



Vodafone España, S.A.U.

# Sustainability Report

2010-2011









# Sustainability Report 2010-11

This is Vodafone Spain's 8<sup>th</sup> Sustainability Report, covers our financial year 2010-11 (1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2011). In the "Our strategy" section, we outline the main opportunities and challenges that we face regarding the implementation of the three pillars of our Sustainability Strategy. The "Our Management 2010-11" section offers the most significant information on our management of sustainability issues this financial year, the degree of completion of the commitments acquired and our next steps in each relevant issue.

## Sustainability Web

This Sustainability Report is supplemented by our web  ([www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)) where we offer:

- 1 Verified information about our sustainability management and performance,  containing:
  - Our approach to Sustainability Management (Stakeholder Dialogue, Evaluation of important issues, corporate Governance, etc.)
  - KPI of the important sustainability issues.
  - The Criteria used in preparing the Report:
    - Conformity with the general guidelines laid down by the Global Reporting Initiative (GRI) in version 3.1 of 2011, having been rated A+. See additional information in 
    - Compliance with the AccountAbility Principles Standard AA1000APS (2008).
  - Review Report Declaration.
- 2 Additional information on how we handle each one of the important issues .

Ernst&Young, S.L., has conducted the Independent Review of the Sustainability Report 2010-11 of Vodafone España S.A.U. Their signed Review Report may be found in the Extended Version of the Vodafone Spain Sustainability Report. Furthermore, the Statement of the Ernst&Young Revision Report may be found on our web.

See additional information in 



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Quality In Everything We Do

## Sustainability Communications

Vodafone Spain reports on its Sustainability issue-related management and performance through different channels:

- 1 **Annual Sustainability Reports**
- 2 **Sustainability Web** [www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)
- 3 **Sustainability Newsletters**
- 4 **Sustainability Mail Box:** [sostenibilidad@corp.vodafone.es](mailto:sostenibilidad@corp.vodafone.es)
- 5 **Other channels of communication** in which Vodafone is present:

[www.twitter.com/vodafone\\_ES](http://www.twitter.com/vodafone_ES)  
[www.facebook.com/vodafoneES](http://www.facebook.com/vodafoneES)  
[www.forovodafone.es](http://www.forovodafone.es)  
[www.youtube.com/vodafoneES](http://www.youtube.com/vodafoneES)

[www.cookingideas.es/](http://www.cookingideas.es/)  
[www.smartblog.es/](http://www.smartblog.es/)  
[www.blogmyusic.com/](http://www.blogmyusic.com/)

For figures and additional information, go to:

- 1  [www.vodafone.es/InfSost10-11/DeclGRI](http://www.vodafone.es/InfSost10-11/DeclGRI)
- 2  [www.vodafone.es/InfSost10-11/InfVerificacion](http://www.vodafone.es/InfSost10-11/InfVerificacion)

# Letter from the Executive Chairman



Francisco Román (Executive Chairman)

Welcome to Vodafone Spain's 8<sup>th</sup> Sustainability Report, which covers the 2010-11 fiscal year. It reflects the principal activities, results, challenges and opportunities of our new Sustainability Strategy, based upon our commitments to act ethically and responsibly, to promote eco-efficiency in order to reduce the environmental impact of our operations and of our value chain, and to develop products and services which contribute towards a more sustainable society.

This report is supplemented by specific information and data to be found on our web ([www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)). Among the different aspects considered by the report, the following deserve special mention:

- We are honouring our commitment to supply innovative products and services which contribute towards improving the lives of people in general and towards facilitating the socio-labour integration of people with special needs. As such, during this financial year we have launched new services such as the Sign Rate and we have extended universal accessibility certification to 85% of our shops. The activities carried out by our Foundation also stand out, which have allocated over €4.9 million to social and innovation projects.
- Telecommunications represents one of the strategic sectors for generating growth and progress. In this respect, we have continued to deploy mobile broadband in rural environments, and we are developing new smart solutions which will revolutionise basic services such as transport, energy supply, health, production systems, etc. in the coming years, and thanks to which we will contribute towards reducing CO<sub>2</sub> emissions in other sectors.
- In terms of the increased eco-efficiency of our operations, we have increased the energy efficiency actions in our network of offices, shops and vehicle fleet, achieving a 17.7% reduction in our CO<sub>2</sub>

emissions compared to the 2006-07 financial year. Furthermore, we have reduced the consumption of paper in our offices by 28% compared to the previous year; the FSC certified paper used for invoices and in our offices now represents 87% of the total paper consumed, and we continue to promote the use of the electronic invoice by our customers.

- During this financial year, we have also implemented initiatives related to our commitment to act responsibly in our activities in order to earn and maintain the trust of our customers, employees and other stakeholders.

As such, we have worked to revert the negative tendency in the area of complaints and to improve their management, by reducing resolution times and opening additional complaint management channels. Likewise, we have updated tariffs, making them clearer and more transparent, we have carried out activities related to customer privacy and data protection, and we continue to promote the safe and responsible use of our services by our customers, particularly by minors.




In order to achieve our objectives, it is fundamental to involve our employees and suppliers. To do this, we promote the achievement of the highest levels of ethics in accordance with our new Code of Conduct and we are promoting staff diversity. Furthermore, we involve direct suppliers in the fulfilment of our Code of Ethical Purchasing in order to ensure the sustainability of our supply chain.

Transparency in communicating how we manage the topics covered by our Sustainability Strategy is vital in order to gain and maintain the trust of our stakeholders, and as such I trust that reading this report will help to provide greater knowledge and a better understanding of the activities performed by Vodafone Spain in those areas relating to Sustainability that are considered to be the most relevant by our stakeholders.

## Our Sustainability strategy

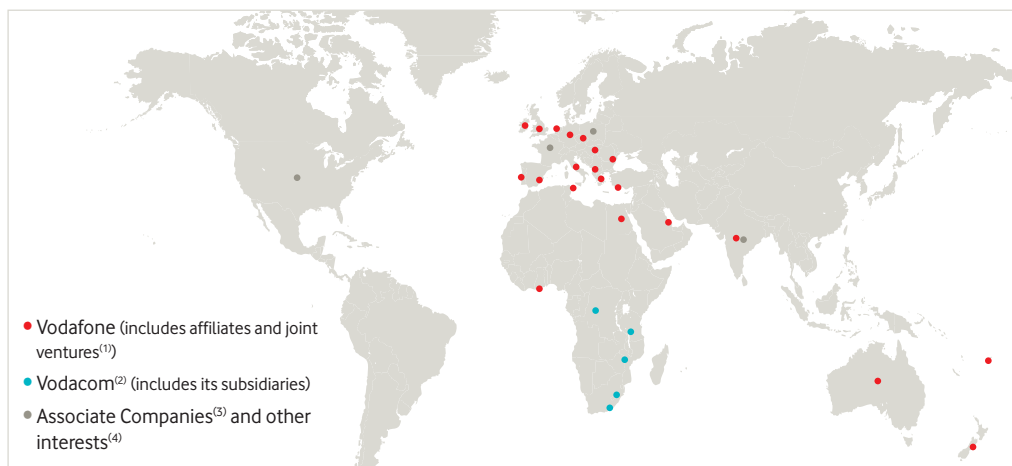
**Objective: To be admired as an ethical company, which acts responsibly and provides services that help create a more sustainable society for our customers.**

To achieve this objective, we want to be a leading communications company in:

 <p><b>Responsible, Ethical and Honest Behaviour.</b></p> <p>We are committed to acting responsibly in our activities to gain and maintain the trust of our customers, employees and stakeholders.</p>	 <p><b>Eco-efficiency, doing more with less.</b></p> <p>We aim to reduce the environmental impact of our operations and value chain throughout the life cycle of our products and services.</p>	 <p><b>Creating Sustainable Societies</b></p> <p>We want to provide innovative products and services that help improve people's quality of life and enable the social and labour integration of vulnerable groups, as well as move towards a low carbon emissions society.</p>
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# Vodafone's Profile

## Vodafone Group



“The past year has seen further strong performances in our key revenue growth areas of data, emerging markets and enterprise, and we have gained or held market share in most of our key markets. Continuing network investment is an important differentiator for Vodafone, improving the customer experience and giving us leadership in smartphone penetration and in customer take up of data plans.”

Vittorio Colao, Vodafone Chief Executive Officer

	2010-11	Δ with respect to 2009-10
<b>Main Figures of Vodafone Group</b> (as at 31 <sup>st</sup> March 2011)		
Total Turnover (£ mn)	45,884	+3.2%
Revenue from data services (£ mn)	5,122	+26.4%
Revenue from fixed line services (£ mn)	3,402	+3.4%
EBITDA (£ mn)	14,700	-0.4%
Free Cash Flow (£ mn)	7,049	+2.7%
Capitalization (£ mn) (31 March)	91,034	+13.7%
Adjusted EPS (pence)	16.8	+5.0%
N <sup>o</sup> proportionate customers (millions)	347.7	+1.9%
N <sup>o</sup> Employees	83,900	-1.3%

**£45.884**  
billion Total turnover of Vodafone Group

**£11.868**  
billion contribution of Vodafone Group to the world economy<sup>5</sup>

**\$43.647**  
billion brand value<sup>6</sup>

<sup>1</sup> Where it shares joint control with at least one other party.

<sup>2</sup> Vodafone subsidiary in South Africa.

<sup>3</sup> Where it has significant influence, but not control.

<sup>4</sup> Where it does not have significant influence (usually less than 20% ownership).

<sup>5</sup> Measured in terms of the Cash Value Added.

<sup>6</sup> Brandz Top 100 Most Valuable Global Brands 2011.

# Vodafone Spain

Main Figures of Vodafone Spain (as at 31 <sup>st</sup> March 2011)		2010-11	Δ with respect to 2009-10
	Total Turnover (€ mn)	6,042	-6.4%
	Total revenue from services (€ mn)	5,573	-6.9%
	Data revenue (€ mn), excluding messaging	632.3	+14.8%
	EBITDA margin (EBITDA over sales, %)	30.5%	-3.8 p.p.
	Nº customers (000's)	17,227	+2.9%
	Nº DSL customers (000's)	779	+21.5%
	Nº Employees	4,361	-0.5%
	Total investment (€ mn)	608.9	-0.3%

Vodafone Spain's results for the financial year 2010-11 have been marked by:

- Moderate growth in use of voice services
- Sustained drop in mobile voice prices
- Strong growth in data revenue.

## Other Operating Figures

### ► Network

- Base Stations > 25,500
- Sites with 3G Technology >12,000
- Sites shared with other operators > 8,300
- Nodes of the Rural Coverage Rollout Plan (\*): 1,935.

### ► Products and Services

- Voice calls (million minutes > 36,800
- SMS and MMS messages (million) > 4,800
- Roaming (world destinations with agreements): 205 countries.

### ► Brand Presence and Retail Outlets

- Own retail outlets: 82.
- Franchises: 227.
- Annual transactions (in own stores): 688,880.
- Nº Employees in own stores: 387.

**€1.909**  
billion contribution of  
Vodafone Spain to the  
domestic economy<sup>1</sup>

**€6.042**  
Billion: Vodafone  
Spain's total turnover



(\*) To provide coverage to towns and villages with less than one thousand inhabitants

<sup>1</sup> Measured in terms of the Cash Value Added

For figures and additional information, go to:

 [www.vodafone.es/InfSost10-11/Datoseconomicos](http://www.vodafone.es/InfSost10-11/Datoseconomicos)  
[www.vodafone.com/sustainability](http://www.vodafone.com/sustainability)

# Creating Sustainable Societies

We want to provide innovative products and services that help improve everyone's quality of life and enable the social and labour integration of vulnerable groups, as well as move towards a society low committed to the fight against climate change.



## ▶ Contributing to improve people's quality of life

The innovation and development of social products and services that improve people's lives, especially those belonging to vulnerable groups, are a central part of our sustainable development strategy.

Vodafone Spain remains committed to expanding the social benefits of Information and Communication Technologies (ICT). That is why we strive for accessible, barrier-free communication, catering for different needs so that everyone can choose how to communicate independently and autonomously, with maximum comfort and ease, providing useful products and services to these special needs groups, which include:



- People with some kind of disability (blind people or people with visual disabilities, deaf people or people with hearing disabilities, people with limited manual skills, etc.).
- Senior citizens.
- Gender violence victims.

Our continuous involvement with third sector organisations is key to these products and services satisfying the needs of vulnerable groups.

We also place our network and our services at the disposal of social organisations, e.g. through Solidarity Messages and the Dono initiative.



Solidarity Messages: collaboration in funding Third Sector organizations through the Vodafone number

**28052**

Dono Initiative: Programme coordinated by Technosite (the ONCE Group's technology company), which lets third sector organizations benefit from services donated by Vodafone.

**dono**  
donamos tecnología



Mobile technology is also having a vital effect on the lives of many people, both in developed and developing countries. Mobile telephony is helping to close the digital divide and provides a communication tool for inhabitants of rural areas; for example, Vodafone Spain is deploying its telecommunications infrastructure in more than 2,500 villages with fewer than 1,000 inhabitants (Rural Coverage Rollout Plan).

Fundación Vodafone España
Innovación
Proyectos Sociales
World of Difference
Conciencias




Acercando las telecomunicaciones a las personas

The Vodafone Foundation Spain carries out R&D&I projects in both Spain and Europe. The objective is to exploit the advantages of communications to help improve the lives of vulnerable groups. Initiatives are therefore developed to help users with some type of disability make the most of technological advances and to promote independent life amongst the elderly.

Telemedicine is a field in which ICTs are proving highly beneficial. We are carrying out projects to improve health processes through the use of ICTs, raising efficiency and reducing costs.

Resources are also being ploughed into training in new technologies, through specialist Masters' courses, courses and seminars, with collaboration too in various leisure and social integration initiatives of a technological nature for vulnerable groups.

## ▶ Enabling a low carbon society



The sustainability of society remains threatened by climate change. The joint Vodafone and Accenture study conducted in 2009/10 showed that ICTs can help combat climate change, by contributing to reduce CO2 emissions from other sectors.

For example, new work methods, such as videoconferencing and mobile working, reduce the need for travel, resulting therefore in lower CO2 emissions.

One of the basic elements here for achieving a society committed to the fight against climate change are machine to machine communications (M2M), such as those used in intelligent electricity meters or monitoring solutions in the transport sector.

Vodafone is developing innovative solutions and services that help make companies more effective and efficient. Telecommunications offer companies a value proposition, with a philosophy based on the customer, their needs and the benefits that telecoms can provide them.

Consult Our Performance:  
Creating Sustainable Societies, Pg. 13.

See additional information in:

[www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)  
• Sustainable Societies. Vodafone for everyone

Other Urls:  
[www.fundacion.vodafone.es](http://www.fundacion.vodafone.es)  
[www.vodafone.com/sustainability](http://www.vodafone.com/sustainability)  
[www.dono.discapnet.es](http://www.dono.discapnet.es)

"Spanish Red Cross manages to be increasingly closer to people with the help of information and communication technologies. ICTS enable us to attend to the most vulnerable people, who can live more independently, access ICTs and also to mix with others.

We know that sometimes they represent a challenge for people who are not used to using them, but with simple intermediaries, for example through volunteers (people who teach people), this challenge becomes a window of opportunities for making it easier for them to access the job market or access information that make our everyday life easier (ask for a medical appointment or receive a message on their mobile with a photo of their grandchildren).

Technology contributes to produce opportunities for people and the Red Cross wants to put these opportunities within their reach. Today ICTs are a necessary and vital supplement and a firm commitment of Spanish Red Cross"

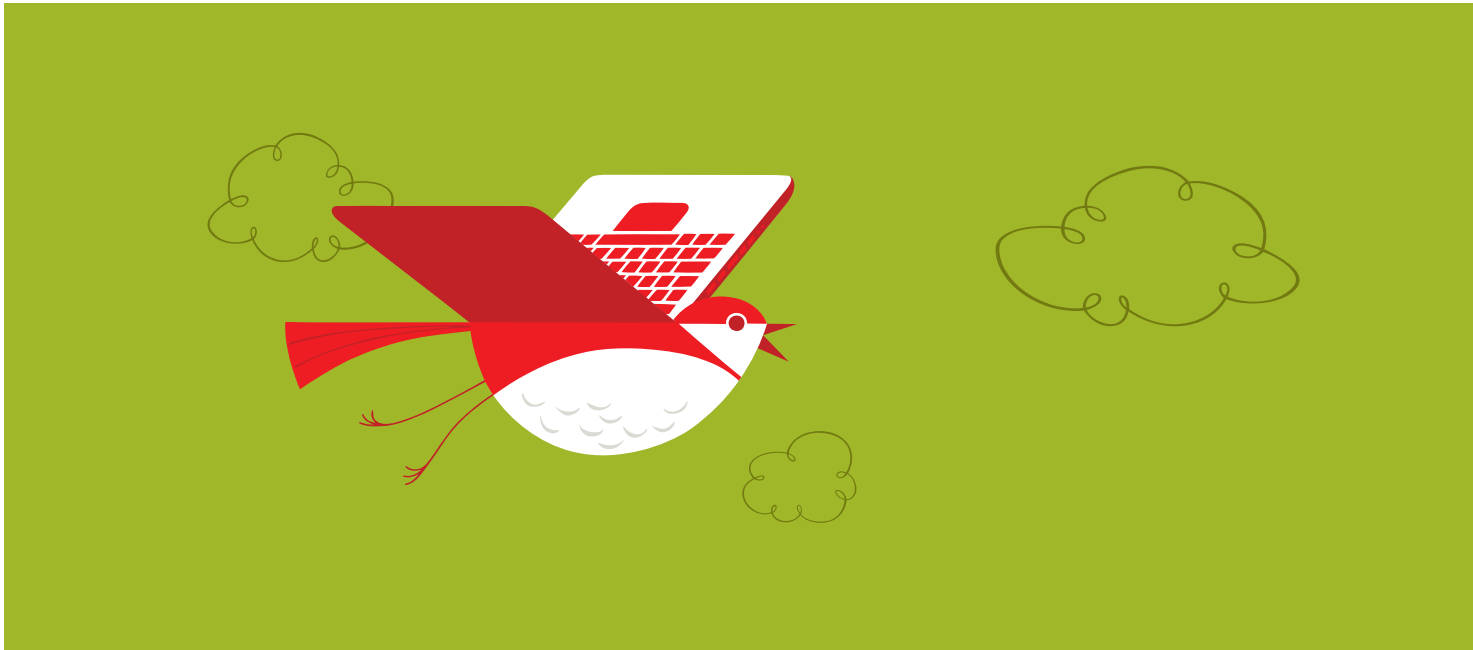
Mr. Carlos Capataz Gordillo  
Director of Volunteer Schemes and Local Development of Spanish Red Cross



# Eco-efficiency

In Vodafone we want to increase our eco-efficiency, i.e. provide more products and services to our customers with fewer resources: less energy consumption, smaller CO2 emissions or less waste.

That is why one of our goals is to reduce the environmental impact of our operations and value chain throughout our products and services life cycle.



Climate change, depletion of natural resources and growing volumes of electronic waste are issues that increasingly affect Society. As a result, we want to show our commitment to prevention and environmental care, providing more products and services for our customers while using fewer resources.

The reduction of the environmental impact of our operations not only benefits the ecosystem but also results in cost savings. Moreover, consumers are increasingly aware of environmental issues so this has become an increasingly important criterion in shopping decisions.



To manage the environmental impacts of our operations, Vodafone Spain has had in place since 1997 an Environmental Management System, certified to conform to the ISO 14.001 standard, applicable to every activity in our offices (central and regional) and the provision of telecommunications services, plus the design, construction, operation and maintenance of all our network elements.



Any decision and activity that a company makes or performs generates an impact on the environment. In Vodafone Spain, these impacts mainly have to do with the use of resources (in particular of energy), the location of our remote stations (visual impact), and waste production (obsolete equipment).



To control and minimise the environmental impact of these activities, our environmental policy focuses on these aspects, and also bears in mind others such as use of technology and substances that are not harmful to people and the environment.

**The Vodafone Group maintains its commitment to reduce its CO2 emissions by 50% by the year 2020 (using the 2006-07 figure).**

Given that our biggest environmental impact is energy consumption, the most ambitious objectives are set in this field.

In Vodafone Spain we are contributing significantly to achieving the goal of reducing the Vodafone group's CO2 emissions and, while developing our network, we are continuing to implement actions that reduce our energy consumption and CO2 emissions.

To improve the network's energy efficiency, a key factor is continuous collaboration with suppliers to produce the most efficient equipment and air conditioning systems with the lowest energy consumption levels. Innovation and collaboration with them is vital to improve our eco-efficiency.

We recycle and/or reuse electronic equipment from our network when their useful life ends and provide old handset collection systems for our customers and the general public which ensure they are put to the best possible use (reuse or recycling).

We also use FSC (Forest Stewardship Council) certified paper for our invoices and encourage our customers to use electronic invoices.

We are aware too that our influence extends beyond our operations, so we work closely with suppliers to reduce the potential environmental impact of our products and services throughout their life cycle (from their design and manufacture to their appropriate use and correct elimination by users).



"In the fight against climate change, ICTs play a key role as catalysts of efficiency and their presence is becoming common in all personal and economic activities. Half the effort to reduce greenhouse gases must come from efficiency and that is why ICTs are an essential part of the sustainable development of our society.



With its products and services, Vodafone takes part in achieving this challenge and internally commits itself through this Sustainability Report, striving to ensure that its organization is energetically more efficient and therefore has an increasingly smaller carbon footprint.

We congratulate and encourage them to be ambitious in this commitment which, as well as helping to make it more competitive, can contribute to the global challenge of combating climate change, confirming that the aspiration, growth and sustainability is now a reality".

Mr. Eduardo González Fernández, Deputy Director General of Mitigation and Technologies of the Spanish Office of Climate Change. Ministry of the Environment and Rural and Marine Affairs.

Consult Our Performance:  
Eco-efficiency, Pg. 20.

See additional information in:

[www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)  
• Ecoefficiency. Management System.

# Responsible, Ethical and Honest Behaviour

We are committed to acting responsibly in our activities to gain and maintain the trust of our customers, employees and stakeholders.



Vodafone's reputation and brand value hinge significantly on our responsible, ethical and honest behaviour. Maintaining this reputation is key to achieving our sustainability strategy.

We have broad range of responsibilities which can be summarised by the following Principles:

- Maintaining high ethical standards in our operations and ensuring their observance by our organisation and suppliers.
- Gaining the trust of our customers, protecting their privacy, online security of minors, appropriate and correct customer service, communicating our prices clearly and transparently and responsible marketing practices.
- Treating our employees fairly and guaranteeing their security.
- Communicating and reporting our network deployment actions and radio emissions associated with the working of our technology.

To achieve responsible, ethical and honest behaviour, we have as a guide Business Principles that ensure we choose the most responsible option in any situation that arises.



To supplement the existing Business Principles, during 2010-11 the Code of Conduct was developed which outlines these Business Principles and how they affect all Vodafone employees in practice. The Code of Conduct was distributed to all employees to ensure they undertake to respect it.

We manage increasingly complex issues because ICT applications are rapidly evolving and their use is becoming more widespread in society; in some cases it is even difficult to establish Vodafone's limits of responsibility and its control and influence.

For example, in terms of access to contents, in the past we were responsible for protecting minors from accessing inappropriate contents through filters on our content portals. As Smartphone Internet use has risen, our customers can directly access these inappropriate contents which are beyond our direct control. We are therefore focused not only on developing access controls to contents outside our site, but also on working with software manufacturers and providers to guarantee the security of minors when accessing the Internet.

Another significant example is SMS Premium: Vodafone is an access operator and therefore subject to certain obligations imposed by sector regulations. As a general rule, we cannot cut off access to these SMS Premium services, unless otherwise previously asked to do so by a customer.

We also develop solutions that guarantee the privacy of our customers' data and information and have implemented actions to simplify and clarify our prices and rates.

Furthermore, we ensure that all departments involved in every Vodafone advertising creation campaign comply with applicable regulations and that our campaigns do not use illegal advertising methods that might result in such campaigns being classed as deceptive, unfair, subliminal or any other aspects that violate these regulations.

To ensure sustainability throughout our supply chain, we involve our first level of suppliers (direct suppliers), making sure that they are acquainted with and undertake to comply with the Code of Ethical Purchasing Principles and understand the importance of acting accordingly with their own suppliers. Every year we conduct the supplier evaluation taking the Sustainability criteria into account as one of the six factors assessed. Depending on the evaluation result, different improvement plans are established for each supplier.

In the employees area we consider it a priority to promote diversity, with special emphasis on including different profiles in our organisation that increasingly reflect our society and, therefore, our customer base. For Inclusion, we are actively working on creating an environment in which we all feel recognised in our diversity.

Finally, the responsible deployment of our network is a vital part of our Sustainability strategy. Our objective is to minimise the impact of our operations in line with the following criteria:

- Prioritising the health and safety of our employees, contractors and the general public.
- Strictly observe current regulations inspired by the recommendations of international agencies, and maintain a clear and open channel of communication with surrounding communities about RF emissions and how they are linked with health.
- Reducing the environmental impact of our network by controlling RF emissions, sharing our infrastructures and equipment, and recycling waste.

"We are convinced that the way of creating trust between customers of telecommunications services operators is to identify and effectively tackle the potential problems which may arise. In relation to the protection of minors as users, this trust is gained by implementing initiatives which enable families to achieve safer and more responsible use of ICTs by their children. Parents are grateful and relieved when they obtain responses to their requests, and can see the commitment of the company that provides them with a service. The child protection organisation, PROTEGELES, is fully aware that this commitment exists at Vodafone. The implementation of various actions, the publication of information guides and leaflets, the continuous training of the volunteers that collaborate with us by providing training at numerous Spanish schools, etc., undoubtedly strengthen this trust".



Mr. Guillermo Cánovas  
Chairman of Protégeles

Consult Our Performance:  
Responsible, Ethical and Honest Behaviour, Pg. 24.

See additional information in:



[www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

- Responsible, Ethical and Honest Behaviour. Business Principles.
- Responsible, Ethical and Honest Behaviour. Suppliers.
- Responsible, Ethical and Honest Behaviour. Responsible Use.
- Responsible, Ethical and Honest Behaviour. RF Emissions and Health.



# Our Performance

This section of the Vodafone Spain 2010-11 Sustainability Report overviews the main actions and results in each of the Sustainability issues considered most important to our activity, stemming from the relationship with our stakeholders.

Links are included in this section to our sustainability webpage  where both supplementary verified information (Sustainability Management and Management Indicators ) and additional general information on these important issues are included.

To emphasise the transparency of our actions, we have indicated the extent to which the above commitments and goals for future years are fulfilled for each of the important issues.

## Scope of Information and Data

The information and data in this Report and contents of our sustainability webpage relate to activities carried out by Vodafone Spain in its central and regional offices, telecommunications network and stores.



## Important issues

In this section and with regard to the structure of our Sustainability Strategy, we respond to those issues deemed most important due to our ties with our Stakeholders:





### Creating Sustainable Societies

-  Social Products and Services: Accessibility and Third Sector relations
-  Vodafone Foundation Spain (Community Involvement): Innovation and Social projects
-  Telecommunications and CO<sub>2</sub> emission reduction

### Eco-efficiency

-  Energy and Climate Change
-  Terminals and other wastes

### Responsible, Ethical and Honest Behaviour.

-  Responsibility with our customers
-  Suppliers
-  Our Operations: Responsible Network Deployment, RF Emissions and Health
-  Employees

According to our "Materiality Matrix", dated 31<sup>st</sup> March 2011, the Sustainability issues deemed most important for Vodafone Spain are **prioritised** as follows:

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Customer Care/Complaints.</li> <li>2. Clear and transparent communication of prices and rates.</li> <li>3. Privacy/Protection of our customers' data.</li> <li>4. Development of Social Products and Services</li> <li>5. Safe and Responsible Use of ICTs.</li> <li>6. Environmental Impact and Climate Change.</li> </ol> | <ol style="list-style-type: none"> <li>7. Community Involvement.</li> <li>8. Reporting RF Emissions and Health.</li> <li>9. Responsible Advertising and Marketing.</li> <li>10. Responsible Network Deployment/ Recycling and reusing mobiles and accessories/Supply Chain/Ethics/Employees.</li> </ol> |
|---|---|

Additional information on "Materiality Matrix" in:



For figures and additional information, go to:




 [www.vodafone.es/InfSost10-11/Dialogo](http://www.vodafone.es/InfSost10-11/Dialogo)

 [www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)  
• List Received Awards

# Social Products and Services

In Vodafone Spain, we believe that improving access to communications is one of the major opportunities we have for helping to create a sustainable society and improve people's quality of life, and in particular those who form part of population groups with special needs.



We said	Our performance in 2010-11	%
Launch two new Social Products/Services. March 2011.	The following have been launched: • Sign Rate • COCEMFE Promotion • ReadSpeaker	
Make some of the web's private information services more accessible. March 2011.	Planned. To be implemented in the next year.	
Obtain the accessibility certificate for more than 95% of the Own Stores. March 2012.	On 31.03.11, 70 of the 82 Stores (85%) had a Universal Accessibility Certificate	

## ▶ Accessibility

During 2010-11, and apart from consolidating our social products and services portfolio developed these past few years ("Vodafone for All"), we have maintained an ongoing relationship with organisations that represent vulnerable groups, allowing us to detect needs that have led to the launch of new social products and services, such as:



### Sign Rate

In Spain there are more than one million people with impaired hearing and many of them must communicate in Sign Language (SL).

Taking these circumstances into account, and based on the "Accessible Rate for BlackBerry®" that we launched in 2005, this year we have developed the new "Sign Rate" that includes:

- Web navigation
- E-mail.
- Messenger Applications.
- Videocalls (free between Vodafone customers).



### COCEMFE Promotion

In 2010, Vodafone Spain signed a collaboration agreement with COCEMFE (Spanish Confederation of Physically and Organically Disabled People) that allows all of this Confederation's employees and members enjoy some advantageous terms and major discounts in their voice and data communications.



COCEMFE's employees and members can also get cutting-edge devices that let them surf Internet from their mobile or check their mail, in addition to voice communications.


## Accessible Website

After Vodafone Spain's launch of the new [www.vodafone.es](http://www.vodafone.es) website, developed according to the Web Accessibility Initiative guidelines, and being awarded the AA public certification that guarantees its compliance with international accessibility standards, and including the same explanatory videos in sign language, during 2010-11 the "ReadSpeaker" screen reader was introduced in the "Vodafone for All" section making it even more accessible.

Planning work was also carried out during the year to provide greater accessibility to some of the site's private information services (transactional), which will be implemented next year.

# 85%


of own stores with Certificate of Universal Accessibility



### Vodafone store accessibility

In May 2010, Vodafone Spain was awarded the Universal Accessibility Management System Certificate, for its own store network, by AENOR, conforming to standard UNE 170.001-2:2007. Vodafone Spain thus became the first company in our country to be awarded the certificate for a chain of stores.

The accessibility-oriented changes made in the Vodafone stores were designed to ensure the stores meet each and every user's needs and mainly focused on the store entrance, the interior design and the customer sales area.



To name but a few measures, ramps have been built at the entrances, magnetic loops have been installed and the sales counters have been lowered. All the changes were made with the advice of representatives of disabled people's associations, such as COCEMFE, CNSE (National Confederation of Deaf People) or Fiapas.

At the end of the financial year 2010-11, Vodafone Spain had 70 stores with a universal accessibility certificate, out of a total of 82 own stores, in other words, 85% of its own stores are certified.

## ► Relations with the third sector

During 2010-11, we have continued forging ties with third sector organizations, either through specific projects or our participation in workshops and seminars, as summarised below:

+ than **€195,000**  
market value of the donated voice and data services

### DONO Project

During 2010-11, Vodafone Spain kept on playing an active role in the Dono project.

Through this project, coordinated by Technosite (ONCE Fundosa Group company), Vodafone Spain donates voice and data services to NGOs, foundations and other third sector organisations.



Additional information on "Dono Project" in: 



## Solidarity Messages

This SMS-based donation service provides funding to non-profit organisations in their projects or emergency disaster situations.

To participate, simply send the assigned word to the non-profit organisation with which you wish to collaborate, to the short number 28052 that Vodafone Spain make available to these organizations. Vodafone Spain also works with other NGOs and foundations that have their own number.

During 2010-11, major support was provided to the Japan earthquake and tsunami and campaigns carried out for the Josep Carreras Foundation and Unicef.

Additional information on "Solidarity Messages" in:



## Workshops and Seminars

During 2010-11, Vodafone Spain took part in numerous conferences and seminars focusing on senior citizens or people with special needs. These included:

- ▶ **Amadis:** Vodafone Spain was present at the "Conference on Accessibility to Audiovisual Media for Disabled People", held in Madrid on 18<sup>th</sup>-19<sup>th</sup> November. The purpose of the conference was to present the latest developments in DTT and the future of subtitling and audio-description techniques in this medium, presenting research, development and innovation trends in all aspects related to accessibility for people with sensory impairment.
- ▶ **Accesible Ávila:** Vodafone Spain has worked with the Ávila City Council on its accessibility projects. It also took part at a conference on "Good practices in universal accessibility in Spain's municipalities" held in Ávila on 4<sup>th</sup> November 2010.
- ▶ **Salón Vivir 50+:** held in Madrid on 6<sup>th</sup>-7<sup>th</sup> October, organised by Bayar Revistas with the collaboration of CEOMA, this trade fair for the elderly showed the latest accessible products available.
- ▶ **Predif, Accesible Municipalities:** Vodafone Spain continues to work with Predif and the Royal Board on Disability to offer information and raise professionals' awareness of the different areas of action on everyday life of Spain's municipalities.
- ▶ **CNSE Conference "Conquering Rights":** held in Barcelona on 28<sup>th</sup>- 29<sup>th</sup> May 2010 in collaboration with the Catalonia Deaf Person's Federation, FESOCA.
- ▶ **Camino de Santiago (Way of St James):** the provincial capitals of Castille-León hosted from 9<sup>th</sup> June for two months "En el Corazón del Camino" (In the Heart of the Way). This initiative, sponsored by Vodafone Spain and its Foundation, wanted to show citizens from this province how telecommunications can help improve people's quality of life, and help pilgrims on their passage along the Way of St James through this autonomous region.
- ▶ **Capacitalia 10:** Vodafone Spain took part in the first Dependence and Disability Trade Fair held from 20<sup>th</sup>-22<sup>nd</sup> October 2010 in Ciudad Real.
- ▶ **Salon AVANTE:** The Avante Trade Fair, held on the Barcelona exhibition site on 2<sup>nd</sup>- 4<sup>th</sup> June has become one of Spain's leading meeting places for discovering technological solutions that help improve the autonomy and quality of life of disabled and dependent people.
- ▶ **Vivir Vodafone plus:** the purpose of this conference for family members of Vodafone Spain employees held on 6<sup>th</sup> October 2010 was to raise awareness and communicate the range of social products and services available that improve and spread the benefits of communications to all citizens, with special support to elderly people.

For figures and additional information, go to:



[www.vodafone.es/InfSost10-11/SociedSost](http://www.vodafone.es/InfSost10-11/SociedSost)



[www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

- Sustainable Societies. Vodafone for everyone
- Sustainable Societies. Accessibility

Other Urls:

[www.dono.discapnet.es](http://www.dono.discapnet.es)

Telephone number for  
Solidarity Messages:

28052

+ than €230,000

donated in 2010-11 to Third Sector  
Organizations through Solidarity  
Messages

### Next steps

- Launch 3 new Social Products/Services. March 2012.
- Ensure all transaction areas of the Vodafone Spain web (Online Store and Private areas) are accessible. March 2012.
- Obtain the universal accessibility certificate for more than 95% of the Own Stores. March 2012.

# Vodafone Foundation Spain

+ than **€4.9**

million allocated to  
Community involvement  
projects in 2010-11

During the 2010-11 financial year, the Vodafone Spain Foundation has continued to carry out activities and projects with the objective of innovating in the use of ICTs to improve people's quality of life and socio-labour integration, particularly where vulnerable groups are concerned. This section summarises the main innovation and social projects implemented by our Foundation during this financial year.



We said	Our performance in 2010-11	%
Train more than 5,000 disabled people and/or their carer relatives, in the Andalusia Autonomous region. March 2011.	A total of 3,260 people have been trained in Andalusia and 5,060 throughout Spain.	
Perform at least 2 new innovation projects to promote accessible ICT solutions for "Senior Citizens and functional diversity": accessible mobile telecare within everyone's reach and ICT solutions for tutoring people with intellectual disabilities. March 2011.	<ul style="list-style-type: none"> <li>• We have published the 1<sup>st</sup> version of the "paSOS" protocol for accessible mobile telecare.</li> <li>• Launch of project e-Labora.</li> </ul>	

## Innovation Projects

### Accessibility

Many of the initiatives implemented by the Foundation in the area of accessibility are backed by the Department of Industry, Tourism and Trade through the Plan Avanza 2. These include:

**E-LABORA.** An initiative that aims to improve the social integration of people with intellectual disability, promoting their autonomy and enabling their access to quality employment through the use of new technologies.

**AEGIS ("Open Accessibility Everywhere: Groundwork, Infrastructure, Standards").** Its objective is to propose a new ICT accessibility paradigm which would allow general-purpose applications to be accessible. In September 2010 the 2<sup>nd</sup> Workshop and 1<sup>st</sup> Users Forum was held in Seville.

**Accessible Medicine.** Accessible Medicine is a technical solution that lets users access the information in their medicinal product leaflet on Internet, by just taking a photo of the medication box barcode with their mobile device. This solution is particularly useful for people with a sensory disability, senior citizens and people with impaired manual dexterity.

**INREDIS - Interfaces for RElationships between the environment and People with DISAbilities.** INREDIS aims to offer sustainable, global responses to the challenges of providing disabled people with access to the Information Society. The aim is therefore to develop base technologies that make it possible to create communication and interaction channels between people with some type of special need and their environment. This year, the applications and services developed have been tested with real users.

**TELPES. Remote home-based care solutions for the Deaf.** The project has studied and developed the services necessary to provide telecare (home-based and mobile) to the deaf as a group, analysing their value and priorities of these services, as well as the current ability of ICTs to provide these.

**ATIS4ALL.** A project that is co-funded by the European Commission via the Competitiveness and Innovation Framework Programme. Its objective is to initiate and maintain an open and collaborative portal which offers information about assistance products based on ICTs and accessibility products and services available in Europe.

**DISTEL.** This project seeks to analyse the use of digital services by deaf people, propose measures that promote their use and,

consequently, the employment of deaf people, improving their quality of life through the advantages offered by the information society.

### Senior Citizens and independent life

**PERSONA ("PERceptive Spaces PrOmoting INdependent Aging").**

European project of the 6<sup>th</sup> Framework Programme that has worked with the concept of Ambient Assisted Living (AAL) to create an access platform to services for elderly people which will help them to stay as long as possible in their environment. The project's results were presented in September 2010.

**SocialTV for 3G:** As part of the line of assistance for the Inclusion of Senior Citizens in the Plan Avanza 2 (Spanish government initiative concerning the use of ICTs), the main objective of this project is to reduce the feeling of loneliness and isolation by promoting social relations, validating the use of technology for this purpose.

### E-Health

**Rehabilita.** This project seeks to lay the scientific and technological foundations for rehabilitation whilst looking to improve patients' quality of life and create a more efficient and sustainable rehabilitation system.

**National Transplant Organisation.** Mobile blood donability warning system for the regional and hospital coordinators of the Spanish transplant network. This system can minimise response, acceptance or rejection times for a transplant delivery, thus increasing their possibilities of success.



### Other innovation initiatives

**PaSOS protocol.** This initiative has managed to universalise a standard, open protocol that helps to promote the mobile telecare service and make it sustainable. In Spain it is already being used successfully, for example, in attending to women who are gender violence victims.

**Vodafone Awards for Innovation in Mobile Communications.** The Vodafone Foundation Spain awards these prizes to encourage the development and innovation of new technologies which are in both their study and launch phase.

## Community involvement projects

### Training

**Training on how to use ICTs.** The Vodafone Foundation Spain participated in the PORTICO project, in which, along with the Andalusian Government Department of Finance, Innovation and Science, it sought to facilitate access to the benefits that Information and Communication Technologies offer to people with disabilities, senior citizens, carers, social agents, etc. 276 courses were held throughout the eight Andalusian provinces, in which 3,260 people participated. Additionally, work has continued

**+ than 5,000**  
people with special needs trained how to use ICT and mobiles in 2010-11

throughout Spain on training senior citizens in the use of the mobile telephone, and a total of 5,060 people with special needs received training.

**Postgraduate Courses.** During 2010-11, five Masters and one Expert's Course were offered in collaboration with various Spanish universities. A total of 126 students enrolled to broaden their knowledge on latest generation technological developments.

Meanwhile, two professorships have been created, one at the University of Alcalá de Henares and another at Deusto University, which have been established as fora for debate, reflection and research concerning the use of information and communication technologies in general, and their application in the development of technologies for accessibility, health and greater well-being, and social inclusion in particular.

**Ministry of Education - Excellence Campus.** The Ministry of Education and the Vodafone Foundation Spain signed a specific agreement for developing new technologies for the universal accessibility and social inclusion of disabled people, as part of the "Excellence Campus" programme.

**Other courses and Seminars.** Collaboration has been ongoing with different universities, local councils and associations to organise conferences, seminars and courses on matters related to the elderly and ICTs, new technologies for accessibility and gender violence. A total of 15 meetings have been held and attended by more than 4,500 people.

**+ than 4,500**  
people attended the seminars held by the Vodafone Foundation in 2010-11



### Socio-labour Integration and Accessibility

**Job insertion programmes.** During the 3<sup>rd</sup> Art Biennial organised by the ONCE Foundation, various art workshops were held for people with disabilities.

The Foundation organised two training courses with the ASPAYM (association for paraplegics and people with severe physical disabilities): an online administrative assistant course and a classroom-based graphic design course.

With COCEMFE (Spanish confederation of the physically disabled), the Foundation launched the "Socio-labour Inclusion and Participation of Disabled Women" initiative in the town of Getafe (Madrid) which helped eighteen women find a job.

Likewise, the Vodafone Labour Insertion Programme with the Galician Confederation of Disabled People stands out, which had 130 participants, of which over 50% found a job.

**Accessibility and Social Integration Programmes.** This area of work features the projects which promote the socialisation of vulnerable groups through adapted leisure activities: "adapted skiing" which is held annually at Sierra Nevada, or "accessible cinema" which enables people with sensory and functional diversities to enjoy some of the latest releases in a Madrid cinema.

**World of difference.** The "Build a new world" programme encourages people to take part in community involvement projects, giving them the chance to work on a social project in a non-profit entity in Spain. In 2010-11, two editions were held (4<sup>th</sup> and 5<sup>th</sup> Edition).




### Other Activities

**Publications.** The following publications have been edited or co-edited during the financial year 2010-11:

- Elderly people and ICTs: Accessibility and Affordability.
- Culture and Technology in the New Techno-Social Environment.
- TELPES Project White Paper.
- Current state of accessibility of Information and Communication Technologies (ICT). CERMI Journals.
- Monuments, museums and points of tourist interest accessible for all. Predif.

**11<sup>th</sup> Vodafone Journalism Prizes.** The Vodafone Spain Foundation organised the 11<sup>th</sup> edition of the Vodafone Journalism Award which focused upon the "increasing relevance of smart devices as a platform for Internet access".

**Website and social networks.** During this financial year, the Vodafone Foundation Spain overhauled its web page, improving its design and browsability, maintaining its level AA accessibility. Meanwhile, it continued to announce its projects via social networks and in addition to the existing Facebook and YouTube channels, it introduced Twitter as broadcasting medium.

See List of Awards received in 

### Next steps

- To carry out at least two new innovation projects which contribute towards the "Mobiles for Good" programme in the area of ICT solutions which are accessible to "Senior Citizens and people with Functional Diversity". To transfer the results of the Mobile Telecare project to at least two countries within the Vodafone Group. March 2012.
- To implement at least two technological applications which help to improve the quality of life of vulnerable groups in all areas, both social and labour. March 2012.

For figures and additional information, go to:

 [www.vodafone.es/InfSost10-11/OrgSost](http://www.vodafone.es/InfSost10-11/OrgSost)

Other Urls:

[www.fundacion.vodafone.es](http://www.fundacion.vodafone.es)

[www.aal-persona.org](http://www.aal-persona.org)

[www.socialtv.es](http://www.socialtv.es)

[www.aegis-project.eu](http://www.aegis-project.eu)

[www.medicamentoaccesible.es](http://www.medicamentoaccesible.es)

[www.inredis.es](http://www.inredis.es)

[www.atis4all.eu](http://www.atis4all.eu)



# Telecommunications and reduction of CO<sub>2</sub> emissions

Our technology, in addition to providing customers with voice and data communication solutions, can also help our customers to live and work in a more environmentally-friendly way, and as such it can contribute towards developing a more sustainable society.

The ICT sector has transformed the way in which we relate to each other, perform tasks, learn and amuse ourselves. From mobile telephones and computers with microchips, to the Internet, ICTs have continually provided innovative products and services which now form part of our everyday lives and keep on evolving. We are witnessing a new economic and technological revolution, where ICT industry companies have opened the door to new "smart" solutions which will revolutionise basic services such as transport, energy provision, health, etc, over the coming years.

## ► Initiatives in the "Telecommunications and CO<sub>2</sub>" field

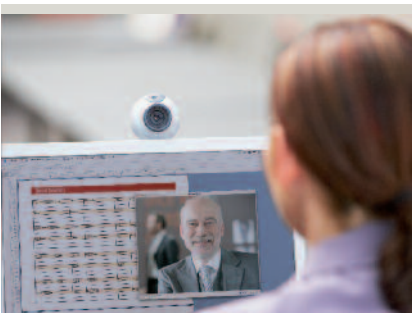
According to the study carried out in the 2009-10 financial year by Vodafone, in collaboration with Accenture, the greatest benefits to customers, in the form of lower energy consumption and CO<sub>2</sub> emissions, are expected to come from replacing physical activities by virtual ones ("virtualization" or dematerialization) and by placing greater emphasis on smart "machine to machine" (M2M) services.

Our applications which are based upon dematerialization and M2M connections can represent considerable savings and improvements for climate change. Wireless remote connections can contribute towards optimising the functioning of a company; for example, M2M connections can significantly improve the efficiency of logistics and manufacturing processes, and can facilitate the new generation of efficient electricity mains supply systems.

Throughout the 2010-11 financial year, we have applied different solutions developed by Vodafone Spain in the field of telecommunications and CO<sub>2</sub>, some of which are listed below:

- **Virtualization:** This involves replacing meetings and trips with virtual alternatives which have low CO<sub>2</sub> emissions (such as telepresence, mobile working, mobile e-commerce).

This category includes the use of the mobile boarding card, for example, which uses a system of 2D codes, to allow the passenger to receive the boarding card on their mobile and go directly to security control, and then board, with the resulting time saving and increased effectiveness.



Moreover, the Virtualization category includes the eGovernment-related solutions, including

those initiatives which result in more efficient electronic administration that is closer to citizens, such as, for example:

- Citizens' enquiries. Use of SMS messages as a tool of civic participation in processes which commonly generate enquiries.
- Online management for the deaf. Implementation of a web platform (Sigthos), which enables the online interpretation of sign language via video conferencing.
- Spanish National Statistics Institute Census: The traditional system for capturing census data, previously done on paper, has been transformed into a mobile electronic capture system.



- **Smart logistics:** Wireless technology can help logistics firms to track vehicles, adjust routes, optimize each vehicle's load volume or even monitor vending machine stocks to improve the restocking process. This category includes solutions such as:
  - Integrated Fleet Management System, which supplies a daily report of the parameters of each vehicle, as well as specific information concerning consumption control, driving styles and time management.



## Creating Sustainable Societies

- **Route Optimisation Applications:** These M2M-solution related applications use the data they retrieve from SIMs to calculate how fleets can improve their routes, loads, etc., achieving fuel savings of 10% to 20%.
- **Fishing fleet tracking.** The solution enables information concerning the constant location of the fleet to be sent via GSM/GPRS and GPS. The channel is also used to inform of the number of catches, routes, biological stops, diesel consumption and temperature.



- **Smart cities:** Remote monitoring and control of the systems that encourage efficient energy use (water, etc.) as well as efficient traffic management, could bring significant environmental benefits. This group includes solutions like the following:
  - **“City in Motion”:** This project is analysing movement and use patterns in order to generate warnings, information, alerts, improve town and city planning (traffic light, etc.)

- **Data capture system for water meters:** the system enables strict monitoring and control of the meters on the mains supply network, as well as remote handling and reading which makes staff travel unnecessary.
- **Control of natural resources:** the system enables those organisations responsible for controlling river pollution, to have a mobile laboratory which will send encrypted documentation, guaranteeing its security.
- **Management of Outdoor Urban Parking:** this makes it possible to ensure a more efficient rotation, supervision and control system in areas of maximum occupation.
- **Museum Guides:** the autoguide system is replaced by a system featuring interactive information that is accessible by all kinds of citizens, including those with auditory disabilities.



- **Smart production systems.** Wireless ICTs can facilitate the remote supervision of these machines, automate communications between the different production subprocesses or optimize order production and delivery.

## Innovation in Vodafone Spain

Vodafone Spain is working shoulder-to-shoulder with customers and partners to identify and promote the design and development of solutions and products which contribute towards the development of a more sustainable society. As such, during the 2010-11 financial year, lines of innovation such as those below have been started:

- **“Virtual Call Centre”:** The Virtual Call Centre is a solution which enables remote working and makes it possible for call centre workers to do their job from their own home or in any other environment, even on the move, by having access to an Internet connection and a browser.

- **Electronic Health:** Work has taken place on solutions concerning:
  - Efficiency and improvement of processes for public health workers (especially those on the move).
  - Tele-care and tele-rehabilitation in order to offer the benefits of mobility to care and rehabilitation processes, reducing travel and costs.
- **Mobile Electronic Signature:** A service via which users can sign legal documents immediately without having to travel, using their mobile and guaranteeing secure transactions.

For figures and additional information, go to:



[www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

• Sustainable Societies. Telecommunications and CO<sub>2</sub>

Other Urls:



[www.vodafone.es/empresas](http://www.vodafone.es/empresas)




### Next steps

- Participate in “Smart Cities” initiatives. March 2014.
- Develop new M2M-related route optimisation systems and solutions. March 2013.

# Energy and Climate Change

We are committed to reducing the carbon footprint of our operations, as such we have established a series of energy efficiency measures for our network, our offices and shops, and our vehicle fleet.

 Underway  100%

We said	Our performance in 2010-11	%
Reduce CO2 emissions with the aim of contributing towards achieving the Vodafone Group objective of reducing all emissions by 50% compared to the 2006-07 figures. March 2020.	In 31.03.2011, Vodafone Spain's total CO2 emissions were 17.7% lower than in 2006-07.	
Develop a new Energy Efficiency Plan that includes the Network, Offices and Stores. March 2012.	The energy efficiency courses of action needed in each areas have been identified and implemented.	
Replace 6% of the company fleet vehicles with less polluting vehicles. March 2012.	On 31.03.2011, 7% of the fleet of company cars had been replaced with less polluting vehicles.	

In the 2010-11 financial year, actions were identified and implemented in order to increase efficiency energy on our network, at our offices and in our shops.

## ► Network energy consumption

Over 90% of the energy used by Vodafone Spain is used on our telecommunications network.

During 2010-11, absolute energy consumption on the network only rose 4.7%, despite considerable network development In this period (approximately 2,500 base stations more than in the previous period).


This restraint in energy consumption was a consequence of the innovative actions implemented in the deployment of the network, and of the agreements reached with our suppliers to achieve more energy-efficient equipment.

The actions implemented during the financial year include:

- Installation of Free Cooling air conditioning systems at switching centres and in network components.
- Installation of Centralised Energy Management Systems.
- Substitution of systems regulating the current entering the equipment.
- Sharing base stations with other operators.

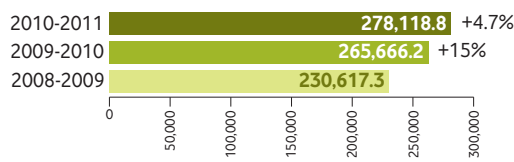
Meanwhile, we have 33 base stations which work using renewable energy sources (solar, wind or wind-solar hybrid).

These actions, together with other similar ones we have been carrying out as a result of the Energy Efficiency Plans established in previous years, have let us reduce the CO2 emitted per network element by 21.2%, compared to the previous year.

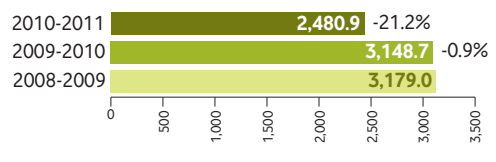
For figures and additional information, go to 



Network energy consumption (Mwh)



CO2 emitted per network element (Kg/BTS)





## ► Energy consumption in offices and stores


The actions carried out to control energy consumption at both our offices and shops have been reflected in the evolution of the data, particularly a 17.7% reduction in office energy consumption compared to the previous year.

The actions carried out at offices during the 2010-11 financial year include:

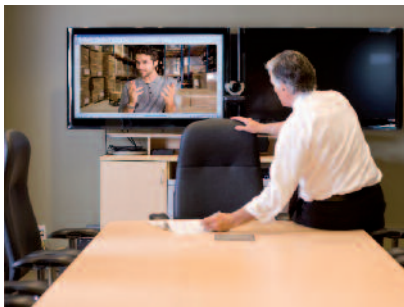
- Placing vinyl in the windows of the head offices.
- Studying the office hours and incorporation of clocks on boilers at the head offices, optimising the hours of use, and as such, the consumption.
- Installation of lighting and heating management systems at regional offices in order to optimise consumption.
- Replacement of high-pressure sodium light bulbs with low-energy light bulbs on façades.

In case of shops, the following initiatives stand out:


- Changing to low-energy light fittings
- Use of photoelectric cells for illuminated signs
- Reduction of flat panel lighting in the sales area
- Turning off the light fittings on furniture when the shops are closed.

For figures and additional information, go to 

## ► Other actions



During 2010-11, we kept on encouraging the use of video conferencing rooms (a total of 26,362 videoconferencing sessions having been conducted), thus reducing the environmental impact associated with unnecessary travel. This has prevented 7,586 tons of CO<sub>2</sub> from being emitted since 2005-06.

For figures and additional information, go to 

**7,586**  
Tons of CO<sub>2</sub>  
avoided since 2005-06 with  
the use of video conferencing

**26,362**  
videoconferences held in  
2010-11

Around  
**600** car trips a day avoided by the  
use of shuttles in 2010-11

Furthermore, we have promoted the use of shuttle vehicles amongst employees, such that they are replacing approximately 600 daily trips by our.

Meanwhile, Vodafone Spain made a commitment via the Madrid Pro-Climate Forum, to replace at least 6% of the vehicles belonging to its company fleet with less pollutant vehicles by 2012. This commitment was fulfilled on 31<sup>st</sup> March 2011, 7% of fleet vehicles having been replaced.

**-17.7%**  
CO<sub>2</sub> emission reduction  
since 2006-07

Reduction in CO<sub>2</sub> emissions with respect to 2006-07 (%)



The sum of all of the actions has led to a 17.7% reduction in our CO<sub>2</sub> emissions compared to the 2006-07 baseline.

For figures and additional information, go to:

 [www.vodafone.es/InfSost10-11/EnergiayCC](http://www.vodafone.es/InfSost10-11/EnergiayCC)

 [www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)  
• Ecoefficiency. Energy



### Next steps

- Reduce CO<sub>2</sub> emissions with the aim of contributing towards achieving the Vodafone Group objective of reducing all emissions by 50% compared to the 2006-07 figures. March 2020.

# Handsets and other Wastes

At Vodafone Spain, we are rigorous in controlling the environmental impacts of our own operations. Our environmental actions are fundamentally based on reducing the associated energy consumption and CO<sub>2</sub> emissions, as well as on reducing and controlling the waste generated.

 100%

We said	Our performance in 2010-11	%
Implement any viable suggestions made by employees and identified in the environmental awareness course. March 2011.	The viable suggestions received from employees have been applied.	
Develop a collaboration project with NGO's to foster environmental protection. March 2011.	We have launched a new mobile collection initiative in which we are collaborating with WWF Spain.	

**+ than 300**  
suggestions received from employees after the environmental

During the 2010-11 financial year, the viable suggestions received from employees following completion of the online environment course have been implemented.

Over 300 suggestions were

received from employees on highly varied topics applying to different company departments, which took part in analysing their feasibility. Following this feasibility analysis, the following types of initiative were implemented, related to these suggestions:

- **Packaging:** Guides have been produced for our handset suppliers, so that, amongst other improvements, they optimise the environmental characteristics and amount of material used.
- **Recycled paper:** The paper used in the offices has been changed for a type with FSC certification, which ensures the fulfilment of environmental and labour standards during its production.
- **Paper consumption:** All printers have been fitted with a control system that checks and cuts down unnecessary paper consumption (double-sided printing by default, etc.).

- **Energy consumption:** Various measures have been established in buildings and on the network, in order to reduce our energy consumption (See "Energy and Climate Change" section).
- **Water consumption:** Changes have been made to the office gardens in order to save irrigation water.
- **Waste separation:** Specific containers have been installed for each type of waste.
- **Ecological car washing:** the washing system at offices uses pressurised water and ecological cleaning products.
- **Communication/raising awareness:** the weekly staff in-house newsletter includes a section devoted exclusively to environmental issues.



Meanwhile, the Customer Services and Care Unit launched the "Licence to save" project, which included

numerous initiatives for promoting the correct use of resources (consumables, trips, technology...), by awareness raising among employees.




## ► Handset reuse and recycling

**+ than 350,000**  
phones collected during 2010-11 for reutilization or recycling

In Spain, there are over 20 million obsolete telephones which are no longer used, and by taking part in Reuse and Recycling schemes, Vodafone Spain enables its customers (and the general public) to ensure that these phones are put to the most appropriate and environmentally-friendly use, and obtain benefits in return.

In the 2010-11 financial year, via our reuse and recycling systems, we have collected over 350,000 telephones.

For figures and additional information, go to 

### Recycling

Since 2001, Vodafone Spain has been participating in a telephone recycling scheme (Mobile Muncher) through which anyone who wants to make sure their obsolete mobile telephone is used in a nature-friendly way, can place it in the Tragamóvil containers installed in our shops. The telephones, batteries and accessories (as well as any other telecommunications equipment) collected via this initiative, are sent to a treatment plant to be stripped down and recycled, thereby recovering most of the materials from which they are made. These materials can then be used as raw materials from which to manufacture other products.



## Eco-efficiency

## Reuse

During the 2010-11 financial year Vodafone Spain launched a new initiative at its shops and distribution outlets for the collection of used mobile telephones.

The reuse scheme lets customers trade in their phone in return for a small incentive, because Vodafone Spain has an agreement with a specialist company which repairs and prepares the phones for sale in emerging or developing markets, with the resulting social and environmental benefits.

Customers can also get extra benefits, apart from the price for their telephone published on the website of the supplier collaborating with this initiative. In order to do this, our customers must register on the Vodafone Partners Programme website, thus obtaining a discount on the price of the handset published by the supplier.

Furthermore, anyone who is not a Vodafone customer can go to a Vodafone point of sale and sell their mobile handsets, receiving the value of the handset sold in their current account in less than a month.

5% of the profit obtained from telephones brought in by users goes to WWF Spain, and users can also choose to donate to WWF Spain the full sum that they receive for handing in their obsolete handsets.

### ▶ Recycled Network Equipment

The technology used for communications progresses quickly, and as such we must frequently change the equipment installed on our network. This equipment contains materials which can be reused or recycled in order to avoid extracting them from nature in order to manufacture new products.

100% of the network equipment that we decommission is handed over to the supplier or sent to an authorised manager for correct recycling.

### ▶ Water

At Vodafone Spain, water is basically consumed in sanitary services; in cases of emergency, in the event of a fire; and for watering the gardens at our offices. During this financial year, measures have been implemented which are aimed at optimising water consumption.

Waste water is always disposed of via the sewer systems, its volume being negligible.

Furthermore, during 2010-11 we had no had no significant fuel or oil spills.

### ▶ Paper consumption



This year, we have made changes to our office printing equipment, and now can keep better track of how much paper we use, having used 28% less than the previous year. Furthermore, 87% of the paper used at our offices during the 2010-11 financial year was FSC certified paper (compared to 34% the

previous year). In this respect, we have kept on encouraging electronic invoices among our customers, using sustainable forest management-certified paper (FSC) in our invoicing processes.

**28%**  
less paper used than the previous year

### ▶ Ozone Depleting Substances

The agents used in fire extinguishing systems and in air conditioning systems may contain substances which damage the ozone layer. That is why at Vodafone Spain has a plan to substitute these substances (basically R22) with other less harmful ones (R407 or 410), in accordance with current regulations. We also monitor how these substances can affect global warming.

### ▶ Packaging

In accordance with the packaging law, we make sure that containers and packaging generated as a consequence of the sale of our products and services has an appropriate collection system (waste collection point).

Specific guides have also been provided to our handset suppliers so that they manufacture their packaging taking environmental criteria into account (type of material used, energy consumed during the manufacturing process, size and weight, amongst others).

For more figures and information on these sections, go to 

For figures and additional information, go to:



[www.vodafone.es/InfSost10-11/TerminalesyResiduos](http://www.vodafone.es/InfSost10-11/TerminalesyResiduos)



[www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

• Ecoefficiency. Handset Recycling and Reutilization




#### Next steps

- Continue fostering the systems for collecting our customers' phones. March 2012.
- In stores, replace plastic bags with paper bags. March 2012.

# Responsibility with our Customers

One of Vodafone's corporate values is "Obsession with the Customer", given that the long-term success of our business depends on them. As such, we strive to earn and maintain their confidence, providing them with products and services which satisfy their needs and expectations, and we must communicate and act responsibly, ethically and honestly with them.

 100%

We said	Our performance in 2010-11	%
Launch at least two courses of action to ensure rates are better tailored to each customer's profile. March 2011.	We have renewed our entire range of rates, offering differentiated solutions for each segment of customers.	
Proactively publicise parental control filters, information and reporting channels, both for mobiles, DSL and mobile broadband. March 2011.	We have carried out different publicity initiatives: collaboration with SETSI's Chaval.es scheme, launch of "Vodafone Family PC Protection", etc.	
Improve the web's contents about responsible use in all types of connections. March 2011.	We have improved and revamped the web content on responsible and safe use of our products and services.	
Premium SMS service: To implement actions which discourage the inappropriate practices of some suppliers. March 2011.	Suppliers have been made responsible for users' non-payment, to discourage the latter's inappropriate practices.	


The Average Recommendation of the Vodafone Spain brand is 6.8 (out of 10) and 22% of our customers grade us as outstanding: (9-10 a recommendation of 9-10).

## Customer Orientation

### Customer Care

+ than **17.2**  
million customers

We provide a comprehensive customer care service for our 17 million-plus customers, offering them a wide variety of channels (telephone, website, USSD, handset applications...) through which they can contact us so as to find answer to their needs, choosing the channel that they find handiest or best suits their needs and habits.

For figures and additional information, go to 

- The customer, the centre of our attention.

We are continually asking customers about matters which help us to further improve the service that we offer them. We believe that offering a service that meets their needs and user habits is basic and we go even further by innovating, improving and extending the service offered and the care channels.

The principal lines of work in the 2010-11 financial year were related to improving our service based on the feedback received from our customers, and the development and improvement of online communication channels, such that we can give them greater independence and control when it comes to managing their relationship with us.

An example of an initiative implemented based on the information that we collect from our customers via the people who are in direct contact with them is "Eureka". Through this initiative we have collected the ideas contributed by our own employees, leading to an improvement in care procedures which has resulted in a clear increase in the level of customer satisfaction.

We have launched a specific service for new customers of products such as ADSL, Vodafone at home and Modem. We know that during the first few months, their support needs are greater and have a different casuistry to that of a customer who has been subscribing to them for a longer period of time and is more familiar with the way that they work. With this new process we have been able to improve customer satisfaction with ADSL, Vodafone at home and Modem products during the first few months of subscription.

For our corporate customers who also require a specific service, we have developed a new care model which seeks to respond to this need through a comprehensive service.

This involves more personalised and specialist care which combines the management and the care service and which seeks to increase customer satisfaction via specific corporate care.

As our internal studies demonstrate, the satisfaction of our customers with telephone care continues to increase every month.

- Customer care 2.0: new forms of customer care.

Our customer care channels are diversifying as a result of innovation, which is another of our corporate culture's values. We have improved the existing channels and opened others such as the Forum, the blog and the help videos which enable us to interact with our customers in a different way, based upon the new forms of Web 2.0 communication. During the 2010-11 financial year, not only has the absolute number of active users in the private areas of the Vodafone website (My Vodafone and Customer Area) increased compared to previous years, exceeding 1,300,000 users in March 2011, but so has the percentage that these users represent in relation to the entire Vodafone customer portfolio.

We firmly believe in this service channel and as such we have set ourselves some challenging objectives for the coming year, which will help our customers to manage their products and services in a comfortable and quick manner, at any time and in any place. We aim to convert it into the preferred contact channel for the majority. In order to achieve this, this year, emphasis has been placed on improving the Help and Support area, the user experience and Look&Feel, and on incorporating a customer forum:

Vodafone Forum is a new space for sharing/resolving doubts amongst our customers. It covers topics such as smartphones, rates and DSL. Since it was opened in September and up until the month of April 2011, over 5000 topics and over 27,000 posts have been shared.



## Responsible, Ethical and Honest Behaviour.

Help and Support Department, with a new design, focused upon improving the user experience, and offering extensive support content in a unique information repository.

Self-help videos designed to answer the main doubts and questions that customers have when using our products. They can access them via the help and support area or via YouTube (HYPERLINK "<http://www.youtube.com/user/vodafonees>" Vodafonees)

## Complaint Management

We want to reduce customer complaints and manage them more efficiently and quickly, which is why we have performed a detailed diagnosis of the situation, identifying the principal causes of complaint and their origin. This has enabled us to identify various solutions for improvement which can be implemented to make the process quicker and more efficient.

During the 2010-11 financial year, we have worked to revert the negative tendency in the area of complaints and to improve their management, by reducing resolution times and opening additional customer complaint management channels, without neglecting traditional channels. Vodafone's relationship with the official bodies is one of total collaboration. During this year, we have continued to work on promoting new communication channels with the aim of speeding up and improving the resolution of proceedings. Any casefiles opened by the office of the Secretary of State for Telecommunications and the Information Society, Madrid City Council, the Regional Arbitration and Consumer Affairs Institute (Madrid and Catalonia) and the OCU (Consumers' Organisation) are processed telematically. Furthermore, Vodafone is the first telecommunications company to use the Electronic Complaints Form issued by the Regional Government of Andalusia, and the use of these electronic channels is increasing steadily. Furthermore, we are working to reduce the use of paper in the different stages of the process, by communicating with the different bodies via e-mail, which is why we are working on digitising documents.

We have also worked hard to make invoices easier to understand, cutting the time required to print and send them, and also making it easier for customers to access their e-invoice. What's more, our billing systems are being continually reviewed and upgraded to let us be more proactive, reducing customer response times and speeding up aspects regarding customer credit payments or management of any claim-related payment. Complaints data is available at the Telecommunications User Care Office. ([www.usuarioteleco.es](http://www.usuarioteleco.es))

- Relationships with Consumer Administrations

During the 2010-11 financial year, there has been an increase in the processing of regional regulations on the subject of consumer defence and protection. At Vodafone Spain, we have participated in analysis and discussion forums and groups with the aim of obtaining an agreement so that, without limiting consumer rights, we can defend our legitimate business plans, whilst clearly setting out everyone's responsibilities, rights and obligations.

As such, we have continued to maintain contacts with Consumer Associations, Agencies, Consumer Institutes and Public Departments, as well as the Spanish Consumers' Institute in the interests of maintaining fluid communication for the necessary information and feedback to enable us to find out their opinions concerning our products and services in their constant evolution. In this context, we wish to highlight the honour bestowed upon

Vodafone Spain by the Andalusian Association of Users and Consumers, by way of recognition of the willingness and clear desire for dialogue, collaboration and cooperation with the representatives of Andalusian consumers and users.

Furthermore, we have contributed to consumer affair training schemes run by the Spanish Federation of Municipalities and Provinces, the Consumer Affairs Department of the Valencian regional government, the Catalanian Consumer Agency and Huelva County Council, among others.

Vodafone Spain forms part of the consumer arbitration system throughout Spain.



## Advertising and marketing

Vodafone Spain's commercial activity is designed to comply with the general regulations which affect advertising activity.

Throughout the 2010-11 financial year, Vodafone Spain only received 6 rulings for advertising issues:

- 3 fines in inquiries opened by the Andalusian Regional Government (€4,000, €3,500 and €2,000).
- 2 fines in inquiries opened by the Asturias Regional Government (€3,601 and €7,000).
- 1 inquiry opened by the Self-Regulation Association, with no associated fine.

Vodafone is a member of the Association for the Self-Regulation of Commercial Communication (SELF-CONTROL) and has adhered to Confidence Online.

For figures and additional information, go to 

## Privacy and data protection

Vodafone has a Privacy Policy which is binding on all its subsidiaries, in which it sets out a specific organisational structure which ensures that the principles and regulations on the subject of Privacy and Data Protection are being fulfilled. This structure is also reflected in Spain, where it is further reinforced by the setting up of a Privacy Committee which meets periodically and is made up of members and representatives from different areas of the company, and the existence of a sponsor on the company's Executive Committee.

Likewise, Vodafone's Privacy Principles have been communicated to all employees.

During the 2010-11 financial year, as a consequence of the analysis of the obligations derived from the Letter of Users' Rights, new management mechanisms have been established for our customers.

## Prices and Rates

The 2010-11 financial year was characterised by the comprehensive review of Vodafone rates, both for contract and prepaid customers, offering different and competitive solutions, adapted for each customer segment. Amongst the different offers launched, the tariffs ordered by size stand out, making them easier to understand for our customers.



## ► Safe and responsible use of the mobile

At Vodafone, we understand that all users (adults and children) must be able to obtain the maximum benefit from the safe and responsible use of ICTs, and as such, we provide information, products and special services, whilst maintaining an active collaboration with the different agents involved in the safe and responsible use of our products and services.

### Collaboration with Chaval.es



Vodafone Spain collaborates with the Chaval.es programme, an initiative of the office of the Secretary of State for Telecommunications and the

Information Society, launched by Red.es, and which responds to the need to reduce the digital divide and modern society's lack of knowledge about the progress and evolution of ICTs. We help to publicize the Chaval.es scheme, which has a website that tells people how to use ICTs properly, outlining all the advantages and potential risks of the current technological scene. As such, in September 2010, Vodafone Spain included the solutions that Vodafone Spain is offering in order to ensure that minors can use new technologies safely and responsibly in the information attached to the bill.

### New safety services (ADSL and Mobile Broadband)

We believe that it is fundamental to provide tools and update our services so that parents can control, monitor and filter the content that the minors in their charge can access online.

During the 2010-11 financial year, the Vodafone PC Protection service was launched which offers automatic virus management and includes e-mail and web traffic analysis functions. To fight spam, it has an adjustable level of detection and filtering, separate grouping of phishing mail and automatic spam cleaning. In addition to these services, Vodafone Family PC Protection includes a Parental Control tool based on three different profiles: adults, teenagers and children.

### Homework Rate



During the 2010-11 financial year an agreement was signed with the Department of Education in the context of the School 2.0 programme. Following the signing of the agreement, Vodafone launched the new "Internet for your Homework" mobile Internet access rate with special terms for primary and secondary

school pupils throughout Spain. Furthermore, the rate includes a default filter to prevent minors from gaining access to unsuitable content.

#### Next steps

- To achieve the continuous improvement of complaint resolution processes, performing a systematic analysis of the root causes and providing the means to improve the processes involved.
- To publish a parents' guide with recommendations for the safe and responsible use of our products and services for minors. March 2012.
- e-Learning course on Personal Data Protection and Privacy, aimed at all Vodafone Spain employees. March 2012.

### Complaints button for the fight against child pornography

Vodafone Spain's website and mobile content portal now features a button that lets users anonymously and immediately report both images and films depicting sexual abuse of minors, as well as grooming.

With this initiative, we collaborate with the child protection organisation 'Protégeles', in order to take a further step in the fight against images showing child sex abuse and other content which, distributed via the Internet and the mobile telephone, can represent a risk or threat to them.



The complaints button links directly to the anonymous complaints line promoted by the European Commission in Spain [www.protegeles.com](http://www.protegeles.com).

### Premium SMS service

To discourage bad practices among content providers, during the 2010/11 financial year, Vodafone Spain proceeded to transfer possible cases of non-payment by customers, on these grounds, to the providers in question. Meanwhile, we are working on enriching the message that customers receive when they subscribe to SMS Premium Services via the web. We are seeking to ensure that they have a better understanding of the service subscription that they are requesting.

Likewise, we are working to offer more information about these services, both via our website, and through the information that is included with their invoice.

### Intellectual Property

Vodafone is not indifferent to the debate that has arisen in this respect, and understands that it is fundamental to guarantee that intellectual property rights are respected, without compromising citizens' fundamental rights. The regulatory amendment provided for by the Sustainable Economy Act, which is still awaiting enactment, appears balanced in this regard. Nevertheless, Vodafone believes that it is essential to create new business models which offer a legal digital content offering, as well as to raise general awareness on this matter, and both issues should be tackled jointly by both the holders of the rights, and by electronic communications operators and by the government.

For figures and additional information, go to:

 [www.vodafone.es/InfSost10-11/Clientes](http://www.vodafone.es/InfSost10-11/Clientes)

 [www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

- Responsible, Ethical and Honest Behaviour/ Responsible Use
- Responsible, Ethical and Honest Behaviour/ Protecting Children

Other Urls:

[www.usuariostelego.es](http://www.usuariostelego.es)

[www.vodafone.es/particulares/es/moviles-y-fijo/tarifas/recomendador-de-tarifas/](http://www.vodafone.es/particulares/es/moviles-y-fijo/tarifas/recomendador-de-tarifas/)

[www.protegeles.com](http://www.protegeles.com)

<http://origami.chaval.es>


[www.vodafone.es/proteccionpc](http://www.vodafone.es/proteccionpc)

[www.vodafone.com/content/index/miscellaneous/privacy\\_policy.html](http://www.vodafone.com/content/index/miscellaneous/privacy_policy.html)

# Suppliers

Through our Supplier Behaviour Management Programme we work closely with suppliers both to ensure observance of our Code of Ethical Purchasing (CEP), which sets out the ethical, social and environmental criteria that our suppliers must meet and to promote supply chain improvements.

 100%

We said	Our performance in 2010-11	%
Communicate the new version of the Code of Ethical Purchasing to the major local* suppliers. March 2011.	The CEP was distributed to the selected suppliers. The letter of acceptance was returned signed by all the suppliers to which it was sent.	


In order to provide our voice and data communications services, Vodafone acquires network equipment, phones and other products and services from suppliers, who thus represent the first level in our supply chain and who we encourage to apply our Code of Ethical Purchasing.

During 2010-11, we purchased products and services worth €4.264 billion euros. As we had promised to do, all selected suppliers were sent a letter including the new Code of Ethical Purchasing and the acceptance letter, which was returned signed by all the local suppliers selected.

**€4,264.6**  
million on buying Products and Services in 2010-11


Local suppliers are construed as those whose financial terms and conditions have been negotiated and formalised in a contract by local operations units.

During 2010-11, all Vodafone Spain SCM (Supply Chain Management) employees completed the CEP refresher course, being the third year running that it was given to all department personnel.

Based on billing criteria and the impact of the respective supply on the business, in 2010-11 the behaviour of a total of 33 strategic suppliers (representing 45% of the value of products outsourced and services in the previous financial year) was evaluated, with an average overall score of 82.2%. Six criteria (known as "pillars") are considered in this evaluation, one of which is Sustainability, which makes up 10% of the overall score in the supplier evaluation process, which analyses issues such as their level of commitment to our CEP, the publication of sustainability information, the application of work, environmental and health & safety standards and sustainability actions in their own supply chain. For figures and additional information, go to 

**73.2%**  
average score obtained by suppliers in the Sustainability pillar

For the Sustainability pillar, the average score in 2010-11 was 73.2%, an 11.3% increase on the previous year. What's more, 15% of the suppliers evaluated achieved the excellence level (scored at above 90%).

For figures and additional information, go to 

These evaluations have led to 53 action plans or improvement opportunities being agreed on with suppliers, in relation to the following Sustainability action areas:

Certifications	30%
Sustainability Report	29%
Supply chain risk management	20%
Climate Change	18%
Code of Ethical Purchasing	4%

Follow-up of agreed action plans will be through regular meetings and/or correspondence between the supplier and Vodafone.

For figures and additional information, go to:

 [www.vodafone.es/InfSost10-11/Proveedores](http://www.vodafone.es/InfSost10-11/Proveedores)

 [www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

- Responsible, Ethical and Honest Behaviour. Suppliers

### Next steps

- Evaluation of all the suppliers selected by Purchases in the Sustainability pillar. March 2012.
- Continue working on improvement projects with the selected suppliers. March 2012.

\*Local suppliers are construed as those whose financial terms and conditions have been negotiated and formalised in a contract by local operations units.

# Our Operations

Our services are provided via a network of telecommunication installations, including base stations and switching and data centres, which transmit and receive voice and data.



We said	Our performance in 2010-11	%
Contribute to the implementation of responsible phones, mast and health policies with other Vodafone operators in other countries. March 2011.	Practices have been shared with Vodafone Turkey and Vodafone Qatar.	
Continue promoting specific tasks for communicating "good practices" in telecommunications and their health connections. March 2011.	We have held different meetings with residents' associations and we have participated in different workshops with the Administration.	
Keep on improving our mobile broadband network, offering the HSPA+ service in the country's 31 largest centres of population. March 2011.	It has been rolled out in the main centres of population with more than 25,000 inhabitants.	

## ► Responsible Network Deployment

In the 2010-11 financial year Vodafone Spain has remained committed to carrying out a significant deployment of our network. We currently have over 25,500 network elements, of which more than 12,000 have 3G technology.

This year we have focused on providing coverage to villages with less than 1,000 inhabitants, a clear illustration of our commitment to bringing the benefits of telecommunications to most of Spain's population. This has continued with deployment in more populated areas with other types of needs, such as increased capacity and the introduction of new technologies.

We also remain committed to our site sharing policy, having signed agreements with leading mobile operators, prioritising the finding

of sites for those operators in which infrastructure can be shared.

This year we have shared more than 400 sites, both owned by Vodafone Spain and by other organisations.

During 2010-11, Vodafone received several administrative demands to provide information on environmental matters, although no significant fine was imposed in this respect.

+ than **25,500**  
network elements

+ than **400**  
Greenfield sites shared during 2010-11

## ► Network Quality

Our vast experience in designing telecommunication networks, the high reliability of the elements used in our network architecture, and the level of excellence reached in operation and maintenance enable us to respond appropriately to our customers' Quality of Service expectations and to be leaders in achieving the availability and quality objectives established by international regulations. To achieve these results, Vodafone Spain has a robust mobile telephone network with redundant routing, diversity and failsafe measures.

The continuous deployment of base stations meant that, by 31<sup>st</sup> March 2011, 99.6% of the population had 2G network coverage and 82.4% had 3G network coverage. In addition, frequency refarming planned by the Government will enable the use of 900 MHz band

frequencies to provide 3G services, resulting in 3G coverage being rapidly deployed as there are already many nodes prepared for this, plus better penetration inside buildings with clear advantages for customers. Vodafone Spain's service quality has been recognised once again through an external certification: "P3 communications" certifies that Vodafone offers the best accessibility and conversation quality for voice services in Spain, and the best web browsing service and quickest data file transfer service.

For figures and additional information, go to

Quarterly Service Quality values also undergo external audits which can be checked on the Ministry of Tourism, Trade and Industry's website in its Telecommunications section.

## ► RF Emissions and Health

In compliance with Royal Decree 1066/2001, during 2010-11 annual certifications were carried out for all network stations. Measurements were taken in more than 6,100 stations, with emission levels in 100% of stations well below the limits indicated in the RD.

Good deployment practices have also been shared with Vodafone Turkey and advice given to Vodafone Qatar on radio emissions and health.

According to the January 2011 study conducted by the international consultancy Nunwood, 87% of those interviewed (members of health institutions, municipal corporations, communication agencies, the academic and scientific community, business institutions, central government and NGOs) believe that Vodafone takes antenna, mobile phone and health-related responsibilities very seriously.

We have held various meetings with different residents' associations to explain the design and working of base stations, and have taken part in

seminars that provide information on mobile telephony radio emissions and health organised by the Spanish Federation of Municipalities and Provinces. All handsets marketed by Vodafone comply with the SAR (Specific Absorption Rate) limits established by the ICNIRP (International Commission on Non-Ionising Radiation Protection).

+ than **6,100**  
RF emission measurements taken at base stations during 2010-11

For figures and additional information, go to:

[www.vodafone.es/InfSost10-11/NuestrasOperaciones](http://www.vodafone.es/InfSost10-11/NuestrasOperaciones)

[www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

- Responsible, Ethical and Honest Behaviour. EMF
- Responsible, Ethical and Honest Behaviour. Responsible Network Deployment


Other Urls:  
[www.mityc.es/telecomunicaciones](http://www.mityc.es/telecomunicaciones)



# Employees

Our success depends on involving employees in the business strategy and how we develop their talent. For this, we recognise the value of diversity and encourage our employees to maintain the very highest ethical levels in accordance with our new Code of Conduct.

Vodafone Spain had 4,361 employees on 31.03.2011. We continue to be an important source of direct and indirect quality employment opportunities, with 99.1% of workers on open-ended contracts.

For figures and additional information, go to 

**4,361**  
employees

**99.1%**  
of open-ended contracts

 100%


We said	Our performance in 2010-11	%
Improve the Satisfaction Indicator in the Welfare section of the Employee Survey by 10% (using the 2007-08 figure). March 2011.	The indicator has improved 58%.	
Reduce the rate of accidents resulting in employees being signed off by 10%, (using the 2007-08 figure). March 2011.	The rate has been reduced 10.82%.	
Prepare new version of "Vodafone Wellflex". March 2011.	The 2 <sup>nd</sup> version has been published.	
Implement the "Business Academy" development programme. March 2011.	The programme has been developed, and the training designed in line with each area's needs.	
Implement the measures set out in the Equality Plan. March 2011.	The measures have been implemented both in recruitment and promotion.	
Conduct new campaign regarding safe use of our products and services valid both for employees and anyone around us. March 2011.	We have organized a campaign on the healthy use of mobile devices.	

## Employee involvement

**+ than 98%**  
of employees completed the "People Survey" 2010

Our commitment to involves our employees through the new "Vodafone Way" corporate culture responds to new environmental demands and aims to make Vodafone become an "admired" company, so that our customers are not only satisfied but also recommend our company and products and services.

During 2010-11 we launched our People Survey, and 98% of employees took part. The results show a high degree of employee commitment to Vodafone Spain with a Satisfaction Index of 78%.

For figures and additional information, go to 

**78%**  
employee satisfaction level

The People Survey results gave rise to the implementation of various continuous improvement actions to manage employees' needs and expectations.

## Talent Selection, Learning and Development.

Vodafone selects employees through different internal and external recruitment sources in order to become an increasingly global and diverse company.

In the Talent Learning and Development field, Vodafone embarked on several initiatives connected to the strategy it implemented the previous year, so as to become a Learning & Teaching Organisation with managers as trainers. This has entailed designing and providing employees with the necessary resources and stimuli to complete their learning plan, and managers inspiring and encouraging their team members to capitalise on the knowledge in their teams.

A new Learning Portal has been created for this which lets employees share their best practices.



142,432


hours of training in the financial year 2010-11

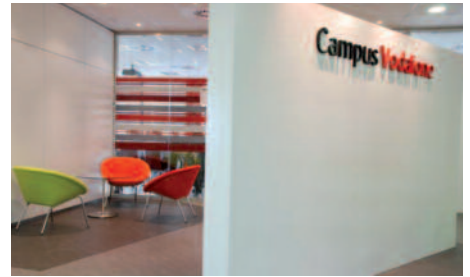
The Business Academy training programme has also been developed and implemented. This programme is designed according to the needs of each area to provide learning and development solutions to everyone who comes into contact with the business, offering training solutions to the

Corporate, Residential and Customer Service business units.

We also have the Vodafone Campus which is the new Vodafone training centre with new classrooms and facilities to promote learning, exchange of ideas and creativity.

In 2010-11, a total of 142,432 hours of training were given, with an average score of 3.40 (out of 4).

For figures and additional information, go to 



## ► Social Benefits

As part of its ongoing customer commitment, Vodafone has made a special effort to ensure that the current economic situation does not have a negative impact on employees' social benefits.

The second edition of the flexible payment system (Wellflex), whereby all Vodafone Spain employees can adapt their salary package, was launched during 2010-11 with 27% of employees opting to change some of the conditions they had been enjoying.

What's more, after the introduction of Vodafone Spain's Social and Care Fund, 23 requests for help from employees and their families were received and analysed of which, in accordance with the required conditions and existing budget, we were able to positively respond to more than 58% of requests.

## ► Equal Opportunities

### Equality Plan

The responsibilities of the position, candidate's potential, internal equality in the organisation and external competitiveness with positions of the same characteristics based on market data are all taken into account to determine salary.


Vodafone therefore guarantees equal wage-setting opportunities, regardless of candidates' gender, nationality or other factors.

We want to be an attractive company to women in terms of managerial vacancies. That is why we have introduced different proactive female talent search initiatives.

In particular we are providing growth possibilities for internal talent at all levels, especially managerial, so if managerial positions are available in-house candidates (in Vodafone Spain or the Vodafone Group) will be assessed before looking at external options.

What's more, we have therefore decided as part of our selection policy to include at least one solid female candidate in the final selection of candidates for manager and director vacancies to be covered with external candidates.

For example, of the 23 external candidates selected for positions of responsibility, 7 were women, with it being especially significant that of this group 1 joined the Executive Committee and the other 4 were hired as directors.

For additional figures and information, go to 

Not only have we adapted our director-level recruitment processes, but we have also placed special emphasis on including equality for more junior positions. In the Global Graduates Programme for recruiting new graduates or people with 1 to 3 years work experience, we are committed to the equal hiring of men and women, with in fact 21 of the 38 new recruits being women.

### Observance of the LISMI (Disabled People's Social Integration Act)

With regard to Inclusion, we have been actively working on creating an environment in our organisation in which everyone feels recognised in their diversity. The types of day-to-day behaviour we encourage and promote as an organisation are those where each person's individuality helps foster teamwork. This year this concept has been included in training programmes and communications received by all managers, particularly those involved in both internal and external talent management.

Vodafone Spain complies with the requirements of the Disabled People's Social Integration Act (LISMI) through direct employment and alternative measures based on donations to organisations that favour the training and social and labour integration of disabled people, having obtained the corresponding certificate of achievement.

To promote the employment of disabled people, a disabled people's hiring plan was introduced during 2010-11, called "Talent without Barriers", to make Vodafone Spain a more inclusive company.

In the 2010-11 "People Survey", the "Diversity and Inclusion Index" obtained from employees' assessment of this area in Human Resources management was 86% (3% more than the previous year).

86% of employees rate the diversity and inclusion initiatives satisfactorily (according to the 2010 People Survey)

## ► Industrial Relations

During 2010-11, in Vodafone Spain there were 60 trade union representatives, who act as the workers' representatives within the company. Likewise, the Vodafone group has set up a European discussion forum and social representation, known as the Vodafone European Employee Consultative Council, made up of representatives from all European operators and currently headed up by a Spanish representative.

In accordance with current legislation, any organisational change that results in a substantial modification in work conditions and/or functions performed by employees must be communicated at least one month in advance, which is scrupulously respected in either of these circumstances. In any case, reflecting the dialogue that takes place between the Industrial Relations Department and the workers' representatives, it is customary to maintain a policy of

transparency which means that in general this legal term is comfortably met.

In the 2010-11 financial year, the announcement that union elections would be held throughout Spain in June 2011 was of special importance to Vodafone Spain's Industrial Relations.

A one-year extension (until December 2011) was agreed for the company's current Collective Bargaining Agreement which applies to all employees. This has meant, despite market and situation difficulties, providing stability and continuity to present work conditions and their related social benefits.

All employees not subject to incentive plans have the company's strategic objectives included in their variable salary, with this split between the general business goals and specific area goals.

## ► Prevention, Health and Welfare.

The slogan "Be healthy, live securely and feel good" has been adopted by employees as a way of integrating prevention culture in Vodafone's activities.

Employees continue to recognise the company's commitment to Prevention and Health. In response to the question, "How would you rate your company in terms of its concern for the safety, health and welfare of its employees?" included in the People Survey, 79% of employees responded favourably, which is an improvement in the Satisfaction Index on Welfare matters in this survey of 58% with regard to the 2007-08 base (the goal consisted in achieving a 10% improvement).

According to a Hay Group study, Vodafone Spain is 26 points ahead of other equivalent companies from the telecommunications sector in this area.

Initiatives for promoting Prevention, Health and Welfare.

Amongst the actions carried out, this year we would highlight the following value-added services developed in the Prevention, Health and Welfare field:

- **Health Online.** Employees can call the Vodafone Medical Service on a short number and also use the Office Communicator tool to make a video call and display medical reports or diagnostic tests on the screen in order to collect advice on any specific data for example. This service was introduced in January 2011 and is particularly useful for people working on the move.
- **Medical check-ups.** A total of 1,734 medical check-ups were performed from January to December 2010. More than 80% of employees who underwent the examination can consult their results online and on their mobile. Employees can also get private health insurance prescriptions and undergo tests during office hours.
- **Culture of leadership in Prevention and Health** to achieve "zero accidents" amongst employees and contract workers. The Vodafone Group has defined a series of Absolute Rules which employees and contract workers must obey in all their actions. To disseminate this culture, the following actions were carried out:

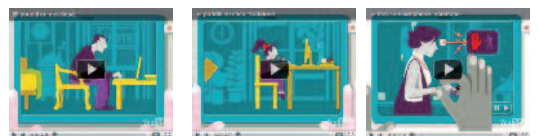


- An intensive dissemination campaign to all employees, placing special emphasis on the Technology area.
- Face-to-face sessions with all contract workers.
- An internal web portal has been designed to support the work of people who manage activities in risk environments.

- **Awareness-raising campaigns:**

- **Healthy Use of Mobile Devices campaign.** Consisting of three short videos that show simple advice to prevent any discomfort and help achieve a better use experience.

This campaign was designed for employees and other stakeholders such as family members, friends, customers and society in general. To ensure its full dissemination, we used internal and external channels such as the Vodafone website, and YouTube, Twitter and Facebook too. The videos have been created in such a way that they do not need any spoken message or text to display the messages. Up to 31<sup>st</sup> March 2011, together the three have topped the one million view-mark on YouTube, where visitors have left received many comments of thanks in different languages.



This initiative has made Vodafone the first company in its sector to offer this service to its customers.

- **Road Safety Campaigns and Seasonal Health Campaigns.**

- **Internal training on Prevention and Health:**

More than 1180 training hours on Work Health and Safety were given, broken down into:

- A total of 176 employees who work in confined spaces were trained.
- 54 employees were trained in fire prevention and first aid techniques and skills.

- 144 employees from the Emergency Team were trained too.
- 480 employees took part in the welcome programme, in which monthly face-to-face and online sessions were given (during 6 months).
- 212 employees completed the online Well-Being course in the office.


- **Other noteworthy actions:**

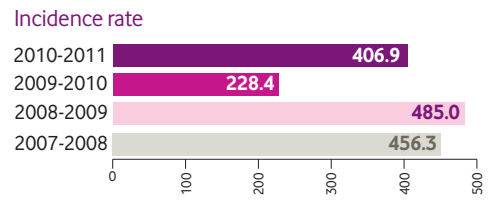
- 1 We have voluntarily submitted the work health and safety management system to an external audit. The audit was carried out by Ernst & Young and satisfactorily passed.
- 2 Participation in events:
  - 3<sup>rd</sup> Breakfast Debate entitled: "Emotional Stability at Work: Work Well and Make it Known". Organised by Psya Asistencia with the support of Aedipe Centro.
  - Work Health and Safety seminar given by the Andalusian Public Foundation Training Fund (Fundación Pública Andaluza Fondo de Formación – FPAFF).
  - Symposium on the economic effects of prevention in companies and on workers organised by the company TEX\_Digital.
- 3 The Internet portal SeguridadVialLaboral.es promoted by the Department of Traffic has highlighted Vodafone Spain's work on road safety in the good practices section.

## Accident Rate and Absenteeism

The Accident Rate with sick leave was 406.9, which is 10.8% less than 2007-08, so, despite last year's increase, we have achieved our goal. Once again this year there was a lack of fatal accidents amongst Vodafone employees and contracted workers. However, mention must be made of two serious accidents that occurred while working at height, but which were fortunately resolved by the recovery of the injured workers and with hardly any damage. These two accidents were the main reason why the accident rate was higher than the previous year.

**10.8%**  
Reduction of accident rates with respect to 2007-08

For figures and additional information, go to 



## ► Corporate volunteer work

Vodafone Spain strives to create a good working environment, treating people with respect, offering attractive incentives, and at the same time promoting a spirit of solidarity amongst our employees.

To do so, we have been carrying out various corporate volunteer and partnership initiatives with different social and environmental NGOs that the company works with. Our ongoing relationship with NGOs and other non-profit making organisations allows us to find out their expectations and identify how Vodafone Spain's employees can collaborate in solidarity projects. Experience has shown us that initiatives most closely related to the company's own activity normally generate more interest and involvement amongst employees, and are usually more beneficial to NGOs or the communities we work with.

Indicated below are some of the corporate volunteer work initiatives carried out in the financial year 2010-11:

### Training of minors on Safe and Responsible Use of ICTs

Protégeles and Vodafone Spain have been promoting in recent years safe and responsible use of ICTs, and have decided to work on a joint initiative to organise awareness and training sessions for minors in schools. These sessions are given by Vodafone employees-volunteers, who have received training and advice from Protégeles personnel.

The aim of these sessions is to promote prevention and awareness in the safe and responsible use of ICTs by minors to prevent potential risks from their inappropriate use.

**149** volunteers received training before the minor awareness-raising sessions

Around **1,500** minors received training at schools from our volunteers during 2010-11



### Global Biking Initiative (GBI) 2010



"The Global Biking Initiative" is a yearly event participated in by Vodafone employees, cycling fans, who want to get involved in a solidarity action covering long distances by bike.

At the beginning of June 2010, more than 250 participants from 13 different countries spent 8 days cycling a route of more than 800

km from Prague to Düsseldorf. The Vodafone Spain team's entry was on behalf of the Spanish Special Golf Foundation.

### 7-a-side Inter-Company Football Tournament

Vodafone Spain volunteers took part in this event organised by Action Against Hunger whose mission was to gain the support of companies in the fight against child malnutrition and contribute with the Royal Spanish Football Federation (RFEF) football school project.

### Andalucía Compromiso Digital (Andalusia Digital Commitment)

As a result of the partnership agreement signed with the Andalusian Regional Government, Vodafone Spain employees participate in the "Andalusia Digital Commitment", a volunteer initiative promoted by the Regional Ministry of Economy, Innovation and Science (CEIC) which aims to bring information and communication technologies to the whole of Andalusian society.

Through the "Digital Accompaniment" service, our volunteers can share their knowledge of ICTs and train beneficiaries of this initiative.

### Other partnerships with NGO's

- Christmas toy collection campaign with Balia Foundation.

Thanks to the campaign that Vodafone Spain conducted among its employees, more than 100 children received toys at Xmas in 2010.

For figures and additional information, go to:

 [www.vodafone.es/InfSost10-11/Empleados](http://www.vodafone.es/InfSost10-11/Empleados)

 [www.vodafone.es/sostenibilidad](http://www.vodafone.es/sostenibilidad)

- Responsible, Ethical and Honest Behaviour. Business Principles
- Responsible, Ethical and Honest Behaviour. Employees
- Responsible, Ethical and Honest Behaviour. Driving and Telephones
- Responsible, Ethical and Honest Behaviour. Healthy mobile use

## Responsible, Ethical and Honest Behaviour.

- "United to unite 2.0"

Initiative consisting in a virtual gymkhana where Vodafone awarded a prize and thanked its followers through its different Internet channels. Vodafone Spain worked with four NGOs in this gymkhana: Fundación Balia, Asociación Mensajeros de la Paz, Fundación Pequeño Deseo and Fundación Theodora.

The gymkhana's participants had to pass a series of tests in the social networks and fill out a solidarity passport, choosing one of the four collaborating NGOs. In the end, the Fundación Pequeño Deseo was the most voted for organisation by participants and, therefore, the winner of the cash prize which will be donated to a solidarity project.



### Next steps

- Hire and integrate more disabled employees. March 2012.
- Promote and hold trade union elections throughout the Company. March 2012.
- Increase the development of a prevention leadership culture ("Absolute Rules") both among employees and external contractors to minimise industrial accidents. March 2012.
- Promote the internal development of on-line and value-added health services. March 2012.
- Increase the number of women in managerial positions. March 2012.
- Implement in the company a culture of acknowledging individual and team contributions and celebrating the company's achievements. March 2012.
- Strengthen management's talent management skills. March 2012.
- Develop new Corporate Volunteer initiatives. March 2012.

# Summary Commitments for 2011-12

Subject:	We will	Date
Social Products and Services	1. Launch 3 new Social Products/Services.	March 2012
	2. Ensure all transaction areas of the Vodafone Spain web (Online Store and Private areas) are accessible.	March 2012
	3. Obtain the accessibility certificate for more than 95% of the Own Stores.	March 2012
Vodafone Foundation Spain	1. Carry out at least two new innovation projects which contribute towards the "Mobiles for Good" programme in the area of ICT solutions which are accessible to "Senior Citizens and people with Functional Diversity". Transfer the results of the Mobile Telecare project to at least two countries within the Vodafone Group.	March 2012
	2. Implement at least two technological applications which help to improve the quality of life of vulnerable groups in all areas, both social and labour.	March 2012
Telecommunications and CO <sub>2</sub> reductions	1. Participate in "Smart Cities" initiatives.	March 2014
	2. Develop new systems and optimisation solutions associated with M2M.	March 2013
Energy and Climate Change	1. Reduce CO <sub>2</sub> emissions with the aim of contributing towards achieving the Vodafone Group objective of reducing all emissions by 50% compared to the 2006-07 figures.	March 2020
Handsets and other wastes	1. Continue fostering the systems for collecting our customers' phones.	March 2012
	2. In stores, replace plastic bags with paper bags.	March 2012
Responsibility with our Customers	1. Achieve the continuous improvement of complaint resolution processes and perform a systematic analysis of the root causes.	March 2012
	2. Publish a parents' guide with recommendations for the safe and responsible use of our products and services for minors.	March 2012
	3. e-Learning course on Personal Data Protection and Privacy, aimed at all Vodafone Spain employees.	March 2012
Suppliers	1. Assessment of all the suppliers selected by Purchases.	March 2012
	2. Continue working on improvement projects with the selected suppliers.	March 2012
Employees	1. Hire and integrate more disabled employees.	March 2012
	2. Promote and hold trade union elections throughout the Company.	March 2012
	3. Increase the development of a prevention leadership culture ("Absolute Rules") both among employees and external contractors to minimize industrial accidents.	March 2012
	4. Promote the internal development of on-line and value-added health services.	March 2012
	5. Increase the number of women in managerial positions.	March 2012
	6. Implement in the Company a culture of acknowledging individual and team contributions and celebrating the Company's achievements.	March 2012
	7. Strengthen management's talent management skills.	March 2012
	8. Develop new Volunteer initiatives.	March 2012

# Key Indicators

	2010-11	2009-10	2008-09
<b>Financial Data</b>			
Total turnover (€ mn)	6,042	6,453	6,982
Turnover per service (€ mn)	5,573	5,985	6,435
EBITDA margin (%)	30.5	34.3	32.8
Cash Value Added <sup>1</sup> (€ mn)	1,909.2	2,349.5	2,515.5
Purchases of Products and Services (€ mn)	4,378.3	4,436.4	4,963.8
Investments (€ mn)	608.9	610.7	740
Nº of Customers (millions)	17.2	16.8	16.9
Nº DSL customers (000's)	779	641	456
<b>Environmental</b>			
Network Energy Consumption (Mwh)	278,118.8	265,666.2	230,617.3
CO2 emissions derived from Network energy consumption (Tn)	60,475.9	71,573.6	66,611.8
Office electricity consumption (Mwh)	23,072.2	28,034.5	34,846.7
Store electricity consumption (Mwh)	4,388.2	3,764.1	4,769.6
Nº of Km flown / Nº Employees	3,698.0	3,389.7	3,560.5
Video conferencing: Saving on CO2 emissions (Cumulative Tn)	7,586	4,800	2,426
Reduction in CO2 emissions (with respect to 2006-07) (%)	-17.7	-3.1	-6.3
Nº of handsets recycled and reused (units)	351,730	367,353	276,535
Paper consumed per employee (Kg)	13	18	13
Recycled paper per employee (Kg)	44	33	75
Packaging marketed. Paper and cardboard (Tn)	139.2	202.3	184.6
Packaging marketed. Plastic (Tn)	73.6	35.0	57.8
Water Consumption (m <sup>3</sup> )	113,983	106,687	121,287
<b>Social</b>			
Nº of employees	4,361	4,383	4,323
% Open-ended contracts (full-time and part-time)	99.1	96.8	98.2
% Women	44.4%	43.6%	43.9%
% Women in Management Positions	28.1%	27.9%	27.8%
Nº hours training/ employee	32.6	42.9	55.2
Accident Frequency Rate	406.9	228.4	485.0
Funds allocated by the Vodafone Foundation Spain to community involvement projects (€000's)	4,975	5,271	5,937
Senior Citizens trained to use ICT (historic)	55,401	50,341	46,724

<sup>1</sup> Cash Value Added: Value of the revenue from products and services sold, minus the cost of the products and services bought.



## Give us your Opinion

We would like to know your opinion on our sustainability performance and on this Report. Please send your comments to:

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Sustainability  
Avenida de Europa, 1  
28108 Alcobendas  
Madrid (Spain)

Or email us at: [sostenibilidad@corp.vodafone.es](mailto:sostenibilidad@corp.vodafone.es)