Board of Directors and Group Management

Directors and senior management

The business of the Company is managed by its board of directors ("the Board"). Biographical details of the directors and senior management at the date of this report are as follows:

Board of directors

Chairman

1. Sir John Bond†, aged 66, became Chairman of Vodafone Group Plc in July 2006, having previously served as a non-executive director of the Board, and is Chairman of the Nominations and Governance Committee. Sir John is a non-executive director of Ford Motor Company, USA, and A.P. Møller – Mærsk A/S and is a director of Shui On Land Limited (Hong Kong SAR). He retired from the position of Group Chairman of HSBC Holdings plc in May 2006, after 45 years of service. Other previous roles include Chairman of HSBC Bank plc and director of The Hong Kong and Shanghai Banking Corporation and HSBC North America Holdings Inc. Previous non-executive directorships include the London Stock Exchange, Orange plc, British Steel plc and the Court of the Bank of England.

Executive directors

2. Arun Sarin†, Chief Executive, aged 53, became a member of the Board in June 1999. He was appointed Chief Executive in July 2003. Arun joined Pacific Telesis Group in San Francisco in 1984 and has served in many executive positions in his career in telecommunications, which spans more than 20 years. He was a director of AirTouch Communications, Inc. from July 1995 and was President and Chief Operating Officer from February 1997 to June 1999. He was Chief Executive Officer for the Vodafone United States and Asia Pacific region until 15 April 2000, when he became a non-executive director. He has served as a director of The Gap, Inc., The Charles Schwab Corporation and Cisco Systems, Inc., and is a non-executive director of the Court of the Bank of England. He will retire as Chief Executive at the conclusion of the Company's AGM on 29 July 2008.

3. Vittorio Colao, Deputy Chief Executive and CEO of the Group's Europe region, aged 46, joined the Board in October 2006. He spent the early part of his career as a partner in the Milan office of McKinsey & Co working on media, telecommunications and industrial goods and was responsible for recruitment. In 1996, he joined Omnitel Pronto Italia, which subsequently became Vodafone Italy, and he was appointed Chief Executive in 1999. He was then appointed Regional Chief Executive Officer, Southern Europe for Vodafone Group Plc in 2001, became a member of the Board in 2002 and was appointed to the role of Regional Chief Executive Officer for Southern Europe, Middle East and Africa for Vodafone in 2003. In 2004, he left Vodafone to join RCS MediaGroup, the leading Italian publishing company, where he was Chief Executive until he rejoined Vodafone. He will become Chief Executive at the conclusion of the Company's AGM on 29 July 2008.

4. Andy Halford, Chief Financial Officer, aged 49, joined the Board in July 2005. Andy joined Vodafone in 1999 as Financial Director for Vodafone Limited, the UK operating company, and in 2001 he became Financial Director for Vodafone's Northern Europe, Middle East and Africa region. In 2002, he was appointed Chief Financial Officer of Verizon Wireless in the US and is currently a member of the Board of Representatives of the Verizon Wireless partnership. Prior to joining Vodafone, he was Group Finance Director at East Midlands Electricity Plc. Andy holds a bachelors degree in Industrial Economics from Nottingham University and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Deputy Chairman and senior independent director

5. John Buchanan§†, aged 64, became Deputy Chairman and senior independent director in July 2006 and has been a member of the Board since April 2003. He retired from the board of directors of BP Plc in 2002 after six years as Group Chief Financial Officer and executive director, following a wide-ranging career with the company. He was a member of the United Kingdom Accounting Standards Board from 1997 to 2001. He is Chairman of Smith & Nephew plc, a non-executive director of AstraZeneca PLC and senior independent director of BHP Billiton Plc.

Non-executive directors

6. Dr Michael Boskin§, aged 62, became a member of the Board in June 1999 on completion of the merger with AirTouch Communications, Inc. and is Chairman of the Audit Committee. He was a director of AirTouch from August 1996 to June 1999. He has been a Professor of Economics at Stanford University since 1971 and was Chairman of the President's Council of Economic Advisers from February 1989 until January 1993. Michael is President and Chief Executive Officer of Boskin & Co., an economic consulting company, and is also a director of Exxon Mobil Corporation, Shinsei Bank Limited and Oracle Corporation. He will retire from the Board at the conclusion of the Company's AGM on 29 July 2008.

7. Alan Jebson§, aged 58, joined the Board in December 2006. He retired in May 2006 from his role as Group Chief Operating Officer of HSBC Holdings Plc, a position which included responsibility for IT and Global Resourcing. During a long career with HSBC, Alan held various positions in IT, including the position of Group Chief Information Officer. His roles included responsibility for the Group's international systems, including the consolidation of HSBC and Midland systems following the acquisition of Midland Bank in 1993. He originally joined HSBC as Head of IT Audit in 1978 where, building upon his qualification as a chartered accountant, he built an international audit team and implemented controls in the Group's application systems. He is also a non-executive director of Experian Group plc and McDonald Dettwiler in Canada.

§ Audit Committee
† Nominations and Governance Committee
‡ Remuneration Committee

8. Nick Land[§], aged 60, joined the Board in December 2006. Solely for the purposes of relevant legislation, he is the Board's appointed financial expert on the Audit Committee. In June 2006, he retired as Chairman of Ernst & Young LLP after a distinguished career spanning 36 years with the firm. He became an audit partner in 1978 and held a number of management appointments before becoming Managing Partner in 1992. He was appointed Chairman and joined the Global Executive Board of Ernst & Young Global LLP in 1995. He is a non-executive director of Royal Dutch Shell, Alliance Boots, BBA Aviation and the Ashmore Group. He also sits on the Advisory Board of Three Delta, is Chairman of the Practices Advisory Board of the Institute of Chartered Accountants in England and Wales and of the Board of Trustees of Farnham Castle, and is a member of the Finance and Audit Committees of the National Gallery.

9. Simon Murray CBE[‡], aged 68, joined the Board in July 2007. His career has been largely based in Asia, where he has held positions with Jardine Matheson, Deutsche Bank and Hutchison Whampoa where, as Group Managing Director, he oversaw the development and launch of mobile telecommunications networks in many parts of the world. He remains on the Boards of Cheung Kong Holdings Limited, Compagnie Financière Richemont SA, Macquarie (HK) Limited and Orient Overseas (International) Limited and is an Advisory Board Member of the China National Offshore Oil Corporation. He also sits on the Advisory Board of Imperial College in London.

10. Anne Lauvergeon[§], aged 48, joined the Board in November 2005. She is Chief Executive Officer of AREVA Group, the leading French energy company, having been appointed to that role in July 2001. She started her professional career in 1983 in the iron and steel industry and in 1990 she was named Adviser for Economic International Affairs at the French Presidency and Deputy Chief of its Staff in 1991. In 1995, she became a Partner of Lazard Frères & Cie, subsequently joining Alcatel Telecom as Senior Executive Vice President in March 1997. She was responsible for international activities and the Group's industrial shareholdings in the energy and nuclear fields. In 1999, she was appointed Chairman and Chief Executive Officer of AREVA NC. Anne is currently also Vice Chairman of the Supervisory Board of Safran, a member of the Advisory Board of the Global Business Coalition on HIV/AIDS and a non-executive director of Total and Suez.

11. Professor Jürgen Schrempp[†‡], aged 63, has been a member of the Board since May 2000. He is a former Chairman of the Board of Management of DaimlerChrysler and one of the principal architects of Daimler-Benz's merger with Chrysler in 1998. He became Chairman of Daimler-Benz in 1995. Jürgen continues to hold the position of Non-Executive Chairman of Mercedes-Benz of South Africa Limited and is a non-executive director of the South African Coal, Oil and Gas Corporation (SASOL), Compagnie Financière Richemont SA, Switzerland and South African Airways. Jürgen is Chairman Emeritus of the Global Business Coalition on HIV/AIDS and holds South Africa's highest civilian award, the Order of Good Hope, conferred upon him by President Nelson Mandela. He will retire from the Board at the conclusion of the Company's AGM on 29 July 2008.

12. Luc Vandevelde[†‡], aged 57, joined the Board in September 2003 and is Chairman of the Remuneration Committee. He is a director of Société Générale and the Founder and Managing Director of Change Capital Partners LLP, a private equity fund. Luc was formerly Chairman of the Supervisory Board of Carrefour SA, Chairman of Marks & Spencer Group Plc and Chief Executive Officer of Promodes, and he has held senior European and international roles with Kraft General Foods.

13. Anthony Watson[‡], aged 63, was appointed to the Board in May 2006. Prior to joining Vodafone, he was Chief Executive of Hermes Pensions Management Limited, a position he had held since 2002. Previously he was Hermes' Chief Investment Officer, having been Managing Director of AMP Asset Management and the Chief International Investment Officer of Citicorp Investment Management from 1991 until joining Hermes in 1998. He is Chairman of Marks & Spencer Pension Trust Ltd, the Strategic Investment Board in Northern Ireland and the Asian Infrastructure Fund. He is also a non-executive director of Hammerson Plc and Witan Investment Trust Plc, and was formerly a member of the Financial Reporting Council.

14. Philip Yea[‡], aged 53, became a member of the Board in September 2005. He is the Chief Executive Officer of 3i Group plc, having been appointed to that role in July 2004. Prior to joining 3i, he was Managing Director of Investcorp and, from 1997 to 1999, the Group Finance Director of Diageo plc following the merger of Guinness plc, where he was Finance Director, and Grand Metropolitan plc. He has previously held non-executive roles at HBOS plc and Manchester United plc.

Board of Directors and Group Management continued

Executive Committee

Chaired by Arun Sarin, this committee focuses on the Group's strategy, financial structure and planning, succession planning, organisational development and Group-wide policies. The Executive Committee membership comprises the executive directors, details of whom are shown on page 62, and the senior managers who are listed below.

Senior management

Members of the Executive Committee who are not also executive directors are regarded as senior managers of the Company.

Paul Donovan, Chief Executive Officer, EMAPA, aged 49, was appointed to this position in May 2006. He joined Vodafone UK in 1999 as Managing Director – Commercial and became Chief Executive Officer of Vodafone Ireland in 2001. In January 2005, he became Chief Executive Officer, Other Vodafone Subsidiaries, managing 15 markets in which Vodafone operated. Paul has over 16 years' experience in the telecommunications and IT industries, gained at Apple Computer, BT and Cable and Wireless, as well as Vodafone. He began his career in sales and marketing at the Mars Group before becoming Marketing Director at Coca-Cola and Schweppes Beverages.

Warren Finegold, Chief Executive Officer, Global Business Development, aged 51, was appointed to this position and joined the Executive Committee in April 2006. He was previously a Managing Director of UBS Investment Bank and head of its technology team in Europe. He is responsible for business development, mergers and acquisitions and partner networks.

Terry Kramer, Group Strategy and Human Resources Director and Chief of Staff, aged 48, joined Vodafone in January 2005 as Chief of Staff and was appointed Group Human Resources Director in December 2006. Terry's role was recently expanded to include Vodafone Group Strategy. Prior to his appointment, he was Chief Executive Officer of Q Comm International, a publicly traded provider of transaction processing services for the telecommunications industry. He also worked for 12 years at PacTel/AirTouch Communications in a variety of roles including President AirTouch Paging, Vice President Human Resources-AirTouch Communications, Vice President Business Development-AirTouch Europe and Vice President & General Manager-AirTouch Cellular Southwest Market. Prior to that, he was an Associate with Booz Allen & Hamilton, a management consulting firm. Terry is a trustee of The Vodafone Group Foundation.

Simon Lewis, Group Corporate Affairs Director, aged 49, joined Vodafone in November 2004. He previously held senior roles at Centrica Plc including Managing Director, Europe, and Group Director of Communications and Public Policy. Prior to that, he was Director of Corporate Affairs at NatWest Group and the Head of Public Relations at S.G. Warburg plc. He was President of the Institute of Public Relations in 1997 and is a Visiting Professor at the Cardiff School of Journalism. In 1998, he was seconded to Buckingham Palace for two years as the first Communications Secretary to The Queen. He is Chairman of the UK Fulbright Commission and a trustee of The Vodafone Group Foundation.

Steve Pusey, Chief Technology Officer, aged 46, joined Vodafone in September 2006 and is responsible for all aspects of Vodafone's networks, IT capability, research and development and supply chain management. Prior to joining Vodafone, he held the positions of Executive Vice President and President, Nortel EMEA, having joined Nortel in 1982, gaining a wealth of international experience across both the wireline and wireless industries and in business applications and solutions. Prior to Nortel, he spent several years with British Telecom.

Frank Rovekamp, Group Chief Marketing Officer, aged 53, was appointed to this position and joined the Executive Committee in May 2006. He joined Vodafone in 2002 as Marketing Director and a member of the Management Board of Vodafone Netherlands and later moved to Vodafone Germany as Chief Marketing Officer and a member of the Management Board. Before joining Vodafone, he held roles as President and Chief Executive Officer of Beyoo and Chief Marketing Officer with KLM Royal Dutch Airlines. He is a trustee of The Vodafone Group Foundation.

Stephen Scott, Group General Counsel and Company Secretary, aged 54, was appointed to this position in 1991, prior to which he was employed in the Racal Group legal department, which he joined in 1980 from private law practice in London. He is a director of the Company's UK pension trustee company and of ShareGift (the Orr Mackintosh Foundation Limited) and is a director and trustee of LawWorks (the Solicitors Pro Bono Group).

Strategy Board

The Strategy Board meets three times each year to discuss strategy. This is attended by Executive Committee members and the Chief Executive Officers of the major operating companies and other selected individuals based on Strategy Board topics.

Other Board and Executive Committee members

The following members also served on the Board or the Executive Committee during the 2008 financial year:

Lord Broers was a member of the Board, the Audit Committee and the Nominations and Governance Committee until the conclusion of the AGM on 24 July 2007.

Alan Harper was Group Strategy and New Business Director and was a member of the Executive Committee until 1 September 2007.

Corporate Governance

The Board of the Company is committed to high standards of corporate governance, which it considers are critical to business integrity and to maintaining investors' trust in the Company. The Group expects all its directors and employees to act with honesty, integrity and fairness. The Group will strive to act in accordance with the laws and customs of the countries in which it operates; adopt proper standards of business practice and procedure; operate with integrity; and observe and respect the culture of every country in which it does business.

For each of the annual reports issued since 2004, Governance Metrics International, a global corporate governance ratings agency, ranked the Company amongst the top UK companies, with an overall global corporate governance rating of eight and a half and above out of ten.

In the Company's profile report by Institutional Shareholder Services Inc. ("ISS"), dated 1 May 2008, the Company's governance practices outperformed 95.9% of the companies in the ISS developed (excluding US) universe, 88.1% of companies in the telecommunications sector group and 96.5% of the companies in the UK.

Compliance with the Combined Code

The Company's ordinary shares are listed in the UK on the London Stock Exchange. In accordance with the Listing Rules of the UK Listing Authority, the Company confirms that throughout the year ended 31 March 2008 and at the date of this Annual Report, it was compliant with the provisions of, and applied the principles of, Section 1 of the 2006 FRC Combined Code on Corporate Governance (the "Combined Code"). The following section, together with the "Directors' Remuneration" section on pages 71 to 81, provides details of how the Company applies the principles and complies with the provisions of the Combined Code.

Board organisation and structure

The role of the Board

The Board is responsible for the overall conduct of the Group's business and has the powers, authorities and duties vested in it by and pursuant to the relevant laws of England and Wales and the Articles of Association. The Board:

- has final responsibility for the management, direction and performance of the Group and its businesses;
- is required to exercise objective judgement on all corporate matters independent from executive management;
- is accountable to shareholders for the proper conduct of the business; and
- is responsible for ensuring the effectiveness of and reporting on the Group's system of corporate governance.

The Board has a formal schedule of matters reserved to it for its decision and these include:

- Group strategy;
- major capital projects, acquisitions or divestments;
- annual budget and operating plan;
- Group financial structure, including tax and treasury;
- annual and half-yearly financial results and shareholder communications;
- system of internal control and risk management; and
- senior management structure, responsibilities and succession plans.

The schedule is reviewed periodically. It was last formally reviewed by the Nominations and Governance Committee in September 2005, at which time it was determined that no amendments were required. Its continued validity was assessed as part of the performance evaluations conducted in the 2008 financial year.

Other specific responsibilities are delegated to Board committees which operate within clearly defined terms of reference. Details of the responsibilities delegated to the Board committees are given on pages 67 to 68.

Board meetings

The Board meets at least eight times a year and the meetings are structured to allow open discussion. All directors participate in discussing the strategy, trading and financial performance and risk management of the Company. All substantive agenda items have comprehensive briefing papers, which are circulated one week before the meeting.

The following table shows the number of years directors have been on the Board at 31 March 2008 and their attendance at scheduled Board meetings they were eligible to attend during the 2008 financial year:

	Years on Board	Meetings attended
Sir John Bond	3	8/8
John Buchanan	5	8/8
Arun Sarin	8	8/8
Vittorio Colao	1	8/8
Andy Halford	2	8/8
Dr Michael Boskin	8	8/8
Alan Jebson	1	8/8
Nick Land	1	8/8
Anne Lauvergeon	2	7/8
Simon Murray (from 1 July 2007)	<1	6/7
Professor Jürgen Schrempp	7	7/8
Luc Vandevelde	4	8/8
Anthony Watson	2	8/8
Philip Yea	2	8/8
Lord Broers (until 24 July 2007)	n/a	2/2

In addition to regular Board meetings, there are a number of other meetings to deal with specific matters. Directors unable to attend a Board meeting because of another engagement are nevertheless provided with all the papers and information relevant for such meetings and are able to discuss issues arising in the meeting with the Chairman or the Chief Executive.

Division of responsibilities

The roles of the Chairman and Chief Executive are separate and there is a division of responsibilities that is clearly established, set out in writing and agreed by the Board to ensure that no one person has unfettered powers of decision. The Chairman is responsible for the operation, leadership and governance of the Board, ensuring its effectiveness and setting its agenda. The Chief Executive is responsible for the management of the Group's business and the implementation of Board strategy and policy.

Board balance and independence

The Company's Board consists of 14 directors, 13 of whom served throughout the 2008 financial year. At 31 March 2008, in addition to the Chairman, Sir John Bond, there were three executive directors and ten non-executive directors.

The Deputy Chairman, John Buchanan, is the nominated senior independent director and his role includes being available for approach or representation by directors or significant shareholders who may feel inhibited from raising issues with the Chairman. He is also responsible for conducting an annual review of the performance of the Chairman and, in the event it should be necessary, convening a meeting of the non-executive directors.

The Company considers all of its present non-executive directors to be fully independent. The Board is aware of the other commitments of its directors and is satisfied that these do not conflict with their duties as directors of the Company. The names and biographical details of the current directors are given on pages 62 and 63. Changes to the commitments of the directors are reported to the Board.

Corporate Governance continued

Under the laws of England and Wales, the executive and non-executive directors are equal members of the Board and have overall collective responsibility for the direction of the Company. In particular, non-executive directors are responsible for:

- bringing a wide range of skills and experience to the Group, including independent judgement on issues of strategy, performance, financial controls and systems of risk management;
- constructively challenging the strategy proposed by the Chief Executive and executive directors;
- scrutinising and challenging performance across the Group's business;
- assessing risk and the integrity of the financial information and controls of the Group; and
- ensuring appropriate remuneration and succession planning arrangements are in place in relation to executive directors and other senior executive roles.

Board effectiveness

Appointments to the Board

There is a formal, rigorous and transparent procedure, which is based on merit and against objective criteria, for the appointment of new directors to the Board. This is described in the section on the Nominations and Governance Committee set out on page 67. Individual non-executive directors are generally expected to serve two three-year terms. At the end of the second three-year term, a rigorous and detailed analysis is undertaken and only then would a non-executive director be invited to serve a third term. The non-executive directors are generally not expected to serve for a period exceeding nine years. The terms and conditions of appointment of the non-executive directors are available for inspection at the Company's registered office and will be available for inspection at the AGM from 15 minutes before the meeting until it ends.

Information and professional development

Each member of the Board has immediate access to a dedicated online team room and can access monthly information including actual financial results, reports from the executive directors in respect of their areas of responsibility and the Chief Executive's report which deals, amongst other things, with investor relations, giving Board members an opportunity to develop an understanding of the views of major investors. These matters are discussed at each Board meeting. From time to time, the Board receives detailed presentations from non-Board members on matters of significance or on new opportunities for the Group. Financial plans, including budgets and forecasts, are regularly discussed at Board meetings. The non-executive directors periodically visit different parts of the Group and are provided with briefings and information to assist them in performing their duties.

The Chairman is responsible for ensuring that induction and training programmes are provided and the Company Secretary organises the programmes. Individual directors are also expected to take responsibility for identifying their training needs and to take steps to ensure that they are adequately informed about the Company and their responsibilities as a director. The Board is confident that all its members have the knowledge, ability and experience to perform the functions required of a director of a listed company.

On appointment, individual directors undergo an induction programme covering, amongst other things:

- the business of the Group;
- their legal and regulatory responsibilities as directors of the Company;
- briefings and presentations from relevant executives; and
- opportunities to visit business operations.

If appropriate, the induction will also include briefings on the scope of the Internal Audit function and the role of the Audit Committee, meetings with the external auditor and other areas the Company Secretary deems fit, considering the director's area of responsibility.

The Company Secretary provides a programme of ongoing training for the directors, which covers a number of sector specific and business issues, as well as legal, accounting and regulatory changes and developments relevant to individual director's areas of responsibility. Throughout their period in office, the directors are continually updated on the Group's businesses and the regulatory and industry specific environments in which it operates. These updates are by way of written briefings and meetings with senior executives and, where appropriate, external sources.

The Company Secretary ensures that the programme to familiarise the non-executive directors with the business is maintained over time and kept relevant to the needs of the individuals involved. The Company Secretary confers with the Chairman and senior independent director to ensure that this is the case.

Performance evaluation

Performance evaluation of the Board, its committees and individual directors takes place on an annual basis and is conducted within the terms of reference of the Nominations and Governance Committee with the aim of improving individual contributions, the effectiveness of the Board and its Committees and the Group's performance. Prior to the 2007 financial year, the evaluation was internally facilitated.

Following on from the externally facilitated evaluation of the Board's performance during the 2007 financial year, the Board has undertaken a formal self-evaluation of its own performance. The process involved the Chairman:

- sending a template questionnaire to each Board member which was completed and returned;
- undertaking individual meetings with each Board member on Board performance;
- producing a report on Board performance, with the assistance of an external agency, using the completed questionnaire and notes from the individual meetings; and
- preparing a summary which was sent with the report to Board members for discussion at the following Board meeting.

The evaluation was designed to determine whether the Board continues to be capable of providing the high level judgement required and whether, as a Board, the directors were informed and up to date with the business and its goals and understood the context within which it operates. The evaluation also included a review of the administration of the Board covering the operation of the Board, its agenda and the reports produced for the Board's consideration. The Board will continue to review its procedures, its effectiveness and development in the financial year ahead.

The Chairman leads the assessment of the Chief Executive and the non-executive directors, the Chief Executive undertakes the performance reviews for the executive directors and the senior independent director conducts the review of the performance of the Chairman by having a meeting with all the non-executive directors together and individual meetings with the executive directors and the Company Secretary. Following this process, the senior independent director produces a written report which is discussed with the Chairman.

The evaluation of each of the Board committees was undertaken using an online questionnaire that each member of the committees and others who attend committee meetings or interact with committee members are required to complete. The results of the questionnaires were discussed with the Chairman of the Board and the members of the committees.

The evaluations found the performance of each director to be effective and concluded that the Board provides the effective leadership and control required for a listed company. The Nominations and Governance Committee confirmed to the Board that the contributions made by the directors offering themselves for re-election at the AGM in July 2008 continue to be effective and that the Company should support their re-election.

Re-election of directors
Although not required by the Articles, in the interests of good corporate governance, the directors have resolved that they will all submit themselves for annual re-election at each AGM of the Company. Accordingly, at the AGM to be held on 29 July 2008, all the directors will be retiring and, with the exception of Arun Sarin, Michael Boskin and Jürgen Schrempp who will not offer themselves for re-election, being eligible and on the recommendation of the Nominations and Governance Committee, will offer themselves for re-election.

Independent advice
The Board recognises that there may be occasions when one or more of the directors feel it is necessary to take independent legal and/or financial advice at the Company's expense. There is an agreed procedure to enable them to do so.

Indemnification of directors
In accordance with the Company's Articles of Association and to the extent permitted by the laws of England and Wales, directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their office. In respect of those matters for which the directors may not be indemnified, the Company maintained a directors' and officers' liability insurance policy throughout the financial year. This policy has been renewed for the next financial year. Neither the Company's indemnity nor the insurance provides cover in the event that the director is proven to have acted dishonestly or fraudulently.

Board committees
The Board has established an Audit Committee, a Nominations and Governance Committee and a Remuneration Committee, each of which has formal terms of reference approved by the Board. The Board is satisfied that the terms of reference for each of these committees satisfy the requirements of the Combined Code and are reviewed internally on an ongoing basis by the Board. The terms of reference for all Board committees can be found on the Company's website at www.vodafone.com or a copy can be obtained by application to the Company Secretary at the Company's registered office.

The committees are provided with all necessary resources to enable them to undertake their duties in an effective manner. The Company Secretary or his delegate acts as secretary to the committees. The minutes of committee meetings are circulated to all directors.

Each committee has access to such information and advice, both from within the Group and externally, at the cost of the Company as it deems necessary. This may include the appointment of external consultants where appropriate. Each committee undertakes an annual review of the effectiveness of its terms of reference and makes recommendations to the Board for changes where appropriate.

Audit Committee
The members of the Audit Committee during the year, together with a record of their attendance at scheduled meetings which they were eligible to attend, are set out below:

	Meetings attended
Dr Michael Boskin, Chairman	4/4
John Buchanan	4/4
Alan Jebson (from 23 July 2007)	3/3
Nick Land	4/4
Anne Lauvergeon	3/4
Lord Broers (until 23 July 2007)	1/1

The Audit Committee is comprised of financially literate members having the necessary ability and experience to understand financial statements. Solely for the purpose of fulfilling the requirements of the Sarbanes-Oxley Act and the Combined Code, the Board has designated Nick Land, who is an independent non-executive director satisfying the independence requirements of Rule 10A-3 of the US Securities Exchange Act 1934, as its financial expert on the Audit Committee. Further details on Nick Land can be found in "Board of Directors and Group Management" on page 63.

The Audit Committee's responsibilities include the following:

- overseeing the relationship with the external auditors;
- reviewing the Company's preliminary results announcement, half-yearly results and annual financial statements;
- monitoring compliance with statutory and listing requirements for any exchange on which the Company's shares and debt instruments are quoted;
- reviewing the scope, extent and effectiveness of the activity of the Group Internal Audit Department;
- engaging independent advisers as it determines is necessary and to perform investigations;
- reporting to the Board on the quality and acceptability of the Company's accounting policies and practices including, without limitation, critical accounting policies and practices; and
- playing an active role in monitoring the Company's compliance efforts for Section 404 of the Sarbanes-Oxley Act and receiving progress updates at each of its meetings.

At least twice a year, the Audit Committee meets separately with the external auditors and the Group Audit Director without management being present. Further details on the work of the Audit Committee and its oversight of the relationships with the external auditors can be found under "Auditors" and the "Report from the Audit Committee" which are set out on pages 69 and 70.

Nominations and Governance Committee
The members of the Nominations and Governance Committee during the year, together with a record of their attendance at scheduled meetings which they were eligible to attend, are set out below:

	Meetings attended
Sir John Bond, Chairman	6/6
Lord Broers (until 23 July 2007)	2/2
John Buchanan	5/6
Arun Sarin	6/6
Professor Jürgen Schrempp	4/6
Luc Vandevelde	6/6

The Nominations and Governance Committee's key objective is to ensure that the Board comprises individuals with the requisite skills, knowledge and experience to ensure that it is effective in discharging its responsibilities. The Nominations and Governance Committee:

- leads the process for identifying and making recommendations to the Board of candidates for appointment as directors of the Company, giving full consideration to succession planning and the leadership needs of the Group;
- makes recommendations to the Board on the composition of the Nominations and Governance Committee and the composition and chairmanship of the Audit and Remuneration Committees;
- regularly reviews the structure, size and composition of the Board, including the balance of skills, knowledge and experience and the independence of the non-executive directors, and makes recommendations to the Board with regard to any change; and
- is responsible for the oversight of all matters relating to corporate governance, bringing any issues to the attention of the Board.

The Nominations and Governance Committee meets periodically when required. No one other than a member of the Nominations and Governance Committee is entitled to be present at its meetings. Other non-executive directors and external advisers may be invited to attend. The Nominations and Governance Committee usually meets two or three times each year but this year, in order to address the matter of the Chief Executive's succession, it met six times as a body. Committee members were also additionally involved in the assessment and interview of potential successors to the Chief Executive, a process in which they were supported by MWM Consulting.

Corporate Governance continued

Remuneration Committee

The members of the Remuneration Committee during the year, together with a record of their attendance at scheduled meetings which they were eligible to attend, are set out below:

	Meetings attended
Luc Vandevelde, Chairman	5/5
Simon Murray (from 23 July 2007)	3/4
Professor Jürgen Schrempp	4/5
Anthony Watson	5/5
Philip Yea	5/5
Dr Michael Boskin (until 23 July 2007)	2/2

The responsibilities of the Remuneration Committee include the following:

- determining, on behalf of the Board, the Company's policy on the remuneration of the Chairman, the executive directors and the senior management team of the Company;
- determining the total remuneration packages for these individuals, including any compensation on termination of office; and
- appointing any consultants in respect of executive directors' remuneration.

The Chairman and Chief Executive may attend the Remuneration Committee's meetings by invitation. They do not attend when their individual remuneration is discussed and no director is involved in deciding his own remuneration.

Further information on the Remuneration Committee's activities is contained in "Directors' Remuneration" on pages 71 to 81.

Executive Committee

The executive directors, together with certain other Group functional heads and regional chief executives, meet 12 times a year as the Executive Committee under the chairmanship of the Chief Executive. The Executive Committee is responsible for the day-to-day management of the Group's businesses, the overall financial performance of the Group in fulfilment of strategy, plans and budgets and Group capital structure and funding. It also reviews major acquisitions and disposals. The members of the Executive Committee and their biographical details are set out on pages 62 and 64.

Company Secretary

The Company Secretary acts as Secretary to the Board and to the committees of the Board and, with the consent of the Board, may delegate responsibility for the administration of the Committees to other suitably qualified staff. He:

- assists the Chairman in ensuring that all directors have full and timely access to all relevant information;
- is responsible for ensuring that the correct Board procedures are followed and advises the Board on corporate governance matters; and
- administers the procedure under which directors can, where appropriate, obtain independent professional advice at the Company's expense.

The appointment or removal of the Company Secretary is a matter for the Board as a whole.

Relations with shareholders

The Company is committed to communicating its strategy and activities clearly to its shareholders and, to that end, maintains an active dialogue with investors through a planned programme of investor relations activities. The investor relations programme includes:

- formal presentations of full year and half-yearly results and interim management statements;
- briefing meetings with major institutional shareholders in the UK, the US and in Continental Europe after the half-yearly results and preliminary announcement, to ensure that the investor community receives a balanced and complete view of the Group's performance and the issues faced by the Group;
- regular meetings with institutional investors and analysts by the Chief Executive and the Chief Financial Officer to discuss business performance;
- hosting investors and analysts sessions at which senior management from relevant operating companies deliver presentations which provide an overview of each of the individual businesses and operations;
- attendance by senior executives across the business at relevant meetings and conferences throughout the year;
- responding to enquiries from shareholders and analysts through the Company's Investor Relations team; and
- a section dedicated to shareholders on the Company's corporate website, www.vodafone.com.

Overall responsibility for ensuring that there is effective communication with investors and that the Board understands the views of major shareholders on matters such as governance and strategy rests with the Chairman, who makes himself available to meet shareholders for this purpose.

The senior independent director and other members of the Board are also available to meet major investors on request. The senior independent director has a specific responsibility to be available to shareholders who have concerns, for whom contact with the Chairman, Chief Executive or Chief Financial Officer has either failed to resolve their concerns, or for whom such contact is inappropriate.

At the 2007 AGM, the shareholders approved amendments to the Articles which enabled the Company to take advantage of the provision in the Companies Act 2006 (effective from 20 January 2007) to communicate with its shareholders electronically. Following that approval, unless a shareholder has specifically asked to receive a hard copy, they will receive notification of the availability of the Annual Report on the Company's website www.vodafone.com. For the 2008 financial year, shareholders will receive the Notice of Meeting and form of proxy in paper through the post unless they have previously opted to receive email communications. Shareholders continue to have the option to appoint proxies and give voting instructions electronically.

The principal communication with private investors is via the Annual Report and through the AGM, an occasion which is attended by all the Company's directors and at which all shareholders present are given the opportunity to question the Chairman and the Board as well as the Chairmen of the Audit, Remuneration and Nominations and Governance Committees. After the AGM, shareholders can meet informally with directors.

A summary presentation of results and development plans is also given at the AGM before the Chairman deals with the formal business of the meeting. The AGM is broadcast live on the Group's website, www.vodafone.com, and a recording of the webcast can subsequently be viewed on the website. All substantive resolutions at the Company's AGMs are decided on a poll. The poll is conducted by the Company's Registrars and scrutinised by Electoral Reform Services. The proxy votes cast in relation to all resolutions, including details of votes withheld, are disclosed to those in attendance at the meeting and the results of the poll are published on the Company's website and announced via the regulatory news service. Financial and other information is made available on the Company's website, www.vodafone.com, which is regularly updated.

Political donations

At the 2006 AGM, the directors sought and received a renewal of shareholders' approval for a period of three years (until the AGM in 2009) to enable the Group to make donations to EU Political Organisations or EU Political Expenditure, under the relevant provisions of the Political Parties, Elections and Referendums Act 2000. The approval given restricts such expenditure for each year until the AGM in 2009 to an aggregate amount of £100,000 (£50,000 in respect of donations to EU Political Organisations and £50,000 in respect of EU Political Expenditure).

Neither the Company nor any if its subsidiaries have made any political donations during the year.

With effect from 1 October 2007, the relevant provisions governing political donations in the Companies Act 1985 have been replaced by similar provisions in Part 14 of the Companies Act 2006. Although the existing shareholder approval in respect of political donations does not expire until the Company's AGM in 2009, Part 14 of the Companies Act 2006 is technically different to the relevant provisions of the Companies Act 1985 and, consequently, to avoid any confusion, the directors, on a precautionary basis, are bringing this matter again to shareholders and the terms of this year's resolution have been adjusted to reflect the different technical requirements of Part 14 of the Companies Act 2006.

It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. However, the directors consider that it is in the best interests of shareholders for the Company to participate in public debate and opinion-forming on matters which affect its business. To avoid inadvertent infringement of the Companies Act 2006, the directors are seeking shareholders' authority for the Company and its subsidiaries to make political donations and to incur political expenditure during the period from the date of the AGM to the conclusion of the AGM in 2012 or 29 July 2012, whichever is the earlier, up to a maximum aggregate amount of £100,000 per year.

Internal control

The Board has overall responsibility for the system of internal control. A sound system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The process of managing the risks associated with social, environmental and ethical impacts is also discussed under "Performance – Corporate Responsibility" on pages 59 to 61.

The Board has established procedures that implement in full the Turnbull Guidance "Internal Control: Revised Guidance for Directors on the Combined Code" for the year under review and to the date of approval of the Annual Report. These procedures, which are subject to regular review, provide an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. See page 83 for management's report on internal control over financial reporting.

Monitoring and review activities

There are clear processes for monitoring the system of internal control and reporting any significant control failings or weaknesses together with details of corrective action. These include:

- a formal annual confirmation provided by the Chief Executive Officer and Chief Financial Officer of each Group company certifying the operation of their control systems and highlighting any weaknesses, the results of which are reviewed by regional management, the Audit Committee and the Board;
- a review of the quality and timeliness of disclosures undertaken by the Chief Executive and the Chief Financial Officer which includes formal annual meetings with the operating company or regional chief executives and chief financial officers and the Disclosure Committee;
- periodic examination of business processes on a risk basis including reports on controls throughout the Group undertaken by the Group Internal Audit Department who report directly to the Audit Committee; and
- reports from the external auditors, Deloitte & Touche LLP, on certain internal controls and relevant financial reporting matters, presented to the Audit Committee and management.

Any controls and procedures, no matter how well designed and operated, can provide only reasonable and not absolute assurance of achieving the desired control objectives. Management is required to apply judgement in evaluating the risks facing the Group in achieving its objectives, in determining the risks that are considered acceptable to bear, in assessing the likelihood of the risks concerned materialising, in identifying the Company's ability to reduce the incidence and impact on the business of risks that do materialise and in ensuring that the costs of operating particular controls are proportionate to the benefit.

Review of effectiveness

The Board and the Audit Committee have reviewed the effectiveness of the internal control system, including financial, operational and compliance controls and risk management, in accordance with the Code for the period from 1 April 2007 to the date of approval of this Annual Report. No significant failings or weaknesses were identified during this review. However, had there been any such failings or weaknesses, the Board confirms that necessary actions would have been taken to remedy them.

Disclosure controls and procedures

The Company maintains "disclosure controls and procedures", as such term is defined in Exchange Act Rule 13a-15(e), that are designed to ensure that information required to be disclosed in reports the Company files or submits under the Exchange Act is recorded, processed, summarised and reported within the time periods specified in the Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to management, including the Company's Group Chief Executive and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

The directors, the Chief Executive and the Chief Financial Officer have evaluated the effectiveness of the disclosure controls and procedures and, based on that evaluation, have concluded that the disclosure controls and procedures are effective at the end of the period covered by this Annual Report.

Auditors

Following a recommendation by the Audit Committee and, in accordance with Section 384 of the Companies Act 1985, a resolution proposing the reappointment of Deloitte & Touche LLP as auditors to the Company will be put to the 2008 AGM.

In its assessment of the independence of the auditors and in accordance with the US Independence Standards Board Standard No. 1, "Independence Discussions with Audit Committees", the Audit Committee receives in writing details of relationships between Deloitte & Touche LLP and the Company that may have a bearing on their independence and receives confirmation that they are independent of the Company within the meaning of the securities laws administered by the SEC.

In addition, the Audit Committee pre-approves the audit fee after a review of both the level of the audit fee against other comparable companies, including those in the telecommunications industry, and the level and nature of non-audit fees, as part of its review of the adequacy and objectivity of the audit process.

In a further measure to ensure auditor independence is not compromised, policies provide for the pre-approval by the Audit Committee of permitted non-audit services by Deloitte & Touche LLP. For certain specific permitted services, the Audit Committee has pre-approved that Deloitte & Touche LLP can be engaged by Group management subject to specified fee limits for individual engagements and fee limits for each type of specific service permitted. For all other services, or those permitted services that exceed the specified fee limits, the Chairman of the Audit Committee, or in his absence another member, can pre-approve services which have not been pre-approved by the Audit Committee.

In addition to their statutory duties, Deloitte & Touche LLP are also employed where, as a result of their position as auditors, they either must, or are best placed to, perform the work in question. This is primarily work in relation to matters such as shareholder circulars, Group borrowings, regulatory filings and certain business acquisitions and disposals. Other work is awarded on the basis of competitive tender.

During the year, Deloitte & Touche LLP and its affiliates charged the Group £7 million (2007: £7 million, 2006: £4 million) for audit and audit-related services and a further £2 million (2007: £3 million, 2006: £4 million) for non-audit assignments. An analysis of these fees can be found in note 4 to the Consolidated Financial Statements.

Corporate Governance continued

US listing requirements

The Company's ADSs are listed on the NYSE and the Company is, therefore, subject to the rules of the NYSE as well as US securities laws and the rules of the SEC. The NYSE requires US companies listed on the exchange to comply with the NYSE's corporate governance rules but foreign private issuers, such as the Company, are exempt from most of those rules. However, pursuant to NYSE Rule 303A.11, the Company is required to disclose a summary of any significant ways in which the corporate governance practices it follows differ from those required by the NYSE for US companies. The differences are as follows:

Independence

- NYSE rules require that a majority of the Board must be comprised of independent directors and the rules include detailed tests that US companies must use for determining independence.
- The Combined Code requires a company's board of directors to assess and make a determination as to the independence of its directors.

While the Board does not explicitly take into consideration the NYSE's detailed tests, it has carried out an assessment based on the requirements of the Combined Code and has determined in its judgement that all of the non-executive directors are independent within those requirements. At the date of this Annual Report, the Board comprised the Chairman, three executive directors and ten non-executive directors.

Committees

- NYSE rules require US companies to have a nominating and corporate governance committee and a compensation committee, each composed entirely of independent directors with a written charter that addresses the Committees' purpose and responsibilities.
- The Company's Nominations and Governance Committee and Remuneration Committee have terms of reference and composition that comply with the Combined Code requirements.
- The Nominations and Governance Committee is chaired by the Chairman of the Board, and its other members are non-executive directors of the Company and the Chief Executive.
- The Audit Committee is composed entirely of non-executive directors whom the Board has determined to be independent and who meet the requirements of Rule 10A-3 of the Securities Exchange Act.

The Company considers that the terms of reference of these committees, which are available on its website at www.vodafone.com, are generally responsive to the relevant NYSE rules but may not address all aspects of these rules.

Corporate governance guidelines

- Under NYSE rules, US companies must adopt and disclose corporate governance guidelines.
- Vodafone has posted its statement of compliance with the Combined Code on its website at www.vodafone.com. The Company has also adopted a Group Governance and Policy Manual which provides the first level of the framework within which its businesses operate. The Manual applies to all directors and employees.

The Company considers that its corporate governance guidelines are generally responsive to, but may not address all aspects of, the relevant NYSE rules.

The Company has also adopted a corporate Code of Ethics for senior executives, financial and accounting officers, separate from and additional to its Business Principles. A copy of this code is available on the Group's website at www.vodafone.com.

Report from the Audit Committee

The composition of the Audit Committee is shown in the table on page 67 and its terms of reference are discussed under "Board committees – Audit Committee".

During the year ended 31 March 2008, the principal activities of the Committee were as follows:

Financial statements

The Committee considered reports from the Chief Financial Officer and the Director of Financial Reporting on the half-year and annual financial statements. It also considered reports from the external auditors, Deloitte & Touche LLP, on the scope and outcome of the half-year review and annual audit.

The financial statements were reviewed in the light of these reports and the results of that review reported to the Board.

Risk management and internal control

The Committee reviewed the process by which the Group evaluated its control environment, its risk assessment process and the way in which significant business risks were managed. It also considered the Group Audit Department's reports on the effectiveness of internal controls, significant frauds and any fraud that involved management or employees with a significant role in internal controls. The Committee was also responsible for oversight of the Group's compliance activities in relation to section 404 of the Sarbanes-Oxley Act.

The Committee also reviewed arrangements by which staff could, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. This was achieved through using existing reporting procedures and a website with a dedicated anonymous email feature.

External auditors

The Committee reviewed the letter from Deloitte & Touche LLP confirming their independence and objectivity. It also reviewed and approved the scope of non-audit services provided by Deloitte & Touche LLP to ensure that there was no impairment of independence.

The Committee approved the scope and fees for audit services provided by Deloitte & Touche LLP and confirmed the wording of the recommendations put by the Board to the shareholders on the appointment and retention of the external auditors.

Private meetings were held with Deloitte & Touche LLP to ensure that there were no restrictions on the scope of their audit and to discuss any items the auditors did not wish to raise with management present.

Internal audit

The Committee engaged in discussion and review of the Group Audit Department's audit plan for the year, together with its resource requirements. Private meetings were held with the Group Audit Director.

Audit Committee effectiveness

The Audit Committee conducts a formal review of its effectiveness annually and concluded this year that it was effective and able to fulfil its terms of reference.

Dr Michael Boskin
On behalf of the Audit Committee

Directors' Remuneration

Dear Shareholder

The Vodafone Remuneration Committee commissioned a review of the reward package for the executive directors during the 2008 financial year. The objective was to consider the effectiveness of the reward arrangements in aligning with our strategy and shareholder interests. As a result, the Remuneration Committee has updated the remuneration policy, reward structure and market positioning for the coming years.

The key principles adopted for the updated Vodafone remuneration policy are as follows:

- ensure a competitive total remuneration package as benchmarked against relevant companies and markets;
- provide the opportunity for significant reward upside only if:
  - truly exceptional performance is delivered; and
  - participants invest their own money;
- deliver a high proportion of total remuneration through performance related equity payments; and
- drive alignment to our strategy, to create shareholder value, and reinforce shareholder alignment.

In order to fulfil this policy, the following key changes are being made to the components of directors' remuneration:

- the long term incentive structure is being simplified – awards will be made in performance shares only;
- the vesting of performance shares will be based upon a combination of operational and equity performance measures; and
- participants will be invited to invest their own money in order to maximise their long term award.

The Remuneration Committee continues to monitor how well incentive awards made in previous years align with the Company's performance. We are confident that forecast rewards are commensurate with performance. This financial year we have taken the opportunity to further align the Vodafone reward package to the strategy and shareholder interests. In particular, this Remuneration Report outlines the detailed changes to the Global Long Term Incentive Plan ("GLTI") for the 2009 financial year. This plan operates under the existing plan rules which were approved in 2006. As a result there will be no separate resolution for the amendments. However, the Remuneration Committee always takes an active interest in shareholder views and the voting on the Remuneration Report. As such, it hopes to receive your support at the AGM on 29 July 2008.

Luc Vandevelde
Chairman of the Remuneration Committee
27 May 2008

Remuneration Committee

The Remuneration Committee is comprised to exercise independent judgement and consists only of independent non-executive directors. The Remuneration Committee had five scheduled and a number of other ad hoc meetings during the year. For further details, the terms of reference can be found on page 68.

Remuneration Committee

Chairman	Luc Vandevelde
Committee members	Dr Michael Boskin (left on 23 July 2007) Simon Murray (joined on 25 July 2007) Professor Jürgen Schrempp Anthony Watson Philip Yea

Management attendees

Chief Executive	Arun Sarin
Group HR Director	Terry Kramer
Group Reward & Recognition Director	Tristram Roberts

External advisers

During the year, Towers Perrin supplied market data and advice on market practice and governance. PricewaterhouseCoopers LLP and Kepler Associates provided performance analysis and advice on plan design and performance measures.

The advisers also provided advice to the Company on general human resource and compensation related matters. In addition, PricewaterhouseCoopers LLP also provided a broad range of tax, share scheme and advisory services to the Group during 2008.

Contents

The detail of this Remuneration Report is set out over the following pages, as follows:

- Review of the executive directors' remuneration
- How the executive directors were paid in the 2008 financial year
- Changes to how the executive directors will be paid in the 2009 financial year
- Grants made and payouts received in the 2008 financial year
- Other elements of directors' packages
- Non-executive directors' remuneration
- Other considerations
- Audited information.

Directors' Remuneration continued

Review of the executive directors' remuneration

The Remuneration Committee commissioned a full review of the reward arrangements for the Vodafone executive directors in the 2008 financial year.

The remuneration policy was last amended in 2002.

Remuneration policy

Vodafone wishes to provide a level of remuneration which attracts, retains and motivates executive directors of the highest calibre. To maximise the effectiveness of the remuneration policy, careful consideration will be given to aligning the remuneration package with shareholder interests and with best practice.

The aim is to target an appropriate level of remuneration for managing the business in line with the strategy. There will be the opportunity for executive directors to achieve significant upside for truly exceptional performance.

In setting total remuneration, the Remuneration Committee will consider a relevant group of comparators. Comparators will be selected on the basis of the role being considered. Typically, no more than three reference points will be used. These will be as follows: top European companies, top UK companies and, particularly for scarce skills, the relevant market in question.

These comparators reflect the fact that currently the majority of the business is in Europe, the Company's primary listing is in the UK and that the Remuneration Committee is aware that in some markets, the competition is tough for the very best talent.

A high proportion of total remuneration will be awarded through short term and long term performance related remuneration. The Remuneration Committee believes that incorporating and setting appropriate performance measures and targets in the package is paramount – this will be reflected in an appropriate balance of operational and equity performance.

Finally, to fully embed the link to shareholder alignment, all executive directors are expected to meet and comply with the rigorous and stretching share ownership requirements set by the Remuneration Committee.

Changes to the package

The review of executive directors' remuneration has had the following high level impact on the package for the 2009 financial year:

- no change to the base salary policy;
- no significant change to the annual bonus arrangement; and
- long term incentives will be awarded in the form of performance shares with an opportunity to co-invest. The Remuneration Committee does not foresee a requirement to award options or use the Deferred Share Bonus ("DSB") in the immediate future. Vesting will be based on a performance matrix comprised of operational and equity performance.

These changes are summarised in the following table:

Reward elements	2007/08 measures	2008/09 measures
Annual bonus	Business KPIs	Business KPIs
DSB	Free cash flow	Not applicable
Share options	EPS	Not applicable
Performance shares	Total shareholder return ("TSR")	Free cash flow and TSR
Co-investment	Not applicable	Free cash flow and TSR

Rationale for changes

The key purposes of making the changes are as follows:

- **Link to strategy**

Focusing on driving the key measures of underlying business performance together with upside for strong market value performance.

- **Shareholder alignment**

Increasing the co-investment opportunity and moving it from a two year deferral to a three year investment should increase the participants' holdings in the Company.

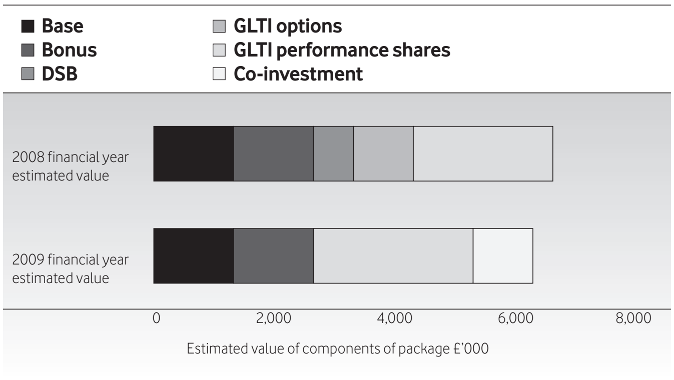
- **Simplification**

Moving to one long-term incentive vehicle (shares) simplifies the long-term arrangements.

Impact of changes on package

Comparison of estimated values for the Chief Executive in the 2008 financial year and the 2009 financial year

The estimated values are used to represent the level of different elements of the package. The analysis below assumes a one times salary co-investment, which is in line with the current opportunity under the DSB plan. The estimated value will be greater the more a participant co-invests (up to two times net salary).



Comparison of package structure for the Chief Executive in the 2008 financial year and the 2009 financial year

The Remuneration Committee continues to be comfortable with the structure of remuneration. Therefore, there is no significant change to:

- the split between fixed and variable pay; or
- the split between short term and long term pay (though note that all long term remuneration is now received over three years).

The actual percentages depend on the participant's level of co-investment.

How the executive directors were paid in the 2008 financial year

The table below summarises the plans used to reward the executive directors in the 2008 financial year. Details on performance measures, the link to strategy and grant policy are also included.

	2007/08 performance measure(s)	Purpose – link to strategy	Grant policy
Base salary **2007/08**	• Not applicable	• Reflects competitive market level, role and individual contribution	• Set annually at 1 July
Annual bonus **2007/08 Group Short Term Incentive Plan ("GSTIP")**[1]	• Adjusted operating profit (30%) • Free cash flow (20%) • Service revenue (25%) • Total communications revenue (10%) • Customer delight (15%)	• One year KPIs against budget and linked to performance targets – delivered in either cash or deferred into shares (see DSB below) • Three key measures: Adjusted operating profit, service revenue and free cash flow – cover the key financial elements of the strategy (revenue stimulation, cost control and overall growth in EMAPA) • Total communications revenue continues to focus attention on this important element of the strategy • Customer delight – satisfied customers directly impact our key financial metrics	• Target bonus is 100% of salary earned over the financial year, with 200% maximum available for exceptional performance • The Remuneration Committee reviews and sets the GSTIP performance targets on an annual basis
Bonus deferral arrangement **2007 Deferred Share Bonus ("DSB")**	• Two year cumulative adjusted free cash flow • The target for the June 2007 award was a hurdle of 85% of the Long Range Plan target over the 2008 and 2009 financial years	• If executive directors choose to defer their annual bonus into shares, then they will be eligible for an award of matching shares under the DSB arrangement equal to 50% of the value of the deferred bonus conditionally awarded in shares • The matching award is earned by achievement of the performance target over the following two years • Incentivises the purchase of shares to meet share ownership guidelines. This acts as a key part of alignment with shareholders' interests	• The entire bonus must be deferred into shares to participate in the DSB • 50% of the value of the deferred bonus conditionally awarded in shares
Long term incentives **2007 Global Long Term Incentive Plan ("GLTI") share options**	• Three year cumulative growth in adjusted EPS • For the July 2007 grants, the performance range was 5% – 8% p.a. • As in previous years, 25% vests at threshold (5% p.a.) with a straight line up to 100% vesting at maximum (8% p.a.) • In setting this target, the Remuneration Committee took the internal Long Range Plan, market expectations and market practice into account	• GLTI share options have a ten year term and will vest after three years, subject to performance achievement. To the extent that the performance target is not met, the options will lapse (re-testing is not permitted) • The share options incentivise underlying business growth through earnings and only deliver value if the share price increases. The price at which shares can be acquired on option exercise will be no lower than the market value of the shares on the day prior to the date of grant of the options	• Annual grants are made in July • The number of shares granted are based on expected values • For the Chief Executive, the expected value is 75% of base salary • For the other executive directors the expected value is 60% of base salary
2007 GLTI performance shares	• Relative Total Shareholder Return ("TSR") against the top 50% of companies in the FTSE Global Telecommunications Index by market capitalisation • 25% vests for achieving median performance in the comparator group with a straight line up to 100% vesting for achieving upper quintile performance relative to the comparator group	• Awards will vest to the extent that the performance condition has been satisfied at the end of the three-year performance period. To the extent that the performance target is not met, the awards will be forfeited • The performance shares focus on shareholder alignment through the TSR performance condition and through the delivery of the award in shares	• Annual grants are made in July • The number of shares granted are based on expected values • For the Chief Executive, the expected value is 175% of base salary • For the other executive directors expected value is 140% of base salary

Note:
(1) GSTIP targets are not disclosed as they are commercially sensitive.

Directors' Remuneration continued

Changes to how the executive directors will be paid in the 2009 financial year

The following page sets out the changes made as part of the 2008 review together with further details of the long term incentive plan.

	2008/09 performance measure(s)	Change and rationale	Grant policy
Base salary 2008/09	• No changes	• No changes	• Set annually on 1 July
Annual bonus 2008/09 Group Short Term Incentive Plan	• Adjusted operating profit (25%) • Free cash flow (25%) • Total service revenue (25%) • Total communications revenue (10%) • Customer delight (15%)	• Rebalancing of the performance measures – free cash flow weighting increased by 5%, operating profit weighting reduced by 5% • The existing measures are felt to cover the key short term measurable elements of the strategy	• Target bonus is 100% of salary earned over the financial year, with 200% maximum available for exceptional performance • The Remuneration Committee reviews and sets the GSTIP performance targets on an annual basis
Long term incentives All long term arrangements	• Three year cumulative adjusted free cash flow • Relative TSR out-performance over three years against the peer group	• No share option awards or Deferred Share Bonus awards will be made in the 2009 financial year • There will be a GLTI base award, delivered in shares after three years subject to free cash flow and TSR performance measures • There will be the opportunity to co-invest in order to receive an award of shares, which will mirror the conditions of the GLTI base award	• Annual awards made in July • The base award for the Chief Executive will have a maximum face value of 550% • The matching award will depend on the level of co-investment

2009 financial year GLTI performance shares

The long term incentive will be delivered in performance shares. Vesting will be subject to a combination of two performance conditions – adjusted free cash flow and relative total shareholder return.

Award and co-investment

The vesting percentages are applied to the face values awarded under the base and matching awards. The base award for the Chief Executive will have a face value of 137.5% of base salary. This base award can vest up to a maximum of 550% of base salary (i.e. 137.5% multiplied by maximum vesting of 400%) (see the combined vesting matrix below).

In addition, participants will have the opportunity to co-invest their own money in order to receive a matching award (subject to performance – consistent with base award). Participants will be able to co-invest up to two times net salary. The co-investment will receive a matching award with a face value of 50% of the grossed-up investment. The matching award will vest in the same way as the base award (see the combined vesting matrix below).

The co-investment element is designed to further increase shareholder alignment, by encouraging executive directors to attain their stretching share ownership guidelines earlier.

Underlying operational performance – adjusted free cash flow

The free cash flow performance is based on a three year cumulative adjusted free cash flow figure. The target and range are set out in the table below:

Performance	£bn	Vesting percentage
Threshold	15.5	50%
Target	17.5	100%
Superior	18.5	150%
Maximum	19.5	200%

The target free cash flow level is set by reference to the Company's three year plan and market expectations. The Remuneration Committee consider the target to be a stretching one.

TSR out-performance of a peer group median

The out-performance of a peer group median is felt to be the most appropriate TSR measure. The rationale for this is that Vodafone has a limited number of peers, therefore using a smaller group makes operating a ranking system more complicated.

The peer group for the TSR out-performance measure for the awards to be made in the 2009 financial year is as follows:

- BT Group
- Deutsche Telekom
- France Telecom
- Telecom Italia
- Telefonica
- Emerging market composite – made up of the average TSR performance of three companies: Bharti, MTN and Turkcell.

The TSR performance will act as a multiplier on the percentage vesting under the operational performance. There will be no increase in vesting until TSR performance exceeds median, at which point the multiplier will increase up to two times on a linear basis to upper quintile performance, as set out in the vesting table below:

Performance	Out-performance of peer group median	Increase
Median	0.0% p.a.	No increase
65th percentile	4.5% p.a.	1.5 times
80th percentile (upper quintile)	9.0% p.a.	2.0 times

The performance measure has been calibrated using statistical techniques.

Combined vesting matrix

The combination of the performance measures gives a final vesting matrix as follows:

Free cash flow performance	TSR performance		
	Up to Median	65th	80th
Threshold	50%	75%	100%
Target	100%	150%	200%
Superior	150%	225%	300%
Maximum	200%	300%	400%

Grants made and payouts received in the 2008 financial year[1]

Annual bonus and share grants made to executive directors in the 2008 financial year (percentages of base salary)

Annual Bonus	**Arun Sarin**	**Vittorio Colao**	**Andy Halford**
Target award/Maximum award	100%/200%	100%/200%	100%/200%
Bonus deferral arrangement			
Face value of DSB matching shares awarded in June 2007	50% of bonus deferred	50% of bonus deferred	50% of bonus deferred
Long term incentives			
Face value of GLTI performance shares awarded in July 2007	389%	311%	311%
Face value of GLTI share options awarded in July 2007	750%	600%	600%

What the executive directors received in the 2008 financial year[2]

Base salary	**Arun Sarin**		**Vittorio Colao**		**Andy Halford**	
Basic salary received		£1,310,160		£830,000		£631,500
Annual Bonus	Target	Actual	Target	Actual	Target	Actual
2007/08 GSTIP[3]	£1,310,160	£2,130,320	£830,000	£1,290,650	£631,500	£1,026,819
Bonus deferral arrangement	Shares granted	Shares vested	Shares granted	Shares vested	Shares granted	Shares vested
STIP matching shares awarded in June 2005	1,260,747	1,180,479	N/A	N/A	N/A	N/A
Long term incentives	Shares granted	Shares vested	Shares granted	Shares vested	Shares granted	Shares vested[4]
GLTI performance shares awarded in July 2004	2,016,806	576,806	N/A	N/A	135,617	135,617
GLTI share options awarded in July 2004	7,058,823	3,536,470	N/A	N/A	226,808	226,808

Notes:
(1) More information on KPIs, against which Group performance is measured, can be found in "Performance – Key Performance Indicators" on pages 30 to 31.
(2) The amounts shown in the table are also disclosed in the appropriate tables in the audited information section, beginning on page 77.
(3) The 2008 financial year GSTIP bonus targets were exceeded. The payout achieved for the Chief Executive was 162.6%.
(4) These awards were granted prior to joining the Executive Committee and different performance conditions apply.

Other elements of directors' packages

Pensions

Arun Sarin is provided with a defined contribution pension arrangement to which the Company contributes 30% of base salary.

Vittorio Colao has elected to take a cash allowance of 30% of base salary in lieu of pension contributions.

Andy Halford is a contributing member of the Vodafone Group Pension Scheme, a UK defined benefit scheme approved by HM Revenue & Customs ("HMRC"). The scheme provides a benefit of two-thirds of pensionable salary after a minimum of 20 years' service. The normal retirement age is 60 but directors may retire from age 55 with a pension proportionately reduced to account for their shorter service, but with no actuarial reduction. Andy's pensionable salary is capped in line with the Vodafone Group Pension Scheme Rules at £110,000. Andy has elected to take a cash allowance of 30% of base salary in lieu of pension contributions on salary above the scheme cap.

Further details of the pension benefits earned by the directors in the 2008 financial year can be found on page 78. Liabilities in respect of the pension schemes in which the executive directors participate are funded to the extent described in note 25 to the Consolidated Financial Statements.

All the individuals referred to above are provided benefits in the event of death in service. They also have an entitlement under a long term disability plan from which two-thirds of base salary, up to a maximum benefit determined by the insurer, would be provided until normal retirement date.

Share ownership requirements

The share ownership requirements for executive directors are set out in the table below. Ownership against these requirements is reviewed at 31 March and 30 September each year.

	Required percentage of basic salary
Chief Executive	400%
Other executive directors	300%
Other Executive Committee members	200%

Service contracts of executive directors

The Remuneration Committee has determined that, after an initial term of up to two years' duration, executive directors' contracts should thereafter have rolling terms and be terminable on no more than one year's notice. All current executive directors' contracts have an indefinite term (to normal retirement date) and one year notice periods. No payments should normally be payable on termination other than the salary due for the notice period and such entitlements under incentive plans and benefits that are consistent with the terms of such plans.

Fees retained for external non-executive directorships

Executive directors may hold positions in other companies as non-executive directors. In the 2008 financial year, Arun Sarin was the only executive director with such a position, held at the Bank of England. He retained fees of £6,000 in relation to this position. Fees were retained in accordance with Group policy.

Directors' Remuneration continued

All-employee share incentive schemes

The executive directors are also eligible to participate in the all-employee plans.

Plan	Summary of arrangement
Global All-Employee Share Plan	The Remuneration Committee approved a grant of 320 shares to be made on 2 July 2007 to all permanent employees. The shares awarded vest after two years.
Sharesave	The Vodafone Group 1998 Sharesave Scheme is an HMRC approved scheme open to all UK eligible employees. Options under the scheme are granted at up to a 20% discount to market value. Executive directors' participation is included in the option tables on pages 79 and 80.
Share Incentive Plan	The Vodafone Share Incentive Plan is an HMRC approved plan open to all eligible UK employees. Participants may contribute up to £125 per month, which the trustee of the plan uses to buy shares on their behalf. An equivalent number of shares are purchased with contributions from the employing company. UK based executive directors are eligible to participate.

Non-executive directors' remuneration

The remuneration of non-executive directors is annually reviewed by the Board, excluding the non-executive directors. The fees payable are as follows:

	Fees payable (£'000s)	
Position/role	From 1 April 2007	From 1 April 2008
Chairman	525	560
Deputy Chairman	145	155
Non-executive director	105	110
Chairmanship of Audit Committee	25	25
Chairmanship of Remuneration Committee	20	20
Chairmanship of Nominations and Governance Committee	15	15

In addition, an allowance of £6,000 is payable each time a non-Europe based non-executive director is required to travel to attend Board and committee meetings, to reflect the additional time commitment involved.

Details of each non-executive director's remuneration for the 2008 financial year are included in the table on page 77.

Non-executive directors do not participate in any incentive or benefit plans. The Company does not provide any contribution to their pension arrangements. The Chairman is entitled to use of a car and a driver whenever and wherever he is providing his services to or representing the Company.

Chairman and non-executive directors service contracts

The Chairman, Sir John Bond, has a contract, that may be terminated by either party on one year's notice.

Non-executive directors, including the Deputy Chairman, are engaged on letters of appointment that set out their duties and responsibilities. The appointment of non-executive directors may be terminated without compensation.

The terms and conditions of appointment of non-executive directors are available for inspection by any person at the Company's registered office during normal business hours and at the AGM (for 15 minutes prior to the meeting and during the meeting).

Other considerations

Cascade to senior management

The principles of the policy are cascaded, where appropriate, to the other members of the Executive Committee as set out below.

Cascade of policy to Executive Committee – 2009 financial year

Total remuneration and base salary	Methodology consistent with the Main Board.
Annual bonus	The annual bonus is based on the same measures. However, in some circumstances these are across a business area rather than across the whole Group.
Long term incentive	Policy consistent with the Main Board.

Dilution

All awards are made under plans that incorporate dilution limits as set out in the Guidelines for Share Incentive Schemes published by the Association of British Insurers. The current estimated dilution from subsisting awards, including executive and all-employee share awards, is approximately 3.0% of the Company's share capital at 31 March 2008 (2.9% at 31 March 2007).

Funding

A mixture of newly issued shares, treasury shares and shares purchased in the market by the employee benefit trust is used to satisfy share-based awards. This policy is kept under review.

Other matters

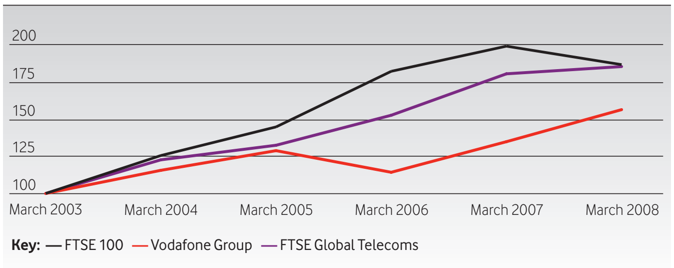
The Share Incentive Plan and the DSB include restrictions on the transfer of shares while the shares are subject to the plan. Where, under an employee share plan operated by the Company, participants are the beneficial owners of the shares, but not the registered owner, the voting rights are normally exercised by the registered owner at the discretion of the participant.

All of the Company's share plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions at that time.

TSR performance (audited information)

The following chart shows the performance of the Company relative to the FTSE100 index.

Five year historical TSR performance growth in the value of a hypothetical £100 holding over five years. FTSE 100 and FTSE Global Telecoms comparison based on spot values



Graph provided by Towers Perrin and calculated according to a methodology that is compliant with the requirements of Schedule 7A of the Companies Act of 1985 Data Sources: FTSE and Datastream.

Note: Performance of the Company shown by the graph is not indicative of vesting levels under the Company's various incentive plans.

Audited information

Remuneration for the year ended 31 March 2008

The remuneration of current executive directors[1] receiving remuneration during the year ended 31 March 2008 was as follows:

	Salary/fees		Incentive schemes[2]		Cash in lieu of pension		Benefits		Total	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000	2008 £'000	2007 £'000	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Chief Executive										
Arun Sarin	1,310	1,272	2,130	1,928	–	–	155	49	3,595	3,249
Executive directors										
Vittorio Colao	830	383	1,291	500	249	115	594	58	2,964	1,056
Andy Halford	632	592	1,027	897	156	145	31	56	1,846	1,690
Total	**2,772**	**2,247**	**4,448**	**3,325**	**405**	**260**	**780**	**163**	**8,405**	**5,995**

Notes:

(1) Former executive director, Thomas Geitner, received the final payments under his compromise agreement during the year ended 31 March 2008. These included cash payments of £287,000 and benefit costs of £1,000. These payments were disclosed within the total compensation costs for Thomas Geitner in the 2007 Annual Report. The payments were staggered, and conditional on not joining a competitor.

(2) These figures are the cash payouts from the 2008 financial year Vodafone Group Short Term Incentive Plan applicable to the year ended 31 March 2008. These awards are in relation to the performance against targets in adjusted operating profit, service revenue, free cash flow, total communications revenue and customer delight for the financial year ended 31 March 2008.

The remuneration of the non-executive directors serving during the year[1] ended 31 March 2008 was as follows:

	Salary/fees		Benefits		Total	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Chairman						
Sir John Bond	540	363	13	11	553	374
Deputy Chairman						
John Buchanan	145	119	10	15	155	134
Non-executive directors						
Dr Michael Boskin	166	139	12	–	178	139
Lord Broers	35	95	–	14	35	109
Anne Lauvergeon	105	95	–	–	105	95
Professor Jürgen Schrempp	105	95	–	–	105	95
Luc Vandevelde	125	110	10	1	135	111
Philip Yea	105	95	–	–	105	95
Anthony Watson	105	87	8	–	113	87
Nick Land	105	32	10	–	115	32
Alan Jebson	135	32	12	–	147	32
Simon Murray	79	–	–	–	79	–
Total	**1,750**	**1,262**	**75**	**41**	**1,825**	**1,303**

Note:

(1) Former non-executive director, Lord MacLaurin, received consulting fees of £125,000 during the year, together with continued benefits valued at £34,000 from his previous arrangements.

The aggregate remuneration paid by the Company to its collective senior management[1] for services for the year ended 31 March 2008, is set out below. The aggregate number of senior management at 31 March 2008 was seven, one fewer than at 31 March 2007.

	2008 £'000	2007 £'000
Salaries and fees	3,255	3,817
Incentive schemes[2]	4,964	4,752
Cash in lieu of pension	279	248
Benefits/Other	1,713	6,980
Total	**10,211**	**15,797**

Notes:

(1) Aggregate remuneration for senior management is in respect of those individuals who were members of the Executive Committee during the year ended 31 March 2008, other than executive directors, and reflects compensation paid from either 31 March 2007 or date of appointment to the Executive Committee, to 31 March 2008 or date of leaving, where applicable.

(2) Comprises the incentive scheme information for senior management on an equivalent basis to that disclosed for directors in the table at the top of this page. Details of share incentives awarded to directors and senior management are included in footnotes to "Medium term incentives" and "Long term incentives" on pages 78 and 79.

Directors' Remuneration continued

Pensions

Pension benefits earned by the directors serving during the year ended 31 March 2008 were:

	Total accrued benefit at 31 March 2008[1] £'000	Change in accrued benefit over the year[1] £'000	Transfer value at 31 March 2007[2] £'000	Transfer value at 31 March 2008[2] £'000	Change in transfer value over year less member contributions £'000	Change in accrued benefit in excess of inflation £'000	Transfer value of change in accrued benefit net of member contributions £'000	Employer allocation/ contribution to defined contribution plans[3] £'000
Arun Sarin	–	–	–	–	–	–	–	393.0
Vittorio Colao[4]	–	–	–	–	–	–	–	–
Andy Halford[5]	20.6	3.7	223.4	316.4	89.1	3.0	42.3	–

Notes:
(1) The accrued pension benefits earned by the directors are those which would be paid annually on retirement, based on service to the end of the year, at the normal retirement age. The increase in accrued pension excludes any increase for inflation.
(2) The transfer values have been calculated on the basis of actuarial advice in accordance with the Faculty and Institute of Actuaries' Guidance Note GN11. No director elected to pay additional voluntary contributions. The transfer values disclosed above do not represent a sum paid or payable to the individual director. Instead they represent a potential liability of the pension scheme.
(3) Arun Sarin's pension contributions were split between £169,000 into the Vodafone's UK defined contribution scheme and £224,000 into an unfunded defined contribution arrangement. The latter gives rise to a liability held on the Consolidated Balance Sheet.
(4) Vittorio Colao has elected to take a 30% pension allowance as cash. This allowance is included in the 'cash in lieu of pension' category for the year in the table on page 77.
(5) Andy Halford is a member of the Vodafone's UK defined benefit scheme for salary up to the scheme cap of £110,000. On base salary in excess of this cap he receives 30% pension allowance, which he has elected to take as cash. This allowance is included in the 'cash in lieu of pension' category for the year in the table on page 77.

In respect of senior management, the Group has made aggregate contributions of £1.1 million into pension schemes.

Directors' interests in the shares of the Company

Medium term incentives

Conditional awards of ordinary shares made to executive directors under the STIP/Deferred Share Bonus, and dividends on those shares paid under the terms of the Company's dividend reinvestment plan, are shown below. STIP shares which vested and were sold or transferred during the year ended 31 March 2008 are also shown below.

	Total interest in STIP/DSB at 1 April 2007	Conditional DSB matching awards made in the 2008 financial year		Shares sold or transferred during the year in respect of the 2005 financial year[1]		Shares forfeited during the year in respect of the 2005 financial year		Total interest in DSB at 31 March 2008	
	Number of shares	Number of shares	Value at date of award[2][3] £'000	In respect of base awards	In respect of enhancement shares	In respect of base awards	In respect of enhancement shares	Number of shares[4]	Total value[5] £'000
Arun Sarin	1,880,051	592,974	964	840,498	339,981	–	80,268	**1,212,278**	1,829
Vittorio Colao	–	153,671	250	–	–	–	–	**153,671**	232
Andy Halford	240,840	275,820	448	–	–	–	–	**516,660**	780

Notes:
(1) Shares in respect of the STIP awards for the 2005 financial year were transferred on 2 July 2007.
(2) Previously disclosed as the annual incentive value with the directors' emoluments for the year ended 31 March 2007.
(3) For awards granted during the 2008 financial year, the value at date of award is based on the price of the Company's ordinary shares on 15 June 2007 of 162.6 pence. The performance period for this grant ends on 31 March 2009, with the shares vesting on 15 June 2009.
(4) There are two outstanding awards, which have performance periods ending on 31 March 2008 and 31 March 2009.
(5) The value at 31 March 2008 is calculated using the closing middle market price of the Company's ordinary shares at 31 March 2008 of 150.9 pence.

The aggregate number of shares conditionally awarded during the year under the Deferred Share Bonus to the Company's senior management, other than executive directors, is 969,346. For a description of the performance and vesting conditions, see "2007 Deferred Share Bonus" in the table on page 73.

Long term incentives

Performance shares

Conditional awards of ordinary shares made to executive directors under the Vodafone Group Plc 1999 Long Term Stock Incentive Plan and the Vodafone Global Incentive Plan are shown below. Long term incentive shares that vested and were sold or transferred during the year ended 31 March 2008 are also shown below.

	Total interest in performance shares at 1 April 2007 or date of appointment[(1)]	Shares conditionally awarded during the 2008 financial year		Shares forfeited in respect of awards for the 2005 financial year	Shares sold or transferred in respect of awards for the 2005 financial year	Total interest in long term incentives at 31 March 2008	
	Number of shares	Number of shares	Value at date of award[(2)] £'000	Number of shares[(3)]	Number of shares[(3)]	Number of shares[(4)]	Total value[(5)] £'000
Arun Sarin	6,242,306	3,065,872	5,145	1,440,000	576,806	**7,291,372**	11,003
Vittorio Colao	1,073,465	1,557,409	2,613	–	–	**2,630,874**	3,970
Andy Halford	1,622,150	1,190,305	1,997	–	135,617	**2,676,838**	4,039

Notes:
(1) Restricted share awards under the Vodafone Group Plc 1999 Long Term Stock Incentive Plan and the Vodafone Global Incentive Plan.
(2) The value of awards granted during the year under the Vodafone Global Incentive Plan is based on the price of the Company's ordinary shares on 29 June 2007 of 167.8 pence. These awards have a performance period running from 1 April 2007 to 31 March 2010. The vesting date will be in July 2010.
(3) Shares in respect of awards made in the 2005 financial year, granted on 28 July 2004, were sold or transferred on 28 July 2007. The closing middle market price of the Company's ordinary shares was 119.0 pence on 2 July 2004, the date of the award. The closing middle market price was 162.1 pence on 5 July 2007 (the date of vesting of Andy Halford's 2004 share grant) and 148.1 pence on 30 July 2007 (the date of vesting of Arun Sarin's 2004 share grant).
(4) The total interest at 31 March 2008 includes awards over three performance periods ending on 31 March 2008, 31 March 2009 and 31 March 2010.
(5) The value at 31 March 2008 is calculated using the closing middle market price of the Company's ordinary shares at 31 March 2008 of 150.9 pence.

The aggregate number of shares conditionally awarded during the year to the Company's senior management is 4,391,443 shares. For a description of the performance and vesting conditions see "2007 GLTI performance shares" on page 73.

Share options

The following information summarises the directors' options under the Vodafone Group 1998 Sharesave Scheme, the Vodafone Group 1998 Company Share Option Scheme, Vodafone Group Plc 1999 Long Term Stock Incentive Plan and the Vodafone Global Incentive Plan, which are all HMRC approved schemes. The table also summarises the directors' options under the Vodafone Group 1998 Executive Share Option Scheme, which is not HM Revenue & Customs approved. No other directors have options under any of these schemes. Options have only been granted to directors during the 2008 financial year under the Vodafone Global Incentive Plan (under which GLTI options were granted). For a description of the performance and vesting conditions see "2007 GLTI share options" on page 73.

Under the Vodafone Group 1998 Sharesave Scheme, options may be granted at a discount of 20% to the market value of the shares at the time of the grant. No other options may be granted at a discount.

	Options held at 1 April 2007 or date of appointment[(1)] Number	Options granted during the 2008 financial year Number	Options exercised during the 2008 financial year Number	Options lapsed during the 2008 financial year Number	Options held at 31 March 2008 Number	Weighted average exercise price at 31 March 2008 Pence	Earliest date from which exercisable	Latest expiry date
Arun Sarin	28,281,629	5,912,753	–	3,522,353	**30,672,029**	132.4	July 2006	July 2017
Vittorio Colao	3,472,975	3,003,575	–	–	**6,476,550**	150.5	November 2009	July 2017
Andy Halford	5,767,986	2,295,589	–	–	**8,063,575**	141.0	July 2002	July 2017

Note:
(1) The weighted average exercise price of options over shares in the Company granted during the year and listed above is 167.8 pence. The earliest date from which they are exercisable is July 2010 and the latest expiry date is July 2017. For a description of the performance and vesting conditions see "2007 GLTI share options" on page 73.

The aggregate number of options granted during the year to the Company's senior management, other than executive directors, is 8,469,214. The weighted average exercise price of the options granted to senior management during the year is 167.8 pence. The earliest date from which they are exercisable is July 2010 and the latest expiry date is July 2017.

Directors' Remuneration continued

Further details of the options outstanding at 31 March 2008 as disclosed on the previous page are as follows:

	Exercisable Market price greater than option price[1]			Exercisable Option price greater than market price[1]			Not yet exercisable		
	Options held Number	Weighted average exercise price Pence	Latest expiry date	Options held Number	Weighted average exercise price Pence	Latest expiry date	Options held Number	Weighted average exercise price Pence	Latest expiry date
Arun Sarin	10,915,924	119.2	July 2014	–	–	–	19,756,105	139.6	July 2017
Vittorio Colao	–	–	–	–	–	–	6,476,550	150.5	July 2017
Andy Halford	554,585	114.2	July 2014	344,800	214.6	July 2011	7,164,190	139.6	July 2017

Note:
(1) Market price is the closing middle market price of the Company's ordinary shares at 31 March 2008 of 150.9 pence. During the year, the share price moved between a high of 197.5 pence and a low of 137.5 pence.

The Company's register of directors' interests (which is open to inspection) contains full details of directors' shareholdings and options to subscribe. These options by exercise price were:

	Option price Pence	Options held at 1 April 2007 or date of appointment Number	Options granted during the 2008 financial year Number	Options exercised during the 2008 financial year Number	Options lapsed during the 2008 financial year Number	Options held at 31 March 2008 Number
Vodafone Group 1998 Executive Share Option Scheme (Unapproved)	255.00	114,000	–	–	–	**114,000**
	282.30	66,700	–	–	–	**66,700**
Vodafone Group 1998 Company Share Option Scheme (Approved)	255.00	11,500	–	–	–	**11,500**
	282.30	200	–	–	–	**200**
Vodafone Group 1998 Sharesave Scheme	95.30	16,710	–	–	–	**16,710**
	91.64	10,202	–	–	–	**10,202**
Vodafone Group Plc 1999 Long Term Stock Incentive Plan[1]	151.56	152,400	–	–	–	**152,400**
	90.00	94,444	–	–	–	**94,444**
	119.25	7,612,787	–	–	–	**7,612,787**
	119.00	7,285,631	–	–	3,522,353	**3,763,278**
	145.25	7,507,295	–	–	–	**7,507,295**
Vodafone Group Plc Global Incentive Plan[1]	115.25	11,177,746	–	–	–	**11,177,746**
	135.50	3,472,975	–	–	–	**3,472,975**
	167.80	–	11,211,917	–	–	**11,211,917**
		37,522,590	**11,211,917**	**–**	**3,522,353**	**45,212,154**

Note:
(1) The Vodafone Group Plc 1999 Long Term Stock Incentive Plan and Vodafone Group Plc Global Incentive Plan are both HMRC approved. However, note that the actual awards made under these plans may be approved or unapproved.

Beneficial interests

The directors' beneficial interests in the ordinary shares of the Company, which includes interests in the Vodafone Share Incentive Plan, but which excludes interests in the Vodafone Group share option schemes, and the Vodafone Group short term or long term incentives, are shown below:

	23 May 2008	31 March 2008	1 April 2007 or date of appointment
Sir John Bond	224,926	224,926	207,620
Dr John Buchanan	200,009	200,009	191,913
Arun Sarin(1)	7,776,629	7,776,629	5,994,854
Vittorio Colao	180,063	180,063	–
Andy Halford	782,134	781,826	350,632
Dr Michael Boskin	10,000	10,000	10,000
Anne Lauvergeon	27,125	27,125	27,125
Professor Jürgen Schrempp	8,750	8,750	8,750
Luc Vandevelde	17,500	17,500	17,500
Philip Yea	61,250	61,250	61,250
Anthony Watson	100,000	100,000	100,000
Nick Land	25,000	25,000	25,000
Alan Jebson	75,000	75,000	75,000
Simon Murray(2)	157,500	157,500	157,500

Notes:
(1) Arun Sarin also has a non-beneficial interest as the trustee of two family trusts, each holding 5,005 shares.
(2) Simon Murray was appointed as a non-executive director on 1 July 2007.

At 31 March 2008, and during the period from 1 April 2008 to 23 May 2008, no director had any interest in the shares of any subsidiary company. Other than those individuals included in the table above who were Board members at 31 March 2008, members of the Group's Executive Committee, at 31 March 2008, had an aggregate beneficial interest in 2,598,326 ordinary shares of the Company. At 23 May 2008, Executive Committee members had an aggregate beneficial interest in 2,599,250 ordinary shares of the Company, none of whom had an individual beneficial interest amounting to greater than 1% of the Company's ordinary shares.

Interests in share options of the Company at 23 May 2008

At 23 May 2008, there had been no change to the directors' interests in share options from 31 March 2008.

Other than those individuals included in the table above, at 23 May 2008, members of the Group's Executive Committee at that date held options for 25,229,599 ordinary shares at prices ranging from 91.6 pence to 293.7 pence per ordinary share, with a weighted average exercise price of 139.5 pence per ordinary share exercisable at dates ranging from July 2002 to July 2017.

Sir John Bond, John Buchanan, Dr Michael Boskin, Alan Jebson, Anne Lauvergeon, Nick Land, Professor Jürgen Schrempp, Luc Vandevelde, Philip Yea, Anthony Watson and Simon Murray held no options at 23 May 2008.

Directors' interests in contracts

None of the current directors had a material interest in any contract of significance to which the Company or any of its subsidiary undertakings was a party during the financial year.

Luc Vandevelde
On behalf of the Board