Sustainability Report
Vodafone Romania
2019-2020

vodafone

The Spirit of Vodafone now better represents who we are and how we work, i.e. a company nurturing our culture, which inspires employees to earn customer loyalty, experiment and learn fast, and create the future by getting things done together.

Dear readers,

We are glad to share with you our progress data on our sustainability practice for financial year 2019/20. We have closed yet another year with good results, despite the novelties and tough challenges that have arisen. We followed Vodafone's vision of connecting people for a better future and we've been leading with purpose, thus contributing to a more **digital society**, while ensuring **inclusion for all** when it comes to access to technology, education and healthcare and showing responsibility towards our **planet**. We've had many challenges throughout the year and especially in the last couple of months, but also many opportunities. We worked hard, but with passion and, looking back at what we've accomplished at Vodafone Romania, I am grateful and proud of it all.

The path towards convergence. FY 2019/2020 presented itself as a hallmark moment for Vodafone Romania, as we made significant progress on our transformation journey towards becoming a converged technology and communications company. On 1st August 2019, we shook hands together with UPC Romania and started a new chapter together. From that day on, we decided that we are and will be even **better together** – one company, one spirit leading the path towards convergence. Starting 31st of March 2020, we are one legal entity, but most importantly, one united team, stronger and better equipped to face all challenges, whether external – like the Covid-19 crisis – or internal.

Technology for a better life. We create everyday a more digital society, connected and accessible to everyone by providing best mobile, fixed and TV services for the Romanian society, as well as innovative digital solutions no matter the times. Our consumer and business customers will continue to benefit from attractive and relevant personalized offers, as we are regularly improving our systems to better understand customers' needs and offer them products that fully respond to their demands.

The 5G technology has a transformative power on our businesses and communities. It opens new exciting roads to a better-connected future, enabling smart cities, IoT solutions for an Industry 4.0 and other digital tools to make our daily lives better.

Care for the Planet. Improved technologies and network connectivity are entirely dependent on the energy use. A well-developed and robust network generates an elevated energy consumption that grows proportionately with society's demand for connectivity and speed. It can also generate large amounts of WEEE. These are serious concerns for us, which is why our business planning filters decisions by posing important questions, such as: Where does our operation put pressure on resources? How can we reduce our emissions? What is the best solution to recycle our technical equipment? Which optimization solutions can we implement to operate in a respectful manner towards our planet and the future generations?

FY 2019/20 was the year of systemic changes for Vodafone Romania under the Planet purpose-pillar. We changed our purchased energy contracts to 100% renewable energy, we implemented state-of-the-art technical solutions in our main data centres, which will allow us to dramatically reduce the energy use from now on and we committed to reuse, resell or recycle 100% of our redundant network equipment.

Inclusion for all, in a more digitally-enabled society. Technology is a tool for making lives better and we want to use

it to help bridge the divides that exist in our societies and make sure that the more vulnerable are not left behind. Vodafone Romania has always been strongly connected to our society's needs and developed numerous impactful social projects through the Vodafone Romania Foundation. Our Foundation marked in 2019 and early 2020 important initiatives in education and health sectors, which our organization complemented. **School in a Box** is one of the hero programmes developed by Vodafone Romania Foundation and offers a real chance for rural schools to embrace digital education, shaping next generations' future. Another fantastic initiative is the **DreamLab app**, a one of a kind solution to help accelerate oncological - and now Covid-19 related - research by Imperial College London. Another digital solution having a massive impact in the society is the **Bright Sky Ro** app, a tool developed with the help of the Romanian Police that enables domestic abuse victims to save themselves from the toxic environment. The app proves to be even more useful now, as the social context tends to increase the vulnerability of the victims.

A team with a growth mindset. All these achievements for our customers and the Romanian society are possible due to our wonderful team, who puts passion and commitment in everything they do – and who proved this even more during the challenging global context caused by the Coronavirus pandemic. Our culture is based on trust, teamwork and personal growth, as we seek to inspire and enable our colleagues to reach their full potential. At Vodafone, we also strive to be the best employer for women by 2025, as well as for the young generations.

2019 was the year when we revised our internal culture globally. **The Spirit of Vodafone** now better represents who we are and how we work, i.e., a company nurturing our culture, which inspires employees to earn customer loyalty, experiment and learn fast, and create the future by getting things done together. Due to our workplace environment and open and inclusive approach to our team, Vodafone Romania was certified Top Employer 2020 by the Top Employer Institute.

A chance for tomorrow. Recent events have shown that connectivity is more important than ever. We believe that access to information and digital resources is crucial in bridging the divides and creating more opportunities for people. The unprecedented global health crisis that debuted in Romania in March 2020 has forced businesses, especially SMEs, to adapt and adjust in many ways, at an extremely fast pace.

Vodafone Romania is committed to continue being a reliable partner for the society, as well as for the business sector and the government, helping to pave a new avenue towards a greener, more connected and inclusive society by offering assistance, as well as technology and connectivity for a prosperous and technology-enabled future. To reach there, we need to start

with a solid recovery, for which we are ready to play our part. This crisis brought many difficulties, but also a huge chance to build back better with the help of technology. Now, more than ever before, telecommunications and technology proved to be the silver lining keeping society close together, despite the social distancing. At Vodafone Romania, we bore a significant responsibility and we kept it wholeheartedly, making all efforts to leave no one behind. At the same time, we put the safety – whether sanitary, physical or emotional – of our colleagues at the core of our activities. Our care and openness to work together with the Government and assist society at large lay within our own Social Contract, which is why we are ready and willing to further support the recovery of the Romanian economy and contribute to building back a better, more technology-enabled society through our digital solutions, connectivity and expertise.

Summing up, this year was a carousel of emotions, struggles, opportunities and hope, a chance for us to test our resilience, our team spirit and even creativity. We welcomed many new members into the Vodafone family, and then we physically parted and started working from distance. Despite everything, we successfully explored new ways of doing things, discovered the unexpected and managed to excel in our line of business and, for that, we thank our customers and partners, who showed us their loyalty and trust.

I want to tell a big 'Thank you' to my great team, as all these fantastic achievements are possible only thanks to their energy and enthusiasm!

Murielle Lorilloux,
CEO Vodafone Romania

Chapter 1
Our Sustainability Commitments

Who we are

Our sustainability commitments

A leading telecommunications company keeping society connected and building a digital future for everyone.

Vodafone Romania is a subsidiary of Vodafone Group, one of the world's leading telecom and technology service providers, and it is one of the strongest players on the local market.

Vision: 'We connect for a better future'

We put Sustainability at the core of our business.

We define ourselves as a purpose-led company and we know that through our work, technology and connectivity, we can enhance the future and improve people's lives.

We aim to build a digital society that enables socio-economic progress, embraces everyone and does not come at the cost of our planet. That is why, **globally, Vodafone has committed to improve one billion lives and halve our greenhouse gas emissions by 2025**.

Furthermore, our three Purpose pillars set bold targets in terms of both internal and external progress across the organization. Vodafone Romania enthusiastically embraced them, as we are proud leaders in terms of a responsible business model.

Purpose-led Vodafone

Digital Society

Connect 350 million people to the Gigabit Society by 2025 – widespread connectivity of over 1 Gigabit per second, low real-time network response rates and more reliable performance than ever before

Connect 150 million vehicles to the internet by 2025 – more efficient, safer and smarter transport

Inclusion for All

Become the best employer for women by 2025 – help thousands of skilled women back into the workforce and support women to develop both professionally and personally

Connect 10 million young people to digital skills and jobs by 2022 – upskill the next generation and prepare youth for tomorrow's digital economy

Planet

Reduce our greenhouse gas emissions by 50% by 2025 – minimize our environmental impact

Use 100% renewable electricity by 2025 – reduce reliance on fossil fuels and create a cleaner and healthier planet for everyone

Reuse, resell or recycle 100% of our network waste by 2025 – reduce e-waste pollution and work with suppliers to improve the industry standards

Over the years, we managed to set ourselves as a trustworthy partner for the society by operating an ethical, responsible business with high social presence:

- ✓ **Responsible business practices** (you can read more on our Code of Conduct here)
- ✓ **Human rights** (you can read more on our Human Rights Policy here)
- ✓ **Responsible supply chain** (you can read more on our Supply Chain Integrity Policy here)
- ✓ **Mobile, masts and health** (you can read more on our Mobile Masts and health procedures here)
- ✓ **Tax and economic contribution** (you can read more on our Tax and Economic Strategy here)

Vodafone Romania at a glance

Our network serves around 11 million customers and thousands of companies in Romania, covering more than 98.6% of the country. Our services provided through our 3G and 4G networks have a major contribution to Romania's very high position in the top of European countries in terms of connectivity and quality of voice and data. This is the result of continuous and significant investments in expanding our networks and enhancing the quality of our mobile services. The 4G technology is superior to the 3G and provides improved benefits for customers, like higher internet speeds, smaller delays in transmitting and receiving data, better quality and faster setup time for voice calls.

Most of our customers are using 4G and, as of today, 86% of our mobile data traffic is supported by 4G technology. The proportion of traffic performed over the 3G technology is continuously decreasing.

Apart from enabling fast and secure 4G telecommunications services, we are constantly investing in further developing the Vodafone network. We have been the first operator on the market and one of the first in Europe to launch 5G commercial services, in spring last year. Our aim was to give Romanians the possibility to be among the first in Europe and even globally to be part of the advent of an entirely new era, brought by the 5G technology.

Major events since last report

In FY 2019/20, there were two events with a major impact in our day-to-day activity.

The first one was the Vodafone Group – Liberty Global merger, a planned, strategic move, which helped us to improve the experience of our customers through a more diversified and complete bundle of services and to contribute to a healthy and enhanced competition in the market, thus benefitting Romanian telecom users.

On May 9, 2018, Liberty Global was set to sell its operations in Germany, Hungary, Romania and the Czech Republic to the Vodafone Group. On 19th July 2019, Vodafone Group received approval from the European Commission on this transaction and on 1st August 2019, the transaction took place. In Romania, this led to Day 1 of the merging process between Vodafone and UPC, which was conducted under the #BetterTogether tagline, symbolizing the underlying vision of the entire process: taking the best from both operators to build a stronger and complete telecommunications company. On March 31st 2020, the legal merger was finalized, meaning that UPC dissolved and Vodafone Romania remained the only legal entity. As a result of the merger, the consolidated data showcased an increase for the second quarter of FY 2019/20 to[1] 232 mil EUR, and a 11 million customers base. Mobile ARPU was at 5.3 EUR.

The acquisition of UPC Romania marked the first step of our journey towards convergence. In our view, innovation and converged electronic communication services (mobile, fixed and TV) are key in the future digital world.

Recent Highlights

2019 ■ Supernet 5G and first 5G commercial services

2019 ■ Best Project, Collaboration or Event award (IABM -BaMAwards)

2019 ■ Best 5G Project or Innovation award (CSI Awards) - 5G HoloRock concert

2019 ■ Acquisition of UPC Romania

2019 ■ DreamLab in Romania, the app for cancer research

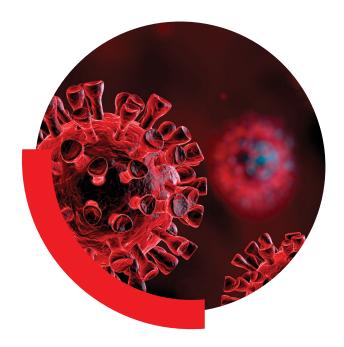2020 ■ Top Employer award (Top Employers Institute)

2020 ■ 100% renewable energy bought in the national grid for owned sites

2020 ■ First 4K live holograms in the world – HoloMoms

2020 ■ Fast response to the COVID-19 pandemic to ensure employees' and customers' safety

2020 ■ Best in Test mobile network certification (6th consecutive year, by umlaut AG)

1 The data cover main financial results of Vodafone România in the second quarter (July 1st to September 30th 2019) and UPC Romania, as a result of Vodafone Romania and UPC Romania merger.

The break of Covid-19 pandemic represented the second large event of FY 2019/20. Despite the unprecedented challenges and unpredictability of the global health crisis, we managed to have a prompt response. Our commitment towards our colleagues and customers made it clear that we had to respond fast in putting everyone out of harm's way, while keeping and even expanding our services at a time when telecommunications became more important than ever before and when everyone put their trust on digital solutions – individual, private companies of all sizes, public institutions.

In a matter of days, we safely moved our teams in a work-from-home framework. Due to the fast and coherent transformation process of our operations, we had no lay-offs during the emergency state; all our colleagues working in stores or having other usual face-to-face interactions with customers received reconversion support. Their contribution was essential, so we helped them use their skills in a different working format – for example, by joining the Customers Support teams.

This new social and sanitary reality brought additional challenges for the entire society. Our services became, more than ever, central tools for connectivity, communication, social and economic security. Many businesses had to reshape and move from physical stores into on-line. People needed the means to communicate with their dear ones, as well as real-time information. Also, at-risk social groups found themselves in even more pressing situations. We offered our support to all of them: we adjusted our offers and services to the urgent needs of our consumer and business customers, with more digital interactions and entertainment. We consolidated our network to ensure increased capacity and offered support to the authorities by connecting campaign hospitals, medical staff and, through our Foundation, donating medical equipment to a number of hospitals, including a testing machine for the triage centre in Arad.

Given the challenging context, we focused on our internal activities and tested our business continuity plan to make sure that we keep our colleagues safe, our operations optimal, and that we have a consolidated network to sustain increased capacity. The way we managed what was to become the beginning of the Coronavirus crisis proved our resilience and commitment towards the society.

Corporate governance

Vodafone Romania's governance and executive structure provides the framework to implement its sustainability and business strategy, oversees and monitors market opportunities and risks. Murielle Lorilloux holds both the Chairman and the Chief Executive roles. Along with the Executive Management Team (EMT), she ensures that Vodafone Romania strategy is on course and that the organizational culture, values and purpose are met, while keeping a positive dialogue with stakeholders.

The CEO oversees the Purpose-led business plan, based on its 3 strategic pillars: Digital Society, Inclusion for All and Planet. Further, the Chief Technology Officer sponsors the Planet pillar, the HR Director sponsors the Inclusion for All pillar, while the Consumer Business Unit Director sponsors the Digital Society pillar. All the sustainability commitments are, thus, carefully executed and constantly monitored.

Vodafone's business and sustainability commitments are defined globally, although each market sets its own strategy and targets in meeting this unified vision. The local adaptation of Group's strategy is set based on intensive consultation processes with key stakeholders, such as: employees, suppliers, customers, regulatory institutions, local communities' representatives and so on. The consultation processes are held via annual surveys, compliance processes, internal audit, formal and informal channels for employees and contractors. External stakeholders are consulted via market research studies, formal and informal feedback events – such as press events and happenings, community events and so on. All these consultations contribute to the cultural climate in Vodafone Romania.

MOSTAFA **EL BELTAGY**
CONSUMER BUSINESS UNIT
DIRECTOR

MIHNEA **RĂDULESCU**
**VODAFONE BUSINESS
UNIT** DIRECTOR

CĂTĂLIN **BULIGA**
TECHNOLOGY
DIRECTOR

IOANA **MIHĂILESCU**
CUSTOMER OPERATIONS
DIRECTOR

MURIELLE LORILLOUX
CEO OF VODAFONE
ROMANIA

MARIUS **CORCOMAN**
FINANCE
DIRECTOR

ANCA **MARCU**
HR & PROPERTY
DIRECTOR

LIVIA **DUMITRESCU**
**LEGAL & EXTERNAL
AFFAIRS**
DIRECTOR

RĂZVAN **DUMITRU**
**STRATEGY & BUSINESS
DEVELOPMENT**
DIRECTOR

Financial data

Through the acquisition of UPC Romania, we became one of the main convergent telecommunication services providers in our market, running a sustainable business that is adapted to today's challenges. One of our largest economic impacts is reflected in the national digital infrastructure, as we continuously invest to maintain the highest performance of our equipment. Secondly, our presence in the market contributes to shaping the business sector and not only towards a digital, more sustainable model. Our services offer unseen opportunities for optimized solutions, which lead to a better use of resources. Also, due to our Planet commitments, we are looking for providers capable to ensure sustainable, green products and services. Green energy, electric and hybrid cars are just two examples on sustainable purchases and how we enhance the emerging trend of sustainable products in the local market.

	FY 2019/20	FY 2018/19	FY 2017/18
Revenue (EUR)	905[2] million	715.3 million	723.6 million
Number of clients	11 million[3]	9.7 million	9.6 million
Mobile ARPU[4]	5.1	5.9	6

Similar to our previous years' practice, Vodafone Romania received no financial support from the government during the reported period.

Responsible supply chain

The responsibility goes beyond our organization; we transfer it to our business relationships, in our supply chain and in our partnerships. The supply chain integrity sets our partnerships and FY 2019/20 was the year of expansion for our network, as we started the onboarding of some of UPC Romania's own suppliers. We were glad to see that our values for ethical businesses and transparency were aligned to UPC's business practices. With the help of Vodafone Procurement Company, the due diligence process was successfully fulfilled and the new pool of potential partners was evaluated and sorted based on the same criteria we use in our entire supply chain, setting the grounds for an equitable and transparent relationship. As a result of our ethical supply chain policy, we had no human and labour rights, environmental or social incidents. In order to make sure that we have common values and no policy breaches in our supply chain, we organized trainings for our

- 65% of our suppliers have operations in the Romanian market

- over 200 million EUR spent on their services and products (IT&E, Network , Commercial & Services)

new partners to present our approach towards ethical supply chains and our sustainability drive. Moreover, we aim to collaborate with our landlords to adopt similar green energy policies on their properties, and we constantly encourage and educate our partners to transition to more sustainable business models, looking into optimization solutions.

Memberships and supported initiatives

AmCham Romania (American Chamber of Commerce in Romania); FIC (Foreign Investors Council);

AOMR (Romanian Association of Mobile Operators); BRCC (British Romanian Chamber of Commerce);

Aspen Institute Romania; Coalition for Romania's Development

Concordia Federation

Our contribution to the UN Sustainable Development Goals

This year marks the beginning of the "decade of delivery" to achieve the UN Sustainable Development Goals ('SDGs'). The SDGs provide a clear roadmap and call to action for businesses to get involved in creating a better future. Vodafone Romania has a valuable contribution in reaching these goals via technology and digitalization, its services and tools, responsible products and community investments, especially via Vodafone Romania Foundation's involvement. Thus, we hope to speed up the scale of delivery on the SDGs in the Romanian market, according to the needs of our local communities.

2 Consolidated revenue of Vodafone Romania and UPC Romania

3 Starting December 31st 2019

4 Average Revenue per User - the amount of money that a company can expect to generate from an individual customer

Chapter 2
Digital Society

> All over the world, we live now a new kind of change: we are moving towards a society based on digital solutions, which enable us to use our resources better, more respectfully and efficiently in our everyday life. Digitalization changes traditional working patterns, our commuting and shopping habits, our entire life, actually, as we become ever more connected.
>
> A true democratic digitalization means putting our services to everyone's use, including most vulnerable groups. And I must say, our team found a tremendous level of energy and motivation to come up with relevant products and offers for our customers, that would serve their needs, especially during turbulent times, such as the COVID-19 pandemic.
>
> We know our services have the power to help people and improve lives, and this is what a fair digital world is about, it helps everyone grow.
>
> **Mostafa El - Beltagy – Consumer Business Unit Director and sponsor of the Digital Society pillar**

Our goals:

- ✓ Connect 350 million people to the Gigabit Society by 2025 – widespread connectivity of over 1 Gigabit per second, low real-time network response rates and more reliable performance than ever before
- ✓ Connect 150 million vehicles to the internet by 2025 for more efficient, safer and smarter transport

The Digital Society commitment represents the core of our business. We are a technology-based company and we put our expertise to the ultimate goal of making people's lives better. We believe in a connected digital society where people have the chance to experiment the extraordinary. Thanks to our next-generation networks, our customers can access an ever-growing range of services in real-time and businesses can develop new products and services to meet the needs of the future generations. It all starts and ends with our customers.

We live exciting times, where societies go through structural changes and people, especially early adopters, learn to put technology more and more to their use, to make faster, better and more responsible decisions. At the same time, we still have a long way to go. Technology is not handy to all of us. People need to learn how to use the internet, apps and other digital tools to improve their work, be creative or efficient. The public debates raise security, transparency, and privacy concerns when it comes to such tools. Also, technology raises concerns in terms of people's jobs safety or digital literacy. Last, but not least, internet and the access to virtual communication tools brings to light the profound impact of fake news in our societies. All these topics are more than relevant in our work. We are not only developing service and product packages, but we are, first of all, partners. This means we help individuals and companies, whether small or large, to learn how and where they can use technology and digitalization in order to actually improve their lives.

As a response to these growing needs, starting FY2019/20, our portfolio will became more tech-based, with a wider range

of solutions, including broadband internet, landline solutions and television, adapted to small enterprises, but also large companies. This significant growth in our services is based on the Vodafone - UPC merger, a long-term process initiated in this fiscal year. The merger helped us grow our experience, learn fast and make important progress towards our vision.

Our services are engines for growth, as technology and communications services are the stepping stone for our dynamic lives. They are the product of our thinking big, our "what if" approach, our courageous goals. They bring families closer and reshape our working environment, or they can make jobs more accessible. The Covid-19 pandemic is an example on how technology helped us to keep in touch in times when being physically close to our dear ones was impossible. Another example here is the jobs market where, in the past, employees and companies were depending on to geographical location. Now, jobs are available to people all over the country and beyond through teleworking solutions. Importantly, jobs traditionally defined by face-to-face interactions are now transitioning into online and telecommunication channels. All these enable people with limited mobility or who live in remote areas to easily overcome previously insurmountable limits.

We educate our customers in making smart, efficient decisions on how to use the IoT solutions, we offer them the best support and we customize solutions to their needs. To us, digitalization means a lot of learning, listening and understanding of our customers' needs, fears, limitations and mostly, their aspirations.

At Vodafone Romania, we always stood close to our business partners, assisting them in their learning and adaptation process. When people think of IoT solutions, most of the time they picture themselves large companies or new, pioneering IT start-ups. But that is just a small business segment of where it actually works, so we embarked on this new journey with highly diverse partners: SMEs, retail companies, food processing companies, health units and we wish to see digital and technological solutions implemented everywhere they can improve the lives of us all.

**Marius Coman,
IoT Country Sales Manager**

Over the years, we developed our technology and we see wonderful opportunities in the future. In addition, we are now starting to see people changing their attitudes in relationship to technology, putting it more and more to their use and gaining new skills, which is wonderful news to us.

- We participated in the task force led by the Authority for Romania's Digitalization, where we took further, along with other key stakeholders, strategic programs aimed at building a digital society: electronic signature, digital identity and governmental initiatives for a Digital Transformation Process.

- As members of the Romanian Mobile Operators Associations (AOMR), we took part in the task force dedicated to the simplification of the authorization regime for telecom constructions, in collaboration with ANCOM and the Ministry of Transport, Infrastructure and Communications. We have been present throughout the entire legislative project's elaboration, having contributed to the content creation and the negotiation activities. This initiative sets the ground for more straightforward authorization processes, which allow a faster deployment and consolidation of telecom networks, ultimately increasing digitalization.

- Also, we worked with Aspen Institute to elaborate a policy paper focused on best practices in public institutions, in accordance with the "Digital First" principle. But we did not stop here. We piloted, under the American Chamber of Commerce in Romania's umbrella project, a digital skills program for students called "Digital Skills in 4th grade" („Digital Skills la clasa a IV-a"). Building on this experience, under the Ministry of Education's patronage, we will continue our initiatives in finding the best solutions to improve Romanian students' digital skills.

- Vodafone Romania currently implements NB - IoT solutions nationwide. This technology opens the path for connecting a large number of sensors with an energetic autonomy of up to 10 years. These sensors can be installed in areas where 2G, 3G and 4G cannot offer internet coverage. These sensors measure water, energy and gas usage. Thus, via NB - IoT servers, companies can monitor and optimize their utilities consumption.

Products and services
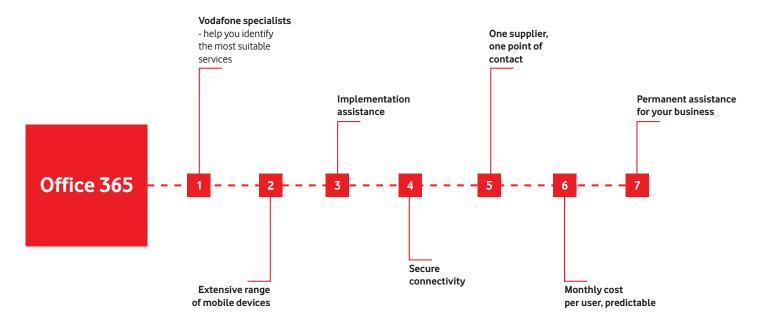
Our products and services

Customers

Individual and Convergence services
Mobile voice and internet (national unlimited benefits)
Broadband internet
Television
IoT for customers

Business

Voice and mobile data	Voice and broadband internet	Television	Cloud and Hosting	Security	ICT and IoT solutions
Mobile voice	Broadband internet	Digital TV	Microsoft Office 365	Secure Net	ICT solutions
Mobile internet	Land line voice	Flexible TV IPTV	Domain hosting and email Smart invoice	Secure Device Manager Apple Business Manager	IoT solutions
	Fixed Data		Smart Archive	Data Security	
				PC Protection	
				Cloud Security	
				DDoS protection	
				Video Surveillance	

Office 365 – solution for small companies, designed to blend operational needs with secure connection and simple access to technical support.

Vodafone specialists
- help you identify the most suitable services

One supplier, one point of contact

Implementation assistance

Permanent assistance for your business

Office 365 — 1 — 2 — 3 — 4 — 5 — 6 — 7

Extensive range of mobile devices

Secure connectivity

Monthly cost per user, predictable

A. Telecom services

Over the years, we invested in developing a robust, reliant network, helping us to constantly take the lead in the Romanian market. We focused also on piloting technological solutions to create the best experiences for all our customers. Similarly, we expanded our network nationally, with full capacity to offer excellent mobile voice and data and now fixed internet and TV services, as well. This effort has been rewarded by our customers' loyalty and the annual network certifications received from independent auditors. Among others, we have been constantly certified as "Best Mobile Network" by umlaut AG (former P3 communications) and in 2019 we received Forbes' "Coolest Brand in Telecom" award.

Holograms

Vodafone celebrated mothers in Romania by creating statues based on live 4K holograms.

Last year, Vodafone Romania premiered the first rock concert integrating a real-time hologram using 5G technology. **This year, we took it** to the next level and created world's first live holograms in 4K resolution representing real Romanian mothers, over 5G.

In 'Women's Month', Romanians had the opportunity to offer their mothers a very special gift by creating, together with Vodafone Romania, a hologram for them. For this, different mothers were recorded in real-time and transformed, with the help of 5G, into live 4K hologram statues, capturing their reactions and feelings. Each mother received a video of this unique experience.

"We continue to innovate and to use the latest technologies in order to improve people's lives and create a better connected future. All mothers deserve a statue and we are making this possible in a digital way. We are proud to create world's first live 4K holograms over our Supernet 5GTM network to celebrate motherhood."

Cătălin Buliga, Technology Director at Vodafone Romania

Supernet 5G

Mama, ți-am făcut statuie

PREMIERĂ

Holoramă live la rezoluție 4k

Ready?

Detalii pe vodafone.ro

vodafone

5G network

In June 2019, we took a step forward in meeting our connectivity objective when we expanded our 5G coverage and launched the first 5G commercial offers in the country. Our 5G network enables Romanians' access to amazing capabilities of this next generation technology. **Red Infinity 17** and **Red Infinity 25** are the first 5G subscriptions which offer unlimited data on **Supernet™ 5G, the first 5G network in Romania**.

"We are very proud to be amongst a handful of operators globally and the 1st one in Romania to have launched 5G services and commercial offer. This proves our commitment to be at the forefront of innovation not only locally, but also globally, and make sure that the Romanian users get the opportunity to experience leading technologies. We are committed to continue our mission and long-term investments in state of the art technologies in order to support and develop the digital Romanian society in the era of speed."

Mostafa El - Beltagy, Customer Business Unit Director at Vodafone Romania

B. IoT services

Once 5G becomes a reality in terms of network solutions, our society faces a huge leap towards digitalization. Now, we are moving from proof-of-concept ideas and projects to systematic changes, which will transform our ways of operating. Otherwise impossible technical initiatives may become in short time ordinary solutions: numerous synchronized machines working within optimized parameters, autonomous sensors and machines, and the list may continue. All these solutions can simplify operations, reduce the use of resources and reinvent our working and living patterns. These are exciting times and, as always, we are ready to drive innovation, developing the best solutions for our partners and customers.

Ready Business – Case studies

Albalact needed a communication network able to ensure permanent connection between the distribution line, company's premises all over the country and their partners. The project involves a complex and dynamic network, where data safety and real-time communication are critical. The IP Telephony and VPN services guarantee controlled access to data and eliminate all communication barriers. The unified solution of mobile and landline telephony translates into efficient business and an easy to use solution for all people involved. IT Telephony also allows audio and video conferences, thus significantly reducing travel time and costs.

Landlines are intensely used in interdepartmental communications, in logistics departments for urgent stock supply and in plants' operational activity. With Vodafone as provider for all communication solutions, the internal communication has enormously reduced.

Another crucial service for Albalact is the car fleet solution. Vodafone has implemented an IoT solution that monitors and optimizes the distribution and logistics routes. The results of these optimisations led to a decrease of rolled km by 15% and a 10% decrease in delivery time. Additionally, the company minimized its delivery programming time by 80%.

Kaufland

In 2019/20, we initiated a four years' IoT development solution for Kaufland Romania. Together, we agreed to implement a Digital Media Signage project inside stores, dedicated to communication with customers on special promotions and

products. The solution consists in a series of digital screens located in the stores, replacing traditional print advertising materials. The reasons to switch to digital advertising materials are: swift communication of promotional offers (which are often renewed), quicker in-store communication timelines and reduced paper use. After implementing our Digital Signage solution, the paper use dropped by 50% and sales for promotional products raised by 25%.

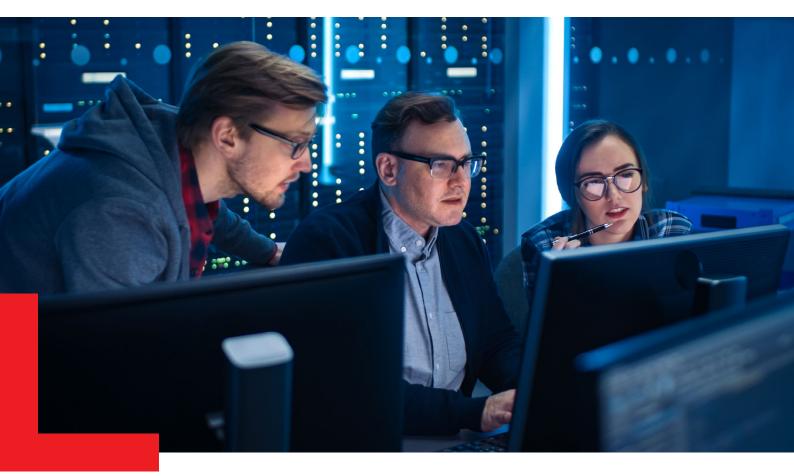### C. Responsibility towards communities and customers

Our responsibility towards customers

All Vodafone products are tested before they reach our stores, in order to meet all European and Romanian quality and safety requirements. Additionally, we implement sector specific quality certifications for all products, in order to offer our customers the best products on the market. The products in our stores are GCF[1] and FCC[2] certified, and they are marked accordingly with specific labels on the packaging.

In FY 2019/20, we initiated a new labelling procedure, which marks our SIM cards as non-disposable items in the municipal waste. It was implemented for all new SIM cards and indicates a recommendation on how to dispose them, similar to other ITC products' labels.

Our due diligence regarding the products in our stores helped us to ensure zero incidents regarding our labelling procedures and the health and safety of the products merchandised.

1   GCF is a non-profit, global membership driven organisation that promotes mobile and IoT certification programmes for conformity to agreed standards of interoperability.

2   The FCC label or the FCC mark is a certification mark employed on electronic products, which certifies that the electromagnetic interference from the device is under limits approved by the Federal Communications Commission (US).
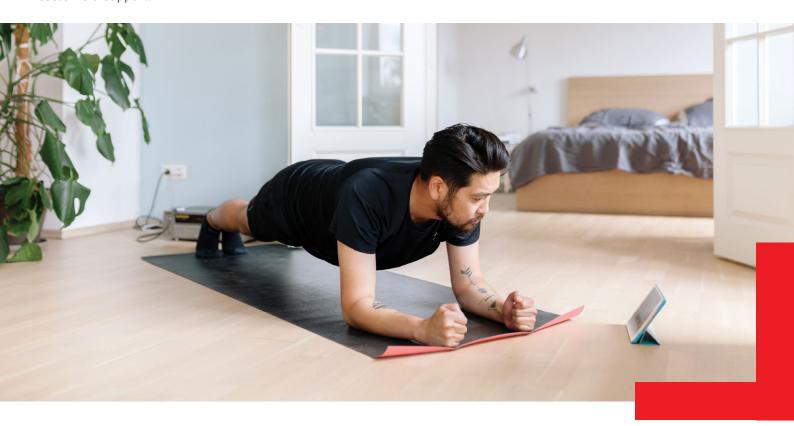
Customer care

Communication channels available for our customers

- Call-center, available both for mobile and fixed services
- Email, adapted to the type of customer and enquiry
- Visit in one of our stores
- Letter to the headquarters
- Account managers or other specialists
- Facebook page messenger or comments
- **MyVodafone** app: The ticket opened in the app is transformed in a Customer Care enquiry and it is consequently solved by our Customer Care team.

Communication channels available for our business customers

- Call-center both for mobile and fixed services
- Email, adapted to the type of customer and enquiry
- Visit in one of our stores
- Letter to the headquarters
- **Account managers** and other specialists

Along with the attention to network's quality and coverage, we are looking also into offering a reliable and best performing customers' support.

We allocate time and energy to understand our customers' needs, whether consumers or businesses, so together we can come up with the best solutions. Vodafone Romania keeps multiple contact channels with its customers. They vary and are adapted to our customers' needs, ranging from our website page[3], to letters to our headquarters and social media pages (Facebook, Instagram, Twitter). We also have account specialists, where specific situations may arise, who are ready to help and respond to any customers' requirements or complaints.

Mobiles, masts and health

The health and safety of our people, customers and the wider public is a priority for Vodafone Romania. We always operate our mobile networks strictly within national regulations, which are typically based on, or go beyond, international guidelines set by the International Commission for Non-Ionizing Radiation Protection ('ICNIRP'), an independent scientific body.

Decades' long scientific research on mobile frequencies (including those used by 5G) is covered by both international and national exposure guidelines and regulations. Following an extensive review of scientific studies published during the last 20 years, in March 2020 ICNIRP confirmed that there are no harm effects on human health coming from 5G frequencies, as long as exposure is within the guidelines.

3 Our customers can send their concerns or complaints on our website here:
https://www.vodafone.ro/personal/asistenta/Contacteaza-ne/suna-ne/index.htm
Our business clients can send their concerns or complaints on our website here:
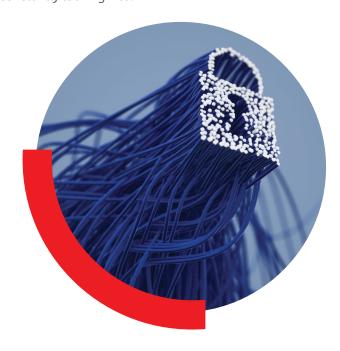https://www.vodafone.ro/business/asistenta/contact/suna-ne/index.htm

Customers Data Security

Our approach in relationship to our customers is based on mutual trust. For us, the customer data security takes centre stage and we have zero tolerance to data breaches. In order to achieve this goal, all employees must comply with the policies in place to the fullest, as we take the protection and confidentiality of all our customers' data very responsibly. We are ISO 27001 certified and compliant with all data protection requirements.

Responsible use of internet
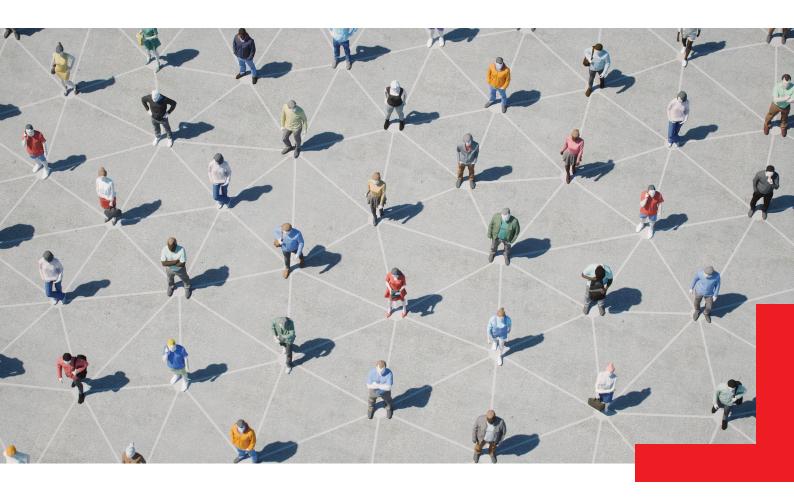
Youth and technology

Digital tools are becoming more and more part of our everyday life. Technology is connected to all aspects of our days, such as education, socializing, life-style and so on. Today, most people have a digital identity and history. However, technology carries its own risks, especially when it comes to the vulnerable groups. The amount of time spent on devices and the effects on our social life skills, the quality of information or activities on the digital tools, consent on publishing private information and sensitive content of others, misbehaviour, cyberbullying and digital predator behaviours are serious aspects that we are constantly looking into.

The widening of the existing social gap represents another important risk that comes with technology. Digital tools are mostly used by educated and economically secure people. Vulnerable groups (low-income, people in remote areas, disabled people etc.) rarely have access to such tools and they lack the skills to use them. This is why at-risk groups do not use technology for eLearning classes or assets, online payments, online shopping and so on. Vodafone Romania Foundation's **School in a box** program helps to reduce the digital divide

between urban and rural, allowing students in rural parts of the country to access for free an eLearning platform and use tablets with internet connection during their classes. On the long run, these students will be more equipped to use technology for their own growth and wellbeing and better prepared for the future's job market. More on the program is available in the *Sustainability in the Communities* chapter (p39) and online, here.
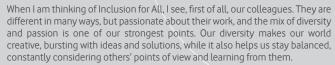

Short-term targets for the Digital Society pillar:

- **Better digitalized lives** – converged portfolio of services, new entertainment experiences
- **Digitalize businesses** – support for SMEs' digitalization
- **Digitalize critical sectors** – eHealth, eEducation and eGovernment solutions

Chapter 3
Inclusion for All

"

When I am thinking of Inclusion for All, I see, first of all, our colleagues. They are different in many ways, but passionate about their work, and the mix of diversity and passion is one of our strongest points. Our diversity makes our world creative, bursting with ideas and solutions, while it also helps us stay balanced, constantly considering others' points of view and learning from them.

At the same time, in our journey to create Inclusion for All, technology is a catalyst for change and innovation. We want to take it further and put it to the use of the many, so that it can truly connect and create a better future for people. We manage this both internally and externally, through various programs and projects aimed at either empowering women, or helping individuals to acquire or develop digital skills or by creating apps and digital solutions to solve societal problems and improve people's lives. At Vodafone Romania, we truly believe that technology has the potential to create a growth-oriented environment as well as, in the end, a more inclusive society.

Anca Marcu – HR & Property Director and sponsor of the Inclusion for All pillar

Our goals:

✓ Become the best employer for women by 2025 – help thousands of skilled women back into the workforce and help women develop both professionally and personally

✓ Connect 10 million young people to digital skills and jobs by 2022 – upskill the next generation and prepare them for tomorrow's digital economy

In our culture, people are valued for their professionalism, enthusiasm, fairness and strong values. We put inclusion at the top of our conduct in relations with our colleagues and we take pride when people feel safe to be themselves in our team. We nurture diversity, as we know that different backgrounds and interests lead to a creative, innovation-based working environment. Our ambition is to be the best employer for women by 2025, but our open-minded and open-hearted vision encourages people from different minorities to flourish in our culture.

Vodafone Spirit

FY 2019/20 represented the year when Vodafone Group redefined its purpose and values. In December 2019, the Group launched Vodafone Spirit, which describes our beliefs and behaviours – in other words, our inner values and the Vodafone ways of working. The "Big Conversation" group-wide internal webinar marked this celebratory event and articulated the connection between our Vision, Purpose and the Vodafone Spirit. The broadcast gathered 37,850 people globally and sparked the conversation around beliefs and behaviours in Vodafone. The aim was to deepen understanding about the Spirit and encourage individuals to commit to action. In Romania, we fully embraced this path and carried out an impact analysis, which showed how instrumental the Big Conversation has been in igniting a behavioural change. Since then, via trainings and learnings, we focused on putting the Spirit at the

core of our activities and our processes concerning our organisation, like the approach to talent and skills, recruitment, as well as rewards and recognition processes.

A fair and trust based work environment

Running a responsible business is paramount to Vodafone Romania. Our Code of Conduct guides our everyday activities and we have zero tolerance to any deviation from a responsible practice. Our Code covers areas such as Ethical decisions, Individual conduct in cases of bribery and improper payments, conflict of interests, security, information classification, compliance with the law, employee privacy policies, diversity, environment, communities and so on. The Code is a public document and it is available both to our employees and others interested in our ethical practice. Moreover, we have constant trainings on these topics.

In FY 2019/20, we put a lot of energy in providing trainings for all or employees, including our new colleagues from UPC Romania, in order to align our values and code of conduct. Also, all our employees received career and professional reviews, helping them set their own goals and adapt their career paths accordingly.

Speak-up, our whistleblowing program, allows people who face discrimination to alert the company on any human integrity violation practices. The program assures anonymity for whistle-blowers and sets in place the corrective measures.
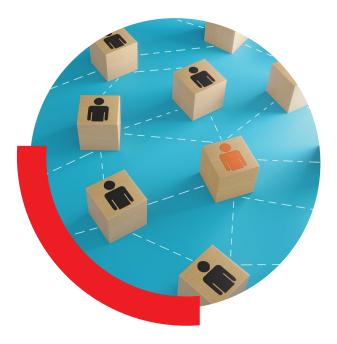
Our people

Key information	FY 2019/20	FY 2018/19	FY 2017/18
Average number of employees	3,011	3,107	2,935
New hires	532	1,175[1]	551
Full-time contract	2,763	2,560	2,126
Part-time contract	248	547	30
Women %	57%	61%	59%
Men %	43%	39%	41%
Employee turnover rate	26.25%	30%	30%
Parental leave	9.76%	6%	3%
Women on the Board	50%	50%	33%
Women in senior leadership positions	44%	46%	47%

1 FY 2018/19 represented a big step for insourcing our Call Centre operations, which meant bringing in our team 800 new colleagues.

Expanding our team due to Vodafone Romania and UPC merger

In order to meet the needs of a mature market in Europe (Romanian market included), in 2018, Vodafone Group expressed its intentions to acquire Liberty Global's telecom operations in Germany, Czech Republic, Romania and Hungary. The merger was further approved in 2019 by the European Commission and the transaction took place in August 2019. In Romania, this acquisition meant, among others, the growth of our team by roughly one third of its previous size. Thus, by 31st of March 2020, we welcomed into our organization over 1000 new colleagues.

The merger between two companies with different perspectives, such as Vodafone – a leading mobile telecom player – and UPC – fixed telecom player with an established expertise on the market – is a long-term process and we wanted to start with the right foot. Therefore, our first concern was to make the transition easy, respectful, learning-oriented and efficient. Both Vodafone and UPC teams brought valuable knowledge, expertise and cultural insights, which helps us to go further towards becoming a complete technology and telecommunications company, offering exciting and valuable experiences to our customers and partners. At Vodafone Romania, we have a long history of innovations and an inquisitive spirit that focuses on bringing excellence in relation to all our stakeholders, while UPC brought valuable technical know-how on broadband and TV services, a lot of attention to details and extended experience in door-to-door customer base building.

Welcome to Vodafone

In order to prepare our UPC colleagues (approx. 1000 people) and make them feel welcome to Vodafone, we had a dedicated integration newsletter, sent throughout the merging process. Before the legal merger was finalized, we sent weekly updates about the integration, such as main milestones, next steps in preparation of the transfer, as well as Vodafone policies and technical procedures.

We also prepared an induction brief where all information required (from company culture, to key policies, system access procedures and so on) for their onboarding in Vodafone was one click away.

On March 31, despite the lockdown caused by the Coronavirus pandemic, our legal merger became effective and we celebrated together, being digitally connected. We started the day with a welcome SMS sent to all our UPC colleagues, followed by a special edition of the dedicated newsletter. We continued with a webinar led by our entire Executive Management Team, who wished to congratulate everyone for their contribution to officially becoming one team and share some integration updates (finalized activities, progress made and next steps of the integration journey).

In the two months following the legal merger, our new colleagues were invited to attend webinars organized by Vodafone Group on company culture and strategy, as well as local webinars on the most relevant topics, like HR systems & main HR processes, recruitment processes, Anti-Bribery and Competition Law policies.

The success of the platform was the stepping stone for a new approach in our induction procedure.

Safety and health for our employees and into our stores

Safety and health are paramount for reaching full potential of people. They need to feel, first of all, that their environment offers them the grounds to operate safely. That is why Health and Safety policies have always been a strong pillar for our HR practice.

All over the year 2019, an HSW (Health, Safety & Wellbeing) Committee formed by representatives from all our business areas has met at least quarterly to discuss related topics with our management team.

Main topics raised referred to:

- Improving workplace environment in our main office buildings;
- Reviewing safety of our cell site database;
- Employees and suppliers safety trainings;
- Additional safety practices for our retail stores.

Vodafone takes Safety very seriously within the entire business. We use our incidents database as a solution for learning and improvement. Hence, we monitor all hazardous incidents involving our employees or suppliers, no matter the injury type or losses. During FY 2019/2020, 4 of our colleagues suffered minor accidents while commuting to work or during work.

Vodafone investigates all incidents related to our car fleet, including but not limited to: parking accidents, collision with objects, and collision with other vehicles. During FY 2019/20, 1 out of 10 Vodafone vehicles were involved in at least one minor incident. A total number of 163 road incidents involving a Vodafone vehicle were recorded and investigated.

We have also implemented management systems for controlling our supply chain. We monitor the health and safety performance of suppliers involved in our activities. During 2019-2020, there were zero supplier accidents.

Our top 5 occupational risks include driving, working at height, working with electricity, legacy infrastructure and control of subcontractors. During 2019-2020, Vodafone has continued upskilling people who manage our top risks, increasing

the safety of our fleet and increasing visibility of our safety leadership.

Vodafone has also enhanced its safety policies regarding, but not limited to:
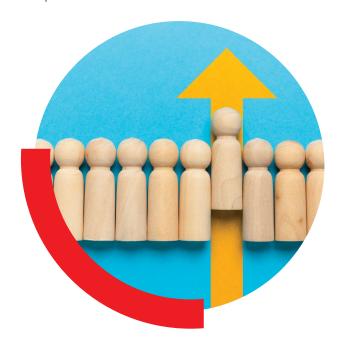
- Vodafone Health, Safety & Wellbeing Framework;
- Incident reporting and investigation;
- Occupational Road Risk;
- Electrical Safety;
- Working at height;
- Fibre installation and maintenance, including underground fibre activities;
- Health and Safety in the Supply Chain Management;
- Lifting operations;
- Access and work approval for high-risk activities;
- Safety in network site design.

Building a career in Vodafone

We are constantly looking into attracting creative, energetic people in our team, with a diverse experience, knowledge and approach. Thus, we want to put together the key ingredients for an effervescent culture: creativity, diversity, energy and motivation. We built an elaborate and handy platform for everyone who chooses to become our colleague, making induction an easy step. Further on, we look into helping people to grow and achieve their full potential, and we stand by them to discover their interests and their uniqueness. In order to achieve all these, we have in place a complex training structure. In 2019/20, 1000 of our colleagues followed 5500 online classes on Vodafone University platform. Also, our colleagues were part of specific dedicated programs, such as

Lean-In Circles, Discover and Welcome to Vodafone, where they have alongside a mentor and colleagues, helping them fully access their potential. All these steps allow our colleagues to find what motivates them, how they can best contribute and even inspire others.

Diversity practices in Vodafone Romania

Women in Vodafone Romania

One of our key goals is to be the best employer for women. The best way to track our progress is by looking at how women can build a career within the company. We pay close attention to all critical moments of women's career paths.
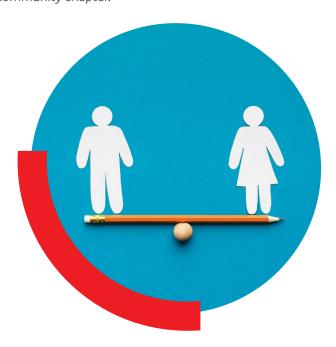
> 44% of Senior Management are women
>
> 57% of women in Vodafone Romania

Lean - In is one of the key initiatives to empower women in their career decisions, to ease reintegration in the working environment and to enhance confidence in their professional skills.

Lean-In Circles is a tailor-made peer-to-peer empowering program, having a supporting group-working frame. The program encourages women to pursue their ambitions, moving the conversation from what a person cannot do, to what they can do.

Domestic Violence policy within the company

In FY2018/19, we took an important step forward by launching an internal policy to support victims of domestic abuse. The policy proved to be a useful tool, but in early 2020 we faced a new, unexpected challenge. The COVID-19 pandemic increased the number of domestic abuse cases nationwide. In March 2020 only, the Romanian Police Department reported a 2.3% increase in domestic violence cases as compared to March 2019. But this is just the tip of the iceberg. More subtle phenomena cascaded down into women's wellbeing. For example, women tend to be the typical worker in the support medical jobs, such as nursing, but also have higher representation in other significantly affected sectors, such as hospitality industries[2]. All these factors determine us to increase our commitment towards women empowerment, whether via our services and products or through social initiatives. As a first response, in FY 2019/20 we set-up the Bright Sky Ro app that would be operational by FY 2020/21. The app is a much needed tool, both for helping domestic abuse victims and for educating people and encouraging conversation on a sensitive topic. More information on the Bright Sky app is available in the Sustainability in the Community chapter.

Youth in Vodafone Romania

It is said that you need a village to raise a child. We consider that young people need, more than ever, support in building a professional career, as our world is on a fast changing pace. Families, the educational system and informal education bear a decisive impact on their development and we put our own effort in supporting these future generations. In this regard,

2 https://www.nature.com/articles/d41586-020-02006-z

Vodafone is a company that nourishes enthusiasm, moulds the energy towards hands-on fascinating technology projects, where they can see the social benefit, as well.

Youth face, in many markets, challenges difficult to overcome. The high unemployment rates, for example, cascade down into development resources' scarcity and lack of long-term personal and professional perspectives.

Young professionals represent 16% of our colleagues.

Discover is our Management Trainee program that enables young people with limited or no professional experience to work, over a two years' span, into different departments of their choice. The program is designed to allow those at the beginning of their professional lives to discover, experiment and learn, with the help of a mentor and a buddy, and put the rich experience that they have accumulated at the foundation of their future careers. The participants can swap up to three activity areas (e.g.: IT, Marketing, Data Mining, Finance) and settle between 6 to 12 months in these departments/teams. In FY 2019/20, we had 6 participants in the program.

The COVID-19 pandemic influence on the Inclusion for All pillar

Our first response to the pandemic

The first months of 2020 showed us all our weaknesses and proved the need for more resilient communities. Our first concern, as the Coronavirus pandemic broke globally, was to ensure the safety and health of our colleagues and customers.

We also knew that we had to keep our activity up and running, as technology and connectivity became everyone's main tools for staying close to their dear ones, updated on the pandemic advancements and in-touch with their professional activities. Furthermore, we knew that our services must be ever more reliable, as the entire society was depending on them, including public authorities and those at the frontline of the health crisis: hospitals and their medical staff.

In order to best respond to both our team and society's needs, we structured our response in two stages. The first one focused on a quick change in the set-up of our business, so that our entire team remained safe and able to function at optimal parameters. The second stage enlarged and refined our support for our colleagues, emphasizing the need to adapt to the new working environment and the "new normal", in general.

Stage 1

Fast decisions and actions make the difference, sometimes. The first steps we took to help our colleagues meant the transfer of all our tools, learnings and knowledge into online.

Since before the national emergency state's beginning in mid-March 2020, we moved our operations online and our employees in a work-from-home regime. Although the process was fast, spanning over just a couple of days, none of our colleagues was left behind. An important factor for the fast response in setting around 90% of our colleagues in work-from-home format was our former Smart Working policy, which allowed Vodafone Romania employees (whose job did not involve direct customer contact) to work one day a week, 4 days a month from home. The two advantages of the policy were: our colleagues were already familiarized with the remote working format and we had an already in-place procedure to

move our operations. All jobs in Vodafone Romania were kept, and where needed, our colleagues received training and support to adapt to remote working.

However, we have experimented intense times, with increased dynamics even for our industry, and thus with many anxieties and uncertainties. We knew that offering access to technology and digital tools for their professional activities is not enough. For many of our colleagues, the fast shift from in-the-office to permanent work-from-home meant a huge amount of conflicting responsibilities competing for their time and attention. Many of them had to combine family-work-learning tasks, in a completely new social and sanitary environment, marked by health insecurities. Hence, we tried to help them as much as possible, as isolation had the potential to take its toll on our mental and emotional wellbeing.

Call centres' fast response to COVID-19 challenge

We have carefully watched the Covid-19 evolution since the beginning, at the end of February. Then, we started preparing for moving our office-based employees in a remote working model, including the approximately 1400 Customer Operations colleagues.

In two weeks all preparations were done, including the Business Continuity Plan analysis (phasing the move from on-site to work from home based on criticality of activities), then in one week all our Customer Operations colleagues started working from home.

VPN was installed on all units so that all company applications could be accessed remotely. Employees took their work devices (desktops, laptops etc.) with them, based on a signed statement. Hypercare support was provided for one week after the transfer, for colleagues who faced challenges while working from home (for example, IT issues).

The transfer was successful and fast due to a close cooperation between several functions - Customer Operations, IT, HR, H&S, Physical Access.

Stage 2

The second step was to prepare a full-scale support system focused on different life aspects: emotional and mental balance, physical health, parental support, financial safety and others.

Our Wellbeing Framework

The program named *Stay Well* aimed to support our colleagues' wellbeing and effectiveness in the new framework that involved working from home for most of them. The program was structured on four 4 pillars and included various initiatives for each:

- **Emotional & Mental** – including: Atlas Helpline, a 24/7 on-the phone therapist support line, in partnership with Regina Maria; webinars on topics like How to manage anxiety, How to deal with uncertainty and worries in times of crisis, How to develop resilience and maintain wellbeing in stressful contexts, How to efficiently work from home while maintaining motivation, Parenting in times of Covid-19;

- **Physical** – gave our employees formerly working in our main offices the possibility to take office chairs at home; ran webinars on Ergonomics, Sleeping Well, Eating Well; launched online sports classes: 2 sessions/week of yoga and fitness;

- **Connection&Community** – encouraged connection by creating new communities on our internal Workplace platform, like the StayWell community, Parents community;

- **New Ways of Working** – guidelines communicated to all employees on how to work effectively from home; webinars for people managers on how to manage teams remotely; constant learning resources for further development (e-learnings internally available, articles etc.).

The Stay Well program was initiated in FY 2020/21. Additional information on the program is available here (p. 61).

Short-term targets for the *Inclusion for All* pillar

- Access for All – Offer new chances for development through digital solutions and connectivity to vulnerable categories
- Proposition for Equality – Use technology to offer a tool for domestic violence victims to save themselves
- Workplace Equality – Help employees to adapt to the "new normal" and shape the workplace according to the needs of the current times; Offer new ways for parental leave to ease our colleagues' family life changes

Chapter 4
Planet

> Over the years, we focused on building efficiencies, but now sustainability is more than that. It is a new way of thinking and an ambitious commitment we have made to protect our Planet and conduct our entire business in such a way as to eliminate its environmental impact.
>
> Having Planet as one of our three purpose pillars brings excitement into our team. We now push ourselves every day to innovate in order to run an energy efficient electronic communications infrastructure. In addition to buying 100% green energy to run our entire operations, starting April 1st 2020, we are investing in latest technologies to reduce our carbon footprint, from energy efficient solutions for our data centres and sites to the products and services offered to our customers.
>
> The Planet pillar is essential in fulfilling our ultimate goal of connecting for a better future. It marks an important step in Vodafone's sustainable development strategy, which is based on respect for the environment.

Cătălin Buliga – Technology Director and sponsor of the Planet pillar

Our goals:

- ✓ Reduce our greenhouse gas emissions by 50% by 2025 – minimize our environmental footprint
- ✓ Purchase 100% renewable electricity by 2025 – reduce reliance on fossil fuels and create a cleaner and healthier planet for everyone
- ✓ Reuse, resell or recycle 100% of our network waste by 2025 – reduce e-waste pollution and work with suppliers to improve the industry standards

We embraced the Planet commitments because we see this pillar as a mature and responsible way to conduct our everyday activity. It has always been a part of our work, via our pioneering activities. We have implemented and we continue to look for more solutions that allow us to provide the same high quality services and products with the optimal mix of resources, and avoiding to the maximum redundancies or resources waste. It is a matter of common sense and good business practice. As a pioneer company, we looked into cutting-edge products and services, but also into best solutions to create efficient, resilient and sustainable solutions. Hence, Planet became a central piece of our company's DNA, a completely natural shift of focus for us and we fully identify ourselves with this new challenge.

Over the past years, we have tested energy saving solutions for our data rooms, we implemented pilot projects for renewable energy sources in our network, we looked into solutions to reduce our energy use and we developed IoT solutions for our customers that helped them reduce their our own energy consumption and overall environmental footprint.

In 2019/20, we set ground and implemented two important pilot-projects, which gave us a strong start on our mission to become a green company.

Green Gigabit **Net**
Powered by 100% renewables

Complementary cooling solutions for our technical rooms. Up until now, 40% - 50% of our technical rooms' energy consumption was directly linked to keeping the optimal temperature for servers. Proof-of-concept technologies — water-cooling systems, Phase Change Materials (PCM)[1] and direct thermal management — generate a mix of cooling solutions for some our largest data units and help us to significantly reduce our energy consumption.

These solutions represent an important step forward towards our Planet commitments. Yet, we are not stopping here. We are looking forward into refining to the maximum our efficiency parameters. We plan to improve our practice in reducing our environmental footprint by using a **monitoring app**, which allows us to see, in a transparent and comprehensive way, our utilities consumption and to quickly spot any abnormalities. Thus, we can intervene timely to diagnose any potential problems and correct them. The application can help us manage our network sites, but also our stores and offices.

100% Renewable energy purchase for our operations. Starting January 2020, we changed our energy contracts to green energy mix only and thus reached our 2025 international target within the first year of the new Purpose-led business model. This important shift in our approach led to significant CO2 emissions reductions for FY2019/20 as our annual CO2 footprint dropped by 32%, while having a similar energy use. In CY 2020, over 80% of our operations are run on renewable energy and we strive for more. The rest is taking place in third parties' locations, and thus use an energy mix contracted by building and infrastructure landlords. Our plan is to run a 100% green Vodafone network by April 2021, which is why we will focus our attention towards collaborating with our landlords to achieve the acquisition of a complete green energy mix for our entire business, proved through Renewable Energy Certificates.

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1 PCM are wall - covering materials with heat absorbing properties in order to achieve a more efficient heat extraction from the technical rooms, by diminishing as much as possible the day and night temperature differences. These materials are able to store a certain amount of heat during the day, which they gradually release at night.

Our energy use and emissions footprint

Technological progress and extensive use of digital solutions translates into an increasing use of energy. The network grows; we constantly add new equipment, which offers reliable services. 5G has its own challenges, as it requires more resources for a complete functionality. Yet, we do not see these as limits for our industry and our own practice. From the start, we designed our equipment architecture looking into optimal use of energy, and now we use renewable energy. Thus, we are constantly reducing our energy consumption and, especially, our overall carbon footprint. In FY 2019/20, our optimization solutions managed to maintain a similar energy consumption level to previous year, despite the activation of the first 5G stations.
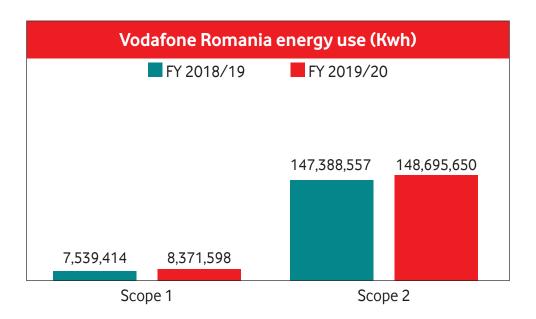
Scope 1 and 2 energy data

Scope 1

Category	Diesel (stationary)		Diesel (mobile)		Petrol (mobile)		Natural gas	Microrenewable
Unit	Litres	kWh	Litres	kWh	Litres	kWh	kWh	kWh
2019/20	22,694	72,401	496,504	5,279,996	111,465	1,070,766	1,918,851	29,584
2018/19	42,870	136,654	483,452	5,136,896	43,040	412,020	1,824,524	29,320
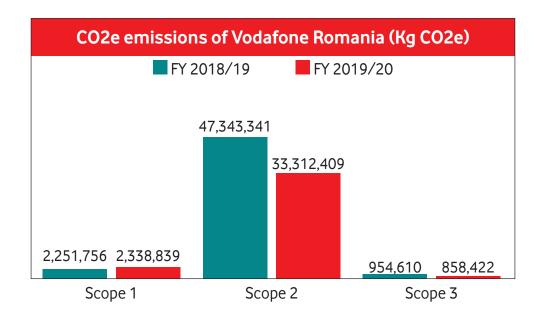
Scope 2

Category	Network	Office	Retail	Sub-total (Network/Office/Retail)
Unit	kWh	kWh	kWh	kWh
2019/20	137,912,738	7,843,839	2,939,074	148,695,650
2018/19	136,038,050	8,560,714	2,789,793	147,388,557

Vodafone Romania energy use (Kwh)

■ FY 2018/19   ■ FY 2019/20

	Scope 1	Scope 2
FY 2018/19	7,539,414	147,388,557
FY 2019/20	8,371,598	148,695,650

CO2 emissions

CO2e emissions of Vodafone Romania (Kg CO2e)

■ FY 2018/19   ■ FY 2019/20

	Scope 1	Scope 2	Scope 3
FY 2018/19	2,251,756	47,343,341	954,610
FY 2019/20	2,338,839	33,312,409	858,422

Scope 1 Carbon emissions data
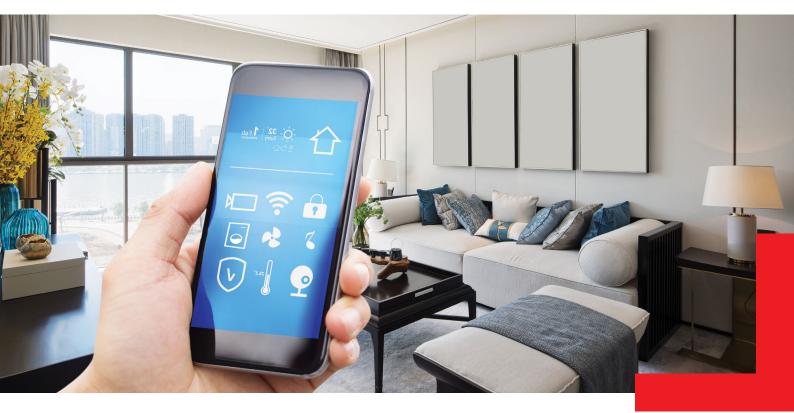
Reported year	Network	Office	Retail	Sub-total (Network/Office/Retail)	Sub-total (Transport)	Refrigerants and Fire Suppressants	Total
Unit	kg CO2e	kg CO2e	kg CO2e	**kg CO2e**	kg CO2e	kg CO2e	**kg CO2e**
2019/20	24,720	238,318	151,834	**414,872**	1,534,217	389,750	**2,338,839**
2018/19	87,049	165,498	198,318	**450,865**	1,364,820	436,071	**2,251,756**

Scope 2 and 3 Carbon emissions data

Category	Network	Office	Retail	Sub-total (Network/Office/Retail)	Total Scope 3 GHG
Unit	kg CO2	kg CO2	kg CO2	**kg CO2**	kg CO2e
2019/20	29,955,688	2,441,787	914,934	**33,312,409**	858,422
2018/19	44,058,088	2,477,785	807,468	**47,343,341**	954,610

IoT Enablement

Our Internet of Things (IoT) products and services help our customers to reduce electricity, gas and other utilities consumption through applications such as smart meters, road navigation systems, fleet management and eHealth.

Carbon Savings (tCO2e)

Unit	2015/16	2016/17	2017/18	2018/29	2019/20
tCO2e	14,000	26,078	18,328	19,945	50,794

EEE and WEEE management

100% of our redundant network equipment is reused, resold or recycled.

We have an active policy that encourages our customers to repair their handsets. This approach, on the one hand, helps our customers reduce their costs by prolonging their devices' lifecycle. To us, on the other hand, it means contributing to a circular economy and decreasing the WEEE quantities. In 2019/20, we repaired 65,000 devices. Warranty provided repairs decreased by 15% as compared to the previous FY, especially for mid - to high-end smartphones with lower faults rate.

In **2019/20, we refurbished 6,481 used devices** that were returned by customers. These devices are part of a refurbish, reuse and resell process aimed at reducing our WEEE footprint. Due to this policy, only **303 devices** that were returned to us **reached their end life** and have been collected by our WEEE management partner.

WEEE quantity managed for Vodafone Romania by its recycling partner

Description	Unit	CY 2017/18	CY 2018/19	CY 2018/19
Batteries & battery components	Tonne	14.00	9.91	11.62
WEEE including: telecom tower equipment, large appliances etc.	Tonne	70.89	91.24	149.74
TOTAL		**101.13**	**84.89**	**161.36**

In calendar year 2019, our recycling partner, ECOTIC, managed a total of 161.36 tonnes of WEEE, thus exceeding the 45% threshold stipulated in the Romanian legislation. Our partner also helped us meet our recycling targets in 2019 by installing seven new recycling units, thus reaching a total of 195 WEEE and BA recycling units in 180 of our offices and stores.

Planet

In FY 2019/20, Vodafone Romania directly recycled 253.2 kg of WEEE and 105.1 kg of batteries and chargers via its recycling units located in stores and offices. Vodafone Romania did not dispose any network equipment or component during the reported period.

> In FY 2019/20, we made a commitment to reduce our plastic consumption by eliminating in-store plastics and other one-use, disposable items.

Water use

We have little impact on waterbeds, as our activity has limited use of this valuable resource. We do not withdraw water from sources such as surface or groundwater and we do not collect or store rain water. The water used in our activity comes mainly from municipal utility service and it is linked to office use and data rooms' cooling systems. Despite our very limited impact on water sources, we treat this resource responsibly. Our data rooms cooling systems form a closed system, hence we constantly reuse the water resource. The water used into our offices and stores comes from two main sources: municipal water system (tap water) and water provider (dispenser water machine). All used water is being disposed of through the municipal water disposal system.

Description	Unit	FY 2017/18	FY 2018/19	FY 2019/20
Water use	Liters	28,977,224	27,575,175	28,279,705

Transport

Our transport fleet met a decrease in diesel and petrol use in FY 2019/20 as compared to the previous reporting period. In FY 2018/19, we owned 455 units car fleet, which used 513,390 litres of diesel and 117,263 litres of petrol, respectively. In the current reporting period, our fleet comprised 451 cars, which used 3% less diesel and 5% less fuel, respectively, as compared to the previous reporting period.

Description	Unit	FY 2018/19	FY 2019/20
Diesel	Liter	513,390	496,504
Petrol	Liter	117,263	111,465

Short-term targets for Planet pillar:

- Climate Change – Vodafone's European network to be powered by 100% renewable electricity by end of July 2021; eSIMs and half-sized SIMs introduction to reduce plastic consumption
- E-Waste – Reuse, resell or recycle 100% or our network waste; Reduce WEEE
- Enablement (IoT) – Help Vodafone business customers reduce their own carbon emissions

Chapter 5
**Sustainability in
the Communities**

"

The existence of an annual CSR strategy at company level leads to cost efficiency and a better use of the funds allocated for sustainability projects. Vodafone Romania Foundation has always followed key action pillars when developing social projects – those areas where we identified pressing needs and envisioned that we could have a significant positive impact. Apart from this, all our projects are aligned to the three Purpose pillars of Vodafone. This ensures that our common effort is concentrated in the right directions and our activities are complementing each other.

In my opinion, when you have a comprehensive CSR strategy in-place, the projects you develop are at the intersection of community's best interests and company's scope and, at the end of the day, you will know that you acted on purpose and not just for the sake of a good impression.

Angela Galeța, Director of the Vodafone Romania Foundation

Technology has the potential to bridge societal divides, as it enables better access to education and jobs for vulnerable groups – people who lack the opportunities for a better life. We want to make digitalization accessible to everyone, so that people can build for themselves the future they dream of. However, technology by itself is not enough. We need a vision, strong values and a good strategy. That is why Vodafone Romania puts its values upfront and Vodafone Romania Foundation has been for years a pioneer in corporate community initiatives. Both the company and the Foundation keep to their core the importance of inclusion, diversity, women and youth empowerment and care for local communities.

Vodafone Romania Foundation

Since its founding, Vodafone Romania Foundation has invested over 30 million EUR in communities across Romania, building a long-term strategic approach to community investments. Along with other 730 non-governmental organizations, our Foundation has developed 1,132 projects for the benefit of more than 3 million vulnerable Romanians and it has built 186 social houses. Vodafone Romania Foundation is independent from the commercial operations of Vodafone Romania S.A. and it is a distinct legal entity. However, together, the two entities complement and support each other's approach in order to increase impact and optimize resources.

In recent years, Vodafone Romania Foundation has focused on projects that use mobile technology innovations to change the lives of sick or disadvantaged people for the better. On its mission to do good deeds, the Foundation focuses on four main strategic pillars: Education, Social Services, Health and Volunteering.

Education

1. **School in a box** is a comprehensive program helping to digitalize education in rural schools and bridge the divides between urban and rural. World Vision Romania is the main partner of the project, tackling the need for digital abilities of teachers and students in elementary and secondary schools. Together, we offer an eLearning platform www.scoaladinvaliza.ro and an "Instant Classroom" technology box, enabling teachers working in the rural schools to conduct interactive lessons for **all school subjects**. This new approach makes the learning process more efficient, but also more fun, being adapted to our current times. Hence, the young students and teachers both are enjoying their classes and building digital skills, getting ready for tomorrow's world.

Instant Classroom mobile box has:

- 1 laptop for the teacher
- 25 de tablets for students
- 1 video projector
- 1 audio system
- 1 Wi-Fi router and 4G modem
- 1 incorporated server
- 1 solution to upload materials

I really like it when we use the School in a Box tools at our classes. I want to follow an IT career and I want to learn as much as possible. So far, I learnt some basics in programming.

Andrei, VIIth grade student at the Secondary School No 1, Afumați.

Start year	2018 - 2019
Schools participating of the program	10
Number of students and teachers	3,850
Digital materials on the platform www.scoaladinvaliza.ro	1,880
Classes accessed by students	1,300

2. **Investment in Rural Areas** is a program focused on mitigating the rural school drop-out phenomenon. The Foundation initiated the program in 2015 and supported 12 "School after school" rural centres, along with partner organizations, which helped to grow the program and create real change in these communities.

"In the School in a Box program I met teachers who overcame their limits and who did everything they could to improve themselves for the sake of the children they work with. I met teachers who were initially reluctant, but then, with the confidence we tried to instil, persevered and had significant results - an impressive number of lessons developed on the platform, a large number of students accessing their lessons. If these children are educated, it will be better for us. We will all be better off, as a nation, as a country."

Angela Galeța, Director of the Vodafone Romania Foundation

The **School in a Box** platform comprises:

- an educational hub with over 500 materials and educational links in-line with the official curricula
- a space dedicated to teachers, where they can access useful tutorials, a forum, participate to webinars and also create their own lessons for students.
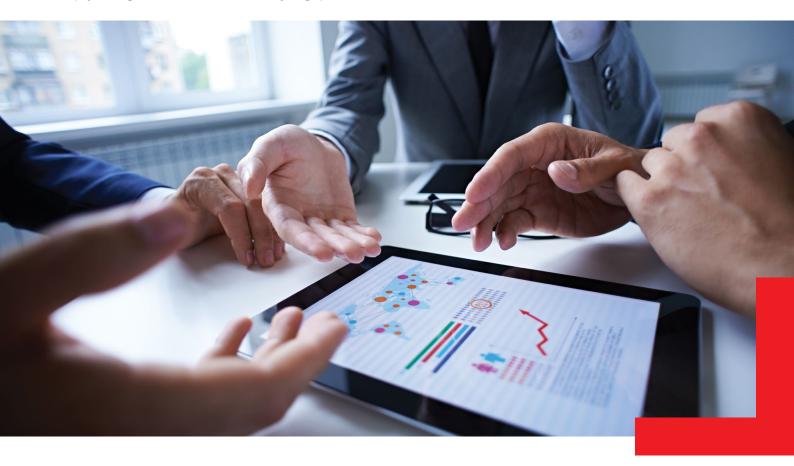
Currently, 500 students in rural areas are part of the educational activities and receive a meal during school days and, when needed, they can participate in individual and group counseling with a specialist. Meanwhile, teachers are part of non-formal educational techniques programs and parents take part in „Parents' School" – a counseling framework to improve their parental skills. They also receive social vouchers for higyenic and cleaning products for their families. 7 out of 12 centres are also part of the School in a Box program, thus benefiting from the technological infrastructure and educational tools.

3. **AcCES** is a digital platform dedicated to teachers and other professionals working with children who have special educational needs (www.eduacces.ro).

The project is part of the **Connecting for Good** initiative and started in the Civic Labs Incubator by Code4Romania. The main implementation partner is Association FDP – Protagonists in Education. Teachers have access to a helpline where psychologists can assist them in analyzing special cases that they face during their didactic activity. Thus, they can help special educational needs children integrate at school and in communities. Specific materials, which stimulate students' learning, cognitive, communication and creativity abilities are available on the platform, as well as other certified resources that make teachers' work easier.

Start year	2019
Specialists on the platform	1,500
Number of students and teachers in the project	3,000
Digital space with specific educational tools and a resources database	www.eduacces.ro

4. **Talent Manager for Schools** (www.scoalaprofesorilor.ro) is a professional design project, dedicated to teachers and implemented through collaboration with Didactica Foundation. This program allows educational specialists to manage their professional plan, each semester, while matching career objectives with learning plans and certified courses. Similarly, the program is part of the Connecting for Good initiative and originates from the Civic Labs Incubator by Code4Romania. The program was developed in 2019 and launched in 2020.

3,000 teachers are expected to take part in the first year of implementation. Hence, 268 schools will stand to benefit from better trained teachers and 126 educational institutions will be appointed as educational providers.

About the project's benefits:

To teachers	To schools
Professional profile creation	Common profile of the teachers
Assistance in setting professional objectives and allocated budget	Overall perspective on teachers' development track
Management of the personal learning plan	Management and evaluation of professional development budgets
Access to a professional community	Evaluation of teachers' professional growth
Digital space with specific educational tools and a resources database	www.eduacces.ro

Health

1. **A Chance for Life** is the initiative to refurbish blood transfusion centres in the country. REACT Foundation is our traditional partner since 2014, when we established our goal to renovate all blood transfusion centres. Ever since, we renovated and/or endowed 41 centres and improved the blood donnor circuits. More than half of these centres have been renovated and refurbished during 2017-2019, as a result of the investments made. Alongside circuits' renovation and spaces' refurbishement, we also donated hundreds of pieces of equipment, much needed for highly professional interventions. All this effort led to improved blood donation experiences for around 400,000 annual donnors. As a consequence, 800,000 people benefitted from blood transfusions, annually.

Blood stocks are a much needed resource in saving people's lives, and we were glad to have our colleagues in Vodafone Romania joining the efforts. Each year, over 600 of our colleagues donate blood, 74% of them being recurrent donnors.

2. **Modernization Works at Newborn Intensive Care Units**. Over the years, we invested energy and resources to create adequate spaces in Intensive Care Units dedicated to newborns.

Our latest initiatives focused on finalizing the modernisation works at the Constanta County Hospital alongside our partners – Children's Heart Association and Daruieste Aripi Association.

The "Marie Curie" Emergency Care unit is dedicated to newborns with serious health problems. In 2013, Vodafone Romania Foundation contributed to the set-up of the first Emergency Care Unit at international standards in the country, which dramatically increased the survival chances of 500 newborns, every year. However, the need for increased capacity continues to be high, as the unit receives thousands of desperate calls to assist seriously ill newborns in the country. Hence, Vodafone Romania Foundation decided to further involve in saving the lives of the babies with health issues and support the expansion project of the Intensive Care Unit. In 2019, the Foundation initiated the project management plans and the cityhall documentation, alongside a fundraising campaign. The fundraising campaign managed to gather 2.2 million RON (approx 465,000 EUR) in corporate and individual donations.

Results since 2016:

- 600 square metres of medical units revamped
- 8,000+ hours of work
- 2,060,000 EUR total budget
- 22 accommodation places at high medical standards available in the Emergency Care Units
- Telemedicine solutions for surveillance and monitoring, video wall, monitors, data center
- Highly effective air sterilizing system
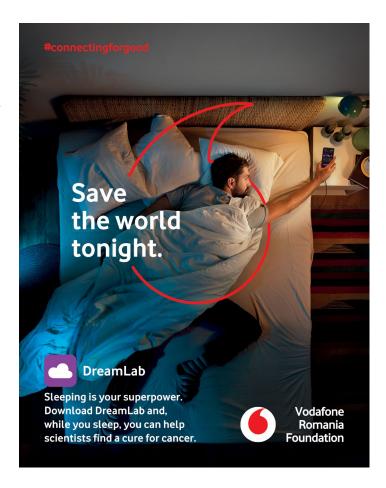
We are also supporting the extension of the Newborn Intensive Care Unit of the "Maria Sklodowska Curie" Emergency Hospital in Bucharest.

3. **DreamLab app – medical research solution**

DreamLab is an app built to accelerate the medical research by harnessing the collective processing power of smartphones while they're charging (usually at night, while the user is asleep). Thus, the interconnected processors create a "supercomputer" focused on speeding up cancer treatment, by supporting scientific research on medication and the use of genome architecture to create personalized treatments.

#connectingforgood

Save the world tonight.

DreamLab

Sleeping is your superpower. Download DreamLab and, while you sleep, you can help scientists find a cure for cancer.

Vodafone Romania Foundation

So far, two research projects have been fulfilled thanks to almost 22,000 Romanians, alongside 300.000 international users who donated their idel phones' processing power through DreamLab:

- *Decode* project's research time was halved due to the DreamLab app. This project aimed at identifying, as a first step, the correlations between cancer types and genetic profile in the patients' medical history. The information helps to create a tailored treatment scheme, based on genetic characteristics.
- *Drugs* projects managed to successfully idetify anti-cancer molecules in everyday food and explore anti-diabetes and anti-microbial potential of cancer treatment drugs.

Vodafone Romania invested over 352,000 RON (almost 75,000 EUR) for the local technical solution set-up and, additionally, offered free mobile data for DreamLab's users in the Vodafone network.

	Unique Visitors	First Lunches	Launches
All countries	634,262	441,948	9,065,891
Romania	21,312	10,579	141,141

4. **Case File**, the health journal for people from disadvantaged communities is implemented together with the Foundation for People's Development in Cluj. The project enables the tracking of social files and medical services for people from vulnerable communities. Usually, such medical and social welfare history is missing, making it hard to offer reliable treatments.

Case File (www.dosaruldigital.ro) helps social workers, community facilitators and NGOs keep a track of their social and health interventions in the communities they serve. The project is a tool designed to optimize social workers' activities,

centralize the information in one database, ease access for people in vulnerable communities to social services and to improve social and community workers' time with their beneficiaries. The project is part of Connecting for Good and was incubated in Civic Labs by Code4Romania. The program will start in November 2020.

5. **Help for Health** is a network of solidarity where people can donate goods and services to ill people who need financial or other forms of support. The app and web platform, developed in partnership with M.A.M.E Association, allows people who

need medical interventions to identify adequate clinics and hospitals in Romania or abroad. Concurrently, they can identify transport and accommodation solutions in the proximity of the medical facilities. The platform also allows patients to raise funds for the medical investigations and treatments that are not refundable in the national health system (CNAS).
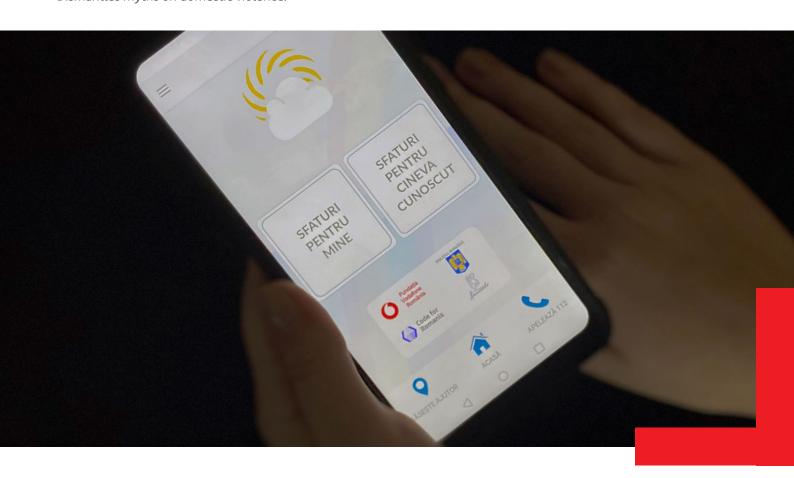
Social services

Bright Sky RO. In FY 2019/20, we set up a key technology tool to help domestic violence victims and shed light on a sensitive topic in Romania. The Bright Sky Ro app is a digital asset offering assistance and information to people in abusive relationships, but also to those around them, who wish to intervene. The platform was adapted to the Romanian legislation with the help of three important partners: the Romanian Police Department (through the Institute for Criminality Research and Prevention), Necuvinte Association and Code for Romania. The app will become available in May, 2020.

Când viața bate filmul, este timpul să ceri ajutor.

Descarcă aplicația Bright Sky RO și află ce poți face atunci când tu sau cineva apropiat ție vă confruntați cu violența domestică.

Bright Sky RO

App Store — Google play

Un proiect realizat de Fundația Vodafone România

Parteneri: POLIȚIA ROMÂNĂ · Code for Romania

Bright Sky RO:

- Informs and educates on different types of gender abuse;
- Allows users to evaluate the safety of a relationship by completing a digital form;
- Offers assistance and helps users to find the closest social service available;
- Offers the option to record a confidential digital journal;
- Offers information and advices on consent and harassment in sexual relationships;
- Dismantles myths on domestic violence.

Volunteering

1. **Winter pantry** is an initiative developed together wih Diaconia Ajutor International Association, where volunteers prepare and deliver winter food supplies for financially vulnerable families. 44 of our colleagues volunteered to prepare in 2 days' time winter supplies for 80 families living in Brasov town's outskirts. Consequently, 320 people, including 250 children, received non-perisable food supplies that helped them pass the winter.

2. **The Goodies pantry** is a similar initiative, developed by Hercules Association. Our colleagues helped the organization to prepare non-perisable food supplies for the Day Care Center in Costești, Argeș county. Hence, over 50 people faced the winter in better conditions, with resources prepared by 18 volunteers.

3. **Brighter Futures. A chance for a better tomorrow** is a project we developed alongside Volum Federation and Vodafone Romania Technology[1], where technology is brought closer to students and teachers in rural areas. Our partner created a complex support system, where, based on their needs, schools receive assistance in refurbishing classrooms, technical equipment for the IT labs, as well as digital, professional and personal development trainings. So far, our partners revamped 3 schools, with the direct participation of 750 volunteers. At the end of these initiatives, 720 students and 60 teachers have now better conditions for education. Moreover, 105 devices have been set-up in 7 rural schools, which will make education easier for 1,450 students and 137 teachers.

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1 Vodafone Romania Technology is a Romanian entity supporting Vodafone Group and local markets with services in Technology, Networks and Business Intelligence.

4. **"Hope" Multifunctional Centre's restoration**. The centre run by World Vision Romania is the heart of the educational process for a severely vulnerable rroma community in Valea Năoiului, Cămărașu. Our volunteers restored the space in 2 days to its initial state, making it more suitable for daily educational activities.

> *I like to come here because I can focus on my homework. Here it is quiet and teachers help me to improve my work. At home is hard to focus, as my brothers and other kids like to play all day. I prefer to stay here, with my colleagues.*
>
> **Feri M, 12 y.o.**

5. **Letters to Santa Claus** (www.scrisoripentrumoscraciun.ro) is a platform which facilitates access to donors for the NGOs in search of a Santa Claus to fulfill children's Christmas wishes. In 2019, three of our partner NGOs collected and uploaded the letters of 699 children, and 1,030 Vodafone Romania and UPC colleagues, along with volunteers of other 19 companies have joined the program, donating gifts for the children in 18 communities.

Vodafone Romania Foundation's response to COVID-19

Projects we will continue, under our strategic directions:

- School in a box
- DreamLab
- Mentoria Social
- Connecting for Good
- Bright Sky RO
- Newborn Emergency Care Units modernization

The Covid-19 pandemic influenced everyone's life and operations. Vodafone Romania Foundation faced similar challenges. We saw the need to swiftly respond to the dramatic calls from the sanitary system in Romania, but also to stay close to vulnerable communities, for which the pandemic brought even more challenges than usual. To us, it became clear that the new context will redefine our world, that we are facing a new kind of battle, which we can only win together. We learnt that only by joining hands and working together with companies, NGOs, the medical staff, patients, communitites and authorities can we win the fight with Covid-19. Thus, it

was imperative to revise our operational plan and intervene in places where our help was most needed. We donated PCR and protection equipment to hospitals, but also offered support to those who could not cope by themselves during the lockdown.

More information on Vodafone Romania Foundation is available here.
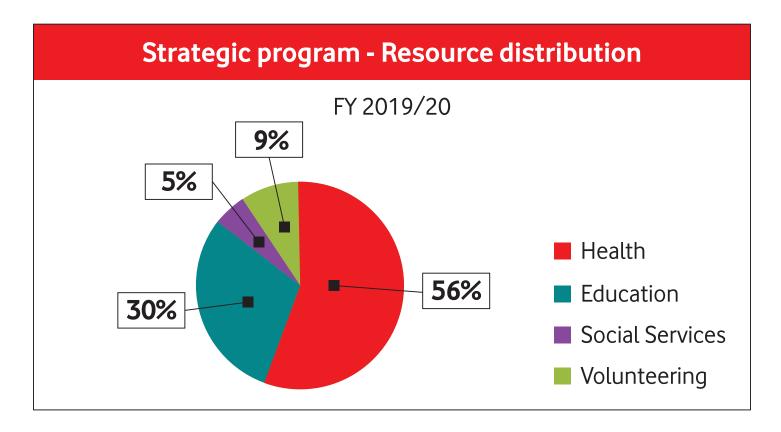
We added three operations to our business as usual:

- Acquire safety equipment and buy PCR testing machine and 5.000 test kits for Arad triage center;
- Set-up a call center and offer mobile phones for the Shopping at your door initiative (by the Geeks for Democracy NGO);
- Organize digital skills trainings for teachers.

The new social context only reinforced our commitment to get involved in vulnerable communities and support digital education, as main vectors to exit risk situations. All our strategic directions remain paramount for the long-term and, in some cases, we added initiatives that will help Romanian communities adapt to the new social context, the postpandemic context. Last but not least, we focused on enabling access to reliable information, as valid and clear data can make a difference between life and death, between a functional medical system or an overwhelmed and exhausted one.
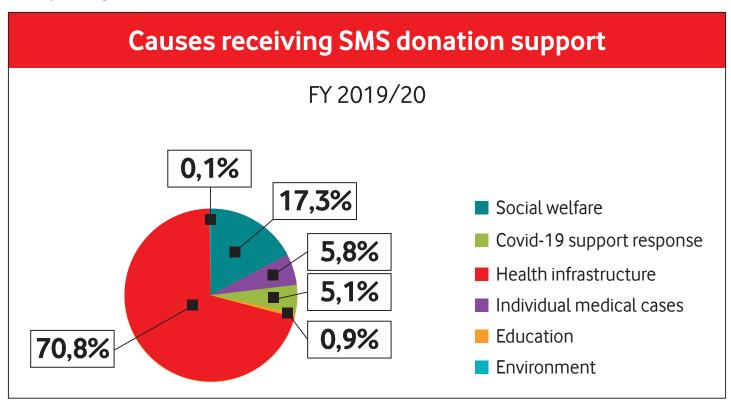
Vodafone Romania Foundation achievements	2017	2018	2019
Total grants (EUR)	1,689,700	1,854,630	1,805,798
Beneficiaries	105,938	283,000	4,182,643
Projects & Programs	37	44	40

Strategic program - Resource distribution

FY 2019/20

9%

5%

56%

30%

- ■ Health
- ■ Education
- ■ Social Services
- ■ Volunteering
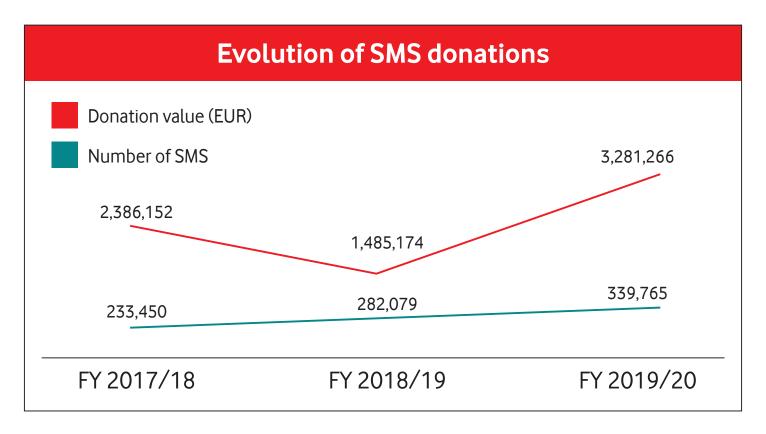
Vodafone Romania CSR programs

SMS donations

The SMS donations remain a key instrument for individuals to manifest their social support. During FY2019/20, almost 340,000 SMS donations were sent to offer financial support, mainly for health infrastructure and social welfare causes, reaching a total of 3.28 million EUR. Yet, in less than one month (in March 2020), people sent almost 84,500 SMSs to donate for the Covid-19 recovery, marking 5.1% of the total annual donations.

Causes receiving SMS donation support

FY 2019/20

0,1%

17,3%

5,8%

5,1%

0,9%

70,8%

- ■ Social welfare
- ■ Covid-19 support response
- ■ Health infrastructure
- ■ Individual medical cases
- ■ Education
- ■ Environment

Evolution of SMS donations

■ Donation value (EUR)

■ Number of SMS

	FY 2017/18	FY 2018/19	FY 2019/20
Donation value (EUR)	2,386,152	1,485,174	3,281,266
Number of SMS	233,450	282,079	339,765

DreamLab Ro app

DreamLab Ro is an app that combines Vodafone Romania and Vodafone Romania Foundation's resources and efforts. The company offered free data for the app's use, in order to encourage more people to contribute to health scientific research from Imperial College London. See more on the DreamLab app in Vodafone Romania Foundation's above section on Health.

Technology and health

Today's medicine relies on diverse solutions and technology is a key element for recovery therapies, disease control and monitoring of high-precision surgery. Each solution relieves patients' struggle for a normal live, helps to recover from trauma or overcome a medical condition and reduces to the minimum invasive surgeries. Connecting for Good spreads hope all over the countries, bringing technological solutions for people with different medical necessities: newborns in intensive care, trauma victims, insulin-dependency, autism recovery, visual impairment and so on.

We also invest in developing, along with our business partners, solutions where technology can improve everyday operations.

Short-term targets in terms of CSR:

- eEducation – Leverage and extend the School in a Box program to digitalize education in rural parts of Romania

- eHealth – Telemedicine solutions and modernization of newborn intensive care units across Romania in order to provide higher chances of survival to all newborns with serious medical conditions
- Technology for a better life/Apps for Good – Put technology more and more to the service of people, making lives better by developing and implementing applications that solve problems in disadvantaged communities
- Togetherness through technology – Use technology to bring people closer together and help solve fundamental societal issues

Body temperature scanner

The first quarter of 2020 brought a major global sanitary challenge, which further translated into economic and social challenges – the spread of Covid-19 virus. Each of us, whether individuals and companies, had to find ways to navigate such uneasy times. The unknown in terms of the disease, the dramatic shift in human interactions, jobs uncertainties and economic challenges led us to a new way of looking at our role in the society. Security and health took centre stage in our business relations, so together with our partners we developed a body temperature scanning solution that allows employers to have a quick response in case of sick employees, but also to ensure H&S protection in large buildings, with multiple visitors. This technology solution is an efficient tool during these days, but it goes beyond the current Covid-19 related challenges. The body temperature monitor allows employers to better manage their relation with employees and guide them to take sick-days whenever they show specific sickness symptoms, thus avoiding additional contamination in the workplace environment. More information about the IoT solution is available here.

Chapter 6
**Stakeholders
Engagement**

The present report and its boundaries

FY 2019/20 (01.04.2019 - 31.03.2020)[1] is the second financial cycle when we referred to the GRI methodology to report our non-financial performance in the Romanian market for Vodafone Romania S.A.

Vodafone Romania Foundation remains a key player in operating our community initiatives; hence, its activity was

included in the report, as well. The contents of chapter 4. *Sustainability in the Community* includes the activities of the Foundation, alongside other CSR activities by Vodafone Romania.

The present report references GRI Standards GRI 101/ 2016: Core option. The report covers all relevant (i.e. material) aspects of the economic, social and environmental impacts of our work philosophy, our principles, as well as our approach to sustainable development. Material aspects discussed in this report were identified during the stakeholders engagement process and clearly stated in the Materiality Matrix (see Figure A). The details of this process are discussed below.

We aim to release non-financial reporting on an annual basis, as we trust its value in communicating about our own practice, its usefulness in initiating and maintaining dialogue with our key stakeholders, and the opportunity it holds in identifying and setting new, bold sustainability goals. Our Governance Committee supports a transparent reporting process according to the highest international standards. Therefore, it oversees and validates the process of development and the content of the report. In this process, competencies may be delegated to appropriate Committees or teams, as necessary.

Identifying material aspects through the stakeholders engagement process

We keep open dialogue channels with our stakeholders and base our decisions on their opinions and needs. Therefore, it is only natural to include their opinions in our report, as well. We want it to be relevant for our stakeholders' interests and expectations with regards to our activities and impact.

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1 If any information in the present report refers to a different timeframe, this will be clearly marked throughout the document. Please note that activities outside of the reporting period (i.e. FY 2019/20) are adequately marked. For example, some of our environmental performance is assessed based on data collected from the 2019 calendar years (CY 2018/19).

Stakeholders selection process
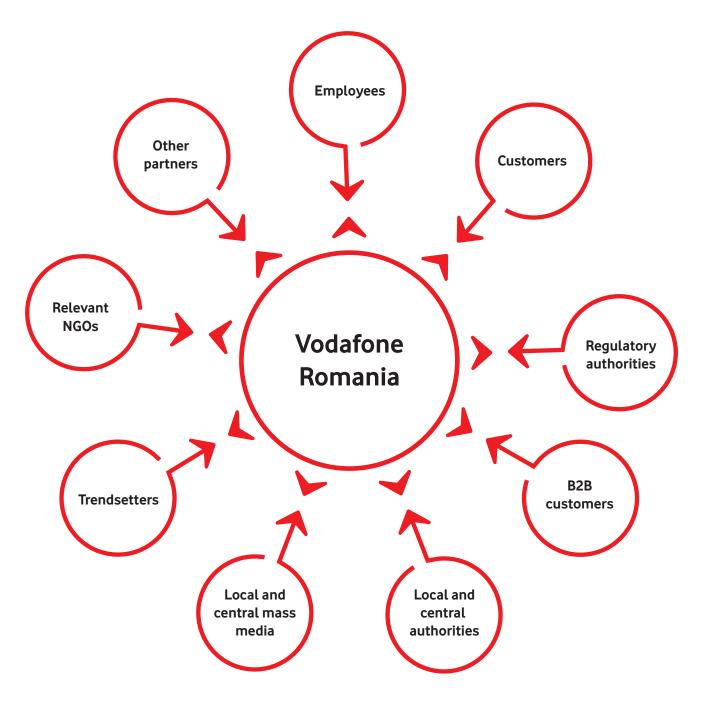
The stakeholders selection process was performed following the guidelines set forth by the Reporting Principles in GRI 101: Foundation, combined with the practical guidance of the FRP Guide to Stakeholder Engagement[2]. This approach ensured both the fairness and relevance of the process. At the outset, a team from Vodafone Romania – together with its partner in developing the present report – has mapped the participants by identifying a list of representative stakeholders.

The internal stakeholders mapping process resulted in a compact group of individuals that could provide relevant insights into all the key branches of Vodafone's business and the major changes that took place in the last FY year. The external stakeholders group was determined using similar principles, but also by following additional criteria, such as:

- They have influence (i.e. decision-making power);
- Interact most often with the company;
- Can legitimately claim to represent a constituency;
- Depend on the company's activity economically;
- The company has financial or legal responsibilities towards them;
- Constitute the intended audience for the company's policies and value statements.

Representatives of these internal and external groups were identified and consulted using both quantitative (online questionnaires & CAPI) and qualitative (in-depth semi-structured interviews) research methods, depending on their salience, geographic location and availability.

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2 CERES (2007). FRP Guide to Stakeholder Engagement.
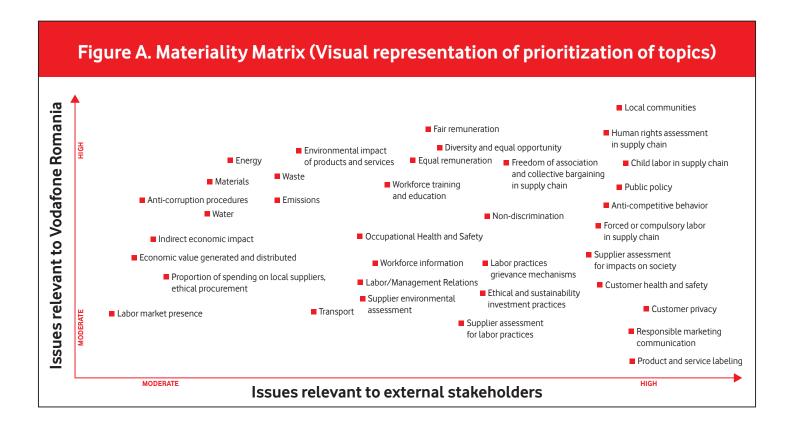
Our quantitative research has focused on identifying the most relevant aspects of our activity and impact for each of the selected stakeholder groups, but also on including the feedback received on how relevant data should be reflected in the report.
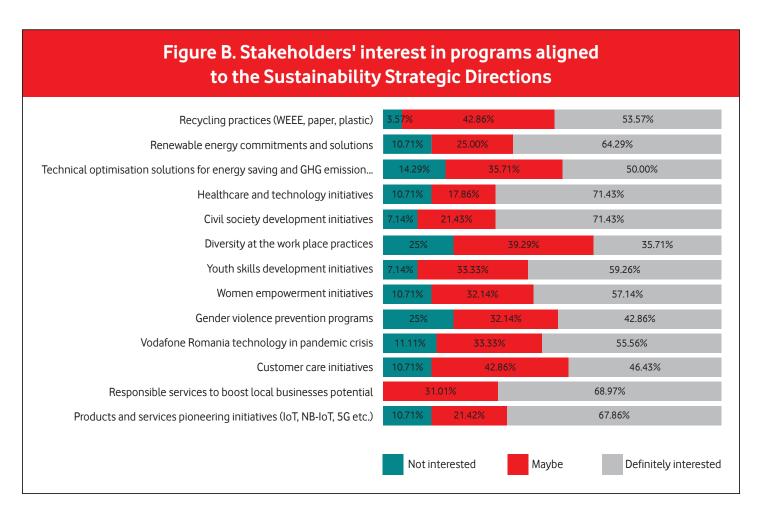
This quantitative data collection process was combined with a qualitative research process. The latter was focused mainly on key internal stakeholders. This qualitative process allowed us to refine the areas where external stakeholders have shown interest, to add relevant details and to define company targets in all the main development areas.

The materiality matrix

These studies laid the ground for the development of the FY 2019/20 non-financial report Materiality Matrix. By combining the results of the consultation processes described above — according to the guidelines of the GRI Standards — we have obtained a visual representation of the relevant issues (i.e. materialities). This matrix (see Figure A) also allows for the prioritization of stakeholders' concerns and guides the process of determining what information to include in the non-financial report.

The topics identified in this process as being "highly relevant" and "relevant" in stakeholders' opinion, alongside the programs deemed important under the company's three purpose pillars constitute the main focus of the present report and have been covered at length, while aspects considered to have "low relevance" have also been touched upon in the current report.

Figure A. Materiality Matrix (Visual representation of prioritization of topics)

Issues relevant to Vodafone Romania (vertical axis: MODERATE to HIGH)

Issues relevant to external stakeholders (horizontal axis: MODERATE to HIGH)

- Local communities
- Fair remuneration
- Human rights assessment in supply chain
- Environmental impact of products and services
- Diversity and equal opportunity
- Energy
- Equal remuneration
- Child labor in supply chain
- Freedom of association and collective bargaining in supply chain
- Materials
- Waste
- Public policy
- Workforce training and education
- Anti-corruption procedures
- Emissions
- Anti-competitive behavior
- Water
- Non-discrimination
- Forced or compulsory labor in supply chain
- Indirect economic impact
- Occupational Health and Safety
- Economic value generated and distributed
- Workforce information
- Labor practices grievance mechanisms
- Supplier assessment for impacts on society
- Proportion of spending on local suppliers, ethical procurement
- Labor/Management Relations
- Customer health and safety
- Ethical and sustainability investment practices
- Labor market presence
- Transport
- Supplier environmental assessment
- Customer privacy
- Supplier assessment for labor practices
- Responsible marketing communication
- Product and service labeling

Figure B. Stakeholders' interest in programs aligned to the Sustainability Strategic Directions

Program	Not interested	Maybe	Definitely interested
Recycling practices (WEEE, paper, plastic)	3.57%	42.86%	53.57%
Renewable energy commitments and solutions	10.71%	25.00%	64.29%
Technical optimisation solutions for energy saving and GHG emission...	14.29%	35.71%	50.00%
Healthcare and technology initiatives	10.71%	17.86%	71.43%
Civil society development initiatives	7.14%	21.43%	71.43%
Diversity at the work place practices	25%	39.29%	35.71%
Youth skills development initiatives	7.14%	33.33%	59.26%
Women empowerment initiatives	10.71%	32.14%	57.14%
Gender violence prevention programs	25%	32.14%	42.86%
Vodafone Romania technology in pandemic crisis	11.11%	33.33%	55.56%
Customer care initiatives	10.71%	42.86%	46.43%
Responsible services to boost local businesses potential		31.01%	68.97%
Products and services pioneering initiatives (IoT, NB-IoT, 5G etc.)	10.71%	21.42%	67.86%

Legend: Not interested (teal) · Maybe (red) · Definitely interested (grey)

If you want to find our more on	Please, see chapter:	Page
FY 2019/20 overview and our commitments, opportunities and challenges over the reported period	Open letter from our CEO	2
Our values and principles	Our sustainability commitment	5
Our approach to ethics and integrity	Our sustainability commitment	6
Vodafone Romania's governance practice	Our sustainability commitment	8
Our direct and indirect economic impact	Our sustainability commitment	9
Our attention to the supply chain	Our sustainability commitment	10
Our commitments and performance towards a digital Romania	Digital Society	12
Vodafone Romania's services portfolio	Digital Society	12
Our responsible products and customer care	Digital Society	17
Our commitments and performance in relationship with our employees	Inclusion for All	22
Our organizational structure, training and career building for employees	Inclusion for All	23
Our commitments towards Labour and Human Rights	Inclusion for All	24
Our initiatives and dedicated programs to women and youth	Inclusion for All	27
Our commitments and performance related to Planet	Planet	31
Our optimization in energy use and solutions to reduce our CO2 emissions	Planet	34
Our DEEE management practices	Planet	36
Our contribution and commitments towards our communities	Sustainability in the community	39
Our recurrent CSR mechanisms	Sustainability in the community	39

Contact information

For more details regarding information contained in this report, please contact:

PublicRelationsDepartment_ro@vodafone.com

Postal: Vodafone Romania S.A. headquarters, 201 Barbu Văcărescu Street, Globalworth Tower, 8th floor, 2nd District, Bucharest, Romania.