of all our partners, everyone in the company must follow this principle every day.

Our Code of Conduct sets out what we expect from everyone who works with and for Vodafone. It also highlights the responsibilities we have to our employees, partners, and shareholders. The Code of Conduct helps us make informed decisions, tells us where to go for more information, and is aimed at everyone who works with and for Vodafone: employees, contractors, subsidiaries, and suppliers. We expect our suppliers and business partners to uphold the same standards and adhere to our Code of Ethical Purchasing.

Reporting channels

Vodafone Romania supports an open and honest working environment and our employees have a responsibility to help maintain these high standards and business ethics. Anyone working for or on behalf of Vodafone has a responsibility to report any behaviour in the workplace that may be illegal or unlawful, or that may be an abuse of our policies, systems, or processes and therefore a breach of our Code of Conduct. Employees can report concerns to a line manager, a colleague in Human Resources, or through our anonymous and confidential third-party hotline, Speak Up, which is available online or by telephone in local languages. This whistleblowing mechanism is a confidential system for reporting any behaviour that does not comply with internal and/or legal requirements.

Vodafone has a policy of non-retaliation for reporting actual misconduct. Anyone who raises a concern in good faith is treated fairly and without negative consequences for their work at Vodafone, regardless of the outcome of any subsequent investigation. Speak Up reports are investigated confidentially by local teams of specialists, with a team of senior managers reviewing the reports. Each complaint is monitored to ensure that a corrective or remedial action plan has been implemented. Vodafone Group's Risk and Compliance Committee reviews the effectiveness of the Speak Up process and trends twice a year, and the Audit and Risk Committee receives an annual update, with further general reviews as required. Our employees trust our Speak Up process. According to the September 2022 Spirit Beat survey, 85% of respondents believe that appropriate action is taken as a result of using the process. Speak Up is managed by the Human Resources Director and overseen by the Group Risk and Compliance Committee. In 2022, we reviewed the Speak Up process against the requirements of the UN Guiding Principles on Business and Human Rights.

Conflict of interests

Any Vodafone Romania employee or partner who believes they have or may have a potential conflict of interest must declare, receive approval, and register it. To avoid any potential or perceived conflict, additional rules apply to the employment of individuals in the government or public sector.

Conflict of interest is governed at the Group level by the Group Conflict of Interests Policy.

The Group Compliance Department is responsible for regular monitoring of the global register to ensure compliance with the policy. The local Compliance Department is responsible for monitoring local cases against the global register and managing local campaigns to raise awareness of the policy.

In the financial year 2022-2023, seven potential conflict of interest situations were registered, most of which were recorded by email to the Employee Relations and HR Business Partner. Of these, only one case was confirmed as a real potential conflict in the recruitment process, and the situation was subsequently resolved. All other referrals are carefully monitored by the line managers of the employees concerned in line with the procedure.

Compliance with competition law

At Vodafone, we want to be a trusted partner to our customers. One of the ways we build that trust is through free and fair competition. Our Competition Policy aims to ensure that we have a clear and robust set of controls in place to eliminate the risk of Vodafone breaching competition law.

Political contributions

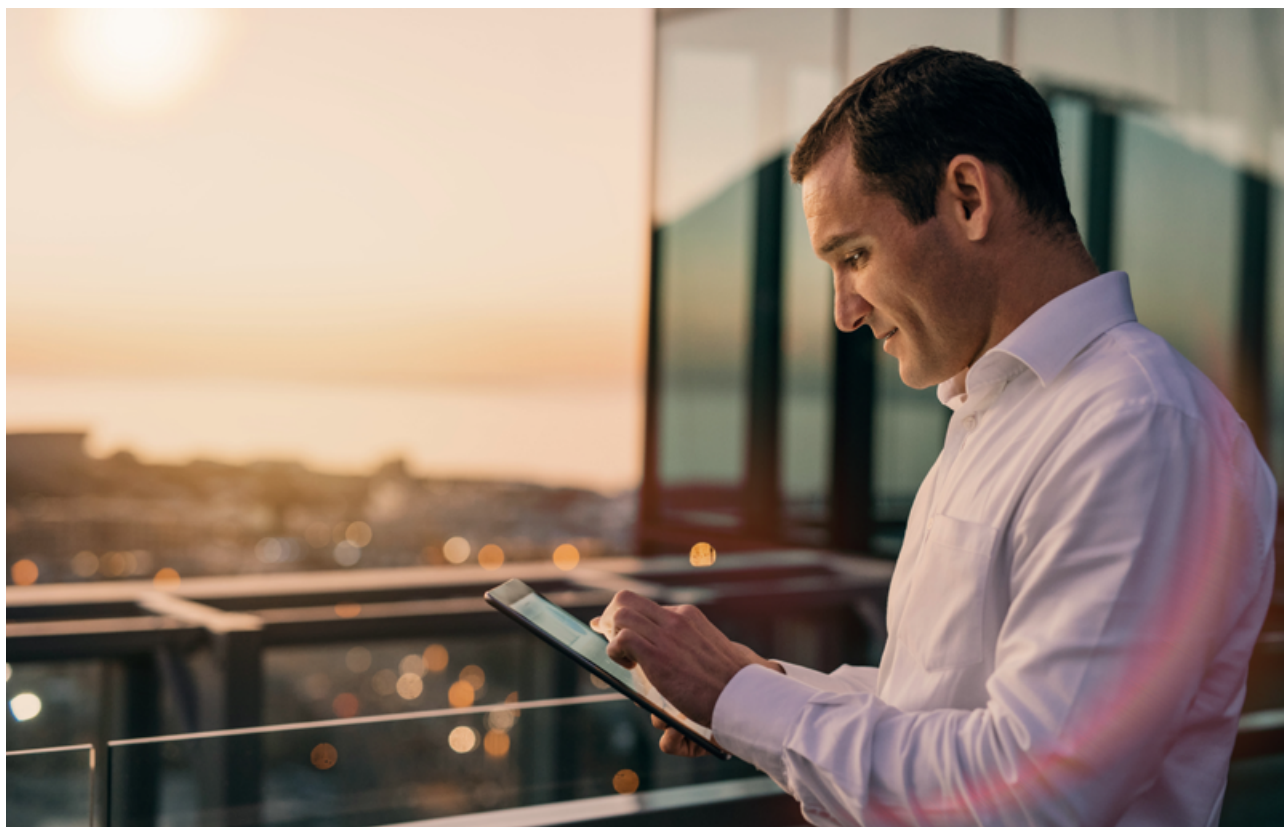
Vodafone has a policy that prohibits financial support to political parties or politicians. This policy covers both cash or in-kind contributions and any other form of financial support.

During the reporting period, we did not provide sponsorship, financial or in-kind support to political causes, parties, or candidates. Nor did the organization make any direct or indirect contributions to such entities.

Anti-corruption policy

At Vodafone, we support and encourage a culture of zero tolerance of bribery, corruption, or fraud in all our activities. Our Anti-Bribery and Anti-Corruption Policy provides guidance on what constitutes bribery and prohibits the giving or receiving of excessive or inappropriate gifts and hospitality. Vodafone's Code of Conduct also states that we have zero tolerance for any form of bribery.

We have established specific procedures to prevent bribery and promote an ethical culture within the company. Each Group company must establish and implement effective anti-bribery compliance procedures in accordance with the principles set out below. These procedures must be proportionate and tailored to the level of bribery risk in each Vodafone company, including country risk and operational business risk.





Key procedures to prevent and combat bribery:

- **A demonstrable commitment by senior management** to the anti-bribery compliance program and the creation of an ethical culture within the organization;
- **Risk assessment** to identify bribery risks in the organization and take necessary mitigating measures;
- **Due diligence and responsible engagement** with third parties and contractors by conducting appropriate and documented assessments when entering into business relationships with third parties, including incorporating contractual anti-bribery clauses in all contracts and monitoring the performance of high-risk suppliers to ensure compliance with contractual anti-bribery requirements;
- **Communicate anti-bribery policies and procedures to all Vodafone employees** at least annually and to all suppliers, contractors, distributors, joint venture partners, and business partners at the start of the business relationship and annually thereafter for high-risk suppliers and business partners;
- **Training every two years** for all employees and non-employees (where local legislation allows) exposed to high levels of risk. Training should be delivered in person or via webinar and tailored to the specific needs of the participants. In addition to in-person training, all employees (depending on the local company's designation criteria for the Doing What's Right DWR modules) are required to complete the Vodafone Anti-Bribery e-learning module every two years, as well as high-risk sales representatives, that are also required to complete the training every two years;
- **Monitor and review anti-bribery policies and procedures** to ensure their effectiveness. As a minimum requirement, the **risk assessment** process will be carried out on a bi-annual basis (every two years) and will be supplemented by ongoing monitoring of key processes, including but not limited to the recording of gifts and hospitality, completion of training, sponsorship of public officials and payments to certain high-risk Vodafone representatives;
- **The Group's anti-bribery team** will carry out annual monitoring activities in line with the requirements of the Policy and Compliance Framework.

Vodafone Romania has a risk register concerning bribery and corruption. A risk assessment process is carried out every two years by the Compliance department.

Financial year 2022-2023		
Operations	Number	%
Total number of operations	55	100%
Operations assessed for corruption risks	55	100%

Training and information on anti-corruption policies and procedures in the financial year 2022–2023				
Category	Number of people informed about anti-corruption policies and procedures	Number of persons trained on anti-corruption policies and procedures	% people informed on anti-corruption policies and procedures out of the total number of employees in each category	% of people trained on anti-corruption policies and procedures out of the total number of employees in each category
Members of governing bodies	417	410	100%	98.3%
Company employees*	3,246	3,058	100%	94.2%
Business partners** (suppliers, vendors, etc.)	447	N/A	N/A	N/A

*total number of employees as at March 31, 2023, including members of governing bodies

**the number reported represents companies with which Vodafone has a business relationship, not their employees.

During the reporting period, there were no reported:

- legal or public actions against the company or its employees related to corruption;
- incidents of corruption resulting in dismissal or disciplinary action against employees;
- termination or suspension of contractual relationships with partners as a result of corruption incidents.

Our suppliers

To achieve our sustainable development goals, close collaboration with our suppliers and partners is essential. At the same time, we are aware that adopting business practices aligned with sustainable development principles can be challenging for them. We are therefore committed to supporting and working with them to implement best practices in this area and thereby strengthen long-term partnerships.

We encourage our suppliers and partners to report any concerns if they believe that an employee of the company, or any other person acting on behalf of Vodafone Romania, has engaged in illegal or otherwise inappropriate behaviour. The Speak Up whistleblower and integrity program is available to anyone who wishes to report a violation of the Code of Conduct, including instances of bad faith, corruption, bribery, fraud, money laundering, violation of employee rights, or any other unethical behaviour. We therefore regularly remind suppliers of the importance of the program and how to use it. Compliance with applicable anti-bribery and anti-corruption laws is a matter of fundamental importance to Vodafone, which is why we include specific clauses in our contracts with suppliers, such as the following “The Supplier undertakes to comply with Vodafone’s Code of Ethics and Principles of Business Conduct, a copy of which shall be made available to the Supplier by Vodafone upon request (...) The Supplier must ensure that its subcontractors are aware of and comply with Vodafone’s Code of Ethics. The Supplier undertakes to refrain from any illegal or unethical activity or any activity which may damage the reputation of the Supplier or Vodafone, or which may give rise to a conflict of interest or impropriety”. The contract also allows for communications that do not require formal written notice to be made by email. For suppliers who choose to maintain their own complaints mechanisms, we ask that they inform us of any complaints relating to work carried out directly on behalf of Vodafone.

Code of Ethical Purchasing - CEP is the main tool we use to select our partners and build lasting relationships. All new partners participate in onboarding sessions where we inform and discuss our supplier processes, our values, and expectations, and maintain ongoing and constructive communication on ethical and integrity principles or other key issues to maintain and build transparency and trust. All suppliers we work with must fully comply with our Code of Ethical Purchasing at all times. We continue to monitor compliance and drive performance improvement through our supplier performance management system, with a particular focus on high-risk and strategic suppliers. Our supply chain employees are required to complete annual CEP refresher training as part of their professional development objectives so that they can effectively communicate this to our suppliers.

Supplier expenditure

Vodafone Romania Fiscal year 2022-2023	Local suppliers expenditure* (lei)	Other suppliers expenditure (lei)	Total
	1,706,012,599.39	252,760,464.52	1,958,773,063.91

87% of our total supplier expenditure is directed to local suppliers

Number of suppliers

Vodafone Romania Fiscal year 2022-2023	Number of local suppliers*	Other suppliers	Total of which new suppliers
	534	150	684 34

78% of our suppliers are local

**operating headquarters in Romania*

Supplier assessment

For us at Vodafone Romania, it is essential to ensure that every supplier shares our values, standards, and commitment to the environment and community. This not only increases efficiency and quality of service but also helps us to strengthen our sustainability strategy and achieve our goals, protecting our reputation and market position in the long term.

Thus, our procurement policy requires that all tenders exceeding €10,000 are evaluated using a methodology that includes environmental, inclusion, and occupational health and safety criteria.

In the financial year 2022-2023, 36 suppliers, 34 of which are new, have been assessed for both their environmental and social impacts.

Sustainability criteria also account for 15-20% of the weighting in the methodology we use each year to assess the overall performance of key suppliers.

The scores are reviewed by our procurement team, who make recommendations and work with suppliers to implement improvement plans to address any issues identified. The criteria in the scorecard are regularly updated and strengthened to continually raise standards and improve supplier performance.

If necessary, further assessments or on-site audits should verify that the improvements have been carried out as planned.



The sustainability criteria in the supplier assessment form cover issues such as:

- Commitment to the Code of Ethical Purchasing;
- Public reporting of labor, environmental, health, and safety performance;
- Environmental management system certification under ISO 14001 or EMAS;
- Labor management certified according to SA8000 or equivalent;
- Health and Safety Management Systems certifications under OHSAS 18001;
- Demonstrate that the supplier manages labor, environmental, and health and safety aspects in its supply chain;
- Demonstrate the supplier's management of climate-related risks and opportunities;
- Demonstrate measures to manage and prevent bribery and corruption;
- Adoption of a common industry approach (such as E-TASC, an industry tool for efficient and effective management of supply chain standards).

Awards and recognitions

Vodafone Romania

- 1st prize for the “Smart Forest” project in the Environment category at the CSR Awards Gala;
- Second prize for the “Together we believe in magic” campaign in the “Cause Related Marketing” category at the CSR Awards Gala;
- Golden Award for Excellence for the project “Mountain Rescuers count on Vodafone”, in the category Tech PR & Communication of Innovation, at the Romanian PR Awards;
- Leader of digital and technological transformation in the telecommunications industry, in the IT & Telecommunications category, at the Capital Gala “Elite Companies”;
- Digital HR Award at the HR Excellence Awards Gala.

Vodafone Romania Foundation

- Second prize for the “Life for Newborns Fund”, in the “Cross-Sector Partnership” category, at the CSR Awards Gala;
- Third prize for the Eduaces project, in the Digital Innovation in CSR category, at the CSR Awards Gala;
- Second prize for the Together for Health project in the “Healthcare” category, at the CSR Awards Gala;
- Community Impact Award for the Bright Sky project at the British Romanian Chamber of Commerce Awards Gala 2023.

Affiliations and initiatives supported

- AmCham Romania (American Chamber of Commerce in Romania);
- FIC (Foreign Investors Council);
- AOMR (Association of Romanian Mobile Operators);
- BRCC (British-Romanian Chamber of Commerce);
- Aspen Institute Romania;
- Concordia Employers Confederation;
- IAA (International Advertising Association);
- RDCC (Romanian Diversity Chamber of Commerce);
- Romanian Advertising Council (RAC);
- National Association of Internet Service Providers in Romania;
- GSMA (GSM Association);
- ETSI (European Telecommunications Standards Institute).



Our sustainability commitments

Our development strategy

“Together we can” is the vision through which we continue our mission at Vodafone to contribute to a digital society where no one is left behind while reducing our impact on the environment. We want to emphasize the role that everyone can play in using technology to change society for the better.

With the promise of “Together we can”, we will continue our efforts to expand our Gigabit networks to better connect people and communities, use technology to reduce carbon emissions, support education and healthcare, and create an inclusive and sustainable society.

Our pillars

Digital society

We believe in a connected digital society where data moves at gigabit speeds to connect people, communities, and things to the internet faster and better than ever before. Gigabit and IoT networks enable technological development and innovation to make our lives easier, healthier, smarter, and better.

Inclusion for all

We believe that the opportunities and promise of a better digital future must be accessible to all, and we are committed to ensuring that the most vulnerable are not left behind on the journey to that future. Through our technology, we will work to bridge existing gaps and help people contribute equally and fully to society.

Planet

We believe that urgent and sustained action is needed to tackle climate change. Business success should not come at the expense of the environment. That is why we are committed to halving our environmental impact and contributing to a sustainable future for all.

At Vodafone Romania, we are using technology to reduce our carbon footprint and increase energy efficiency. The decision to purchase 100% green energy to power operations from January 2020 has been complemented by a multi-year investment to increase the company's energy efficiency and reduce its environmental impact.

At the same time, we are committed to the Group's efforts to meet its commitment to reduce greenhouse gas emissions to net zero by 2030 (Scope 1 and Scope 2) and across the entire value chain (Scope 3) by 2040.

Stakeholder engagement

We are committed to developing effective communication and building positive relationships with all the stakeholders we work with, which is fundamental to strengthening our sustainability work.

Category of interested actors	Method of engagement/ communication	Frequency	Topic addressed	Engagement only as part of the analysis (reporting) process Y/N
Employees	<ul style="list-style-type: none"> - Internal communication channel - Regular in-person and online meetings - E-mail - Speak Up - Employee satisfaction questionnaire 	Ongoing communication (whenever necessary)	<ul style="list-style-type: none"> - Benefits - Professional development - Salary - Investment - Circular economy and recycling - Digitalization and innovation 	No
Corporate customers	<ul style="list-style-type: none"> - Digital channels (My Vodafone app, www.vodafone.ro, Facebook, Instagram, LinkedIn) - Call centers - In-person, in physical stores - Phone contact - TOBi, the digital assistant - Account manager - Speak Up 	Regular contact, both on our part and at the request of the client	<ul style="list-style-type: none"> - Offers - Digital solutions for customers - Customer relations - Network coverage - Circular economy - Miscellaneous request handling 	No
Individual customers	<ul style="list-style-type: none"> - Digital channels (My Vodafone app, www.vodafone.ro, Facebook, Instagram, LinkedIn) - Call centers - In-person, in physical stores - Phone contact - TOBi, the digital assistant - Account manager - Speak Up 	Regular contact, both on our part and at the request of the client	<ul style="list-style-type: none"> - Offers - Digital solutions for customers - Network coverage - Miscellaneous request handling 	No
Regulatory authorities	<ul style="list-style-type: none"> - Regulatory initiatives - Studies - Events - Programs, projects 	Regular contact	<ul style="list-style-type: none"> - Regulatory framework and compliance with applicable legislation 	No
Central and local authorities	<ul style="list-style-type: none"> - Position papers - Legislative initiatives - Studies - Events 	Regular contact	<ul style="list-style-type: none"> - Regulatory framework and compliance with applicable legislation 	No
Suppliers	<ul style="list-style-type: none"> - Supplier audits and assessments - Events, conferences, debates - E-mail - Direct contact - Speak Up 	Regular contact	<ul style="list-style-type: none"> - Digital education - Environmental policies - Value chain emissions 	No

Category of interested actors	Method of engagement/ communication	Frequency	Topic addressed	Engagement only as part of the analysis (reporting) process Y/N
Franchise partners	<ul style="list-style-type: none"> - Initial and periodic assessment and evaluation - Contractual relations - E-mail contact - Direct contact - Speak Up 	Regular contact, both on our part and at the request of the client	<ul style="list-style-type: none"> - Access to know-how - Collaboration and communication 	No
Media and influencers	<ul style="list-style-type: none"> - Events, conferences, debates - Communication and marketing campaigns 	Whenever necessary	<ul style="list-style-type: none"> - Digital services and solutions 	No
NGO	<ul style="list-style-type: none"> - Events, conferences, debates - Programs, projects - E-mail - Direct contact 	Ongoing communication (whenever necessary)	<ul style="list-style-type: none"> - Communication on projects implemented in partnership with NGOs - Supporting local communities - Improving access to digital services, bridging the digital divide 	No
Business associations	<ul style="list-style-type: none"> - Events, conferences, debates - Programs, projects - E-mail - Direct contact 	Whenever necessary	<ul style="list-style-type: none"> - Common topics of interest, advocacy 	No
Local community	<ul style="list-style-type: none"> - Events, conferences, debates - Programs, projects - E-mail - Volunteering programs 	Ongoing communication (whenever necessary)	<ul style="list-style-type: none"> - Improving access to digital services, bridging the digital divide - Addressing rural issues and supporting small and medium-sized enterprises 	No



Material topics

To identify and assess the economic, social, and environmental impact of our operations and relationships, we measure a set of non-financial indicators tailored to our industry on an annual basis. For the 2022-2023 financial year, we have decided to take our sustainability reporting one step further and have prepared the non-financial report using the GRI Standards 2021 methodology, reviewing the key stakeholder categories consulted in the identification of material topics.

Aspects concerning the methodology used

The categories of stakeholders consulted were identified by a cross-functional team of Vodafone Romania in an internal workshop. As some stakeholders may not fit into these categories (e.g. former employees, customers, etc.) or may belong to more than one category, we have added the option 'other category' to allow them to respond to the questionnaire.



Main categories of stakeholders involved in the consultation process:

- Employees;
- Business associations;
- Central and local authorities;
- Regulatory authorities (no responses recorded);
- Corporate customers;
- Local community;
- Suppliers;
- Media and influencers;
- Non-governmental organisations;
- Franchise partners;
- Other (e.g. former customer, potential/former employee, etc.);
- Individual customers (not directly consulted, but their feedback has been included in the final result after analysis of the satisfaction questionnaires and the complaints, claims, and feedback received through the channels permanently available to them).

The materiality analysis started with the identification of potentially material topics, i.e. those topics on which Vodafone Romania, through its business activities and relationships, has or could have a positive and/or negative impact from an economic, social, and environmental perspective, including a human rights perspective. The list of potentially material topics has therefore been compiled following an analysis of all our operations and a review of our business relationships. In addition, we have consulted the latest sustainability trend reports, assessed the current national and European regulatory frameworks (CSRD, EU Taxonomy), and considered information from the telecommunications industry and other sustainability reporting standards (e.g. SASB, ESRS).

Based on this list, we developed two online questionnaires that were sent to the company's stakeholder categories (external analysis) and one sent to department managers, specialists, and experts in the company (internal analysis).

To accurately assess the impact of each topic, the questionnaires were divided into two distinct sections, taking into account the positive and negative dimensions of impact. As for some topics, our work can have a positive impact (e.g. community investment), while for others it can have a negative impact (e.g. resource consumption), these sections were adapted accordingly.

Thus, the negative impact assessment section included 17 topics, while the positive impact assessment section included 12 topics. In addition, the questionnaires included sections where respondents could provide qualitative (open-ended) feedback to highlight other sectors/areas where the company could have a potential impact, either positive or negative. Respondents were also asked to provide suggestions on how we can improve our sustainability and reporting process.

Each potential material topic was rated on a scale from 0 to 3 (no impact, low impact, moderate impact, and high impact) to determine the extent of positive impact, as well as the negative outcome. In addition, each topic was accompanied by an explanation of possible forms of impact. Respondents were also given the option of answering 'N/A' if they did not know or preferred not to answer a question.

We conducted this process from June to August 2023 and a total of 3,491 responses were recorded, which were centralized and analysed to identify both positive and negative impact of our operations as perceived by external and internal stakeholders.

The analysis generated two impact scores for each topic assessed, representing the positive and negative dimensions of impact, as revealed by both management and external stakeholder analysis, as shown in the materiality matrix below.

As the process of identifying and assessing impact through stakeholder engagement is based on a rather subjective assessment in the first stage, the materiality threshold for negative impact has been set internally, starting with low-impact topics (score 1 on the rating scale provided in the questionnaires).

Therefore, the material topics for Vodafone Romania were those for which either the average stakeholder evaluation or the average internal evaluation showed at least a low impact, to allow us to better assess the impact by monitoring and measuring our activities through the lens of that specific topic.

Impact means the effect that an organization has or could have on the economy, the environment, or people, including human rights, as a result of its activities or business relationships. The impact may be negative or positive, actual or potential, short or long term, intended or unintended, reversible or irreversible.



Material topics:

- Impact on the local economy
- Business ethics and responsibility
- Emissions
- Energy consumption
- Materials and waste
- Use of water resources
- Biodiversity
- Occupational health and safety
- Procurement policy and supplier relations
- Human resources policy
- Anti-discrimination
- Stakeholder transparency
- Inclusion and access to telecommunication services
- Quality and accessibility of services
- Data and network security
- Cyber security and personal data privacy
- Community engagement.

According to the external stakeholder consultation and assessment, the main topics where the company has or could have a negative impact are:

Procurement policy and supplier relations



Occupational health and safety



Materials and waste



Human resources policy



Biodiversity



At the same time, the topics on which the company has or can have a positive impact, according to the assessment of external stakeholders, are:

Cyber security and personal data privacy



Anti-discrimination



Stakeholder transparency



Data and network security



Inclusion and access to telecommunications services



According to the internal assessment carried out by the management of Vodafone Romania, the main topics where the company has or could have a negative impact are:

Materials and waste



Data and network security



Energy consumption



Impact on the local economy



Emissions



Also, according to Vodafone Romania's internal assessment, the main topics where the company has or can have a positive impact are:

Community involvement



Occupational health and safety



Business ethics and responsibility



Cyber security and personal data privacy

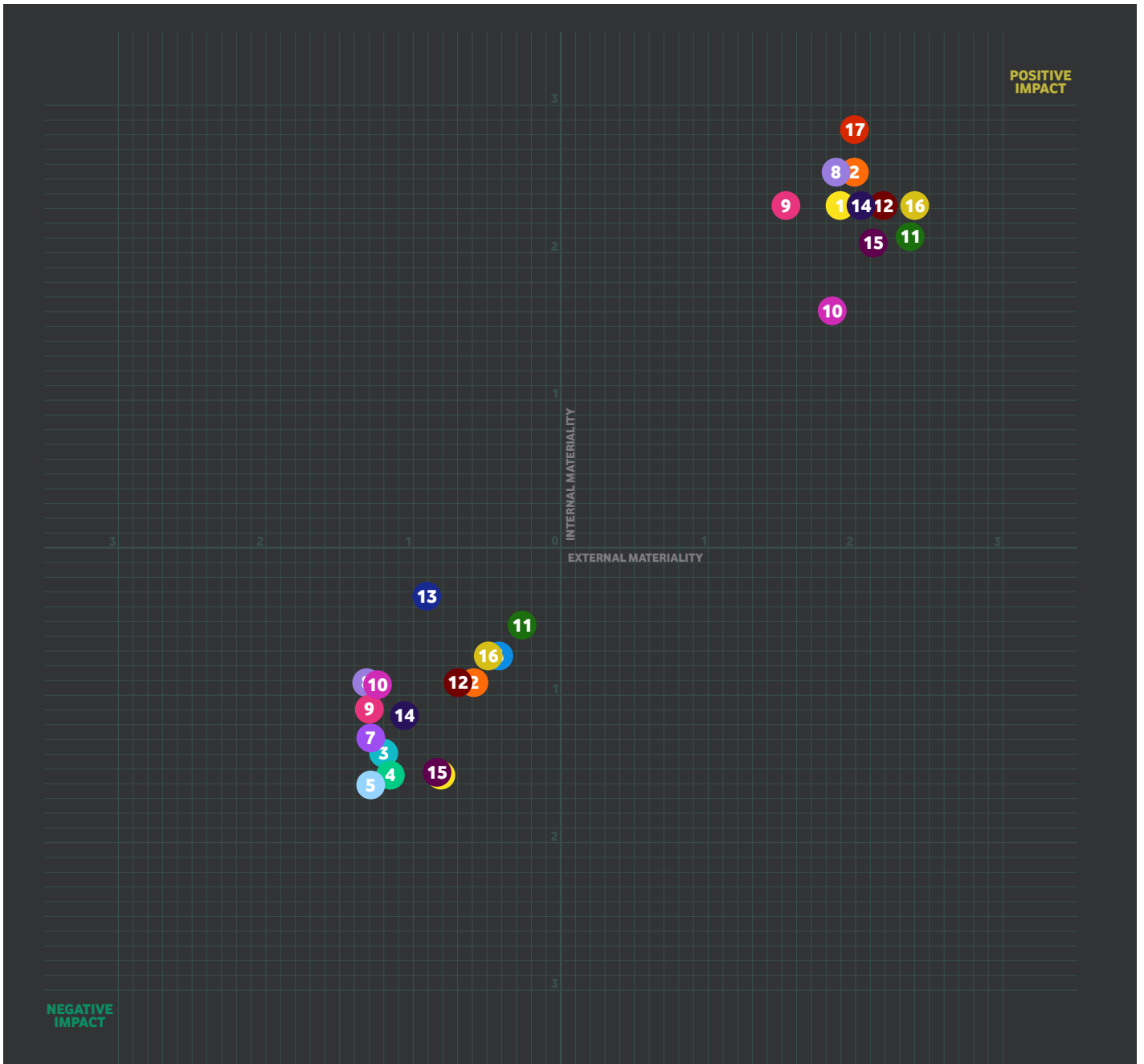


Quality and accessibility of services



Materiality matrix

- | | | |
|---|--|---|
| 1 Impact on local economy | 7 Biodiversity | 13 Inclusion and access to telecommunications services |
| 2 Business ethics and responsibility | 8 Health and safety at work | 14 Quality and affordability of services |
| 3 Emissions | 9 Procurement policy and relations with suppliers | 15 Data and network security |
| 4 Energy consumption | 10 Human resources policy | 16 Cybersecurity and personal data privacy |
| 5 Materials and waste | 11 Fight against discrimination | 17 Community involvement |
| 6 Use of water resources | 12 Transparency in relations with stakeholders | |



Thus, according to the score obtained, the lower left quadrant concentrates the main areas of negative impact, as revealed by the consultation with key stakeholders and the management assessment. At the same time, the upper right quadrant shows the positive impact generated by Vodafone Romania’s local operations, both through its products and services and through its social engagement and human resources policies.



Quality of services

Data and network security

We believe that everyone has the right to privacy, wherever they are in the world, and our commitment to our customers' privacy goes beyond legal compliance. Therefore, our privacy program applies globally, regardless of whether or not local data protection or privacy laws exist.

Our Privacy Management Policy is based on the European Union's General Data Protection Regulation (GDPR) and applies to all Vodafone markets, both inside and outside the European Economic Area.

Our Privacy Management Policy provides a framework within which local data protection and privacy laws are respected and provides a baseline for those markets where there are no equivalent legal requirements. We always seek to respect and protect the right to privacy, including the legal rights of our customers to have and express their opinions and to share information and ideas without interference. At the same time, as a licensed national operator, we are required to comply with the legal orders of national authorities and the judiciary, including law enforcement agencies. Our privacy program governs how we collect, use, and manage our customers' personal information to ensure that we respect the confidentiality of their communications and any choices they may have made regarding the use of their information.

Our privacy program is based on the following principles:



Responsibility



**Fairness and respect
for the law**



Choice and access



Security safeguards



Privacy by design



**Openness
and honesty**



**Responsible data
management**



Balance

Cyber security

Our mission is to facilitate connectivity in society. As a provider of critical national infrastructure and connectivity that millions of customers rely on, we prioritize cyber and information security in everything we do. Our customers use Vodafone products and services because they benefit from state-of-the-art connectivity, but also because they trust that their information is secure.

However, cyber-attacks are part of today's technology landscape and will continue to be so in the future. The telecommunications industry faces a unique set of risks as we provide connectivity services and manage personal data. Our operating model is based on this knowledge and focuses on how we prevent, detect, and respond to attacks to minimize the impact.

Our cyber security strategy

Our vision is a connected and secure future for our customers and society. We are driven by a clear goal to be a trusted partner to our customers, including through ensuring cyber security. Our Cyber Security Strategy sets out how we will achieve these goals. It is aligned with and an integral part of the Vodafone Group Technology Strategy 2025. Our Cyber Security Strategy has seven pillars:

- **Evolving control mechanisms:** Maintaining and improving our security controls beyond the existing baseline level of cybersecurity, using an adaptive and risk-based framework;
- **Security by design:** All our products and services have security built in, whether we build them ourselves or source them from suppliers;
- **Dynamic trust:** Strong, trusted security based on dynamic, risk-based access that is frictionless for users, such as multi-factor authentication and password elimination;
- **Real-time data, real-time response:** More automated, next-generation detection and response capabilities based on advanced analytics;
- **Vodafone spirit and cyberculture:** Engaging our people, supporting our engineering community, and running Group-wide cybersecurity simulations and courses;
- **Security for society:** Collaborating widely to drive standardization, information sharing, and regulatory engagement;
- **Annual strategy review:** We review our cyber security strategy every year, aligning it with the budget cycle so we have a clear picture of security investment priorities.

To protect customer data and the services we provide to them, Vodafone Romania has implemented the best practices in the field, standardized and internationally recognized. ISO27001 is the best-known information security standard and is the basis of the security management system at Vodafone Romania. Unlike other standards, it has a broader scope, covering both IT aspects and less technical elements related to physical and organizational security.

Vodafone Romania was the first telecommunications company in Romania to be certified to ISO27001 by KPMG UK in 2005, and the certification was subsequently renewed. In addition to Vodafone Romania, other local Vodafone markets have since been certified, including data centers in Germany (Ratingen), Italy (Milan), Ireland (Dublin), Spain (Madrid), Vodafone Operations Centre (VOCH) Hungary, and Vodafone India Service Private Limited (VISPL), demonstrating the company's international focus on ensuring the security of its customers' services.

Internal cybersecurity awareness activities:

- We organize New Hire Orientation sessions 2-3 times a month, including a Security Awareness module (CyberCode, with a focus on phishing, document classification according to the Information Classification Policy and data loss prevention), Physical Security, and Business Continuity Management;
- We send information by email and on the Workplace platform to all Vodafone Romania employees about phishing, the procedure for reporting suspicious emails (before the actual simulations), and the importance of following the Doing What's Right (DWR) principle. Information is sent every 24 months, the last one being in May 2022;
- With the support of our colleagues at Vodafone Group, we run simulations of phishing attacks twice each financial year. The last simulation took place in November 2023 and the next in March 2024. During these simulations, we track a number of cybersecurity-related key performance indicators (KPIs).

Digital innovation

As early as 2020, we began our transformation from a telecoms company to a technology company, offering digital services and technology products to as many people as possible, beyond converged communications services. All with the aim of leaving no one behind as we move towards an inclusive digital society.

We want to be there for people wherever they live, and we are investing in infrastructure to bring our services to remote and hard-to-reach areas. We also want to be there for our collaborators and, as a technology partner, provide them with the innovations they need to grow their businesses sustainably.

V-HUB platform

V-Hub is an online platform for businesses to facilitate the digital transition. Launched in 2021, the platform provides free access to relevant resources and information on digitalization. We have designed this platform as a tool to provide real support to SMEs to help them grow and succeed in a digital world. The platform is divided into four main sections:



**Digital
expertise**



**Digital
marketing**



**Digital
security**



**Remote
work**

The platform provides users with practical materials and information on how to grow their business in the digital environment, such as cyber threats and how to protect their business against them, how to build an online presence, how to create a website, how to promote themselves using social media or how to stay productive in a hybrid working system.

V-Hub also offers free access to a range of tutorials and courses to help small and medium-sized businesses adapt to a changing world.

Tech for Good

For 20 years, Vodafone Romania has been the technology partner of Salvamont Romania and one of the main supporters of the actions and activities of the mountain rescuers. Every year, the Vodafone Mountain Rescue dispatcher receives more than 12,000 calls, of which more than 6,000 concern victims of mountain accidents requiring the intervention of mountain rescue teams. More than 100,000 Romanians have installed the Salvamont app, a complete mountain information and orientation guide developed by Vodafone. More than 80% of mountain rescue teams have access to Vodafone's technology, which allows them to locate victims using drones or generate 5G signals to use AI to find missing people on the mountain faster.

2023 marks a new first in the use of technology and artificial intelligence to save lives. One year after the launch of digital drone solutions that, together with the power and reliability of Vodafone GigaNetwork 5G and GigaNetwork FIBER, help to significantly reduce the time needed to search for victims and save more lives, Salvamont Romania is the first in Romania to benefit from the first underwater digital sonar detector - AquaEye VODASAFE, the Water Rescue Buoy (FRd: Fast Rescue Device), its underwater drone and a scubajet to approach hard-to-reach places underwater.

The equipment was purchased in response to the increasing number of incidents in partially flooded caves, lakes, canyons, and mountain rivers, where most operations are very difficult.



IoT for Industries

Fleet monitoring and management can be a challenge for any transport company. Our services provide customers with the solutions they need to properly manage their company's resources, even remotely.

Transportation



Vodafone's IoT solutions are designed specifically for retailers to help them improve the in-store customer experience, increase productivity by deploying staff only when needed, monitor inventory, and plan production in advance. We do this by providing smart, connected devices that communicate with each other, providing real-time data and optimization.

Retail



Sustainable agriculture means using resources responsibly, and this can be facilitated by smart technology solutions that are accessible to every farmer. Increasing crop productivity and quality, maintaining soil health, reducing production costs by optimizing fertilizer and water use, reducing pesticide use, and making human resources more efficient by automating specific activities in greenhouses and solariums - these are benefits that **our digital information and solutions platform** can offer farmers.

Smart agriculture



Our solutions help optimize utility operations, including equipment monitoring, efficient resource management, and improved customer service. This enables our clients to increase efficiency, reduce costs, and improve customer satisfaction.

Utilities

Maintaining the pace of production, its quality, and the safety of the workforce is the primary concern of every manufacturer. Companies that use our technologies have better productivity and lower operating costs.

Production

Customer responsibility

Our marketing and advertising policy complies not only with market standards but also with industry-specific legislation. We provide accurate and transparent information about the products and services we offer so that consumers can make informed decisions.

The products we sell are labelled directly by the manufacturer. At Vodafone Romania, we ensure that they provide customers with all the necessary product information. In addition, we ensure that all legal requirements for the marketing of products are met, such as the existence of a user manual, safety information, declaration of conformity, SAR (Specific Absorption Rate) values, etc., before placing them on the market. In addition, for each new manufacturer in our portfolio, we work closely to ensure that all legally required information is included on the label (CE logo, recycling details, manufacturer and importer information, etc.).

Incidents of non-compliance related to marketing, advertising, and sponsorship in the 2022-2023 financial year

Financial year 2022-2023	Incidents of non-compliance with legislative regulations on marketing communications, including advertising, promotion, and sponsorship resulting in a fine/penalty		Incidents of non-compliance with legislative regulations on marketing communications, including advertising, promotion, and sponsorship, resulting in a warning		Incidents of non-compliance with voluntary codes on marketing communications, including advertising, promotion, and sponsorship	
	No.	Description	No.	Description	No.	Description
	4	<ul style="list-style-type: none"> - the value of the eco-tax was not stated on the receipt or invoice - incomplete information on euro top-ups with integer values without decimals and on the exact values with which euro top-ups can be made - campaign extension without communicating the new extended term 	1	- lack of instructions for use in the Romanian language	1	- the RAC (Romanian Audiovisual Council) has requested the modification of three Vodafone commercials to remove the reference to “certified by customers”

Incidents of non-compliance regarding labelling and provision of information on company products and services in the 2022-2023 financial year

Financial year 2022-2023		Incidents of non-compliance with legislative regulations on labelling and the provision of information on company products, resulting in a fine or penalty	
No.	Description		
1	- the value of the eco-tax was not indicated on the price label		

In the 2022-2023 financial year, there were no:

- incidents of non-compliance with legislative regulations regarding labelling and provision of information on the company’s products that resulted in a warning
- incidents of non-compliance with voluntary codes on labelling and provision of information on company products

Vodafone Romania registered no fines/sanctions for misleading advertising.

Customer communication

We want to communicate effectively and understand the needs of our customers, whether they are individuals or businesses so that together we can find the best solutions to any challenges that may arise. To this end, we provide our customers with a range of **contact channels** to suit all situations - from our website to the My Vodafone app, to physical letters.

Communication channels available for our private individual customers:

- Call center, available for both mobile and fixed services;
- TOBi, the digital assistant available 24/7;
- Email, tailored to customer type and on-demand;
- Visit to one of our stores;
- Letter to head office;
- Account managers and other specialists;
- Facebook page via Messenger or comments;
- My Vodafone app.

Communication channels available for our corporate customers:

- Call center, available for both mobile and fixed services;
- Email, tailored to customer type and on-demand;
- Visit to one of our stores;
- Letter to head office;
- Account managers and other specialists.

Quality of services

Whether we are talking on the phone, surfing the web, or sending data, telecommunications affect most aspects of our daily lives. That is why, for our 9.7 million customers, service quality is more than just a wish: it is an essential expectation that has a direct impact on their satisfaction. We are focused on their needs, which is why in the 2022-2023 financial year we expanded our mobile network by 389 4G sites, connecting around 90,000 residents in 145 localities to mobile voice and data services.

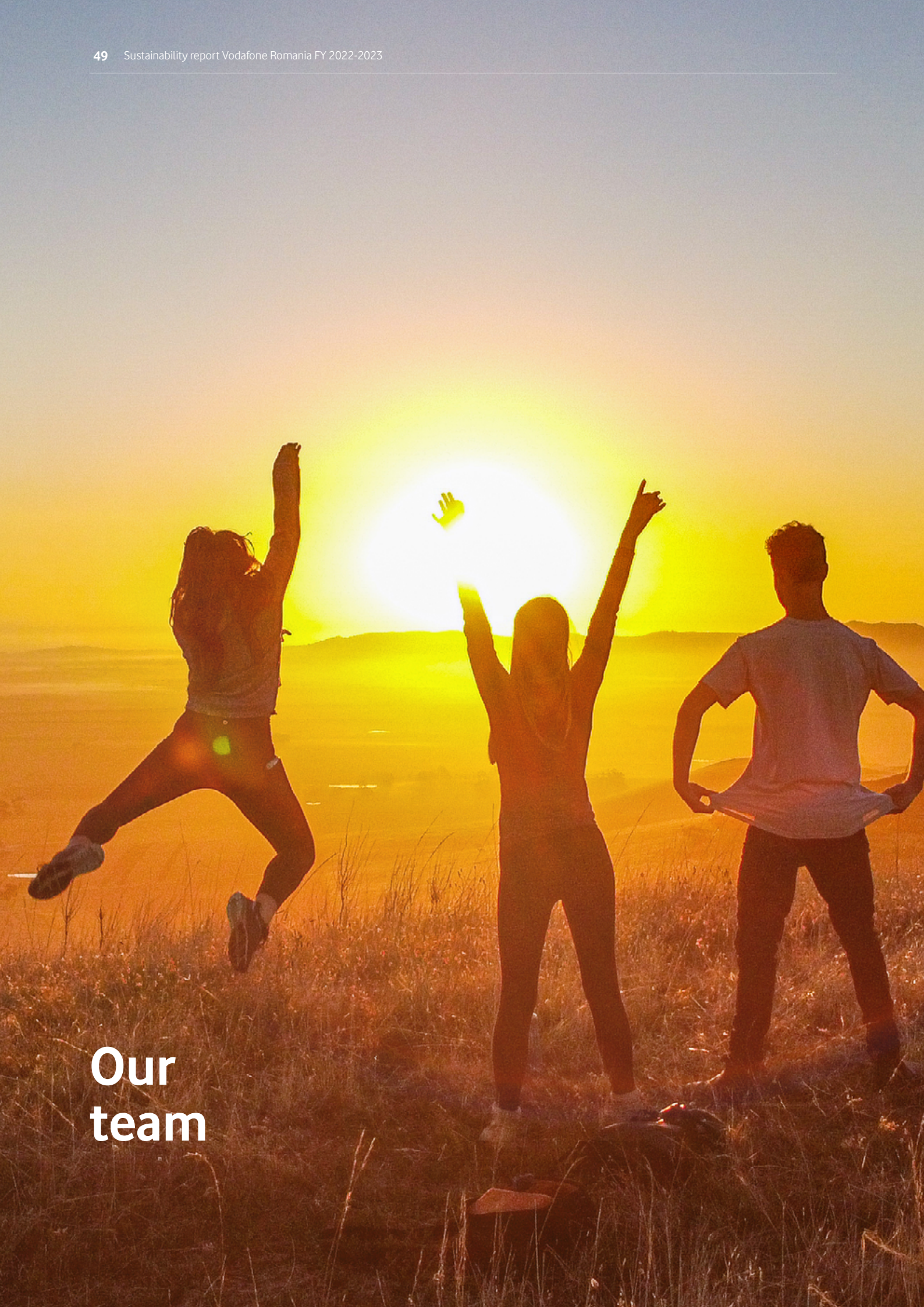
Total number of complaints received from customers:	11,466
Total number of complaints received from customers about the quality of core services*:	770
Of which complaints resolved:	100%

**service, signal, internet, and television*

In the 2022-2023 financial year, we received a total of 11,466 complaints, representing 0.12% of the total number of our customers. Of these, only 770 (6.71%) were complaints about our core services - service, signal, internet, and TV.

The category of complaints in the internal mobile segment includes categories other than core services, such as invoices and payments, GDPR information, contracts (activation, extension, contract terms, termination request processing time, porting, arrears), prepaid cards, or agent feedback. The category of written complaints about fixed services also includes termination request processing time, contract renewals, invoices and payments, printed invoice delays, contract activation or agent feedback.

We have two types of subscriptions for people with special needs: a voice subscription for people with visual impairments and a text subscription for people with hearing and/or speech impairments. During the 2022-2023 financial year, an average of 32 voice subscriptions were activated per month, similar to the previous financial year, while 3 such subscriptions were activated for SMS.



Our team

Working environment

Vodafone Romania is an important employer and we know that our position in the Romanian market gives us a responsibility to support our colleagues to reach their full potential and grow professionally in a healthy way. That is why our culture is based on trust, teamwork, and personal development, acting in line with the Code of Conduct.

Fairness underpins our human resources policy. We constantly monitor the level of our total remuneration package against the market and exceed the minimum salary required by law, ensuring equity in our organization and maintaining fair gender pay.

Financial year 2022-2023	Number of employees by contract type*		Number of employees by working hours		Total by gender
	Permanent	Fixed-term	Full-time	Part-time (<8h)	
Men	1,119	33	1,095	57	1,152
Women	1,714	35	1,594	155	1,749
Total	2,833	68	2,689	212	2,901

*not including suspended employees (childcare leave, parental leave-long, unpaid leave, etc.)

>60% women in the Vodafone Romania team

Category	Financial year 2022-2023			
	New employees		Employees who left	
Gender	No.	Rate*	No.	Rate*
Women	479	16.7%	713	24.8%
Men	292	10.1%	479	16.7%
Total	771	26.8%	1,192	24.8%
Age group	No.	Rate*	No.	Rate*
<30	448	15.6%	521	18.1%
30-50	312	10.8%	614	21.3%
>50	11	0%	57	2%
Total	771	26.8%	1,192	41.4%

*new employees and employees who left the company rates are calculated in relation to the average number of employees of the company in the reporting year (2,876)

There is no organized employee/trade union at the company level and no collective bargaining agreement. Regarding the minimum notice period for significant operational changes, we comply with the provisions of the Labour Code, which stipulates that the notice period for dismissals for reasons not related to the employee is 20 working days.

Employee benefits

Benefits depending on the type of contract and working hours	Full-Time	Part-Time
Meal vouchers	x	x
Vacation voucher	-	-
Life insurance	x	x
Support for personal events (marriage, birth, death, social benefits, etc.)	x	x
Compensatory wages (agreements)	x	x
Seniority bonuses	-	-
Seniority incentive	-	-
Retirement provisions	-	-
Private health insurance	x	x
Gift vouchers and bonuses for employees and employees' minor children	-	-

All our employees benefit from life and health insurance

Parental leave	Financial year 2022-2023	
	Women	Men
Number of days (total)	90,870	9,306
No. of employees entitled to parental leave	1,749	1,152
No. of employees taking parental leave	142	60
No. of employees who returned to work (in the 2022-2023 financial year) at the end of parental leave	149	68
No. of employees who returned to work (in the 2021-2022 financial year) at the end of parental leave and were still employed after 12 months (in the 2022-2023 financial year)	118	48

To support our colleagues who become biological or adoptive fathers, we have a 16-week fully paid parental leave policy. They also have the option to gradually return to work (they can opt for a reduced schedule of 30 hours per week for up to 6 months on full pay).

Diversity and equal opportunities

We believe in the importance of diversity and the benefits that an inclusive working environment brings to an organization. We have programs and projects in place to ensure that every colleague in the organization, regardless of gender, ethnicity, or social group, feels like an equal member of the team.

We encourage women to achieve their ambitions in the labour market, but we also allow our male colleagues to balance their personal and professional lives - we offer extended paternity leave. We are building an inclusive culture and have been signatories to the Diversity Charter since 2018 and founding members of the Chamber of Commerce for Diversity since 2021.

Strategic objectives:

- Become the best employer for women by 2025, supporting thousands of qualified women to find jobs in IT and other roles.
- Support young people to acquire digital skills to prepare them for the jobs of the future.

Total number of employees by category	Financial year 2022-2023 - baseline month March 2023							
	Women				Men			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Top management	0	1	2	3	0	5	1	6
Management	15	205	8	228	20	182	27	229
Employees	485	964	69	1,518	259	598	60	917
Total	500	1,170	79	1,749	279	785	88	1,152

Total employees on March 31, 2023: **2,901**

Number of employees with disabilities, by category	Financial year 2022-2023	
	Women	Men
Top management	0	0
Management	2	1
Employees	11	8
Total	13	9

In the 2022-2023 financial year, the average age of Vodafone Romania employees was **36 years**.

In the 2022-2023 financial year, there were no incidents of discrimination or complaints of violation of the equal opportunities and inclusion policy.

Recruitment, remuneration, and benefits

The principle of fairness underpins our strategy to attract, motivate, and reward professionals who contribute to our success.

We aim to offer competitive salaries relevant to the market in which we operate. At Vodafone Romania, the minimum baseline salary in the company is higher than the national minimum wage, plus bonuses or commissions, meal vouchers, and other benefits. According to our pay scale, the minimum wage offered by the company is 1.23 times higher than the national minimum wage for both men and women.

Professional development

We are increasingly focusing on career flexibility to create a future where every member of our team can realize their full potential and contribute to the development of the solutions our customers need.

Vodafone Romania organizes training programs in all departments throughout the financial year, through an organized process that takes into account the development needs communicated annually by employees and the management team. The training programs address both functional needs for all types of roles in the organization, as well as needs for management skills development, support of organizational culture, performance management, etc.

At the same time, the company has contracts with several providers (Harvard, MIT, Skillsoft, etc.) to deliver online courses, all of which are integrated under the “Grow with Vodafone” umbrella and accessible to all Vodafone employees. In addition to the regular courses offered, Vodafone requires all employees to take a series of mandatory online courses on topics such as Code of Conduct, Anti-Bribery, Security, Privacy, Health and Safety, etc. These courses also cover issues such as gender, race, religion, discrimination, etc.

In addition, there is a company-wide learning and development policy that clearly sets out the rules and ways in which all employees can access training resources. The policy was updated in January 2023.

Average number of training hours per year per employee: 13.05

Currently, internal systems do not allow the collection of information in detail as required by the standard (average number of training hours per year per employee/category/gender).

Performance evaluation and career development plan*	Financial year 2022-2023			
	Women		Men	
	Number	%	Number	%
Top Management	3	100%	6	100%
Middle management	24	100%	21	100%
Individual contributors	1,800	98.8%	1,019	99.3%

Transformational Leadership

The Transformational Leadership program supports our management and key specialist colleagues through a process of learning and exposure to a working style based on creativity, experimentation, and adaptation. The program helps us develop the leadership skills of our management team and key specialists. We want our programs to help them grow, to take a step forward in their careers, and Transformational Leadership is designed to prepare them to take on complex roles with the mindset and skills to lead the transformation of the business. During 2022 there were 4 modules: Leading Self, Leading Others, Leading Inclusively, and Leading in Your Market. These consisted of a total of 6 training days/person, targeting the company's approximately 120 managers. This was followed by up to 6 individual coaching sessions to practice and reinforce the behaviours acquired during the program.

Discover

Discover is the global Management Trainee program for senior undergraduates, master's students, or graduates, where each participant benefits from a tailored two-year program of three assignments in different teams and departments. Throughout this time, young people are assigned a peer and mentor to help them through the learning process, as well as benefiting from personalized training and learning activities. The aim of the Discover program is both to support accelerated career development and to secure a permanent role in the Vodafone Romania team.

At the end of the 2022-2023 financial year, the Discover Romania community had 37 participants, distributed across several departments, such as the Consumer Business Unit (CBU), VBU (Vodafone Business Unit), Network, Business Development, Finance, and Human Resources, each in different stages of the program rotation. It is also worth mentioning that 14 of the 37 participants joined the program in January 2023.

Occupational health and safety

In addition to promoting ethics and inclusiveness, ensuring the safety of our colleagues is a key pillar of our business.

We pay particular attention to the health and well-being of our colleagues and invest in training and programs to help them achieve their goals safely. As early as 2021, Vodafone achieved recognition of its occupational health and safety (OHS) performance through certification to ISO 45001. The aim of the certification was both to improve internal health and safety performance and to certify the quality of the services Vodafone provides to its customers. In line with the requirements of the standard, both internal and external audits are carried out regularly to assess compliance, improve working conditions, and increase employee involvement in health and safety compliance.

OHS dedicated training	Financial year 2022-2023	
	Total no. of hours	Total no. of employees participating
	12,906	3,506

Work-related accidents are reported in line with national legislation to the relevant authorities as soon as they occur. After investigating work-related events, risks are re-examined, and control and prevention measures are implemented to avoid recurrence.

Work-related accidents	Financial year 2022-2023			
	Employees		Workers (e.g., contractors, cleaning services, security, etc.)	
	Women	Men	Women	Men
Number of fatalities as a result of work-related injury	0	0	0	0
Number of high-consequence work-related injuries (the employee will not recover within 6 months)	0	0	0	0
Total number of work-related injuries	0	1	0	0
Description				
Main types of accidents	Commuting accidents			

The total number of hours worked by Vodafone Romania employees between April 1, 2022, and March 31, 2023, is **5,192,899 hours**.

Rate of fatalities as a result of work-related injury is 0.19%.

(number of fatalities as a result of work-related injury / Number of hours worked x 1,000,000)



Environment

Reducing our environmental impact and contributing to the decarbonization of society is one of Vodafone's goals. Digital technology is key to saving energy, using natural resources more efficiently, and creating a more circular economy to reduce e-waste.

This year, the need for a green digital transition has become even more pressing as the global climate crisis has remained an issue and the energy crisis has taken its toll. With Planet as part of our three strategic mission pillars, we are constantly looking for ways to operate an energy-efficient communications infrastructure. Our strategy for the planet focuses on three key areas: net zero, empowerment, and circularity. We have set short and long-term goals based on these strategic pillars to focus our efforts where we believe we can have the greatest impact. This year, we have continued to make progress in meeting our targets, and we have also continued to integrate environmental considerations into the way we do business by strengthening governance, data and systems, risk management, and team engagement - all of which are important foundations for accelerating future action.

Materials and waste

In 2021, Vodafone Group joined the Circular Electronics Partnership, which brings together leaders from across the industry value chain to promote circular electronics solutions.

Together with four of Europe's leading network operators, we launched a new Eco Rating labelling scheme to help consumers identify and compare the sustainability of mobile phones and encourage suppliers to reduce their environmental impact.

Vodafone is also a founding member of the European Green Digital Coalition, which brings together companies from the IT&C sector to work with policymakers and experts in the EU to stimulate investment and implementation of digital solutions to prevent climate change.

Waste generated and monitored in Vodafone Romania's operations

Waste type	Unit of measur	Financial year 2022-2023
Waste electrical and electronic equipment (WEEE)	kg	245.31
Batteries	kg	439
Household waste	mc	1,292

Non-hazardous waste was disposed of by landfill (1,292 m³) through specialized companies in accordance with existing contracts. Although waste collection is segregated in most cases, there is no data on the quantities reused or recycled by existing partners, as we do not have a dedicated resource for this purpose. The amount of WEEE comes from network equipment or employee IT infrastructure that has been replaced.

Partnerships to reduce waste

As technology develops at an ever-increasing pace, and as populations and living standards rise, networks are constantly being upgraded, and the devices we use quickly become obsolete. At Vodafone, we are committed to reducing e-waste, making progress towards our goal of reusing, reselling, or recycling 100% of network waste by 2025, and taking action to reduce equipment waste.

To support the initiative to reuse, resell, or recycle 100% of network waste, we launched the Asset Marketplace, a Vodafone platform that allows us to resell and reuse large end-of-life electrical items such as masts and antennas, helping us to reduce carbon emissions and resource use by not having to purchase new items.

In addition to effectively managing network waste, we are working on several measures to reduce equipment waste.

We encourage our customers to extend the life of their new phones and return old devices, helping to support the circular economy in the mobile industry to minimize waste and carbon emissions. From the first half of 2022, we are offering our customers an extended range of services, including insurance, support, and device repair. We have also launched a digital platform that gives customers more options for returning phones they no longer use. At the same time, we are encouraging customers to hand in all non-functioning mobile devices which we recycle.

Energy consumption

We want to deliver the high-quality products and services our customers expect, using the best resources possible.

To meet our commitments, we are purchasing 100% renewable energy for our operations starting from 2020. ISO certifications are a commitment by our company to ensure the availability of the necessary information and resources to prevent and mitigate potential negative impacts. At Vodafone Romania, we comply with all legal requirements applicable in Romania and are certified according to ISO 9001:2015 (Quality Management System Standard), 14001:2015 (Environmental Management System Standard), and 50001:2018 (Energy Management System).

Total fuel consumption from conventional sources	Financial year 2022-2023			
	UM	Liters	Toe	MWh
Gasoline for generators		343	0.265	3.08
Gasoline for vehicles		345,750	268.64	3,124.3
Diesel for generators		34,721	29.95	348.31
Diesel for vehicles		905,050	780.83	9,081.05
LPG		834.8	0.459	5.33

Conversion factors used:

1 L gasoline = 0.74 kg

1 L diesel = 0.85 kg

1 L LPG = 0.5 kg

1 t gasoline = 1.05 tep

1 t diesel = 1.015 tep

1 T LPG = 1.1 tep

1 TOE = 11.63 MWh

Natural gas consumption (MWh)	Financial year 2022-2023
Natural gas	5,592

Energy consumption (MWh)	Financial year 2022-2023
Green electricity	174,169
Thermal energy	55

Total annual energy consumption: 20,037 toe/year

To reduce energy consumption, we have taken several internal measures to ensure greater efficiency.

Following an investment of over 1.5 million lei:

- Installed free cooling, an efficient air conditioning system that uses outside air to cool equipment when the outside temperature allows, at 5 sites (data centers);
- Replaced existing AC power supplies with new high-efficiency ones at 6 sites;
- Installed photovoltaic panels at 6 sites, with a total maximum installed capacity of 50.16 kW.

The measures implemented resulted in a reduction in energy consumption of 246.5 MWh.

We have implemented the ISO50001 standard as early as 2021 and have worked to meet all the criteria in 2022-2023.

We also reduced the operating range of gas-fired power plants in buildings with low human presence and set an optimal temperature in office buildings, resulting in a reduction in natural gas consumption of 1,929 MW compared with the previous year.

Emissions

We aim to eliminate 50% of the CO₂ emissions from our operations by 2025 and become a net-zero greenhouse gas company by 2040.

Emissions from Vodafone Romania operations

GHG emissions (kg CO ₂ ^{eq}) Vodafone Romania	Financial year 2022-2023
Scope 1	4,529,568
Scope 2	33,175

Scope 1 emissions represent the amount of direct greenhouse gas emissions resulting from Vodafone's activities (from sources owned or controlled by the company), such as emissions from the combustion of fossil fuels in the company's own facilities and company vehicles.

Scope 2 emissions represent the amount of indirect greenhouse gas emissions resulting from the production of electricity and heat purchased from third parties for own consumption.

Water consumption

At Vodafone Romania, we have a low impact on water consumption as a shared resource, as our operations involve limited use of this resource. Water is mainly used in offices and cooling systems in data centers.

However, we recognize that water is a valuable resource, and we use it responsibly. Our data center cooling systems are closed loop, so we always recycle the water resource. The water used in our offices and stores comes from two main sources: the municipal water system (tap water) and the drinking water supplier (water distributor). All wastewater is disposed of via the municipal sewer system.

Financial year 2022-2023 - Total operating areas		
Water withdrawal by source	Groundwater (total)	mc
	Freshwater (≤ 1000 mg/L TDS*)	180 mc
TOTAL WATER WITHDRAWN	Water from suppliers	mc
	Freshwater (≤ 1000 mg/L TDS*)	14,881 mc
	Surface water + Groundwater + Seawater + By-product water + Water from suppliers	15,061 mc

*TDS=total dissolved solids

Financial year 2022-2023	Total operating areas	Water-stressed areas
Water discharged by destination	To surface waters	0
	To groundwater	0
	To seawater	0
	Water discharged to suppliers or other organizations (total)	15,061 mc
	- of which water discharged and used by other organizations	0
Total water discharged	To surface water + To groundwater + To seawater + Water discharged to suppliers	15,061 mc
Water discharged by type	Freshwater (≤ 1000 mg/L TDS)	15,061 mc
	Other water types (> 1000 mg/L TDS)	0
Water discharged according to treatment type	No treatment	15,061 mc
	Physical-chemical and biological treatment	0

The company's total water consumption was 15,061 m³.
No water was withdrawn from water-stressed areas.



Biodiversity

Telecommunications infrastructure requires land use and therefore has the potential to disrupt biodiversity, therefore we take steps to reduce our environmental impact. We assess environmental impacts, select sites very carefully, consult with experts and local community members, monitor impacts, and take corrective action where necessary.

The installation/removal processes for obtaining environmental authorizations/ permits are carried out in line with several steps that take account of environmental aspects, as follows:

- Preliminary study: The owner or developer must carry out a preliminary study to determine whether construction is feasible in the protected area and to assess the impact on the environment and landscape;
- Obtain pre-approvals: It is necessary to obtain preliminary agreements from environmental, cultural, and other relevant authorities to proceed with the process;
- Environmental impact assessment: An Environmental Impact Assessment (EIA) or Landscape Impact Assessment (LIA) may be required to assess how the construction will affect the protected area;
- Obtaining a building permit: Once the impact assessment has been completed, a building permit can be applied for from the relevant authorities. This is usually subject to strict rules and restrictions to protect the area;
- Public consultation: Some projects may require public consultation and community or interest group involvement in the permitting process;
- Monitoring and compliance: During construction, the authorities may carry out inspections to ensure that all rules and conditions are met;
- Completion and monitoring: After completion of construction, long-term monitoring of environmental and landscape impacts may be required to ensure that protected areas remain intact.

“One million phones for the planet”

In 2022, Vodafone Group launched the ‘One Million Phones for the Planet’ program to support the company’s goals of reducing carbon emissions to ‘net zero’ by 2040, helping to eliminate e-waste and promoting the circular economy.

The 3-year program aims to inspire Vodafone customers in Europe and Africa to hand in their old devices for recycling. From November 22, 2022, for every phone collected under the program, Vodafone Group donates £1, or local equivalent, to WWF conservation projects around the world.



Community investment

Community investment

We want to provide products and services that can transform people's lives and contribute to sustainable living, supporting broad development goals and reducing environmental impact.

To do this, we must act responsibly wherever we do business to maintain the trust of society, which is why we have several rules in our Code of Conduct and Anti-Bribery and Anti-Corruption Policy. Any payments for sponsorship of events and initiatives that promote the Vodafone brand (including branding and advertising costs), business development, or local community support must be made in a transparent manner and in accordance with the principles set out in the Community Investment Policy. Sponsorship should not be offered to a party with whom we are in contract negotiations or a tender process, or where such a process is imminent. Any event or initiative for which sponsorship is offered must be:

- requested in a fully transparent manner;
- permitted by applicable law;
- in line with Vodafone's Delegation of Authority (DOA) process;
- consistent with the Vodafone brand identity;
- approved in line with the standards of the Brand Communication and Marketing Policy;
- approved by the Vodafone Group External Affairs Director if it relates to an initiative or represents an event conducted by a public organization or organized by or paid for by public officials;
- correctly recorded in the accounts;
- subject to a recently completed due diligence report (completed less than 6 months before the date of sponsorship);
- transparently documented through a contract.

We believe that a better country is built sustainably by bringing people and resources together. We contribute to the development of communities and the quality of life of vulnerable people in Romania through social innovation programs that put technology at the service of good, learning, and inclusion. We support the use of technology to increase access to health services for vulnerable people and communities. We foster learning with technology to make education a fun experience and encourage innovation. We also support stakeholder collaboration to make wellness accessible and facilitate volunteering.

Vodafone uses technology to make a positive difference in our society, to create solutions that make a lasting difference and that can be scaled to benefit as many people as possible across Vodafone's global footprint.

Employees are encouraged to take part in social responsibility activities in these areas of interest, with the opportunity to volunteer for various local and global programs.

Vodafone gives employees 2 paid days per year to volunteer. From 2006 to the end of the 2022-2023 financial year, 8,434 Vodafone employees volunteered in activities organized by the Vodafone Foundation.

To monitor the progress and social impact of our community investments, we use the ‘Lives improved’ reporting methodology, an indicator used by the Vodafone Foundation globally. This is the impact indicator we collect for all programs run by the Vodafone Foundation (a UK-registered charity) and all 27 of our local affiliated foundations. We measure “direct lives improved”, i.e. the direct beneficiaries of the program implemented (e.g. patients receiving treatment), but also “indirect lives improved”, i.e. people with a close relationship to the direct beneficiary who experience a positive side-effect in their lives as a result of the impact of the program on the direct beneficiary (e.g. family members of patients). The number of lives improved ‘directly’ and ‘indirectly’ is reported per program and financial year; for multi-year programs, only the indicator ‘lives improved in addition to the previous year’ is reported. Under the Connecting for Good umbrella, the overall goal is to improve the lives of 300 million people by 2025. At the same time, some of the partners we work with use other methods to measure their impact, such as SROI or LBG.

Vodafone Foundation

The Vodafone Foundation is a non-profit, non-governmental organization that supports disadvantaged communities across the country, of which Vodafone Romania is the main funder, together with the Vodafone Group Foundation. It is involved in the community through several projects, implemented directly or by funding programs in partnership with local NGOs.

Areas of commitment:



Health and well-being



Learning and innovation



Engagement and collaboration

Community investments (sponsorships) through the Vodafone Foundation

Financial year 2022-2023

Total sponsorship budget	€1.4 million (7,423,360 lei)
Total number of projects supported	24
Total number of partner organizations	18

Life for Newborns Fund (Health and Wellbeing)

Under the “Life for Newborns Fund” program, we have supported neonatal wards and units in six cities with a first round of funding of 4.5 million lei. In the second round of the program, we are continuing to fund neonatal and intensive care units with a budget of 2.5 million lei. In this phase, medical equipment and devices will be purchased to ensure the best possible care for newborns in four level 1 and 2 wards.

In addition to this component, which complements the previous edition of the program, we are extending our support by funding telemedicine solutions for 17 level 3 neonatal intensive care units across the country. Telemedicine in NICUs gives newborns an extra chance at life and facilitates medical care. Medical teams in these units will be able to quickly connect with specialists in other units in the country and abroad. This will allow a doctor outside the hospital to intervene and monitor the medical procedure remotely, with real-time access to the newborn’s health. After this phase of the project, all 25 neonatal intensive care units in the country will be connected to the national telemedicine network.

- **9,780 newborns, including 2,000 with medical conditions, receive the best possible care or optimal transfer to neonatal intensive care units, neonatal wards, and higher-level premature care units;**
- **Every year, 200 doctors and nurses have adequate medical conditions to care for newborns with various conditions;**
- **180 pieces of equipment and related medical supplies purchased through six public-private partnership projects;**
- **More than 30 doctors and nurses have received on-the-job training and advanced specialization in neonatal care and resuscitation.**

Implementation partners:

Flower Power Cultural Association | Beyond Today Association | Banatul Montan Community Foundation | Prompt Maternity and Critical Care Association | Save the Children Organization | Cristi Vasiliu Association

Bright Sky Ro (Health and well-being)

Launched in May 2020, Bright Sky RO is the only free digital tool to support victims of domestic violence in Romania. Domestic violence is a growing phenomenon in our country. Between January and April 2023, 4,075 provisional protection orders were issued in Romania, 3.7% more than in the first 4 months of last year, according to data provided by the Romanian Police.

More than 63,000 people in Romania are actively using Bright Sky RO. The app and associated website have been used almost 88,000 times by victims of domestic violence, mostly women, but also men and minors, and by those who want to help in such situations. The visits were recorded from the launch of the app in Romania in May 2020 until April 2023. The section explaining forms of abuse remains the most used part of the app, with over 10,000 visits. The Bright Sky Ro app is available in Romanian, Hungarian, and English.

- **Beneficiaries in the 2022-2023 financial year: Over 55,000 users of the Bright Sky Ro app.**

Partners:

Necuvinte Association | Romanian Police (through the Institute for Crime Research and Prevention)

School of the Future (Learning and innovation)

The Vodafone Romania Foundation launched the educational platform scoaladinviitor.ro in September 2021. Currently, the platform contains more than 100 lessons in the field of new technologies, internet safety, or programming, aimed at students from 6 to 12 years old. The activities can also be carried out in the formal school environment, integrated into lessons, mainly in primary school, but also in secondary school. The activities are divided into 2 age groups: 6-8 years and 9-12 years.

The activities proposed by “School of the Future” take place in both urban and rural areas, in different learning contexts: in schools and public libraries, in educational centers within projects run by partner organizations.

The School of the Future is reaching Junior Achievement schools: Through a partnership launched in November 2022, we are targeting primary and secondary students and teachers in the network of public schools that implement Junior Achievement education programs.

The Green School of the Future: Librarians and students attending Code Kids courses run by the Progress Foundation have access to dedicated resources and support through a partnership launched in July 2022.

Beneficiaries in the 2022-2023 financial year:

- More than 20,000 students and over 700 teachers in Romania developed their digital skills through activities on www.scoaladinviitor.ro;
- 562 children participated in the 2022 edition of Green School of the Future .

Partners:

Junior Achievement | Progress Foundation

Volunteering (Engagement and collaboration)

Every year the Foundation organizes activities involving Vodafone employees. In the 2022-2023 financial year, the main volunteering projects were Letters to Santa, Brighter Futures, and blood drives.

Letters to Santa is the Foundation's longest-running volunteering program and reached its 12th edition in December 2022. The project consists of three stages. The first stage involves collecting letters to Santa from children in the care of organizations, the second stage involves uploading the letters to a platform where they are collected by colleagues in the company, and the third stage involves collecting the gifts bought by colleagues and sending them to the children.

To extend the project outside the company, we have developed a tool to securely connect the NGO sector with the private sector and donors with beneficiaries.

The Letters to Santa (scrisoripentrumoscraciun.ro) platform was created to help NGOs find donors for Christmas gifts for children and to help companies involve their employees in CSR activities in an organized way. The platform uploads letters sent by children to Santa Claus, and donors can choose the letter for which they will buy gifts. Access to the platform is free for all stakeholders (NGOs, companies, individual donors) and all maintenance costs are covered by the Vodafone Romania Foundation.

- **Beneficiaries in the 2022-2023 financial year: 657 children;**
- **Number of employees involved and number of volunteering hours in the 2022-2023 financial year: 780 volunteers/3,120 volunteering hours.**

Partner organizations:

FDP Association Protagonists in Education | Policy Center for Roma and Minorities | Regina Maria Social Innovations Foundation - Corbeanca Educational Center | Florian Cristescu Community Development Association | Community Support Foundation | Clubul cu lipici-Slobozia Nouă, Podul Turcului, Motoșeni, Dealul Morii, Mozaic Center | Child Heart Foundation - Pechea | Hercules Association - Costești and Buftea | Euro Breasta Association | Bumbăști Jiu Development Evolution Partnership Association | Concordia Humanitarian Organization - Casa Cristina and Casa Alexandra Day Centers and Odobești Day Center for Children and Family | Caritas Blaj Association - Good Samaritan, Teiuș and Cenade Day Centers | Omenia Philanthropic Foundation | Association for Community Development Cumpăna

Brighter Futures

A report by the Ministry of Education on pre-university education in Romania shows that the dropout rate is steadily increasing. According to a Eurostat report, the dropout rate was 15.3% in 2019. In 2020 it rose to 15.6%, the highest in the EU. Statistics show that almost 25% of children who started compulsory education in the last decade never finished it.

At the same time, the amount allocated to education at the national level is 3.6% of GDP, the second lowest in the EU.

The current situation in Romanian education is alarming and lacks clear and implementable strategies. The infrastructure is precarious, the programs are not up to date, and do not focus on the education of the student as a future adult. For children in rural areas, access to education and health is difficult due to lack of money and information.

Brighter Futures supports both at-risk children in rural areas and teachers who face limited access to technology and information through:

- providing schools with IT equipment and supporting technology, personal and professional development courses;
- donating books and textbooks;
- involvement of Vodafone employees in volunteering activities online or with informal support.

• **Beneficiaries in the 2022-2023 financial year: 600 children and 100 teachers;**

• **Number of employees involved and number of volunteering hours in the 2022-2023 financial year: 220 volunteers/3,520 volunteer hours.**

Partner organization:

Bookland Association

Blood drives

They have been organized in Vodafone offices, since 2010, with 3 sessions per year.

- **Beneficiaries in the 2022-2023 financial year: 450 people;**
- **Number of employees involved and number of volunteering hours in the 2022-2023 financial - 150 donors/150 hours allocated.**

Partner organization:

Bucharest Blood Transfusion Centre

GRI Content Index

Statement of use Vodafone Romania has reported with reference to the GRI Standards 2021 for the 01.04.2022 – 31.03.2023 period

GRI 1 used GRI 1: Foundation 2021

GRI Standard	Disclosure	Page(s) number(s), URL and/or direct answers	Omission		
			Requirement(s) omitted	Reason	Explanation
General Disclosures					
	2-1 Organizational details	6, 7, 8			
	2-2 Entities included in the organization's sustainability reporting	4			
	2-3 Reporting period, frequency and contact point	4			
	2-4 Restatements of information	There are no restatements of information in the sustainability report			
	2-5 External assurance	The content of the sustainability report has not been assured by an external third party			
	2-6 Activities, value chain and other business relationships	8-11			
GRI 2: General Disclosures 2021	2-7 Employees	50			
	2-8 Workers who are not employees	The company does not have workers who are not employees			
	2-9 Governance structure and composition	14			
	2-10 Nomination and selection of the highest governance body	15			
	2-11 Chair of the highest governance body	13			
	2-12 Role of the highest governance body in overseeing the management of impacts	15			
	2-13 Delegation of responsibility for managing impacts	15			
	2-14 Role of the highest governance body in sustainability reporting	15			

GRI Standard	Disclosure	Page(s) number(s), URL and/or direct answers	Omission		
			Requirement(s) omitted	Reason	Explanation
General Disclosures					
	2-15 Conflicts of interest	20			
	2-16 Communication of critical concerns	19-20			
	2-17 Collective knowledge of the highest governance body	Not reported			
	2-18 Evaluation of the performance of the highest governance body	Not reported			
	2-19 Remuneration policies	15, 50, 53			
	2-20 Process to determine remuneration	At the Vodafone Group level, the Remuneration Committee is responsible for approving salary packages and any changes to them for members of the Senior Leadership Team (SLT). The Committee also ensures that the salary packages are directly correlated with the seniority level of the members and the impact their roles have on the organization			
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	Not reported	Confidentiality constraints		The organization considers this information confidential
	2-22 Statement on sustainable development strategy	3			
	2-23 Policy commitments	25, 29, 40, 57			
	2-24 Embedding policy commitments	29			
	2-25 Processes to remediate negative impacts	19, 57, 58, 64			
	2-26 Mechanisms for seeking advice and raising concerns	19			
	2-27 Compliance with laws and regulations	21-23, 46-47			
	2-28 Membership associations	27			
	2-29 Approach to stakeholder engagement	30-31			
	2-30 Collective bargaining agreements	51			

GRI Standard	Disclosure	Page(s) number(s), URL and/or direct answers	Omission		
			Requirement(s) omitted	Reason	Explanation
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32-37			
	3-2 List of material topics	34, 37			
Impact in the local economy					
GRI 3: Material Topics 2021	3-3 Management of material topics	7, 13, 64, 65			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	7, 65			
Business ethics and responsibility					
GRI 3: Material Topics 2021	3-3 Management of material topics	19-22			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	23			
	205-3 Confirmed incidents of corruption and actions taken	23			
GRI 415: Public Policy 2016	415-1 Political contributions	21			
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	29, 57, 60			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	60			
	305-2 Energy indirect (Scope 2) GHG emissions	60			
Energy consumption					
GRI 3: Material Topics 2021	3-3 Management of material topics	58-59			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	59			
Materials and waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	29, 57			
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	57-58			
	306-3 Waste generated	57			

GRI Standard	Disclosure	Page(s) number(s), URL and/or direct answers	Omission		
			Requirement(s) omitted	Reason	Explanation
Material topics					
Use of water resources					
GRI 3: Material Topics 2021	3-3 Management of material topics	60			
	303-1 Interactions with water as a shared resource	60			
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	61			
	303-4 Water discharge	61			
	303-5 Water consumption	61			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	62			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not monitored			
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	55			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	55			
	403-5 Worker training on occupational health and safety	55			
	403-9 Work-related injuries	55			
Procurement policy and supplier relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	24			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	25			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	25-26			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	25-26			

GRI Standard	Disclosure	Page(s) number(s), URL and/or direct answers	Omission		
			Requirement(s) omitted	Reason	Explanation
Material topics					
Human resources policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	50, 53-54			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	14			
	401-1 New employee hires and employee turnover	50			
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	51			
	401-3 Parental leave	51			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	54			
Anti-discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	50, 52			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	52			
Stakeholder transparency					
GRI 3: Material Topics 2021	3-3 Management of material topics	30, 32			
Transparent and efficient communication with stakeholders	Communication channels with stakeholders	30-31			
Inclusion and access to telecommunication services					
GRI 3: Material Topics 2021	3-3 Management of material topics	7, 9, 10			
Services availability	Number of clients, and national mobile coverage	7, 10, 48			
Quality and accessibility of services					
GRI 3: Material Topics 2021	3-3 Management of material topics	39, 42, 47-48			
Quality of services provided	Total number of complaints received from clients regarding the quality of the company's core services (service, signal, internet and television)	48			

GRI Standard	Disclosure	Page(s) number(s), URL and/or direct answers	Omission		
			Requirement(s) omitted	Reason	Explanation

Material topics

Cyber security and personal data privacy / Data and network security

GRI 3: Material Topics 2021	3-3 Management of material topics	40-41			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not reported		Confidentiality constraints	The organization considers this information confidential

Community engagement

GRI 3: Material Topics 2021	3-3 Management of material topics	64-65			
Community investments	Total financial value of sponsorships directed to community investments	65			



Contact information

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