Board of directors and Group management

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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 19 May 2009 are as follows:

Board of directors

Chairman

1. Sir John Bond[†], aged 67, 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 A.P. Møller – Mærsk A/S and 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 Hongkong and Shanghai Banking Corporation and HSBC North America Holdings Inc. Previous non-executive directorships include the London Stock Exchange plc, Orange plc, British Steel plc, the Court of the Bank of England and Ford Motor Company, USA.

Executive directors

2. Vittorio Colao, Chief Executive, aged 47, was appointed Chief Executive of Vodafone Group Plc after the AGM on 29 July 2008. He joined the Board in October 2006 as Chief Executive, Europe and Deputy Chief Executive. Vittorio 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.

3. Andy Halford, Chief Financial Officer, aged 50, 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. He is also a director of Vodafone Essar Limited. 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

4. John Buchanan[§†], aged 65, 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 p.l.c. 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

5. Alan Jebson[§], aged 59, 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 MacDonald Dettwiler and Associates Ltd. in Canada.

6. Nick Land[§], aged 61, 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 plc, Alliance Boots GmbH, BBA Aviation plc and the Ashmore Group plc. 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. Nick is also a trustee of The Vodafone Foundation.

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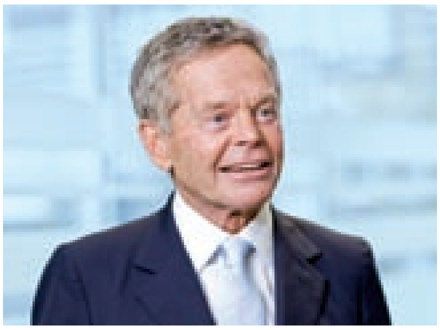

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7. Anne Lauvergeon§, aged 49, joined the Board in November 2005. She is Chief Executive Officer of AREVA Group, the leading French energy company, having been appointed to that role in July 2001. She started her professional career in 1983 in the steel 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 a member of the Advisory Board of the Global Business Coalition on HIV/AIDS and a non-executive director of Total S.A. and GDF SUEZ.

8. Simon Murray CBE‡, aged 69, joined the Board in July 2007. His career has been largely based in Asia, where he has held positions with Jardine Matheson Limited, Deutsche Bank and Hutchison Whampoa Limited 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 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 and is an advisor to Macquarie (HK) Limited.

9. Luc Vandevelde†‡, aged 58, 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 Promodès, and he has held senior European and international roles with Kraft General Foods.

10. Anthony Watson CBE‡, aged 64, was appointed to the Board in May 2006. He is currently Chairman of Marks & Spencer Pension Trust Ltd and the Asian Infrastructure Fund. He is also a non-executive director of Hammerson plc, Witan Investment Trust and Lloyds Banking Group plc and is on the Advisory Board of Norges Bank Investment Management. He became a member of the Advisory Group to the Shareholder Executive in April 2008. Prior to joining the Vodafone Board, 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 plc and the Chief International Investment Officer of Citicorp Investment Management from 1991 until joining Hermes in 1998. Tony was Chairman of The Strategic Investment Board in Northern Ireland but retired in March 2009. In January 2009, Tony was awarded a CBE for his services to the economic redevelopment of Northern Ireland.

11. Philip Yea‡, aged 54, became a member of the Board in September 2005. From July 2004 until January 2009, he was Chief Executive Officer of 3i Group plc. Prior to joining 3i, he was Managing Director of Investcorp and, from 1997 to 1999, 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. He is the Chairman of the trustees of the British Heart Foundation.

§ Audit Committee
† Nominations and Governance Committee
‡ Remuneration Committee

Board of directors and Group management continued

Appointed since 31 March 2009

1. Samuel Jonah, aged 59, joined the Board as a non-executive director on 1 April 2009. He is Executive Chairman of Jonah Capital (Pty) Limited, an investment holding company in South Africa and serves on the boards of various public and private companies, including The Standard Bank Group. He previously worked for Ashanti Goldfields Company Limited, becoming Chief Executive Officer in 1986, and was formerly President of AngloGold Ashanti Limited, a director of Lonmin Plc and a member of the Advisory Council of the President of the African Development Bank. He is an adviser to the Presidents of Ghana, South Africa and Nigeria. An Honorary Knighthood was conferred on him by Her Majesty the Queen in 2003 and in 2006 he was awarded Ghana's highest national award, the Companion of the Order of the Star.

2. Michel Combes, aged 47, Chief Executive Officer, Europe Region, was appointed to the Board with effect from 1 June 2009. He joined the Company in October 2008. Michel began his career at France Telecom in 1986 in the External Networks Division, and then moved to the Industrial and International Affairs Division. After being technical advisor to the Minister of Transportation from 1991 to 1995, he served as Chairman and Chief Executive Officer of GlobeCast from 1995 to 1999. He was Executive Vice President of Nouvelles Frontieres Group from December 1999 until the end of 2001, when he moved to the position of Chief Executive Officer of Assystem-Brime, a company specialising in industrial engineering. He returned to France Telecom Group in 2003 as Senior Vice President of Group Finance and Chief Financial Officer. Until January 2006, Michel was Senior Executive Vice President, in charge of NExT Financial Balance & Value Creation and a member of the France Telecom Group Strategic Committee. From 2006 to 2008, he was Chairman and Chief Executive Officer of TDF Group.

3. Steve Pusey, aged 47, Group Chief Technology Officer, joined Vodafone in September 2006 and was appointed to the Board with effect from 1 June 2009. He 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.

Executive Committee

Chaired by Vittorio Colao, 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 pages 48 and above, 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.

Warren Finegold, aged 52, Chief Executive Officer, Global Business Development, 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.

Matthew Kirk, aged 48, Group External Affairs Director, was appointed to his current position and joined the Executive Committee in March 2009. Matthew joined Vodafone in 2006 as Group Director of External Relationships. Prior to that, he was a member of the British Diplomatic Service for more than 20 years. He also led the British Foreign and Commonwealth Office programme of investment in IT and telecommunications for three years and before joining Vodafone served as British Ambassador to Finland.

Terry Kramer, aged 49, Group Strategy and Business Improvement Director, joined Vodafone in January 2005 as Chief of Staff and was appointed Group Human Resources Director in December 2006. Terry's role was then expanded to include Vodafone Group Strategy and in September 2008, he was appointed to his current role. Prior to joining Vodafone, he was Chief Executive Officer of Q Comm International Inc., 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 Inc, a management consulting firm. Terry is a trustee of The Vodafone Foundation.

Morten Lundal, aged 44, Chief Executive Officer, Africa and Central Europe Region, was appointed to his current position and joined the Executive Committee in November 2008. He joined Nordic mobile operator, Telenor, in 1997 and held several Chief Executive Officer positions, including for the Internet Division and Telenor Business Solutions. He was Executive Vice President for Corporate Strategy, after which he became the Chief Executive Officer of Telenor's Malaysian subsidiary, DiGi Telecommunications.

Nick Read, aged 44, Chief Executive Officer, Asia Pacific and Middle East Region, was appointed to this position and joined the Executive Committee in November 2008. Nick joined Vodafone in 2002 and has held a variety of senior roles including Chief Financial Officer and Chief Commercial Officer of Vodafone Limited, the UK operating company, and was appointed Chief Executive Officer of Vodafone Limited in early 2006. Prior to joining Vodafone, Nick held senior global finance positions with United Business Media plc and Federal Express Worldwide.

Frank Rovekamp, aged 54, Group Chief Marketing Officer, 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 Foundation.

Ronald Schellekens, aged 45, Group Human Resources Director, joined Vodafone and the Executive Committee in January 2009. Prior to joining Vodafone, Ronald was Executive Vice President Human Resources for Royal Dutch Shell plc's global downstream business (refining, retail, commercial, lubricants, chemicals and Canadian Oil Sands) responsible for approximately 81,000 employees in 120 countries. Prior to working for Shell, he spent nine years working for PepsiCo in various international senior Human Resources roles, including assignments in Switzerland, Spain, South Africa, the UK and Poland. In his last role, he was responsible for the Europe, Middle East and Africa region for PepsiCo Foods International. Prior to PepsiCo he worked for nine years for AT&T Network Systems in Human Resources roles in the Netherlands and Poland.

Stephen Scott, aged 55, Group General Counsel and Company Secretary, 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 ShareGift (the Orr Mackintosh Foundation Limited) and is a director and trustee of LawWorks (the Solicitors Pro Bono Group).

Other Board and Executive Committee members

The following members also served on the Board or the Executive Committee during the 2009 financial year: **Arun Sarin** was Chief Executive until the conclusion of the AGM on 29 July 2008; **Dr Michael Boskin** was a member of the Board and Chairman of the Audit Committee until the conclusion of the AGM on 29 July 2008; **Paul Donovan** was Chief Executive Officer, EMAPA and a member of the Executive Committee until 1 January 2009; **Simon Lewis** was Group Corporate Affairs Director and a member of the Executive Committee until 1 March 2009; and **Professor Jürgen Schrempp** was a member of the Board, the Remuneration Committee and the Nominations and Governance Committee until the conclusion of the AGM on 29 July 2008.

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.

In December 2008, 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 ten, the highest score assigned and achieved by only 1% of the 4,196 companies rated.

In the Company's profile report by Institutional Shareholder Services Inc. ('ISS'), dated 1 May 2009, the Company's governance practices outperformed 98.6% of the companies in the ISS developed universe (excluding US), 98.2% of companies in the telecommunications sector group and 98.1% 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 2009 and at the date of this document, 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 57 to 67, 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-year 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 March 2009, at which time it was determined that no amendments were required.

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 53 and 54.

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 2009 and their attendance at scheduled Board meetings they were eligible to attend during the 2009 financial year:

	Years on Board	Meetings attended
Sir John Bond	4	9/9
John Buchanan	6	7/9
Vittorio Colao	2	9/9
Andy Halford	3	9/9
Alan Jebson	2	9/9
Nick Land	2	8/9
Anne Lauvergeon	3	8/9
Simon Murray	2	8/9
Luc Vandevelde	5	9/9
Anthony Watson	3	9/9
Philip Yea	3	8/9
Arun Sarin (until 29 July 2008)	–	3/3
Dr Michael Boskin (until 29 July 2008)	–	3/3
Professor Jürgen Schrempp (until 29 July 2008)	–	2/3

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, 11 of whom served throughout the 2009 financial year. At 31 March 2009, in addition to the Chairman, Sir John Bond, there were two executive directors and eight non-executive directors. Samuel Jonah was appointed as an additional non-executive director with effect from 1 April 2009 and Michel Combes and Steve Pusey as additional executive directors with effect from 1 June 2009.

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 by 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.

There are no cross-directorships or significant links between directors serving on the Board through involvement in other companies or bodies. For the purpose of section 175 of the Companies Act 2006, the Company's articles of association include a general power for the directors to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under this section, to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts or may possibly conflict, with the interests of the Company. To this end, procedures have been established for the disclosure of any such conflicts and also for the consideration and authorisation of these conflicts by the Board, where relevant. The directors are required to complete a conflicts questionnaire, initially on appointment and annually thereafter. In the event of a potential conflict being identified, details of that conflict would be submitted to the Board (excluding the director to whom the potential conflict related) for consideration and, as appropriate, authorisation in accordance with the Companies Act 2006 and the articles of association. Where an authorisation was granted, it would be recorded in a register of potential conflicts and reviewed periodically. On an ongoing basis, directors are responsible for notifying the Company Secretary if they become aware of actual or potential conflict situations or a change in circumstances relating to an existing authorisation. To date, no conflicts of interest have been identified.

The names and biographical details of the current directors are given on pages 48, 49 and 50. Changes to the commitments of the directors are reported to the Board.

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 53. Samuel Jonah was identified as a potential candidate by internal sources and subsequently recommended to the Board by the Nominations and Governance Committee on the basis of his wealth of business experience in Africa, particularly South Africa and Ghana where Vodafone has made important investments recently. Michel Combes and Steve Pusey were proposed for appointment to the Board following assessment of their performance and their potential contribution by the Nominations and Governance Committee and the whole Board subsequently discussed the proposal before their appointments were confirmed.

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.

The Board undertakes a formal self-evaluation of its own performance. This process involves the Chairman:

- sending a questionnaire to each Board member for completion;
- undertaking individual meetings with each Board member on Board performance; and
- producing a report on Board performance, using the completed questionnaire and notes from the individual meetings, which is sent to and considered by the Nominations and Governance Committee before being discussed with Board members at the following Board meeting.

The evaluation is designed to determine whether the Board continues to be capable of providing the high level judgement required and whether, as a Board, the directors are informed and up to date with the business and its goals and understand the context within which it operates. The evaluation also includes a review of the administration of the Board covering the operation of the Board, its agenda and the reports and information 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 is 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 are discussed with the Chairman of the Board and the members of the committees.

The evaluations undertaken in the 2009 financial year 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 2009 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 28 July 2009, all the directors will be retiring and, being eligible and on the recommendation of the Nominations and Governance Committee, will offer themselves for re-election. New directors seek election for the first time in accordance with the articles of association.

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 is in the process of being renewed. Neither the Company's indemnity nor the insurance provides cover in the event that the director is proven to have acted dishonestly or fraudulently. The Company does not indemnify its external auditors.

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/governance 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
John Buchanan	3/4
Alan Jebson	4/4
Nick Land, Chairman	4/4
Anne Lauvergeon	4/4
Dr Michael Boskin, Chairman (until 29 July 2008)	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 48.

The Audit Committee's responsibilities include:

- overseeing the relationship with the external auditors;
- reviewing the Company's preliminary results announcement, half-year 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 55 and 56.

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	3/3
John Buchanan	3/3
Luc Vandevelde	3/3
Arun Sarin (until 29 July 2008)	1/1
Professor Jürgen Schrempp (until 29 July 2008)	1/1

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. In addition to scheduled meetings there are a number of ad hoc meetings to address specific matters. No one other than a member of the Nominations and Governance Committee is entitled to be present at its meetings. The Chief Executive, other non-executive directors and external advisers may be invited to attend.

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	4/5
Anthony Watson	5/5
Philip Yea	4/5
Professor Jürgen Schrempp (until 29 July 2008)	0/1

In addition to scheduled meetings, there are a number of ad hoc meetings to deal with specific matters. The responsibilities of the Remuneration Committee include:

- 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 57 to 67.

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 48 to 50.

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.

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-year results and interim management statements;
- briefing meetings with major institutional shareholders in the UK, the US and in Continental Europe after the half-year 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 website, www.vodafone.com/shareholder.

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 provisions 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 at www.vodafone.com/investor. For the 2009 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/agm, 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/investor, which is regularly updated.

Political donations

At last year's AGM, held on 29 July 2008, the directors sought and received shareholders' approval for the Company and its subsidiaries to be authorised, for the purposes of Part 14 of the Companies Act 2006, 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 earlier, up to a maximum aggregate amount of £100,000 per year.

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

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, shareholder authority has been sought as outlined above.

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 "Corporate responsibility" on pages 45 to 47.

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 69 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 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 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 Combined Code for the period from 1 April 2008 to 19 May 2009, the date of approval of the Group's 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 document.

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 LLP as auditors to the Company will be put to the shareholders at the 2009 AGM.

In its assessment of the independence of the auditors and in accordance with the US Public Company Accounting Oversight Board's standard on independence, the Audit Committee receives in writing details of relationships between Deloitte 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 LLP. For certain specific permitted services, the Audit Committee has pre-approved that Deloitte 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 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 LLP and its affiliates charged the Group £8 million (2008: £7 million, 2007: £7 million) for audit and audit-related services and a further £1 million (2008: £2 million, 2007: £3 million) for non-audit assignments. An analysis of these fees can be found in note 4 to the consolidated financial statements.

US listing requirements

The Company's American Depositary Shares 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. As at 19 May 2009, the Board comprised the Chairman, two executive directors and nine 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.
- 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/governance, 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/governance. 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/governance.

Report from the Audit Committee

The Audit Committee assists the Board in carrying out its responsibilities in relation to financial reporting requirements, risk management and the assessment of internal controls. The Audit Committee also reviews the effectiveness of the Company's internal audit function and manages the Company's relationship with the external auditors.

The composition of the Audit Committee is shown in the table on page 53 and its terms of reference can be found on the Vodafone website (www.vodafone.com/governance). By invitation of the Chairman of the Audit Committee, the Chief Executive, the Chief Financial Officer, the Group Financial Controller, the Director of Financial Reporting, the Group Audit Director and the external auditors also attend the Audit Committee meetings. Also invited to attend certain meetings are relevant people from the business to present sessions on issues designed to enhance the Audit Committee's awareness of key issues and developments in the business which are relevant to the Audit Committee in the performance of its role.

During the year ended 31 March 2009, the principal activities of the Audit Committee were as follows:

Financial reporting

The Audit Committee reviewed and discussed with management and the external auditors the half-year and annual financial statements, focusing on, without limitation, the quality and acceptability of accounting policies and practices, the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements. To aid their review, the Audit Committee considered reports from the Group Financial Controller and the Director of Financial Reporting and also reports from the external auditors, Deloitte LLP, on the scope and outcome of their half-year review and annual audit.

Risk management and internal control

The Audit 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 Director's reports on the effectiveness of internal controls, significant identified frauds and any identified fraud that involved management or employees with a significant role in internal controls. The Audit Committee was also responsible for oversight of the Group's compliance activities in relation to section 404 of the Sarbanes-Oxley Act.

Internal audit

The Audit Committee monitored and reviewed the scope, extent and effectiveness of the activity of the Group internal audit department and received reports from the Group Audit Director which included updates on audit activities and achievement against the Group audit plan, the results of any unsatisfactory audits and the action plans to address these areas, and resource requirements of the internal audit department. The Audit Committee held private discussions with the Group Audit Director at each meeting.

External auditors

The Audit Committee reviewed and monitored the independence of the external auditors and the objectivity and effectiveness of the audit process and provided the Board with its recommendation to the shareholders on the reappointment of Deloitte LLP as external auditors. The Audit Committee approved the scope and fees for audit and permitted non-audit services provided by Deloitte LLP.

Private meetings were held with Deloitte LLP to ensure that there were no restrictions on the scope of their audit and to discuss matters without management being present.

Audit Committee effectiveness

The Audit Committee conducts a formal review of its effectiveness annually, giving consideration to, amongst other things, frequency, timings and adequacy of the meetings, composition, adequacy of resources and interaction with management and concluded this year that the Audit Committee's performance was effective and the Audit Committee had fulfilled its terms of reference.

Nick Land

Nick Land
On behalf of the Audit Committee

Dear Shareholder

Last year saw a change in the executive directors' remuneration package. The package put even greater focus on two key criteria: shareholder alignment and link to the business strategy.

The Remuneration Committee is satisfied that the changes made are particularly appropriate in light of the current economic circumstances and this year the committee has decided not to make any changes to the reward packages for the executive directors. As such, the 2010 remuneration structure is unchanged from 2009 and the Committee has decided not to increase the base salaries for the current executive directors in the July 2009 review.

As well as considering the current package, the Remuneration Committee continues to monitor how well incentive awards made in previous years align with the Company's performance. In this regard, the Committee is confident that there is a strong link between performance and reward.

The Remuneration Committee has appreciated the dialogue and feedback from investors over each of the past three years and will continue to take an active interest in their views and the voting on the remuneration report. As such, it hopes to receive your support at the AGM on 28 July 2009.

Luc Vandevelde
Chairman of the Remuneration Committee
19 May 2009

Contents

The detail of this remuneration report is set out over the following pages, as follows:

Remuneration Committee

The Remuneration Committee is comprised to exercise independent judgement and consists only of independent non-executive directors. For further details, the terms of reference can be found on page 54.

Remuneration Committee

Chairman	Luc Vandevelde
Committee members	Simon Murray Professor Jürgen Schrempp (until 29 July 2008) Anthony Watson Philip Yea

Management attendees

Chief Executive	Vittorio Colao (from 29 July 2008) Arun Sarin (until 29 July 2008)
Group HR Director	Ronald Schellekens (from 1 January 2009) Terry Kramer (until 1 January 2009)
Group Reward Director	Tristram Roberts

External advisers

During the year, Towers Perrin supplied market data and advice on market practice and governance. PricewaterhouseCoopers LLP 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 the 2009 financial year.

Meetings

The Remuneration Committee had five scheduled and a further three other ad hoc meetings during the year.

Overview of remuneration philosophy

Remuneration policy

The Remuneration Committee commissioned a full review of the reward arrangements for the Company's executive directors in the 2008 financial year and the remuneration policy was last updated at this point. The policy is felt to be appropriate for the coming financial year.

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 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, which 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 comply with the rigorous and stretching share ownership requirements set by the Remuneration Committee.

Remuneration package

The Remuneration Committee remains satisfied that the structure is aligned to shareholder value and is appropriately linked to business strategy. In light of this and the external market, the Committee determined that the overall structure of the package should remain unchanged for the 2010 financial year. Changes to the individual elements of the package are set out below.

Summary of key reward philosophies

Link to business strategy
- The annual bonus continues to support the short term operational performance of the business by measuring against the business fundamentals of revenue, profit, cash flow and customer satisfaction.
- The long term incentive measures performance against:
  – free cash flow, which is believed to be the single most important operational measure; and
  – total shareholder return ('TSR') relative to Vodafone's key competitors.

Shareholder alignment
- The executives are required to meet stretching share ownership requirements, which are supported by the opportunity to invest into the long term incentive plan.
- The performance conditions on the long term incentive plan are there to underpin shareholder value creation.

Changes to plans for the 2010 financial year

The table below sets out any changes to the individual elements of the reward package for the 2010 financial year:

Reward elements	2010 financial year
Base salary	No change to the benchmarking policy
Annual bonus	The previous 10% weighting on 'total communications revenue' is replaced with a 10% increase in the free cash flow weighting
Long term incentive plan	No change to the plan design
Investment opportunity	No changes to the level of investment an individual may make

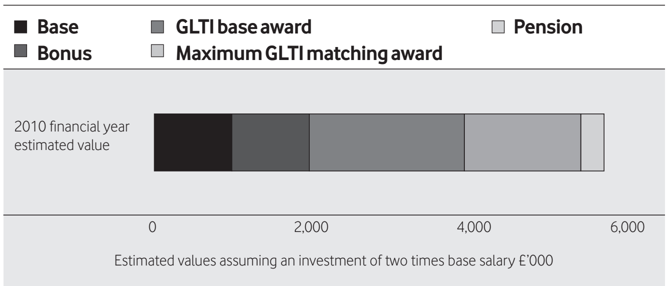
Setting remuneration levels

The Chief Executive's remuneration package is benchmarked by reference to total data for the base salary, annual bonus and long term incentive levels combined. The principal comparator group (used for benchmarking only) is made up of 28 top European companies excluding any in the financial services sector.

When undertaking the benchmarking process the Remuneration Committee makes assumptions that individuals will invest their own money into the long term incentive plan. This means that individuals will need to make a significant investment in order to achieve a market competitive level of remuneration. The table below assumes that an investment equal to two times base salary is made.

Chief Executive's overall reward package for the 2010 financial year

The table below shows the estimated values of the elements to be granted in the 2010 financial year. These are not what the Chief Executive will actually receive, which will be based on the relevant performance. For the actual payouts in the 2010 financial year please see the table on page 61.



Comparison of the ratio of fixed pay to variable pay

The base salary and pension contributions to executives are considered to be fixed levels of remuneration. The annual bonus and the long term incentive awards are variable, i.e. the actual value the executive receives will depend on the performance of the Company.

The variable elements make up between 70% and 80% of executive directors' remuneration depending on the level of co-investment made.

The remuneration package

The table below summarises the plans used to reward the executive directors in the 2009 financial year.

	Summary	Grant policy
Base salary	• Set by the Remuneration Committee as part of the overall benchmarking process (see previous page). • Benchmark assumed to be the market level for the role.	• Base salaries set annually on 1 July.
Annual bonus		
Group short term incentive plan ('GSTIP')[1]	Remuneration Committee reviews performance against targets over the financial year. Actual results measured against the budget set at the start of the year. **Summary of the plan in the 2009 financial year** • 2009 performance measures: – Three key financial measures: operating profit (25%), service revenue (25%) and free cash flow (25%); – Total communications revenue (10%) – this measure has been used to promote the new business area set out in the May 2006 strategy; and – Customer delight (15%) – customer satisfaction is a key component in the Group's success. **Changes for the 2010 financial year** • Performance measures for the 2010 financial year: – Total communications' now embedded in the Group's strategy and no longer requires particular promotion, therefore it has been removed; – Free cash flow continues to be a key measure for the business and has an increased weighting; – Split of measures for the 2010 financial year: operating profit (25%), service revenue (25%), free cash flow (35%) and customer delight (15%); and – These measures relate to the business strategy of capital discipline, cost control and pursuing growth opportunities.	• Bonus levels reviewed annually. Mix of performance measures and the performance targets also reviewed. • Annual bonus paid in cash in June each year for performance over the previous financial year. • Target bonus is 100% of base salary earned over the financial year. • Maximum bonus is 200% of base salary earned and is only paid out for exceptional performance.
Long term incentives (details on page 60)		
Global long term incentive plan ('GLTI') base awards	• Long term incentive all delivered in performance shares. • No share option awards or deferred bonus awards made in the 2009 financial year and the Remuneration Committee does not foresee using these arrangements in the immediate future. • Base award has vesting period of three years, subject to a matrix of two performance measures over this period: – Firstly, an operational performance measure (free cash flow); and – Secondly, an equity performance multiplier (relative TSR). • Performance details set out in more detail on page 60.	• Base award set annually and made in June/July. • The Chief Executive's base award will have a target face value of 137.5% of base salary (maximum 550%) in July 2009. • The Chief Financial Officer's base award will have a target face value of 110% of base salary (maximum 440%) in July 2009.
Co-investment matching awards	• Individuals may purchase Vodafone shares and hold them in trust for three years in order to receive additional performance shares in the form of a GLTI matching award. • Matching awards made under the GLTI plan have the same performance measures as the base award. • Matching award used to encourage increased share ownership and supports the share ownership requirements set out below.	• Matching award made annually in June in line with the investment made. • Executive directors can co-invest up to two times net base salary. • Matching award will have a face value equal to 50% of the equivalent multiple of gross basic salary invested.
Share ownership requirements	• Option to co-invest into the GLTI plan designed to encourage executives to meet their share ownership requirements. • Ownership against the requirements must be met after five years. • Progress towards this requirement reviewed by the Remuneration Committee before granting long term awards.	• The Chief Executive is required to hold four times base salary. • Other executive directors are required to hold three times base salary.
Other remuneration		
Defined benefit pension	• The Chief Financial Officer is a member of the UK defined benefit scheme for pensionable salary up to the scheme cap of £110,000. Details of this are set out in the pensions table on page 63. He receives the cash allowance set out below on pensionable salary over the scheme cap.	• Plan closed to new entrants. • The Chief Financial Officer is the only executive director to receive this benefit.
Defined contribution pension/cash allowance	• The pension contribution or cash allowance is available for the executives to make provisions for their retirement.	• 30% of basic salary taken either as a cash payment or a pension contribution.
Benefits	• Company car or cash allowance worth £19,200 per annum. • Private medical insurance. • Chauffeur services, where appropriate, to assist with their role.	• Benefits reviewed from time to time.

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

Details of the GLTI performance shares

The number of shares vesting depends on the performance of two measures: free cash flow and relative TSR. This section sets out how the performance of each of the two measures is calculated.

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 definition of adjusted free cash flow is reported free cash flow excluding:

- Verizon Wireless additional distributions;
- Spectrum (licence) costs;
- Foreign exchange movements over the performance period; and
- Material one-off tax settlements.

The cumulative adjusted free cash flow target and range for awards in the 2009 and 2010 financial years are set out in the table below:

	2009		2010	
Performance	£bn	Vesting percentage	£bn	Vesting percentage
Threshold	15.5	50%	15.50	50%
Target	17.5	100%	18.00	100%
Superior	18.5	150%	19.25	150%
Maximum	19.5	200%	20.50	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 2009 and 2010 targets to be stretching ones.

TSR out-performance of a peer group median

Vodafone has a limited number of appropriate peers and this makes the measurement of a relative ranking system volatile. As such, the out-performance of the median of a peer group is felt to be the most appropriate TSR measure. The peer group for the performance condition is as follows:

2009 financial year	2010 financial year
BT Group	BT Group
Deutsche Telekom	Deutsche Telekom
France Telecom	France Telecom
Telecom Italia	Telecom Italia
Telefonica	Telefonica
Emerging market composite(1)	Emerging market composite(1)

Note:
(1) Consists of the average TSR performance of three companies: Bharti, MTN and Turkcell.

The relative TSR position will determine the performance multiplier. This will be applied to the free cash flow vesting percentage. There will be no multiplier until TSR performance exceeds median. Above median the following table will apply (with linear interpolation between points):

	2009		2010	
	Out-performance of peer group median	Multiplier	Out-performance of peer group median	Multiplier
Median	0.0% p.a.	No increase	0.0% p.a.	No increase
65th percentile	4.5% p.a.	1.5 times	4.5% p.a.	1.5 times
80th percentile (upper quintile)	9.0% p.a.	2.0 times	9.0% p.a.	2.0 times

The performance measure has been calibrated using statistical techniques.

Combined vesting matrix

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

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

The combined vesting percentages are applied to the target number of shares granted.

Awards made to executive directors during the 2009 financial year

Reward elements	Vittorio Colao	Andy Halford
Base salary	Vittorio's base salary was increased from £840,000 to £975,000 when he was promoted to Group Chief Executive on 29 July 2008.	Andy's base salary was increased from £642,000 to £674,100 on 1 July 2008.
Annual bonus	The target bonus was £932,452 and the maximum bonus was £1,864,904.	The target bonus was £666,075 and the maximum bonus was £1,332,150.
Long term incentive plan	In July 2008, the base award for the Chief Executive had a face value of 137.5% of base salary at target.	In July 2008, the base award for the Chief Financial Officer had a face value of 110% of base salary at target.
Investment opportunity	Vittorio invested the maximum possible into the GLTI plan (866,086 shares) and therefore received a matching award with a face value of 100% base salary at target.	Andy invested the maximum possible into the GLTI plan (565,703 shares) and therefore received a matching award with a face value of 100% base salary at target.

Arun Sarin

Arun stepped down from the Board on 29 July 2008, and later retired from the business on 28 February 2009. He was available for consultation during this period, over which, Arun received a nominal base salary of £1 and no bonus or new GLTI grant in July 2008. On retirement, Arun's long term incentive awards vested on a pro-rated basis (for both time and performance). Arun also had a contractual entitlement to £500,000 in connection with relocation to the US.

Amounts executive directors will actually receive in the 2010 financial year

As previously explained, a very large percentage of the executive directors' package is made up of variable pay subject to performance. The information below explains what the executive directors who were on the Board on 31 March 2009 will actually receive from awards made previously with performance conditions which ended on 31 March 2009, but that will vest in the 2010 financial year.

The executive directors 2008/09 GSTIP is payable in June 2009. Later in 2009, the matching shares from the 2007 deferred share bonus arrangement will vest, as will the GLTI share options granted in 2006. The threshold relative TSR performance target for the 2006 GLTI performance shares was not met and, as such, no shares will vest from this award. In all cases performance was determined as at 31 March 2009 year end. These figures are set out in the table below (only the 2008/09 GSTIP payment is included in the audited section towards the end of the directors' remuneration report).

	Vittorio Colao	Andy Halford
Base salary		
Base salary set in July 2008 (no base salary increase in July 2009)(1)	£975,000	£674,100
GSTIP (Annual bonus)(2)		
Target (100% of base salary earned over 2009)	£932,452	£666,075
Percentage of target achieved for the 2009 financial year	94.5%	97.6%
Actual bonus payout in June 2009	£881,257	£650,089
Deferred share bonus		
Number of matching shares awarded in June 2007	153,671	275,820
Vesting percentage based on two year cumulative free cash flow	100%	100%
Matching shares vesting in June 2009	153,671	275,820
GLTI share options		
Exercise price	135.5p	115.25p
GLTI share options awarded in July 2006(3)	3,472,975	3,062,396
Vesting percentage based on three year earnings per share ('EPS') growth	100%	100%
GLTI share options vesting in 2009	3,472,975	3,062,396
GLTI performance shares		
GLTI performance share awarded in July 2006(3)	1,073,465	946,558
Vesting percentage based on relative TSR	0%	0%
GLTI performance shares vesting in 2009	nil	nil

Notes:
(1) Michel Combes and Steve Pusey have been appointed as directors with effect from 1 June 2009 and their base salaries are £740,000 and £500,000 respectively.
(2) More information on key performance indicators, against which Group performance is measured, can be found in "Key performance indicators" on page 24.
(3) Vittorio Colao's 2006 awards were granted after joining in October 2006.

Other considerations

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.

	Date of service agreement	Notice period
Vittorio Colao	27 May 2008	12 months
Andy Halford	20 May 2005	12 months

Michel Combes and Steve Pusey, who have been appointed to the Board with effect from 1 June 2009, will have service contracts which have a 12 month notice period.

Fees retained for external non-executive directorships

Executive directors may hold positions in other companies as non-executive directors. In the 2009 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 over the full financial year. Fees were retained in accordance with Group policy.

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 executive directors.

Annual bonus
The annual bonus is based on the same measures. However, in some circumstances these are measured within a region or business area rather than across the whole Group.

Long term incentive
The long term incentive is consistent with the executive directors, including the opportunity to invest in the GLTI to receive matching awards. In addition, Executive Committee members have a share ownership requirement of two times base salary.

All-employee share plans

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

Summary of plans

Global allshare plan
The Remuneration Committee approved a grant of 290 shares to be made on 1 July 2008 to a significant number of permanent employees. The shares awarded vest after two years.

Sharesave
The Vodafone Group 2008 sharesave plan is an HM Revenue & Customs ('HMRC') approved scheme open to all permanently employed UK staff. Options under the plan are granted at up to a 20% discount to market value. Executive directors' participation is included in the option table on page 65.

Share incentive plan
The Vodafone share incentive plan is an HMRC approved plan open to all staff permanently employed by a Vodafone Company in the UK. Participants may contribute up to a maximum of £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.

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 3.3% of the Company's share capital at 31 March 2009 (3.0% at 31 March 2008).

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

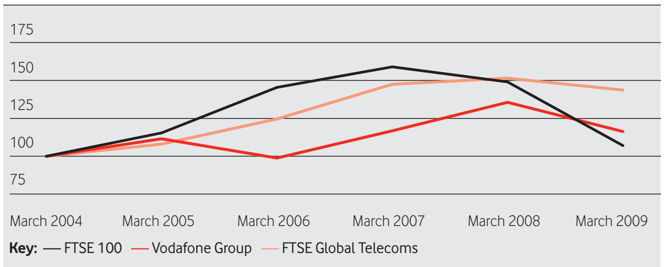
The share incentive plan and the co-investment into the GLTI plan include restrictions on the transfer of shares while the shares are subject to the plan. Where, under an employee share plan operated by the Company, participants are the beneficial owners of the shares, but not the registered owner, the 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

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 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 for executive directors

Remuneration for the year ended 31 March 2009

The remuneration of executive directors receiving remuneration during the year ended 31 March 2009 was as follows:

	Salary/fees		Incentive schemes[1]		Cash in lieu of pension		Benefits/other[2]		Total	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000	2009 £'000	2008 £'000	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Chief Executive										
Vittorio Colao	932	830	881	1,291	280	249	171	594	2,264	2,964
Other executive directors										
Andy Halford	666	632	650	1,027	167	156	25	31	1,508	1,846
Former Chief Executive										
Arun Sarin	436	1,310	434	2,130	–	–	553	155	1,423	3,595
Total	**2,034**	**2,772**	**1,965**	**4,448**	**447**	**405**	**749**	**780**	**5,195**	**8,405**

Notes:
(1) These figures are the cash payouts from the 2009 financial year Vodafone Group short term incentive plan applicable to the year ended 31 March 2009. 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 2009.
(2) Includes £500,000 in respect of relocation for Arun Sarin (see page 61).

The aggregate remuneration paid by the Company to its collective senior management[1] for services for the year ended 31 March 2009, is set out below. The aggregate number of senior management at 31 March 2009 was ten, three greater than at 31 March 2008.

	2009 £'000	2008 £'000
Salaries and fees	3,896	3,255
Incentive schemes[2]	2,984	4,964
Cash in lieu of pension	399	279
Benefits/other	2,949	1,713
Total	**10,228**	**10,211**

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 2009, other than executive directors, and reflects compensation paid from either 1 April 2008 or date of appointment to the Executive Committee, to 31 March 2009 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 "Long term incentives" on page 65.

Pensions

Arun Sarin was provided with a defined contribution pension arrangement to which the Company contributed 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 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. Liabilities in respect of the pension schemes in which the executive directors participate are funded to the extent described in note 26 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.

Pension benefits earned by the directors serving during the year ended 31 March 2009 were:

	Total accrued benefit at 31 March 2009[1] £'000	Change in accrued benefit over the year[1] £'000	Transfer value at 31 March 2009[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
Vittorio Colao	–	–	–	–	–	–	–	–
Andy Halford	24.3	3.7	543.6	316.4	223.4	2.6	55.1	–
Arun Sarin	–	–	–	–	–	–	–	131

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 accrued in an unfunded defined contribution arrangement. This gives rise to a liability held on the consolidated balance sheet.

In respect of senior management, the Group has made aggregate contributions of £581,000 into defined contribution pension schemes and had a total service cost of £389,000 for defined pension liabilities.

Directors' interests in the shares of the Company

Historic medium term incentives

This table shows conditional awards of ordinary shares made in prior periods to executive directors under the deferred share bonus ('DSB'). Shares which vested during the year ended 31 March 2009 are also shown below.

	Total interest in DSB at 1 April 2008	Shares forfeited during the year in respect of the 2007 and 2008 financial years	Shares vested during the year in respect of the 2007 and 2008 financial years(1)(2)	Total interest in DSB at 31 March 2009	
	Number of shares	Number of shares	Number of shares	Number of shares(3)	Total value(4) £'000
Vittorio Colao	153,671	–	–	153,671	189
Andy Halford	516,660	–	(240,840)	275,820	339
Arun Sarin(5)	1,212,278	(24,708)	(1,187,570)	–	–
Total	**1,882,609**	**(24,708)**	**(1,428,410)**	**429,491**	**528**

Notes:
(1) The shares vesting gave rise to cash payments equal to the equivalent value of dividends over the vesting period. These cash payments equated to £146,000 for Arun Sarin and £34,000 for Andy Halford.
(2) Shares granted on 15 June 2006 vested on 15 June 2008. The closing mid-market share prices at these dates were 116.0 pence and 153.1 pence, respectively. The performance condition on these awards was a two year cumulative EPS growth of 11% to 15%, which was met in full.
(3) There is one outstanding award in respect of the 2008 financial year, which has a performance period ended on 31 March 2009. The performance condition for this award was a requirement to achieve 85% of the cumulative planned free cash flow target for the 2008 and 2009 financial years.
(4) The total value is calculated using the closing mid-market share price as at 31 March 2009 of 122.75p.
(5) In addition to the award that vested on 15 June 2008 noted in 3, a proportion of Arun Sarin's 15 June 2007 grant vested at the point that he retired on 28 February 2009 (a total of 568,266 shares). The performance condition for this award was a requirement to achieve 85% of the cumulative planned free cash flow target for the 2008 and 2009 financial years. The award vested after pro-rating for time and performance. The closing mid-market share price on the award date was 163.2 pence and the equivalent price at the point of vesting was 125.2 pence.

No shares were awarded during the year under the deferred share bonus to any of the Company's directors or senior management.

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 ('LTSIP') and the Vodafone Global Incentive Plan ('GIP') are shown below. Long term incentive shares that vested during the year ended 31 March 2009 are also shown below.

	Total interest in performance shares at 1 April 2008 or date of appointment	Shares conditionally awarded during the 2009 financial year		Shares forfeited in respect of awards for the 2006, 2007 and 2008 financial years	Shares vested in respect of awards for the 2006, 2007 and 2008 financial years	Total interest in performance shares at 31 March 2009	
	Number of shares	Number of shares	Value at date of award(1) £'000	Number of shares(2)	Number of shares(2)	Number of shares(3)	Total value(4) £'000
Vittorio Colao	2,630,874	7,127,741	9,262	–	–	9,758,615	11,979
Andy Halford	2,676,838	4,357,399	5,662	(323,985)	(215,990)	6,494,262	7,972
Arun Sarin(5)(6)	7,291,372	–	–	(3,381,994)	(3,909,378)	–	–
Total	**12,599,084**	**11,485,140**	**14,924**	**(3,705,979)**	**(4,125,368)**	**16,252,877**	**19,951**

Notes:
(1) 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 28 July 2008 (the date of grant) of 129.95 pence. These awards have a performance period running from 1 April 2008 to 31 March 2011. The performance conditions are detailed on page 59. The vesting date will be in July 2011.
(2) Shares granted on 26 July 2005 vested on 26 July 2008. The award was made using the closing mid-market share price of 145.25 pence on 25 July 2005. The equivalent share price on the vesting date was 132.9 pence. The performance condition on these awards was a relative total shareholder return measure against the companies making up the FTSE global telecommunications index at the start of the performance period. This condition was met in part.
(3) The total interest at 31 March 2009 includes awards over three different performance periods ending on 31 March 2009, 31 March 2010 and 31 March 2011. The performance conditions ending on 31 March 2009 and 31 March 2010 are in line with those for Arun Sarin set out in footnote 5 below. The performance condition for the award vesting in July 2009 is detailed on page 60 of this report.
(4) The total value is calculated using the closing mid-market share price as at 31 March 2009 of 122.75p.
(5) In addition to the award that vested on 26 July 2008 noted above, a proportion of Arun Sarin's 25 July 2006 and 24 July 2007 grants vested at the point that he retired on 28 February 2009 (a total of 3,222,530 shares). The performance conditions for these awards were relative total shareholder return measures against companies from the FTSE global telecommunications index taken at the start of each performance period. The award vested after pro-rating for time and performance. The share price used for the July 2006 award was 115.25 pence and for the July 2007 award 167.8 pence. The closing mid-market price at the point of vesting was 125.2 pence.
(6) The shares that vested for Arun Sarin on 28 February 2009 gave rise to a cash payment equal to the equivalent value of dividends over the vesting period. The cash payment equated to £418,000.

The aggregate number of shares conditionally awarded during the year to the Company's senior management is 20,509,280 shares. For a description of the performance and vesting conditions see "GLTI performance shares" on page 60.

Share options

No options have been granted to directors during the 2009 financial year. The following information summarises the directors' options under the Vodafone Group 1998 Sharesave Scheme, the Vodafone Group 1998 Company Share Option Scheme ('CSOS'), the LTSIP and the GIP. HMRC approved awards may be made under all of the schemes above. The table also summarises the directors' options under the Vodafone Group 1998 Executive Share Option Scheme ('ESOS'), which is not HMRC approved. No other directors have options under any of these schemes.

In the past, options under the Vodafone Group 1998 Sharesave Scheme were granted at a discount of 20% to the market value of the shares and options under the Vodafone Group 2008 Sharesave scheme 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.

	Grant date[(1)(2)]	At 1 April 2008 Number	Options exercised during the 2009 financial year Number	Options lapsed during the 2009 financial year Number	Options held at 31 March 2009 Number	Option price Pence[(3)]	Date from which exercisable	Expiry date	Realised gains on options exercised £'000
Vittorio Colao									
GIP	November 2006	3,472,975	–	–	3,472,975	135.50	November 2009	November 2016	–
GIP	July 2007	3,003,575	–	–	3,003,575	167.80	July 2010	July 2017	–
Total		**6,476,550**	**–**	**–**	**6,476,550**				**–**
Andy Halford									
CSOS	July 1999	11,500	–	–	11,500	255.00	July 2002	July 2009	–
ESOS	July 1999	114,000	–	–	114,000	255.00	July 2002	July 2009	–
CSOS	July 2000	200	–	–	200	282.30	July 2003	July 2010	–
ESOS	July 2000	66,700	–	–	66,700	282.30	July 2003	July 2010	–
LTSIP	July 2001	152,400	–	–	152,400	151.56	July 2004	July 2011	–
LTSIP	July 2002	94,444	–	–	94,444	90.00	July 2005	July 2012	–
LTSIP	July 2003	233,333	–	–	233,333	119.25	July 2006	July 2013	–
LTSIP	July 2004	226,808	–	–	226,808	119.00	July 2007	July 2014	–
LTSIP	July 2005	1,796,003	–	(504,677)	1,291,326	145.25	July 2008	July 2015	–
GIP	July 2006	3,062,396	–	–	3,062,396	115.25	July 2009	July 2016	–
SAYE	July 2006	10,202	–	–	10,202	91.64	September 2009	February 2010	–
GIP	July 2007	2,295,589	–	–	2,295,589	167.80	July 2010	July 2017	–
Total		**8,063,575**	**–**	**(504,677)**	**7,558,898**				**–**
Arun Sarin[(4)]									
LTSIP	July 2003	7,379,454	–	–	7,379,454	119.25	July 2006	February 2010	–
SAYE[(5)]	July 2003	16,710	(16,710)	–	–	95.30	September 2008	February 2009	8
LTSIP	July 2004	3,536,470	–	–	3,536,470	119.00	July 2007	February 2010	–
LTSIP	July 2005	5,711,292	–	(1,604,874)	4,106,418	145.25	July 2008	February 2010	–
GIP	July 2006	8,115,350	–	(225,427)	7,889,923	115.25	March 2009	February 2010	–
GIP	July 2007	5,912,753	–	(2,135,161)	3,777,592	167.80	March 2009	February 2010	–
Total		**30,672,029**	**(16,710)**	**(3,965,462)**	**26,689,857**				**8**

Notes:
(1) The awards granted in July 2005 vested in July 2008. The performance condition on these awards was a cumulative EPS growth of 8% to 16% over the three year performance period to 31 March 2008. A proportion of the award vested in line with the level of performance achieved.
(2) The unvested awards granted in July 2006 and July 2007 have performance periods ending on 31 March 2009 and 31 March 2010, respectively. The performance conditions for these awards are three year EPS growth ranges of 5% to 10% per annum and 5% to 8% per annum respectively.
(3) The closing mid-market share price on 31 March 2009 was 122.75 pence. The highest mid-market share price during the year was 168.0 pence and the lowest price was 103.0 pence.
(4) Arun Sarin's July 2006 and July 2007 awards vested when he retired on 28 February 2009. The number of share options vesting was pro-rated for time and performance.
(5) Arun exercised his SAYE options on 1 September 2008. The mid-market closing share price on 29 August 2008 was 141.05 pence.

Non-executive directors' remuneration

The remuneration of non-executive directors is reviewed annually by the Board, excluding the non-executive directors. Vodafone's policy is to pay competitively for the role, including consideration of the time commitment required. In this regard, the fees are benchmarked against a comparator group of the current FTSE 15 companies. Following the 2009 review, there will be no changes to the fees from 1 April 2009:

Position/role	Fees payable (£'000s) From 1 April 2008	From 1 April 2009
Chairman	560	No change
Deputy Chairman	155	No change
Non-executive director	110	No change
Chairmanship of Audit Committee	25	No change
Chairmanship of Remuneration Committee	20	No change
Chairmanship of Nominations and Governance Committee	15	No change

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 2009 financial year are included in the table below.

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. The date of his letter of appointment is 5 December 2005.

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. Non-executive directors are generally not expected to serve for a period exceeding nine years.

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).

	Date of letter of appointment	Date of re-election
John Buchanan	28 April 2003	AGM 2009
Alan Jebson	7 November 2006	AGM 2009
Samuel Jonah	9 March 2009	AGM 2009
Nick Land	7 November 2006	AGM 2009
Anne Lauvergeon	20 September 2005	AGM 2009
Simon Murray	16 May 2007	AGM 2009
Luc Vandevelde	24 June 2003	AGM 2009
Anthony Watson	6 February 2006	AGM 2009
Philip Yea	14 July 2005	AGM 2009

Audited information for non-executive directors serving during the year ended 31 March 2009[1]:

	Salary/fees		Benefits		Total	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Chairman						
Sir John Bond	575	540	27	13	602	553
Deputy Chairman						
John Buchanan	155	145	–	10	155	155
Non-executive directors						
Dr Michael Boskin	63	166	–	12	63	178
Alan Jebson	146	135	–	12	146	147
Nick Land	127	105	–	10	127	115
Anne Lauvergeon	110	105	–	–	110	105
Simon Murray	110	79	–	–	110	79
Professor Jürgen Schrempp	37	105	–	–	37	105
Luc Vandevelde	130	125	–	10	130	135
Anthony Watson	110	105	–	8	110	113
Philip Yea	110	105	–	–	110	105
Total	**1,673**	**1,715**	**27**	**75**	**1,700**	**1,790**

Note:
(1) Former Chairman, Lord MacLaurin, received consulting fees of £125,000 during the year, together with continued benefits valued at £18,500 from his previous arrangements. These arrangements will end in July 2009.

Beneficial interests

The beneficial interests of directors' and their connected persons 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:

	18 May 2009	31 March 2009	1 April 2008 or date of appointment
Sir John Bond	237,345	237,345	224,926
John Buchanan	211,055	211,055	200,009
Vittorio Colao	1,046,149	1,046,149	180,063
Andy Halford	1,211,499	1,211,095	781,826
Alan Jebson	75,000	75,000	75,000
Nick Land	35,000	35,000	25,000
Anne Lauvergeon	28,936	28,936	27,125
Simon Murray	157,500	157,500	157,500
Luc Vandevelde	72,500	72,500	17,500
Anthony Watson	115,000	115,000	100,000
Philip Yea	61,250	61,250	61,250

At 31 March 2009, and during the period from 1 April 2009 to 18 May 2009, 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 2009, members of the Group's Executive Committee, at 31 March 2009, had an aggregate beneficial interest in 3,636,018 ordinary shares of the Company. At 18 May 2009, the directors had an aggregate beneficial interest in 3,251,243 ordinary shares of the Company and the Executive Committee members had an aggregate beneficial interest in 3,637,634 ordinary shares of the Company. However, none of the directors or the Executive Committee members had an individual beneficial interest amounting to greater than 1% of the Company's ordinary shares.

Interests in share options of the Company

At 18 May 2009, there had been no change to the directors' interests in share options from 31 March 2009 (see page 65).

Other than those individuals included in the table above, at 18 May 2009, members of the Group's Executive Committee at that date held options for 19,282,900 ordinary shares at prices ranging from 91.6 pence to 291.5 pence per ordinary share, with a weighted average exercise price of 148.1 pence per ordinary share exercisable at dates ranging from July 2002 to July 2017.

Sir John Bond, John Buchanan, Alan Jebson, Nick Land, Anne Lauvergeon, Simon Murray, Luc Vandevelde, Anthony Watson and Philip Yea held no options at 18 May 2009.

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