



Global Policy Standard

Energy Management

Doing What's Right

<p>Objective</p> <p>Vodafone seeks to mitigate exposure to the following risk events:</p> <ul style="list-style-type: none"> • Increasing energy cost, • Volatile energy prices, • Lack availability of energy (security of supply), • Poor energy compliance and environmental performance. <p>These events could lead to network outages, impact on profit margins and brand damage. The purpose of this policy is to define the minimum requirements and controls to mitigate these risks.</p>	Policy Owner	Group CTO (Johan Wibergh)
	Policy Champion	Head of Energy Performance, Group Technology (Bernd Leven)
	Version/Date	Version 1.0 04 May 2018

Scope and Compliance

This Policy Standard applies to all Vodafone branded companies with an interest of 51%, or more, or management control.

Compliance levels will be reviewed by Group Energy Performance through local market self-assessments and reported to the Technology Leadership Team (TLT) annually.

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1 The policy standard

Vodafone to mitigate exposure to the following:

- **Increasing energy cost:** Which forms a significant part of our operational expenditure.
- **Volatile energy prices:** Predictable prices are important for our budget planning.
- **Security of supply:** Our infrastructure relies on secure and stable energy supplies.
- **Protecting our brand:** Our impact on climate change from the emission of greenhouse gases (GHG) is one of the most important aspects of our sustainable business strategy.

The Energy Management Policy Standard provides a framework for all Vodafone markets and group entities to mitigate these risks. Our Policy is aligned with the main principles of ISO 50001, which is industry best practice for Energy Management Systems.

1.1 Principles

We define the following principles of managing energy in Vodafone:

1. We comply with energy-related legislation and additional voluntary commitments to which we subscribe.
2. We implement a continuous improvement process to energy management.
3. We set ourselves targets for energy and/or greenhouse gas emissions and track performance.
4. We consider energy performance when designing, building and operating our infrastructure.
5. We ensure energy performance is considered when sourcing equipment, components and services.
6. We have a clearly defined purchasing and risk management strategy in place.
7. We promote awareness for energy efficiency with our employees and provide related training.

1.2 Scope

This Policy Standard applies to:

- All Vodafone companies and joint ventures with an interest of 51%, or more, or management control,
- Fuel/thermal energy from energy suppliers and landlords for stationary use at our sites (aligns with Scope 1 emissions according to the [WRI Greenhouse Gas Protocol](#)),
- Electricity from the grid and self-generation (aligns with Scope 2 emissions according to the [WRI Greenhouse Gas Protocol](#)).

The following energy types are optional for compliance, but it is recommended to monitor these sites where possible (aligns with Scope 3 emissions according to the [WRI Greenhouse Gas Protocol](#)).

- Landlords with and without metered supplies,
- Shared sites, such as tower companies,
- Tenants on our sites,

The following emissions types are out of scope and should be managed according to sustainable business reporting guidance and/or local policy:

- Fuels for non-stationary use, i.e. fleet and company cars,
- Greenhouse gas emissions from refrigerants and air conditioning units,
- Business travel and
- Embedded carbon in the products and services we buy.

2 Roles and responsibilities

2.1 Group Policy Owner – Group CTO

Accountable for the implementation of the Energy Management Policy.





2.2 Group Policy Champion – Head of Energy Performance, Group Technology

Responsible for:

- Communication of the Energy Management Policy,
- Supporting implementation of the policy by providing advice, guidance and tools, identifying energy efficiency initiatives and process improvements, developing business cases and multi-regional programmes, energy data management services, facilitation of best practice sharing and working groups between the teams,
- Monitoring and reporting of compliance to policy.
- Review and recommendation of changes to policy to the policy owner.

2.3 Local Policy Owner – Local Market Director

Accountable for the implementation of and ongoing compliance with the Energy Management Policy within their local market.

2.4 Local Policy Champion – Local Market Energy Manager

Responsible for the application of the Energy Management Policy within their market/group entity and coordinates local energy management activities and stakeholders. Single point of contact (SPOC) for the Group Energy Policy Champion for all aspects of the policy.

2.5 Group Technology – Strategy and Architecture Director

Accountable for Technology strategy including energy performance and impact evaluation of new products, technologies and initiatives. Define energy technical requirement, roadmap and products. Decides vendor selection of network, IT and site infrastructure equipment. Defines Vodafone technology standards, KPI and related targets.

2.6 Group Property Director

Accountable for the Property strategy, including energy performance and impact evaluation of property initiatives. Defines standards, KPI, targets and requirements for buildings, technologies and services. For markets without a Vodafone operating company the Group Property Director is also the local policy owner.

2.7 Supply Chain Management Director

Responsible for the Group Energy purchasing and risk management policy and its translation into local policies when required. Ensures that energy performance requirements are assessed in RFQ.

2.8 Group and Local External Affairs Teams

Accountable to orchestrate any dealings with regulators, policy makers or other external stakeholders.

3 Controls and deliverables required for compliance

The following controls and deliverables are implemented for compliance:

3.1 Compliance with energy-related legislation and additional voluntary commitments

The local markets are accountable for compliance with energy- and GHG-related legislation, the requirements of this policy and if applicable additional voluntary commitments which we make as a business (e.g. public energy and carbon targets). In addition to compliance with the [Vodafone Group Regulatory Compliance Policy](#) the mandatory deliverables are;

- a. Completion of the annual self-assessment checklist and provision of supporting documentation by each local policy champion.





- b. Review of the annual self-assessment submission and issue of compliance and performance report to each local policy champion.
- c. Annual review of the compliance and performance report by the local policy owner.
- d. Annual review of summary report by the group policy owner.

3.2 Continuous improvement process to energy management

ISO 50001 defines the components of an energy management system (see graph below). It follows the general approach to continuous improvement with the main phases of **Plan** (policy and energy planning), **Do** (implementation and operation), **Check** (monitoring, correction of non-conformities, internal audits) and **Act** (management review).

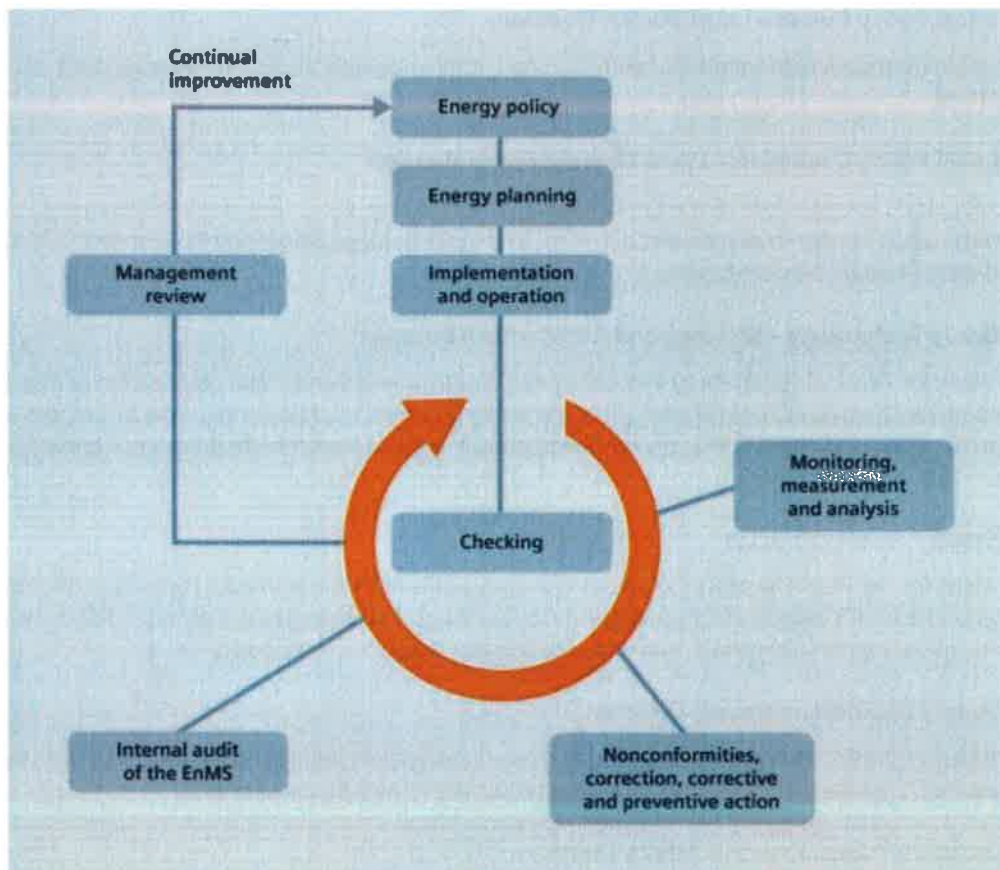


Image Source: [Siemens](#)

Mandatory deliverables;

- a. Documentation of energy management and continuous improvement process by each local policy champion.
- a. Documentation of energy programme and pipeline initiatives with resources and benefit for previous year, current financial year and LRP (long-range plan) by each local policy champion.

3.3 Targets for energy and/or carbon emissions and tracking of performance

Targets for Vodafone Group are set by the ExCo or delegated authority. Technology-related targets are defined in the technology strategy and guidance and agreed by the Technology Leadership Team (TLT). Tracking of the performance versus these targets is coordinated by group functions (i.e. Sustainable Business, Group Technology or Finance) with inputs from local markets or group property.

Mandatory deliverables:





- a. List of Vodafone Group energy/GHG targets by group energy policy champion (supported by Sustainable Business team).
- b. List of technology targets related to energy by group energy policy champion (also referring to Technology Guidance).
- c. Documentation of KPI, reporting process and roles by group energy policy champion.
- d. Performance report against targets and KPI by local policy champion.

3.4 Designing, building and operating our infrastructure

Energy is an important design factor for our operational and property sites. The [Technology Guidance and Black book](#) defines energy performance metrics, energy efficient solutions and roll out/closure plans. In the building phase we ensure that we choose the most efficient equipment and decommission legacy infrastructure where possible. During operations we deploy low power modes and identify and resolve energy wastage.

Mandatory deliverables:

- a. Documentation of how energy performance is considered in the design and strategy phase by group technology strategy director.
- b. Documentation of how energy performance is considered in the build phase and where gaps are by each local policy champion.
- c. Documentation on how energy performance is considered in operation and how energy wastage is identified and resolved by each local policy champion.
- d. Documentation on how energy performance is considered in property sites by the group property director.

3.5 Sourcing equipment, components and services

Energy shall be considered when sourcing equipment, components and services that have an energy impact. Supply chain management will ensure that energy performance and TCO (Total Cost of Ownership) metrics are integrated into the RFQ process and that we ask our suppliers to deliver energy performance improvements in their technology roadmap. Typical examples are network and IT equipment, power and cooling equipment, service contracts, data centre and office buildings or building areas.

Mandatory deliverables:

- a. Documentation how energy performance is taken into account in RFQ by the supply chain management director.
- b. Tracking of compliance to policy by the supply chain management director.

3.6 Energy purchasing and risk management strategy

Energy prices are volatile and regulation changes frequently. The energy purchasing and risk management policy which is sponsored by the Group Finance Director defines the approach to this risk. SCM and local market teams are accountable for compliance.

Mandatory deliverables:

- a. Compliance report against the Energy purchasing and risk management policy by SCM director.

3.7 Awareness and training for our employees

Employees' knowledge and behaviours are key success factors. We therefore provide energy-related communication and training for our employees and by doing so we ensure that everyone is able to provide their individual contribution to our targets.

Mandatory deliverables:

- a. Communication and engagement plan to raise energy awareness by group policy champion.
- b. Communication and engagement activities to raise energy awareness by local policy champion.
- c. Energy eLearning Module for Local Markets and group functions by group policy champion.
- d. Report on number of local market and group function colleagues that have completed Vodafone's Energy Awareness eLearning course on an annual basis by local market and group policy champion.



4 Exceptions

Possible exceptions to some parts of this policy may arise from local regulatory requirements; in such cases, a local regulatory review should be undertaken by the local market, and the group policy champion should be informed.

5 Supporting documents

- [List of accountable policy owners and champions](#)
- [Regulatory Compliance Policy](#)
- [Group Technology Strategy Guidance](#)
- Group Property Standards
- [Energy Management detailed requirements, guides, tools and services](#)
- [Energy \[Procurement and Risk Management\] Policy \(EP01\)](#)
- Energy Requirements for Procurement

6 Document history

Vers.	Date	Changes	Other standards affected	Author	Approved by
1.0	04/05/18	New Policy	n/a	Bernd Leven	

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