Board of directors and Group management

Directors and senior management

Our business is managed by our Board of directors ('the Board'). Biographical details of the directors and senior management as at 22 May 2012 are as follows (with further information available at www.vodafone.com/investor):

Chairman
Gerard Kleisterlee

Age: 65

Skills and experience:
Gerard has a proven track record as an international business leader with deep knowledge of the consumer electronics, healthcare and lifestyle sectors; a wealth of experience of operating in developed and emerging markets; and technology industry familiarity.

Career history:
President/Chief Executive Officer and Chairman of the Board of Management of Koninklijke Philips Electronics N.V. from 2001 to 2011 following a career with Philips spanning over 30 years.

Time on Board: 1 year 2 months

Additional appointments:
Member of Daimler AG Supervisory Board; non-executive director and member of the Audit Committee of Royal Dutch Shell; Board of Directors of Dell.

Committees:
Nominations and Governance (Chairman)

Chief Executive
Vittorio Colao

Age: 50

Skills and experience:
With demonstrated international business leadership skills, Vittorio has deep telecoms experience having worked in the sector for 20 years.

Career history:
McKinsey & Company (1986 – 1996); Omnitel Pronto Italia S.p.A. (which became Vodafone Italy) (1996 – 2004); Regional Chief Executive Officer, Southern Europe for Vodafone Group Plc (role later expanded to include Middle East and Africa regions); Chief Executive RCS MediaGroup (2004 – 2006).

Time on Board: 5 years 7 months

Additional appointments:
Member of the International Advisory Board of Bocconi University, Italy; member of the Advisory Board of McKinsey & Company; member of the Advisory Council of Oxford Martin School.

Chief Financial Officer
Andy Halford

Age: 53

Skills and experience:
A leading member of the finance profession, Andy has extensive experience as a finance director of UK, US and multinational companies.

Career history:
Group Finance Director at East Midlands Electricity Plc (1993 – 1998); Financial Director, Vodafone Limited (the UK operating company) (1999 – 2001); Financial Director for Vodafone's Northern Europe, Middle East and Africa region (2001 – 2002); Chief Financial Officer of the Verizon Wireless partnership (2002 – 2005); Fellow of the Institute of Chartered Accountants in England and Wales.

Time on Board: 6 years 10 months

Additional appointments:
Member of the Board of Representatives of the Verizon Wireless partnership in the US; Chairman of the Hundred Group of Finance Directors in the UK.

Chief Executive Officer, Europe region
Michel Combes

Age: 50

Skills and experience:
Michel is well-regarded for his breadth of experience across both fixed line and mobile operations, with over 25 years experience in the field of telecommunications.

Career history:
France Telecom, External Networks Division, later Industrial and International Affairs Division; technical advisor to the French Minister of Transport; Chairman and Chief Executive Officer of GlobeCast; Executive Vice President of Nouvelles Frontieres Group; Chief Executive Officer of Assystem-Brime; Senior Vice President of Group Finance and Chief Financial Officer, France Telecom; Senior Executive Vice President, in charge of NExT Finance Balance & Value Creation; member of the France Telecom Group Strategic Committee; Chairman and Chief Executive Officer of TDF Group.

Time on Board: 2 years 11 months

Additional appointments:
Chairman of the Supervisory Board of Assystem SA in France; non-executive director on the boards of ISS Equity A/S, ISS Holding A/S and ISS A/S.

Michel will retire from the Board at the conclusion of the Company's AGM on 24 July 2012.

Chief Technology Officer
Stephen Pusey

Age: 50

Skills and experience:
Stephen has a wealth of international experience across both the wireline and wireless industries and in business applications and solutions.

Time on Board: 2 years 11 months

Career history:
Executive Vice President and President, Nortel Networks Corporation's EMEA region; British Telecom.

Deputy Chairman and Senior Independent Director
Sir John Buchanan

Age: 68

Skills and experience:
Sir John has many years of experience and a track record of success gained during a wide-ranging career at BP p.l.c. spanning over 30 years. His financial and management skills in multinational business provide further strength to the Board.

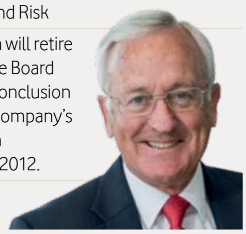
Career history:
Board of Directors and Chief Executive Officer of BP p.l.c. (1996 – 2002); member of the United Kingdom Accounting Standards Board; non-executive director of The Boots Company Plc (1997 – 2003); non-executive director of AstraZeneca PLC (2002 – 2010).

Time on Board: 9 years 1 month

Additional appointments:
Chairman of Smith & Nephew plc; Senior Independent Director of BHP Billiton Plc; Chairman of ARM Holdings plc; Chairman of the International Chamber of Commerce (UK); Chairman of the Trustees for UK Christchurch Earthquake Appeal.

Committees:
Nominations and Governance
Audit and Risk

Sir John will retire from the Board at the conclusion of the Company's AGM on 24 July 2012.



Non-executive director
Renee James

Age: 47

Skills and experience:
Renee has deep knowledge of the high-tech sector and wide ranging experience of international management.

Career history:
Joined Intel Corporation in 1988 with the acquisition of Bell Technologies; currently senior vice president and general manager of Intel Corporation's Software and Services Group; previous roles within Intel: vice president for Developer Programs, Chief Operating Officer of Intel Online Services – Intel's datacenter business.

Time on Board: 1 year 5 months

Additional appointments:
Senior vice president and general manager of the Software and Services Group for Intel Corporation; Chairman of the software subsidiaries of Intel Corporation, Havok Inc., Wind River Systems Inc. and McAfee, Inc.; independent director on the Board of Directors of VMware Inc and a member of its Audit Committee.

Renee will join the Remuneration Committee on conclusion of the AGM on 24 July 2012.

Non-executive director
Alan Jebson

Age: 62

Skills and experience:
Alan's experience as a senior leader in an international business, his knowledge of international information technology systems and his financial services background are great assets to the Board.

Career history:
HSBC Holdings plc: Head of IT Audit (1978 – 1984); Senior Manager Planning and Operations, Saudi British Bank (1984 – 1987); HSBC Holdings plc: Group Chief Operating Officer, Group Chief Information Officer; non-executive director of MacDonald, Dettwiler and Associates (Canada).

Time on Board: 5 years 6 months

Additional appointments:
Non-executive director of Experian plc.

Committees:
Audit and Risk

Non-executive director
Samuel Jonah

Age: 62

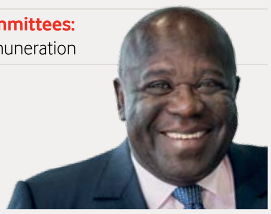
Skills and experience:
Sam brings widespread experience of business in Africa, particularly South Africa and Ghana where we have interests.

Career history:
Chief Executive Officer of Ashanti Goldfields Co Ltd (1986 – 2002); Executive President of AngloGold Ashanti Ltd (2002 – 2005); director of Lonmin Plc. (1992 – 2004); member of the Advisory Council of the President of the African Development Bank; advisor to the former Presidents of Ghana, South Africa, Nigeria and Namibia. Currently advises the Presidents of Togo and Nigeria. Honorary Knighthood awarded in 2003; awarded Ghana's highest national award, the Companion of the Order of the Star, in 2006. Recipient of Lifetime Award in June 2010 by the Commonwealth Business Council and African Business Magazine.

Time on Board: 2 years 2 months

Additional appointments:
Executive Chairman of Jonah Capital (Pty) Limited; serves on the boards of various public and private companies including The Standard Bank of South Africa Limited.

Committees:
Remuneration



Non-executive director
Nick Land

Age: 64

Skills and experience:
Nick's financial expertise and experience of dealing with major corporations in many parts of the world is invaluable to the Board.

Career history:
Chairman of Ernst & Young and Managing Partner of the North European, Middle East, India and Africa region. Retired from Ernst & Young in 2006 after a career spanning 36 years.

Additional appointments:
Non-executive director of Alliance Boots GmbH, BBA Aviation plc, Ashmore Group plc and the Financial Reporting Council; advisor to the Board of SNR Denton UK LLP; member of the Advisory Board of Alsbridge plc; Chairman of the Board of Trustees of Farnham Castle; member of the Finance and Audit Committees of The National Gallery; Chairman of the Board of Trustees of the Vodafone Foundation.

Time on Board: 5 years 6 months

Committees:
Audit and Risk (Chairman)

Non-executive director
Anne Lauvergeon

Age: 52

Skills and experience:
Anne's wealth of international business knowledge gained while Chief Executive of an international energy company means she brings valuable insights to the Board.

Career history:
Chief Executive Officer of AREVA group; Adviser for Economic International Affairs at the French Presidency and Deputy Chief of its Staff; Partner of Lazard Frères & Cie; Senior Executive Vice President of Alcatel.

Time on Board: 6 years 7 months

Additional appointments:
Non-executive director of Total S.A. and GDF SUEZ; member of the Advisory Board of the Global Business Coalition on HIV/AIDS.

Committees:
Audit and Risk

Non-executive director
Luc Vandevelde

Age: 61

Skills and experience:
Luc has many years of experience and a track record of success in retailing and consumer goods. He has a deserved reputation as an international businessman of considerable standing. His financial, management and marketing skills in international business are of great value to the Board.

Career history:
Kraft General Foods (1971 – 1995); Chief Executive Officer of Promodès/Carrefour (1995 – 2000); Chairman of Marks and Spencer Group plc (2000 – 2004); Chairman of the Supervisory Board of Carrefour S.A. (2005 – 2007).

Time on Board: 8 years 9 months

Additional appointments:
Director of Societe Generale; Founder and Managing Director of Change Capital Partners LLP.

Committees:
Nominations and Governance
Remuneration (Chairman)

Luc will become Senior Independent Director on conclusion of the AGM on 24 July 2012.

Board of directors and Group management (continued)

Non-executive director
Anthony Watson CBE

Age: 67

Skills and experience:
Tony's depth of experience in the City and in investment and asset management are invaluable to the Board.

Career history:
Hermes Pensions Management Ltd: Chief Investment Officer, later Chief Executive. Managing Director of AMP Asset Management plc; Chief International Investment Officer, Citicorp Investment Management; Chairman of the Strategic Investment Board in Northern Ireland; member of the Advisory Board of Norges Bank Investment Management; Chairman of Marks & Spencer Pension Trust and the Asian Infrastructure Fund; member of the Financial Reporting Council. In January 2009, Tony was awarded a CBE for his services to the economic redevelopment of Northern Ireland.

Time on Board: 6 years 1 month

Additional appointments:
Senior Independent Director of Hammerson plc and Witan Investment Trust; non-executive director of Lloyds Banking Group plc; member of the Board of the Shareholder Executive.

Committees:
Nominations and Governance
Remuneration

Tony will step down from the Remuneration Committee and join the Audit and Risk Committee on conclusion of the AGM on 24 July 2012.

Non-executive director
Philip Yea

Age: 57

Skills and experience:
Philip brings to the Board his considerable experience as a leader of public and private businesses (as Chief Financial Officer, Chief Executive Officer and as Chairman) and, as a private equity investor, deploying his financial and strategic skills. He also has experience of business and financial turnarounds.

Career history:
Finance Director of Guinness PLC, becoming Finance Director of Diageo plc upon the merger of Guinness and Grand Metropolitan Public Limited Company in 1997 (1993 – 1999); Managing Director at Investcorp (1999 – 2004); Chief Executive at 3i Group plc (2005 – 2009); non-executive directorships of HBOS plc and Manchester United plc.

Time on Board: 6 years 9 months

Additional appointments:
Advisor to HRH The Duke of York; member of the Advisory Board to PricewaterhouseCoopers in the UK; member of the Advisory Board of Bridges Ventures LLP; Chairman of the Trustees of the British Heart Foundation; independent director and trustee on the Board of The Francis Crick Institute; Chairman of The Rose Partnership, Executive Search.

Committees:
Remuneration

Philip will join the Nominations and Governance Committee on conclusion of the AGM on 24 July 2012.

Executive Committee

Chaired by Vittorio Colao, this committee focuses on our strategy, financial structure and planning, financial and competitive performance, succession planning, organisational development and Group-wide policies. The Executive Committee membership comprises the executive directors, details of whom are shown on page 60, 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.

Group Strategy and Business Development Director
Warren Finegold

Age: 55

Time on Executive Committee: 6 years 2 months

Career history:
Executive in the Corporate Finance department of Hill Samuel & Co. Limited (1981 – 1985); Executive Director Goldman Sachs International (1985 – 1995) holding positions in New York and London; Managing Director of UBS Investment Bank and most recently head of its Technology team in Europe (1995 – 2006).

Group External Affairs Director
Matthew Kirk

Age: 51

Years on Executive Committee: 3 years 3 months

Career history:
Group Director of External Relationships, Vodafone Group Plc; member of the British Diplomatic Service for more than 20 years; British Ambassador to Finland (2002 – 2006).

Group Chief Commercial Officer
Morten Lundal

Age: 47

Time on Executive Committee: 3 years 7 months

Career history:
Chief Executive Officer at Vodafone for the Africa and Central Europe region; various senior positions with Nordic mobile operator, Telenor (1997 – 2004), including Chief Executive Officer for the Internet Division and Telenor Business Solutions, as well as the position of Executive Vice President for Corporate Strategy; Chief Executive Officer of Telenor's Malaysian subsidiary, DiGi Telecommunication (2004 – 2008).

Group General Counsel and Company Secretary
Rosemary Martin

Age: 52

Time on Executive Committee: 2 years 3 months

Career history:
Chief Executive Officer of the Practical Law Group (2008); Reuters Group Plc in various company secretarial and legal roles, with the last five years as Group General Counsel and Company Secretary (1997 – 2008); partner with Mayer, Brown, Rowe & Maw (1990 – 1997).

Chief Executive Officer: Africa, Middle East and Asia Pacific region
Nick Read

Age: 47

Time on Executive Committee: 3 years 7 months

Career history:
Various senior roles in Vodafone Limited (the UK operating company), including Chief Financial Officer, Chief Commercial Officer and Chief Executive Officer (2002 – 2008); senior global finance positions with United Business Media plc (1998 – 2002) and Federal Express Worldwide Inc. (1995 – 1998).

Group Human Resources Director
Ronald Schellekens

Age: 48

Time on Executive Committee: 3 years 5 months

Career history:
Executive Vice President Human Resources for Royal Dutch Shell Plc's global downstream business (2003 – 2008), various international senior human resources roles at PepsiCo (1994 – 2003); human resources roles at AT&T Network Systems in the Netherlands and Poland.

Corporate governance

Chairman's overview

"Strong governance ensures Vodafone conducts its business responsibly, safeguarding our assets while promoting business growth."

Dear Shareholder

Sound corporate governance is critical to our business integrity and to maintaining investors' trust in us. Responsibility for good governance lies with your Board and the directors and I spend quality time at Board and committee meetings and in our discussions with executives to ensure there is a strong and effective governance system in place throughout the Group.

In this section we describe the way corporate governance works in Vodafone. It is embedded both in the way we organise our business, with local boards and audit committees having responsibility for our operations in local markets, overseen by regional governance teams for Europe and for the Africa, Middle East and Asia Pacific region, as well as in the way we expect our people to behave, with every employee required to comply with our Code of Conduct and encouraged to work in the Vodafone Way (see page 34 for more information).

We strive to continuously improve the effectiveness of our Board, our Board committees and our Executive Committee and we undertake annual reviews to assess our performance. The review for the 2012 financial year is described on page 67.

The Nominations and Governance Committee monitors developments in corporate governance to ensure we remain aligned with best practice. In view of the increased focus on diversity in the boardroom, I would like to take this opportunity to set out our approach to this topic. Joining me on your Board are four executive directors and nine non-executive directors representing seven different nationalities reflecting the international nature of our business. Your Board acknowledges the importance of diversity, including gender, to the effective functioning of the Board and commits to supporting diversity in the boardroom. It is our aspiration to have a minimum of 25% female representation on your Board by 2015. We also value diversity of business skills and experience because directors with diverse skills sets, capabilities and experience gained from different geographic and cultural backgrounds enhance your Board by bringing a wide range of perspectives to the business. More information can be found about our boardroom diversity policy under the report of the Nominations and Governance Committee on page 68.

Looking ahead, we will strive to maintain our high standard of corporate governance as it is central to our continuing success. We will continue to balance the use of our time in Board meetings between discussion of strategy, review of financial and operational performance, oversight of risk management and internal controls, ensuring the safeguarding our assets, and keeping Board and executive succession plans refreshed.

Gerard Kleisterlee
Chairman

22 May 2012

Compliance with the UK Corporate Governance Code

Throughout the year ended 31 March 2012 and to the date of this document, we complied with the provisions and applied the Main Principles of the UK Corporate Governance Code (the 'Code'). The Code can be found on the FRC website (www.frc.org.uk). We describe how we have applied those Principles in this annual report, notably, in the following section together with the "Directors' remuneration" section on pages 74 to 87. The Financial Reporting Council has announced that a revised version of the Code incorporating changes regarding boardroom diversity will be published in 2012, to take effect for financial years beginning on or after 1 October 2012. We are voluntarily reporting on these changes in this annual report (see "Performance evaluation" on page 67 and "Nominations and Governance Committee" on page 68).

Corporate governance statement

We comply with the corporate governance statement requirements pursuant to the FSA's Disclosure and Transparency Rules by virtue of the information included in this "Corporate governance" section of the annual report together with information contained in the "Shareholder information" section on pages 149 to 156.

Corporate governance (continued)

Our governance

Chairman
Key objectives: the leadership, operation and governance of the Board, ensuring effectiveness, and setting the agenda for the Board

The Board of Vodafone Group Plc
Key objectives: responsible for the overall conduct of the Group's business and setting the Group's strategy

Nominations and Governance Committee
Key objectives: to ensure the Board comprises individuals with the requisite skills, knowledge and experience to ensure that it is effective in discharging its responsibilities
More detail:
Page 68

Audit and Risk Committee
Key objectives: to provide effective financial governance over the appropriateness of the Group's financial results, the performance of the internal audit function the external auditor, and the management of the Group's systems of internal control, business risks and related compliance activities
More detail:
Page 69

Remuneration Committee
Key objectives: responsibility to the Board for the assessment and recommendation of policy on executive remuneration and packages for the individual executive directors
More detail:
Page 71

Chief Executive
Key objectives: responsible for the management of the business and implementation of Board strategy and policy

Executive Committee
Key objectives: to focus on the Group's strategy, financial structure and planning, financial and competitive performance, succession planning, organisational development and Group-wide policies; to review the Group's financial and competitive performance

Operating Committee
Key objectives: responsible for operational decisions, such as for key marketing and technology initiatives

The role of the Board is outlined in greater detail below. The Executive and Operating Committees sit below the Board for the management of the business.

The executive directors, together with certain Group functional heads and regional chief executives, meet 11 times a year as the Executive Committee under the chairmanship of the Chief Executive. The Executive Committee is responsible for our competitive and financial performance, reviewing strategy and new business opportunities including major acquisitions and disposals, the management of our capital structure and funding, and key organisational and policy decisions. The members of the Executive Committee and their biographical details are set out on pages 60 to 62 (or at www.vodafone.com/investor).

In April every year a Group level strategy review is conducted with the members of the Executive Committee along with the chief executives of the major operating companies. This review identifies key strategic issues for further investigation, following which the Group strategy is updated for presentation to the Board in September.

Individual operating companies review and update their strategies and present to their respective regional chief executives in the autumn. The agreed strategy is used as a basis for the development of the upcoming budget and three year operating plans. Final reviews of the operating company strategies, budgets and three year plans are held in March.

The Policy and Compliance Committee is a sub-committee of the Executive Committee, appointed to assist the Executive Committee fulfil its accountabilities with regard to policy compliance. Each Group policy is owned by a member of the Executive Committee so that there is clear accountability and authority for ensuring the associated business risk is adequately managed. Local market chief executives and the senior leadership team member responsible for each Group function have primary accountability for ensuring compliance with all Group policies by all our markets and entities. Our Group Compliance team and policy champions support the policy owners and local markets in implementing policies and monitoring compliance.

The Vodafone Code of Conduct, applicable to all employees and those who work for or on behalf of Vodafone, is a unified policy document that sets out the standards of behaviour expected in relation to areas such as insider dealing, bribery and raising concerns through the whistle blowing process (known internally as "Speak Up").

The Disclosure Committee, appointed by the Chief Executive and Chief Financial Officer to ensure the accuracy of external reporting, reviews and approves controls and procedures concerning the public disclosure of financial and related information.

The role of the Board

The Board is responsible for the overall conduct of the Group's business and has powers and duties pursuant to the relevant laws of England and Wales and our articles of association. The Board:

- → is responsible for setting the Group strategy and for the management, direction and performance of our businesses;
- → is accountable to shareholders for the proper conduct of the business;
- → is responsible for the long-term success of the Company, having regard for the interests of all stakeholders; and
- → is responsible for ensuring the effectiveness of and reporting on our system of corporate governance.

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

- → Group strategy and long-term plans;
- → 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; and
- → system of internal control and risk management.

The schedule is reviewed annually. It was last formally reviewed in March 2012 at which time it was determined that no amendments were required.

Other specific responsibilities are delegated to Board committees, details of which are given on pages 68 to 71.

Key roles and responsibilities

The Chairman
Gerard Kleisterlee

The role of the Chairman is set out in writing and agreed by the Board. He is responsible for:

- the effective operation, leadership and governance of the Board;
- ensuring effectiveness of the Board;
- setting the agenda, style and tone of Board discussions; and
- ensuring the directors receive accurate, timely and clear information.

The Chief Executive
Vittorio Colao

The role of the Chief Executive is set out in writing and agreed by the Board. He is responsible for:

- management of the Group's business;
- implementation of the Company's strategy and policies; and
- maintaining a close working relationship with the Chairman.

The Deputy Chairman and Senior Independent Director
Sir John Buchanan

The Senior Independent Director is responsible for:

- acting as a sounding board for the Chairman;
- serving as an intermediary for the other directors;
- being available to shareholders if they have concerns which they have not been able to resolve through the normal channels of the Chairman, Chief Executive or other executive directors or for which such contact is inappropriate; and
- 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 Secretary
Rosemary Martin

The Company Secretary acts as Secretary to the Board. In addition, she:

- assists the Chairman in ensuring that all directors have full and timely access to all relevant information;
- assists the Chairman by organising induction and training programmes;
- 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.

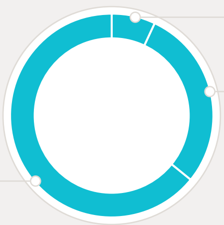
Biographical details of the Chairman, Chief Executive, Senior Independent Director and Company Secretary can be found on pages 60 to 62 or at www.vodafone.com/board. The appointment or removal of the Company Secretary is a matter for the Board as a whole.

How the Board operates

Board balance and independence

Our Board consists of 14 directors, all of whom served throughout the year. At 31 March 2012, in addition to the Chairman, Gerard Kleisterlee, there were four executive directors and nine non-executive directors. Sir John Bond was a member of the Board until his retirement at the AGM on 26 July 2011.

Balance of non-executive and executive directors



The executive and non-executive directors are equal members of the Board and have collective responsibility for the Company's direction. In particular, non-executive directors are responsible for:

- bringing a wide range of skills and experience, including independent judgement on issues of strategy, performance, and 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; and
- determining the Company's broad policy for executive remuneration, and the remuneration packages for the executive directors and the Chairman.

We consider all of our non-executive directors to be 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. Changes to the commitments of all the directors are reported to the Board. 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 is 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. No conflicts of interest have been identified during the financial year. Copies of the service contracts of the directors and terms and conditions of appointment of all non-executive directors are available for inspection at our registered office.

Board meetings

The Board meets at least seven times a year. Certain matters are considered at all Board meetings including the Chief Executive's business report; the latest available management accounts/Chief Financial Officer's report; business updates; an operations update (covering commercial, technology and operations matters); an investor relations report and, where applicable, reports from the Nominations and Governance Committee, Audit and Risk Committee, and Remuneration Committee. In addition to standing agenda items, there may be discussions on "deep-dive" topics. During the year "deep-dive" presentations have included commercial strategy, technology strategy, spectrum auctions, talent and succession, our enterprise business and our partner markets business.

Corporate governance (continued)

Directors unable to attend a Board meeting because of another engagement are provided with the briefing materials and can discuss issues arising in the meeting with the Chairman or the Chief Executive. In addition to scheduled Board meetings, there are a number of other meetings to deal with specific matters.

Attendance at scheduled meetings of the Board and its committees in the 2012 financial year

Director	Board	Nominations and Governance Committee	Audit and Risk Committee	Remuneration Committee
Gerard Kleisterlee (Chairman)[1]	7/7	3/3	–	–
Sir John Bond[2]	2/2	–	–	–
Sir John Buchanan	6/7	2/3	3/4	–
Vittorio Colao	7/7	–	–	–
Michel Combes	7/7	–	–	–
Andy Halford	7/7	–	–	–
Renee James	7/7	–	–	–
Alan Jebson	7/7	–	4/4	–
Samuel Jonah	7/7	–	–	5/5
Nick Land[3]	7/7	–	4/4	–
Anne Lauvergeon	7/7	–	4/4	–
Stephen Pusey	6/7	–	–	–
Luc Vandevelde[4]	7/7	3/3	–	5/5
Anthony Watson	7/7	3/3	–	5/5
Philip Yea	6/7	–	–	5/5

Notes:
1 Appointed as a director of the Board 1 April 2011 and became Chairman of the Board and Chairman of the Nominations and Governance Committee at the conclusion of the Company's AGM on 26 July 2011.
2 Chairman of the Board and Chairman of the Nominations and Governance Committee until he retired on 26 July 2011.
3 Chairman and financial expert of the Audit and Risk Committee.
4 Chairman of the Remuneration Committee.

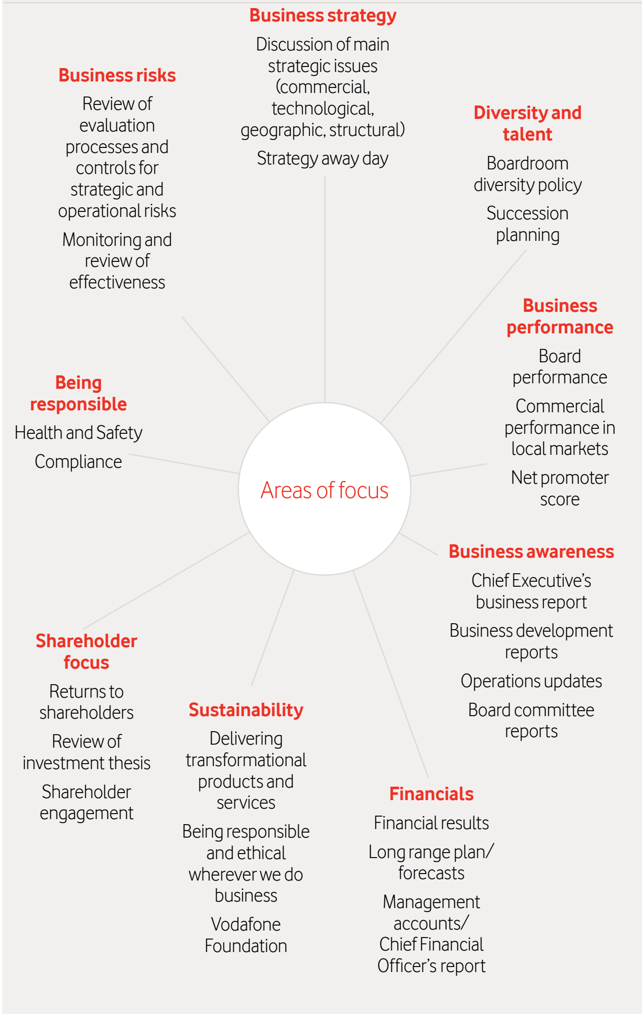
Gaining valuable industry insight

In January, the Board held its meeting at Xone, Vodafone's Innovation Centre in California. Whilst there, the Board had the opportunity to meet with senior representatives of a number of leading technology companies including Facebook, Google, Intel, Oracle, Microsoft, Nokia, Qualcomm and Samsung. These meetings provided the Board with valuable insight into views on our industry and its likely developments.

Board activities in the 2012 financial year

Board activities are structured to assist the Board in achieving its goal to support and advise executive management on the delivery of the Group's strategy within a transparent governance framework. The diagram below shows the key areas of focus for the Board which appear as items on the Board's agenda at relevant times throughout the financial year. Concentrated discussion of these items assists the Board in making the right decisions based on the long-term opportunities for the business and its stakeholders.

Key areas of focus for the Board



Board effectiveness

Board composition

The Board has due regard for the benefits of diversity in its membership on the Board, including gender, and strives to maintain the right balance. Our Board comprises individuals with deep knowledge and experience in core and diverse business sectors within local, international and global markets.

Information and professional development

Keeping up-to-date with key business developments is essential for the directors to maintain and enhance their effectiveness. From time to time the Board receives presentations from executives in our business on matters of significance. Financial plans, including budgets and forecasts, are regularly discussed at Board meetings. The directors also have the opportunity to learn the views of major investors at planned events throughout the financial year (see "Shareholder engagement" on page 71).

Our directors periodically visit different parts of the Group. The visit to Vodafone's Innovation Centre in California (see page 66) in January presented an important opportunity for the non-executive directors to learn more about industry trends. In addition, the non-executive directors are provided with briefings and information to assist them in performing their duties. Throughout their period in office, directors are regularly updated on the Group's businesses and the regulatory and industry specific environments in which we operate. Updates are by way of written briefings and meetings with senior executives and, where appropriate, external sources.

The Chairman is responsible for ensuring that induction and training programmes are provided and the Company Secretary organises the programmes. As part of the performance evaluation, Gerard Kleisterlee has meetings with each Board director (see "Performance evaluation" below) during which directors are given the opportunity to discuss training and development needs. 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.

Director induction programme

On appointment, directors undergo a personalised induction programme covering amongst other things:

- the business of the Group;
- their legal and regulatory responsibilities as directors;
- 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 and Risk Committee; and
- meetings with the external auditor and other areas deemed appropriate considering the director's area of responsibility.

During the year, the induction programmes of Gerard Kleisterlee and Renee James have followed structured timetables enabling them to meet key personnel within the Group including the executive and non-executive directors, the chief executives of local markets (visiting local markets where possible) and partner markets, key external advisors and key suppliers.

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 (see www.vodafone.com/governance). Every three years the performance evaluation is conducted by an external advisor. The last external evaluation took place in respect of the 2010 financial year.

This year, Board members were asked to consider and comment on the performance of the Board as a whole as well as to reconsider the report of the Board's self-assessment in the 2011 financial year. The Chairman led the assessment of the directors. He held one-to-one interviews with each director and these discussions were facilitated by the directors being asked to consider a number of questions in advance. Amongst other things, directors were asked for their views on company strategy; key challenges for the business; the mix of skills, experience, independence, knowledge and diversity on the Board (including gender); effectiveness of the Board's engagement with shareholders; and how well the Board operates. The output of the interviews were discussed with the Board at the March Board meeting following a review by the Nominations and Governance Committee.

Each Board committee undertook a detailed self-assessment questionnaire and the respective chairman reported feedback to the Board at the Board meeting in March. The Senior Independent Director led the review of the performance of the Chairman.

The Board 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 evaluations found the Board committees were working well. As a result of recommendations made in this year's Board performance evaluation, each Board meeting is now preceded by a meeting of the Chairman and non-executive directors; more time is being given during Board meetings to discuss organic growth opportunities; and more opportunities are being given to directors to visit local markets and various Group businesses. The Board will continue to review its procedures, its effectiveness and development in the financial year ahead.

Annually, the Nominations and Governance Committee reviews performance of the Executive Committee and reports the output to the Board.

Re-election of directors

With the exception of Sir John Buchanan and Michel Combes who are retiring from the Board, all the directors submit themselves for re-election at the AGM to be held on 24 July 2012. 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 2012 continue to be effective and that the Company should support their re-election.

Independent advice

The Board recognises that there may be occasions when one or more of the directors feels 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 which is managed by the Company Secretary.

Indemnification of directors

In accordance with our 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, we maintained a directors' and officers' liability insurance policy throughout the financial year. Neither our indemnity nor the insurance provides cover in the event that a director is proven to have acted dishonestly or fraudulently.

Board committees

The Board has a Nominations and Governance Committee, an Audit and Risk Committee and a Remuneration Committee, each of which has formal terms of reference approved by the Board which can be found on our website at www.vodafone.com/governance or obtained from the Company Secretary. Further biographical details of the members of each of the committees can be found on pages 60 to 62 or at www.vodafone.com/board.

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

Corporate governance (continued)

Nominations and Governance Committee

"The Nominations and Governance Committee continues its work of ensuring the Board composition is right and that our governance is effective."

Chairman:
Gerard Kleisterlee (Company Chairman)

Members:
Sir John Buchanan (Deputy Chairman and Senior Independent Director)
Luc Vandevelde (Independent non-executive director)
Anthony Watson (Independent non-executive director)

Key objective:
to ensure the Board comprises individuals with the requisite skills, knowledge and experience to ensure that it is effective in discharging its responsibilities.

Responsibilities:
- leads the process for identifying and making recommendations to the Board regarding candidates for appointment as directors, 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 Risk, and Remuneration Committees;
- regularly reviews and makes recommendations in relation to the structure, size and composition of the Board including the diversity and balance of skills, knowledge and experience and the independence of the non-executive directors;
- oversees the performance evaluation of the Board, its committees and individual directors (see page 67);
- reviews the tenure of each of the non-executive directors; and
- is responsible for the oversight of all matters relating to corporate governance, bringing any issues to the attention of the Board.

Membership
The Committee which I chair comprises a majority of independent, non-executive directors. Effective from the conclusion of the AGM on 24 July 2012, Sir John Buchanan will retire and Philip Yea will join the Committee. No one other than a member of the Committee is entitled to be present at its meetings; however, other non-executive directors, the Chief Executive and external advisors may be invited to attend.

In the event of matters arising concerning my membership of the Board, I would absent myself from the meeting as required and the Board's Senior Independent Director would take the chair.

Main activities of the Committee during the year
During the year the Committee met three times.

The Committee leads the process for appointments to the Board. There is a formal, rigorous and transparent procedure for the appointment of new directors to the Board. Candidates are identified and selected on merit against objective criteria and with due regard to the benefits of diversity on the Board, including gender.

In July a review of executive succession plans was undertaken. In addition, the Committee received a commentary from the Chief Executive concerning the performance of the senior executives.

In March the Committee reviewed the output from the evaluations of the Board and committees' performance in the 2011 financial year (see "Performance evaluation" on page 67 for further information).

A boardroom diversity policy was introduced during the financial year. The Board acknowledges that diversity extends beyond the boardroom and supports management in their efforts to build a diverse organisation throughout the Group. It endorses the Company's policy to attract and develop a highly qualified and diverse workforce; to ensure that all selection decisions are based on merit and that all recruitment activities are fair and non-discriminatory. The policy acknowledges the importance of diversity, including gender, to the effective functioning of the Board and focuses on our aspiration to have a minimum of 25% female representation on the Board by 2015. Subject to securing suitable candidates, when recruiting additional directors and/or filling vacancies which arise when directors do not seek re-election, we will seek to appoint new directors who fit the skills criteria and gender balance that is in line with the Board's aspiration. We continue to focus on encouraging diversity of business skills and experience, recognising directors with diverse skills sets, capabilities and experience gained from different geographic and cultural backgrounds enhance the Board. (Further information, including the proportions of women in senior management, is shown in "Our people" on pages 34 to 35, and within the organisation overall, is contained in our 2012 sustainability report at www.vodafone.com/sustainability).

This year, when reviewing the re-election of directors at the AGM in July, the Committee took account of the fact that Luc Vandevelde will have served nine years as of 31 August 2012. The Code suggests that length of tenure is a factor to consider when determining the independence of non-executive directors. The Board has considered the matter carefully and considers that Luc Vandevelde remains independent. His length of service and resulting high degree of knowledge and understanding of the Company, are of great benefit to shareholders and add significantly to the strength of the Board.

In the year ahead the Committee will continue to assess what enhancements should be made to the Board's and committees' composition and will continue to monitor developments in corporate governance to ensure the Company remains at the forefront of good governance practices.

Gerard Kleisterlee
On behalf of the Nominations and Governance Committee
22 May 2012

Audit and Risk Committee

"Having broadened our scope during the year, the Committee will focus on risk management in addition to its existing role in relation to the integrity of the Group's financial reporting, the external audit process and the appropriateness of the Group's system of internal controls. It will continue to evolve its activities in light of guidance from regulators and market conditions."

Chairman and financial expert:
Nick Land (Independent non-executive director)

Members:
Sir John Buchanan (Deputy Chairman and Senior Independent Director)
Alan Jebson (Independent non-executive director)
Anne Lauvergeon (Independent non-executive director)

Key objective:
to provide effective financial governance over the appropriateness of the Group's financial results, the performance of both the internal audit function and the external auditor, and the management of the Group's systems of internal control, business risks and related compliance activities.

Responsibilities:
- reviewing our financial results announcements and financial statements;
- monitoring compliance with relevant statutory and listing requirements;
- reporting to the Board on the quality and acceptability of our accounting policies and practices including critical accounting policies and practices;
- overseeing the relationship with the external auditor;
- reviewing correspondence from regulators regarding our financial reporting;
- reviewing the scope, extent and effectiveness of the activity of the Group internal audit department;
- playing an active role in monitoring our compliance efforts in respect of section 404 of the Sarbanes-Oxley Act;
- consider and make recommendations to the Board on the nature and extent of the significant risks the Group is willing to take in achieving its strategic objectives;
- overseeing the Group's compliance processes; and
- performing in-depth review of specific areas of financial reporting, risk and internal controls, as determined by the Committee.

Membership
The Committee comprises independent non-executive directors under my chairmanship and meets at least four times during the year. The Committee members have been selected to provide the wide range of financial and commercial expertise necessary to fulfil the Committee's duties. The Board considers that I have recent and relevant financial experience, as required by the Code, and has designated me as its financial expert on the Committee for the purposes of the US Sarbanes-Oxley Act. With effect from the close of the AGM in July, Sir John Buchanan will retire and Anthony Watson will join the Committee.

Meetings are attended by the independent non-executive directors and, by invitation, the Chief Executive, the Chief Financial Officer, the Group Financial Controller, the Group Financial Reporting Director and the Group Audit Director. The Group Compliance Director and other relevant people from the business are also invited to attend certain meetings in order to provide insight and enhance the Committee's awareness of key issues and developments. I also invite our external auditor, Deloitte LLP, to each meeting. The Committee regularly meets separately with Deloitte LLP, the Chief Financial Officer and the Group Audit Director without other management being present.

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

Following agreement with the Board in July 2011, the scope of the Committee's work was broadened and it is now responsible for considering and making recommendations to the Board on the nature and extent of the significant risks the Group is willing to take in achieving its strategic objectives. Its role in relation to the review of risk management processes has also been extended. Here the Committee aims to focus both on monitoring the Company's approach to the management of existing risks together with emerging risks that arise by virtue of the dynamic markets in which the company operates. In addition, the Committee's activities in the year have placed additional focus on the Group's processes for monitoring and sustaining compliance with the laws and regulations applicable to the Group as well as its own internal policies. As a result of the above, the Committee's terms of reference have been updated and can be found on our website www.vodafone.com/governance.

At its four meetings during the year, the Committee focused on:

Financial reporting
The primary role of the Committee in relation to financial reporting is the review with both management and the external auditor of the appropriateness of the half-year and annual financial statements concentrating on, amongst other matters:
- 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;
- material areas in which significant judgements have been applied or there has been discussion with the external auditor; and
- any correspondence from regulators in relation to our financial reporting.

To aid our review, the Committee considered reports from the Group Financial Controller and the Group Financial Reporting Director and also reports from the external auditor on the outcomes of their half-year review and annual audit. As a Committee we support Deloitte LLP in displaying the necessary professional scepticism their role requires. The primary areas of judgement considered by the Committee in relation to the 2012 accounts were:
- the assumptions underlying impairment testing of the Group's goodwill and intangible assets, particularly in relation to the Group's interests in southern Europe;
- in relation to taxation, both the provisioning for potential current tax liabilities and the appropriateness of deferred tax asset recognition in relation to accumulated tax losses; and
- the level of provisioning appropriate for contingent and other liabilities in a number of our markets.

Corporate governance (continued)

Internal control and risk management

During the year we 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. The agenda was driven primarily by the Group's assessment of its principal risks and uncertainties, as set out on pages 51 to 53. The Committee also received regular updates from the Group's Compliance Director on compliance related activities where throughout the year the Group has continued to expand its work to formalise a more centralised approach to the co-ordination of these activities. Further we 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. Oversight of the Group's compliance activities in relation to section 404 of the Sarbanes-Oxley Act also fell within the Committee's remit.

The Committee conducted a number of in-depth reviews in the year covering the control environments and risk management processes in a number of our markets, the appropriateness of the Group's whistle blowing procedures, ensuring arrangements are in place for the independent investigation and follow up of such matters, corporate security and two sessions on information security. In light of recent economic conditions in the eurozone the Committee also undertook a detailed review of the country and currency risks facing the business and the plans in place to mitigate the Group's exposures. We have summarised the main elements of this review on page 53 in view of the significance of the Group's operations in Europe. We view these reviews as being critical to the role of the Committee as they allow us to meet key business leaders responsible for these areas and provide independent challenge to their activities.

Internal audit

A substantial agenda item at each Committee meeting is the monitoring and reviewing of the scope, extent and effectiveness of the activity of the Group Internal Audit department. Reports from the Group Audit Director usually include updates on audit activities, progress of 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. Further we receive summaries of investigations into known or suspected fraudulent activities by both third parties and employees. We hold private discussions with the Group Audit Director as necessary throughout the year and I also meet with the Group Audit Director outside the formal committee process.

External audit

The effectiveness of the external audit process is dependent on appropriate audit risk identification and at the start of the audit cycle we receive from Deloitte LLP a detailed audit plan, identifying their assessment of these key risks. For 2012 the primary risks identified were in relation to goodwill impairment, provisioning for current tax liabilities and deferred tax asset recognition due to the inherent management judgement required in these areas. These risks are tracked through the year whenever we receive reporting from Deloitte LLP.

We hold private meetings with the external auditor at each Committee meeting to provide additional opportunity for open dialogue and feedback from the Committee and the auditor without management being present. Matters typically discussed include the auditor's assessment of business risks and management activity thereon, the transparency and openness of interactions with management, confirmation that there has been no restriction in scope placed on them by management, independence of their audit and how they have exercised professional scepticism. I also meet with the external audit partner outside the formal committee process throughout the year.

Appointment and independence

The Committee considers the reappointment of the external auditor, including the rotation of the audit partner, each year and also assesses their independence on an ongoing basis. The external auditor is required to rotate the audit partner responsible for the Group audit every five years. The current lead audit partner has been in place for three years.

Deloitte LLP have been the Company's external auditor since its stock market listing in 1988; as part of the Committee's review of the objectivity and effectiveness of the audit process an assessment was undertaken in 2011 as to whether the Group should consider putting the audit engagement out to tender. This process included the re-proposal by Deloitte LLP of their audit approach. After extensive discussion, the Committee felt a tender was not necessary at present and provided the Board with its recommendation to the shareholders on the reappointment of Deloitte LLP as external auditor for the year ended 31 March 2012. This position will be kept under annual review.

In accordance with section 489 of the Companies Act 2006, a resolution proposing the reappointment of Deloitte LLP as our auditor will be put to the shareholders at the 2012 AGM. There are no contractual obligations restricting the Committee's choice of external auditor and we do not indemnify our external auditor.

In its assessment of the independence of the auditor and in accordance with the US Public Company Accounting Oversight Board's standard on independence, the Committee receives details of relationships between the Company and Deloitte LLP 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.

During the year Deloitte LLP and member firms of Deloitte Touche Tohmatsu Limited charged the Group £8 million (2011: £9 million, 2010: £9 million) for audit and audit related services. The Committee approved the fees for audit services for 2012 after a review of the level and nature of work to be performed and after being satisfied by Deloitte LLP that the fees were appropriate for the scope of the work required.

Non-audit services

As a further safeguard to help avoid the objectivity and independence of the external auditor becoming compromised, the Committee has a formal policy governing the engagement of the external auditor to provide non-audit services. This policy precludes Deloitte LLP from providing certain services such as valuation work or the provision of accounting services. This policy was extended in December 2011 and now sets the presumption that Deloitte LLP should only be engaged for non-audit services where there is no legal or practical alternative supplier.

For certain specific permitted services the Committee has pre-approved that Deloitte LLP can be engaged by management, subject to the policies set out above, and subject to specified fee limits for individual engagements and fee limits for each type of specific service. For all other services, or those permitted services that exceed the specified fee limits, I as Chairman, or in my absence another member, can pre-approve permitted services.

During the year Deloitte LLP and member firms of Deloitte Touche Tohmatsu Limited charged the Group £1 million (2011: £1 million, 2010: £1 million) for non-audit assignments. An analysis of the fees paid to Deloitte LLP, for both audit and non audit services, can be found in note 4 to the consolidated financial statements. Non-audit services performed during the year by Deloitte LLP were primarily in relation to non-audit related compliance matters, corporate finance activities and debt issuance.

Committee evaluation

The Committee conducts a formal review of its effectiveness annually and concluded that its performance was effective. A number of changes have been agreed to be implemented for the forthcoming year. Details of the Board and Committee evaluation process can be found under "Performance evaluation" on page 67.

Nick Land
On behalf of the Audit and Risk Committee
22 May 2012

Remuneration Committee

"Our remuneration policies and executive pay packages are designed to be competitive and drive behaviour in order to achieve long-term strategic goals. When making decisions we are mindful of the wider economic conditions and shareholder feedback."

Chairman:
Luc Vandevelde (Independent non-executive director)

Members:
Samuel Jonah (Independent non-executive director)
Anthony Watson (Independent non-executive director)
Philip Yea (Independent non-executive director)

Key objective:
responsibility to the Board for the assessment and recommendation of policy on executive remuneration and packages for the individual executive directors.

Responsibilities:

- determining, on behalf of the Board, the policy on the remuneration of the Chairman, the executive directors and the senior management team;
- determining the total remuneration packages for these individuals including any compensation on termination of office;
- operating within recognised principles of good governance; and
- preparing an annual report on directors' remuneration.

Membership

The members of the Committee are independent non-executive directors. Following the AGM in July, Renee James will join and Anthony Watson will step down from the Committee. The Chairman and Chief Executive may attend the Committee's meetings by invitation but they do not attend when their individual remuneration is discussed. No director is involved in deciding his or her own remuneration.

Main activities of the Committee during the year

The Committee met five times during the year.

A detailed report to shareholders from the Committee on behalf of the Board in which, amongst other things, I have included a description of the Committee's activities during the year, is contained in "Directors' remuneration" on pages 74 to 87.

Luc Vandevelde
On behalf of the Remuneration Committee
22 May 2012

Shareholder engagement

We are committed to communicating our strategy and activities clearly to our shareholders and, to that end, we maintain an active dialogue with investors through a planned programme of investor relations activities.

Investor relations programme

The 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;
- regular meetings between institutional investors and analysts, and the Chief Executive and Chief Financial Officer to discuss business performance;
- meetings between major shareholders and the Chairman on an ongoing basis;
- hosting investors and analysts sessions at which senior management from relevant operating companies are present;
- attendance by senior executives across the business at relevant meetings and conferences throughout the year;
- analysing and approaching new geographies to actively market the business to new investors;
- responding to enquiries from shareholders and analysts through our Investor Relations team; and
- www.vodafone.com/investor which is a section dedicated to shareholders on our website.

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 principal communication with private investors is via the website, annual report and through the AGM, an occasion which is attended by all of our directors and at which all shareholders present are given the opportunity to question the Chairman, the Chairmen of the Committees and the rest of the Board. After the AGM shareholders can meet informally with directors. A summary presentation of results is given at the AGM before the Chairman deals with the formal business of the meeting. The AGM is broadcast live on our website (www.vodafone.com/agm) and a recording of the webcast can subsequently be viewed on our website. All substantive resolutions at our AGMs are decided on a poll. The poll is conducted by our 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 our website and announced via the Regulatory News Service. Financial and other information is made available on our website (www.vodafone.com/investor) which is regularly updated.

A summary of our share and control structures is set out in "Shareholder information" on pages 149 to 156.

Corporate governance (continued)

Political donations

No political donations under the Companies Act 2006 have been made during the year. It is our Group policy not to make political donations or incur political expenditure as those expressions are normally understood.

Internal control and risk management

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 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 we face. See page 89 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 and Risk Committee, and the Board;
- ongoing review of the appropriateness of disclosures undertaken by the Group's Disclosure Committee, on behalf of the Chief Executive and the Chief Financial Officer, and an annual report from the Group's Disclosure Committee to the Chief Executive and the Chief Financial Officer regarding the effectiveness of the Group's disclosure controls and procedures; and
- periodic examination of business processes on a risk basis including reports on controls, throughout the Group, undertaken by the Group Internal Audit department which reports directly to the Audit and Risk Committee.

In addition, the Board reviews any reports from the external auditor presented to the Audit and Risk Committee and management in relation to internal financial controls.

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 we face in achieving our objectives, in determining the risks that are considered acceptable to bear, in assessing the likelihood of the risks concerned materialising, in identifying our 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 and Risk Committee have reviewed the effectiveness of the internal control system including financial, operational and compliance controls, and risk management in accordance with the Code for the period from 1 April 2011 to 22 May 2012 (the date of approval of our 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

We maintain "disclosure controls and procedures", as such term is defined in Rule 13a-15(e) of the Exchange Act, that are designed to ensure that information required to be disclosed in reports that we file or submit under the Exchange Act is recorded, processed, summarised and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our 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.

Going concern

The going concern statement required by the Listing Rules and the Code is set out in the "Directors' statement of responsibility" on page 89.

Risk management

An overview of the Group's framework for identifying and managing risk, both at an operational and strategic level, is set out on page 39.

Annual report

The directors are responsible for preparing the annual report.

US listing requirements

As Vodafone's American depositary shares are listed on the NASDAQ Stock Market LLC ('NASDAQ'), we are required to disclose a summary of any material differences between the corporate governance practices we follow and those of US companies listed on NASDAQ. The corporate governance practices of the Company are primarily based on UK requirements but substantially conform to those required of US companies listed on NASDAQ. The material differences are as follows:

Independence

- Different tests of independence for Board members are applied under the Code and the NASDAQ rules.
- The Board is not required to, and has not explicitly taken into consideration, NASDAQ's detailed definitions of independence as set out in the NASDAQ rules.
- In accordance with the Code, the Board has carried out an assessment based on the requirements of the Code and has determined in its judgement that all of the non-executive directors (who make up the majority of the Board) are independent within those requirements.

Committees

- The NASDAQ rules require US companies to have a nominations committee, an audit committee and a compensation committee, each composed entirely of independent directors, with the nominations committee and audit committee required to have a written charter that addresses the committees' purpose and responsibilities.
- Our Nominations and Governance Committee is chaired by the Chairman of the Board and its other members are independent non-executive directors. Our Remuneration Committee is composed entirely of independent non-executive directors.
- The Audit and Risk Committee is composed entirely of non-executive directors, each of whom the Board has determined to be independent, as set out above, and who also meet the requirements of the Exchange Act.
- We have terms of reference for our Nominations and Governance, Audit and Risk and Remuneration Committees, which comply with the requirements of the Code and are available on our website (www.vodafone.com/governance). These terms of reference are generally responsive to the relevant NASDAQ rules but may not address all aspects of these rules.

Code of conduct

Under the NASDAQ rules, US companies must adopt a code of conduct applicable to all directors, officers and employees that complies with the definition of a "code of ethics" set out in section 406 of the Sarbanes-Oxley Act. We have adopted a Code of Ethics that complies with section 406 which is applicable only to the senior financial and principal executive officers, and which is available on our website (www.vodafone.com/governance). We have also adopted a separate Code of Conduct which applies to all employees.

Quorum

The quorum required for shareholder meetings, in accordance with our articles of association, is two shareholders regardless of the level of their aggregate share ownership, while US companies listed on NASDAQ are required to have a minimum quorum of 33.33% of the shareholders of ordinary shares for shareholder meetings in accordance with the NASDAQ rules.

Related party transactions

- In lieu of obtaining an independent review of related party transactions for conflicts of interests in accordance with the NASDAQ rules, we seek shareholder approval for related party transactions that meet certain financial thresholds or where transactions have unusual features in accordance with the Listing Rules issued by the FSA in the UK (the 'Listing Rules'), the Companies Act 2006 and our articles of association.
- Further, we use the definition of a "transaction with a related party" as set out in the Listing Rules, which differs in certain respects from the definition of "related party transaction" in the NASDAQ rules.

Shareholder approval

- We comply with the Listing Rules and the NASDAQ rules, when determining whether shareholder approval is required for proposed transactions.
- Under the NASDAQ rules, whether shareholder approval is required for transactions depends on, among other things, the percentage of shares to be issued or sold in connection with a transaction. Under the Listing Rules, shareholder approval is required, among other things, when the size of a transaction exceeds a certain percentage of the size of the listed company undertaking the transaction.

Directors' remuneration

Letter from the Remuneration Committee

Dear shareholder

The subject of executive reward has been, and continues to be, an issue of concern both to shareholders and the wider public. In September the department of Business Skills and Innovation ('BIS') issued two consultative papers on the subject and although Vodafone shareholders seem satisfied with the present remuneration report, we have incorporated a number of amendments to it to respond to some legitimate concerns. Specifically we have divided the report into the following discrete sections to make it clearer and easier to understand:

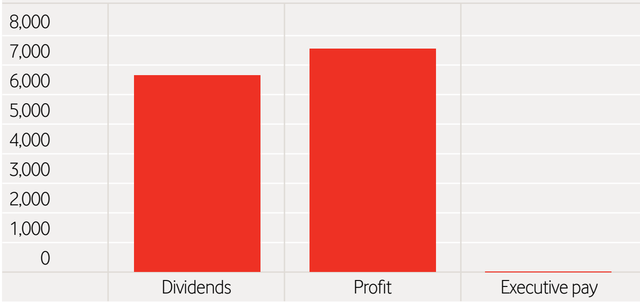
- Page 75. The composition and activities of the Remuneration Committee.
- Pages 76 to 77. A summary of remuneration for the 2012 financial year including a table that shows a single figure for total remuneration paid during the year along with a detailed justification of any incentive payments.
- Pages 77 to 81. A forward-looking statement setting out our reward philosophy, details of our current reward packages and a table that sets out the value of these packages under different performance scenarios.
- Pages 82 to 87. All other disclosures currently required by statute or best practice guidelines.

Summary of key decisions on remuneration

Our remuneration policies and executive pay packages are designed to be competitive and drive behaviour in order to achieve long-term strategic goals such as the £20.9 billion in adjusted free cash flow produced over the last three year period and rewarded under our long-term plan. When making decisions we are mindful of the wider economic conditions and shareholder feedback as well as the need to adapt to our market and competitive environment. The Remuneration Committee receives regular updates on corporate governance as well as pay increase budgets and incentive plan payouts in our local markets.

We also consider the total amount spent on executive pay (as detailed on page 76) in relation to the dividends and profit for the financial year. As can be seen from the enclosed chart for 2012, in both cases executive pay at Vodafone was very small in comparison.

Total cost of executive pay in relation to dividends and adjusted profit attributable to equity shareholders £m



The key decisions and rationale made during the year are described in more detail on the following pages but in summary were:

- Awarding no pay increases for the executive directors in the coming year;
- Continuing our practice of setting stretching performance targets thus ensuring pay is firmly linked to performance;
- Approving an annual bonus payment for the year of 93.4% of target;
- Approving the vesting of the 2008 share award (that vested in July 2011) at 30.6% of maximum;
- Reducing the value of the maximum possible payments on future long-term incentive awards from four times the target value to three times the target value; and
- Further strengthening the share ownership culture. As at 31 March the Executive Committee collectively owned shares with a value of £22 million. Vittorio Colao personally held shares with a value of just under six times his salary and, by committing to hold the shares that vest in July 2012, this will be further increased to over ten times.

Consultation with shareholders

As in previous years the Remuneration Committee has had dialogue with its shareholders – the largest shareholders are invited to meet with me in person or by video conference and all letters or emails from other shareholders are always replied to. The Remuneration Committee continues to take an active interest in investors' views and were delighted that last year the remuneration report received a 96.12% vote in favour. We sincerely hope to receive your continued support at the AGM on 24 July 2012.

Luc Vandevelde
Chairman of the Remuneration Committee
22 May 2012

Remuneration Committee

In this section we give details of the composition and activities of the Remuneration Committee.

The Remuneration Committee is comprised to exercise independent judgement and consists only of the following independent non-executive directors:

Chairman	Luc Vandevelde
Committee members	Renee James (from 24 July 2012)
	Samuel Jonah
	Anthony Watson (until 24 July 2012)
	Philip Yea

The Remuneration Committee regularly consults with the Chief Executive and the Group HR Director on various matters relating to the appropriateness of awards for executive directors and senior executives, though they are not present when their own compensation is discussed. In addition, the Group Reward and Policy Director provides a perspective on information provided to the Committee, and requests information and analyses from external advisors as required. The Deputy Group Company Secretary advises the Committee on corporate governance guidelines and acts as secretary to the Committee.

External advisors

PricewaterhouseCoopers LLP ('pwc')

pwc were appointed by the Remuneration Committee in 2007. During the year they provided advice on market practice, governance, performance analysis and plan design. pwc also provide a range of services to Vodafone globally including international mobility, tax, technology, finance, operations and compliance.

As noted in his biographical details on page 62 of this annual report, Philip Yea sits on an advisory board for pwc. In light of their role as advisor to the Remuneration Committee on remuneration matters, the Committee continue to consider this position and have determined that there is no conflict or potential conflict arising.

Towers Watson

Towers Watson were appointed by the Remuneration Committee in 2007. During the year they provided the Committee with market data on executive rewards. They also provide pensions and benefit administration, and reward consultancy services to the company.

Meetings

The Remuneration Committee had five meetings during the year. The principal agenda items were as follows:

- a review of the total compensation packages of the executive directors and the most senior management of the company;
- approval of the 2012 Global Short-Term Incentive bonus ('GSTIP') framework and targets;
- approval of the GSTIP payout for the 2011 performance period;
- a review of the design of the Global Long-Term Incentive plan ('GLTI') as well as setting the framework and target levels for the 2012 grant;
- approval of the July 2008 GLTI vesting levels;
- approval of the granting of share awards to other levels of management;
- a review of the directors' remuneration report;
- a review of the share ownership targets within the company;
- a review of the UK corporate governance environment, the implications for Vodafone and our response to Government consultations on executive remuneration;
- a risk assessment of the design of incentive plans; and
- a review of the Chairman's fees.

On an annual basis, the Committee's effectiveness is reviewed as part of the evaluation of the Board.

Directors' remuneration (continued)

Summary of remuneration for the 2012 financial year

In this section we summarise the pay packages awarded to our executive directors for performance in the 2012 financial year versus 2011. Specifically we have provided a table that shows all remuneration that was received by the individual during the year. In response to the debate on simplifying remuneration disclosure we have included a single total remuneration value for the year. Although there are some technical difficulties in arriving at a single value, particularly concerning the timing and valuation of awards which may not be aligned with the financial year end, we have attempted to provide the data in a logical format along with accompanying explanatory notes. Specifically we have included the value of the short-term incentive ('GSTIP') that was earned during the year but paid out in the following year and the value of long-term incentive ('GLTI') that vested and paid out during the year. For completeness the GLTI that vests in the following year has also been included in a separate table below although in the case of the award vesting in June 2012, the value can only be estimated at this stage.

Total remuneration for the 2012 financial year

	Vittorio Colao		Andy Halford		Michel Combes		Stephen Pusey	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Salary/fees	1,099	1,043	700	694	785	763	569	538
GSTIP	1,037	1,323	654	869	728	745	537	683
GLTI vesting during the year[1]	3,745	590	2,289	451	1,776	–	758	186
Cash in lieu of GLTI dividends[2]	545	92	333	70	326	–	110	29
Cash in lieu of pension	330	313	210	208	236	229	171	161
Benefits/other[3]	24	55	30	27	25	22	21	31
Total	**6,780**	**3,416**	**4,216**	**2,319**	**3,876**	**1,759**	**2,166**	**1,628**

Notes:
1 The value shown in the 2012 column is for the award which vested on 29 July 2011 and is valued using the closing share price on that day of 171.7 pence; the value shown in the 2011 column is for the award which vested on 24 July 2010 using the closing share price on the first trading day after the award vested (26 July 2010) of 151.5 pence. Michel Combes' award did not vest until 12 February 2012 and is valued using the closing share price on that day of 174.5 pence.
2 Under the GLTI rules, participants receive a cash award equivalent to any dividends that would have been paid on the matching shares during the performance period.
3 Includes amounts in respect of cost of living allowance, private healthcare and car allowance.

GLTI awards with a performance period ending on the 31 March of the year under review but that do not vest until the following financial year[1]:

	Vittorio Colao		Andy Halford		Michel Combes		Stephen Pusey	
	2012	2011	2012	2011	2012	2011	2012	2011
GLTI base shares	4,564,995	1,262,735	2,524,934	698,428	2,771,771	792,473	1,872,818	288,292
GLTI matching shares	1,817,866	918,353	1,676,756	634,935	533,854	225,497	510,879	153,258
Total value of GLTI awards £'000	10,991	3,745	7,235	2,289	5,692	1,776	4,105	758

Note:
1 The awards summarised in this table represent those that vested after the close of the financial year, but are based on the three-year performance period ended at 31 March 2012 for the awards shown in the 2012 column, and 31 March 2011 for the awards shown in the 2011 column. The awards listed under 2012 will not vest until 30 June 2012. We valued the award using a closing share price on 31 March 2012 of 172.2 pence, however, the final award value will not be certain until the award vests.

In light of the high value of the award that will vest in June, Vittorio Colao has committed to hold 100% of the shares that vest (net of those sold to cover tax) for an additional two years. Similarly the other executive directors have all agreed to hold 50% (net of those sold to cover tax) for the same period.

Below we summarise our performance over the financial year, and three-year performance period ended 31 March 2012, which resulted in the remuneration disclosed in the above tables.

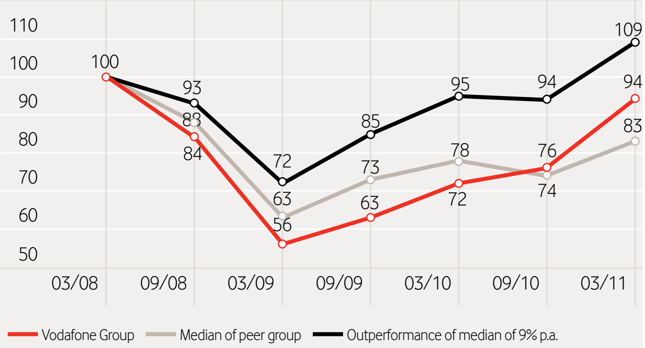
Details of the GSTIP payout

In the table below we describe our achievement against each of the performance measures in our annual bonus plan ('GSTIP') and the resulting total incentive payout level for the year ended 31 March 2012 of 93.4%. Vittorio Colao, Andy Halford and Stephen Pusey were measured purely on Group performance whilst Michel Combes was measured on a combination of Group and Europe region performance. The corresponding total incentive payout for Michel Combes was 92.1%. Details of how this works can be found on page 79.

Performance measure	Payout at target performance 100%	Payout at maximum performance 200%	Actual payout	Commentary
Service revenue	25%	50%	25.8%	Organic service revenue up 1.5% in the year.
EBITDA	25%	50%	24.8%	In-line with market guidance for the year.
Adjusted free cash flow	20%	40%	8.5%	Within the range of market guidance.
Competitive performance assessment	30%	60%	34.3%	Outperformance of key competitors in most markets. Ranked first or second for net promoter score in over 70% of our markets.
Total incentive payout level	**100%**	**200%**	**93.4%**	

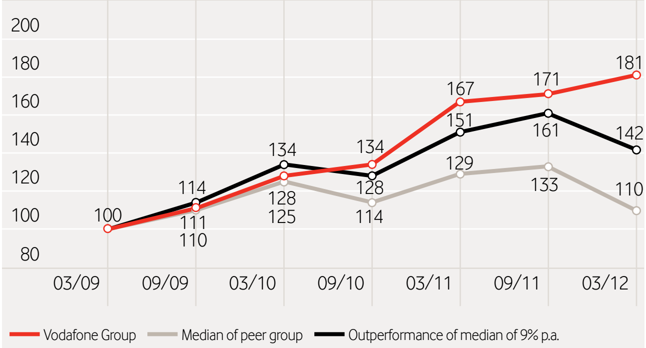
Details of the GLTI vesting in July 2011
Adjusted free cash flow for the three-year period ended on 31 March 2011 was £16.9 billion which compares with a target of £17.5 billion and a maximum of £19.5 billion. The graph below shows that our TSR performance against our peer group for the same period resulted in an outperformance of the median by 3.9% a year. Using our combined payout matrix, this performance resulted in a payout of 30.6% of the maximum. These shares vested on 29 July 2011.

2008 GLTI award: TSR performance (growth in the value of a hypothetical $100 holding over the performance period)



Details of the GLTI vesting in June 2012
Adjusted free cash flow for the three-year period ended on 31 March 2012 was £20.9 billion which compares with a target of £18.0 billion and a maximum of £20.5 billion The graph below shows that our TSR performance against our peer group for the same period resulted in an outperformance of the median by 18.5% a year. Using our combined payout matrix, this performance will result in a payout of 100% of the maximum. These shares will vest on 30 June 2012.

2009 GLTI award: TSR performance (growth in the value of a hypothetical $100 holding over the performance period)



In both cases the adjusted free cash flow performance is approved by the Remuneration Committee. The performance assessment in respect of the TSR outperformance of a peer group median is undertaken by pwc. Details of how the plan works can be found on page 79.

Summary of remuneration and performance for the 2013 financial year

In this forward-looking section we describe our reward principles along with a description of the elements of the reward package and an indication of the potential future value of this package for each of the executive directors.

Principles of reward

The principles of reward, as well as the individual elements of the reward package, are reviewed each year to ensure that they continue to support our Company strategy. These principles are set out below.

Competitive reward assessed on a total compensation basis

Vodafone wishes to provide a level of remuneration which attracts, retains and motivates executive directors of the highest calibre. Within the package there needs to be the opportunity for executive directors to achieve significant upside for truly exceptional performance. The package provided to the executive directors is reviewed annually on a total compensation basis i.e. single elements of the package are not reviewed in isolation. When the package is reviewed it is done so in the context of individual and Company performance, internal relativities, criticality of the individual to the business, experience, and the scarcity or otherwise of talent with the relevant skill set.

The principal external comparator group (which is used for reference purposes only) is made up of companies of similar size and complexity to Vodafone, and is principally representative of the European top 25 companies and a few other select companies relevant to the sector.
The comparator group excludes any financial services companies. 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 the maximum payout.

Pay for performance

A high proportion of total reward will be awarded through short-term and long-term performance related remuneration. This is demonstrated in the charts below where we see that at target payout over 70% of the package is delivered in the form of variable pay, which rises to over 86% if maximum payout is achieved. Fixed pay comprises base salary and pension contributions, while variable pay comprises the annual bonus and the long-term incentive opportunity assuming maximum co-investment and no movement in current share price.

Fixed (Base salary + Pension) Variable (Bonus + LTI)

		Fixed	Variable
Chief Executive	Target	27.8%	72.2%
	Maximum	12.5%	87.5%
Other Executive Directors	Target	29.5%	70.5%
	Maximum	13.5%	86.5 %

Directors' remuneration (continued)

Equally important as the package design is the setting of the performance targets. The Remuneration Committee consistently set stretching targets which can be seen from the following table of historic payments under both the short- and long-term plans, and ensures that maximum or near maximum payouts are only delivered for exceptional performance.

Year	GSTIP % of max	GLTI % of max
2009	49%	0%
2010	64%	25%
2011	62%	31%
2012	47%	100%

Alignment to shareholder interests

Share ownership is a key cornerstone of our reward policy and is designed to help maintain commitment over the long-term, and to ensure that the interests of our senior management team are aligned with those of shareholders. Executives are expected to build and maintain a significant shareholding in Vodafone shares as follows:

- Chief Executive – four times base salary;
- other executive directors – three times base salary;
- other Executive Committee members – two times base salary; and
- senior leadership team members (227 members) – one times base salary.

In all cases executives have been given five years to achieve these goals.

Current levels of ownership, and the date by which the goal should be achieved, are as shown below. These values do not include the value of the shares that will vest in June but which the directors have committed to hold for the next two years.

	Goal as a % of salary	Current % of salary held[1]	% of goal achieved	Value of shareholding (£m)[1]	Date for goal to be achieved
Vittorio Colao	400%	581%	145%	6.5	July 2012
Andy Halford	300%	653%	218%	4.6	July 2010
Michel Combes	300%	301%	100%	2.4	June 2014
Stephen Pusey	300%	263%	88%	1.5	June 2014

Note:
1 Based on a share price at 31 March 2012 of 172.2 pence and includes the post tax value of any unexercised options.

Collectively the Executive Committee including the executive directors own 13 million Vodafone shares, with a value of £22 million at 31 March 2012.

Incentive targets linked to business strategy

When designing our incentives, performance measures are chosen that support our strategic objectives as shown below:

Strategic objectives	Supported by
Aiming to deliver organic service revenue growth of 1 – 4% a year until the year ended 31 March 2014, focusing on key areas of growth potential: mobile data, emerging markets, enterprise, total communications and new services.	Revenue and relative performance targets in the GSTIP.
Delivering value and efficiency from scale – continuing to drive benefit from the Group's scale advantage and maintain our focus on cost.	EBITDA, adjusted free cash flow and relative performance targets in the GSTIP.
Generate liquidity or free cash flow from non-controlled interests – aim to seek to maximise the value of non-controlled interests through generating liquidity or increasing free cash flow in order to fund profitable investments and enhance shareholders returns.	The use of TSR as a performance measure in GLTI as well as the value of the underlying shares.
Apply rigorous capital discipline to investment decisions – continuing to apply capital discipline to our investment decisions through rigorous commercial analysis and demanding investment criteria to ensure any investment in existing businesses or acquisitions will enhance value for shareholders.	Adjusted free cash flow targets in both the GSTIP and GLTI as well as the TSR target in the GLTI.

Assessment of risk

Vodafone seeks to provide a structure of rewards that encourages acceptable risk taking and high performance through optimal pay mix, performance metrics and calibration, and timing. With that said, it is prudent practice to ensure that our reward programmes achieve this and do not encourage excessive or inappropriate risk taking.
On a regular basis, the Remuneration Committee has considered the risk involved in the incentive schemes and is satisfied that the following design elements and governance procedures mitigate the principal risks:

- the heavy weighting on long-term incentives with overlapping performance periods which reward sustained performance;
- the proportionately higher incentive opportunity paid in shares rather than in cash;
- the need for a significant annual investment in company shares in order to fully participate in the long-term arrangements;
- the considerable weighting on non-financial measures in the short-term plan which provides an external perspective on our performance by focusing on customer satisfaction and performance relative to our competitors;
- the fact that executives do not participate in sales commission or uncapped incentive schemes; and
- the fact that the Committee has the ability to exercise discretion in determining the outcome of awards paid out or vesting.

The Remuneration Committee will continue to consider the risks involved in the incentive plans on an ongoing basis.

The remuneration package

The table below summarises the main components of the reward package for executive directors.

	Objective and practice	Performance period	Award size and performance conditions
Base salary	→ To attract and retain the best talent. → Base salaries are reviewed annually and set on 1 July.	n/a	→ Salaries are reviewed against: → level of skill, experience and scope of responsibilities of individual and business performance, economic climate and market conditions; and → European peer group of comparably sized companies and other telecom businesses.
Benefits	→ To aid retention and remain competitive within the market place.	n/a	→ Executive directors may choose to participate in the defined contribution pension scheme or to receive a cash allowance in lieu of pension. The cash payment or pension contribution is equal to 30% of annual gross salary. From 6 April 2011 contributions into the defined contribution pension scheme were restricted to £50,000 per annum. Any residual of the 30% pension benefit is delivered as a cash allowance. → Company car or cash allowance worth £19,200 per annum. → Private medical insurance. → Chauffeur services, where appropriate, to assist with their role.
Global Short-Term Incentive Plan ('GSTIP')	→ To motivate employees and incentivise delivery of performance over the one-year operating cycle. → Bonus levels and the appropriateness of measures and weightings are reviewed annually to ensure they continue to support our strategy. → The annual bonus is paid in cash in June each year for performance over the previous financial year.	1 year	→ Performance over the financial year is measured against stretching financial and non-financial performance targets set at the start of the financial year. → Summary of the plan: → service revenue (25%); → EBITDA (25%); → adjusted free cash flow (20%); and → competitive performance assessment (30%). → Bonuses can range from 0 – 200% of base salary, with 100% paid for on-target performance. Maximum is only paid out for exceptional performance.
Global Long-Term Incentive Plan ('GLTI') base awards	→ To motivate and incentivise delivery of sustained performance over the long-term. → Award levels and the framework for determining vesting are reviewed annually to ensure they continue to support our strategy. → Long-term incentive base awards consist of performance shares which are granted each year in June/July and vest three years later based on Group operational and external performance.	3 years	→ Performance over three financial years is measured against stretching targets set at the beginning of the performance period. → Vesting is determined based on a matrix of two measures: → adjusted free cash flow as our operational performance measure; and → relative TSR as our external performance measure. → Awards vest to the extent performance conditions are satisfied, three years from grant. An additional cash payment in lieu of dividends is also paid at vesting. → The Chief Executive's base award will have a target face value of 137.5% of base salary. The base award for the other executive directors will have a target face value of 110% of base salary. → Minimum vesting is zero times and maximum vesting is three times the base award level.
Global Long-Term Incentive Plan ('GLTI') co-investment matching awards	→ To support and encourage greater shareholder alignment through a high level of personal financial commitment. → 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. → GLTI matching awards are granted each year in June/July in line with the investment made and vest three years later based on Group operational and external performance.	3 years	→ GLTI matching awards are subject to the same performance conditions as the main GLTI award and also receive an additional cash payment in lieu of dividends. → Executive directors can co-invest up to their annual gross salary. → Matching awards will be granted on a one-for-one basis at target performance. → Minimum vesting is zero times and maximum vesting is three times the target award level.

Directors' remuneration (continued)

Base pay

The Remuneration Committee considers the remuneration increases for the different groups of employees across all of our local markets and other relevant factors when assessing the pay of the executive directors. During its regular review of total compensation in March 2012, the Remuneration Committee decided not to award salary increases to the executive directors. Base salary levels will therefore remain unchanged from 1 July 2011.

	Base pay £'000
Vittorio Colao	1,110
Andy Halford	700
Michel Combes	790
Stephen Pusey	575

It should be noted that the average increase for Group employees based in the UK was 2.5% to 3.0%.

GSTIP

The Remuneration Committee has reviewed the GSTIP and decided that no design changes were necessary for the coming year.

GLTI

As mentioned earlier, given concerns about the public acceptability of highly leveraged pay packages and their influence on risk taking behaviour, the Committee reduced the maximum leverage on the share awards to Executive Committee members from four times target to a maximum of three times target. Otherwise, the structure of both the base award and matching award, which will be granted in the 2013 financial year, will remain broadly unchanged from the awards granted in the 2012 financial year. The extent to which awards vest will continue to depend on two performance conditions:

- underlying operational performance as measured by adjusted free cash flow; and
- relative TSR against a peer group median.

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 free cash flow excluding:

- Verizon Wireless income dividends;
- the impact of any mergers, acquisitions and disposals;
- certain material one-off tax settlements; and
- foreign exchange rate movements over the performance period.

The cumulative adjusted free cash flow target and range for awards in the 2013, 2012, 2011 and 2010 financial years are shown in the table below:

Performance	Vesting percentage 2013	2013 £bn	Vesting percentage 2010-2012	2012 £bn	2011 £bn	2010 £bn
Threshold	50%	15.4	50%	16.70	18.00	15.50
Target	100%	17.9	100%	19.20	20.50	18.00
Maximum	150%	20.4	200%	21.70	23.00	20.50

The target adjusted free cash flow level is set by reference to the Company's three year plan and market expectations. The Remuneration Committee considers the targets to be critical to the Company's long-term success and its ability to maximise shareholder value, and to be in line with the strategic goals of the Company. The Remuneration Committee also considers these targets to be sufficiently demanding with significant stretch where only outstanding performance will be rewarded with a maximum payout. It is worth noting that the targets for the award granted in the 2013 year are lower than those set for the 2012 financial year to reflect differing exchange rates, and the loss of dividend streams from the sale of SFR and China Mobile Limited.

TSR outperformance of a peer group median

We have a limited number of appropriate peers and this makes the measurement of a relative ranking system volatile. As such, the outperformance of the median of a peer group is felt to be the most appropriate TSR measure. The peer group for the performance condition for the 2013, 2012, 2011 and 2010 financial years is:

- BT Group;
- Deutsche Telekom;
- France Telecom;
- Telecom Italia;
- Telefonica; and
- Emerging market composite (consists of the average TSR performance of Bharti, MTN and Turkcell).

For awards made in the 2013, 2012, 2011 and 2010 financial years the relative TSR position will determine the performance multiplier. This will be applied to the adjusted 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):

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

Combined vesting matrix

The combination of the two performance measures for the award granted in the 2013 financial year gives a combined vesting matrix as follows:

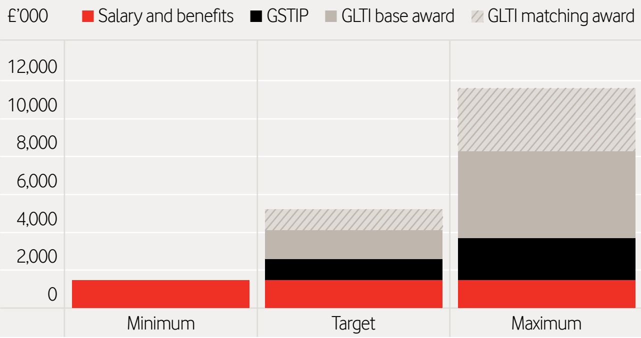
	TSR performance		
Adjusted free cash flow measure	Up to median	65th	80th
Threshold	50%	75%	100%
Target	100%	150%	200%
Maximum	150%	225%	300%

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

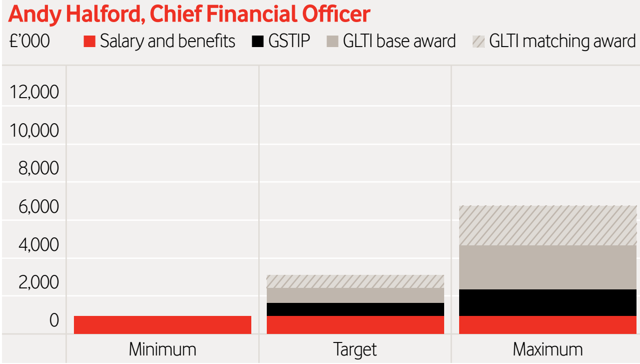
Estimates of total future potential remuneration from 2013 pay packages

The tables below provide estimates of the potential future remuneration for each of the executive directors based on the remuneration opportunity granted in the 2013 financial year. Potential outcomes based on different performance scenarios are provided for each executive director.

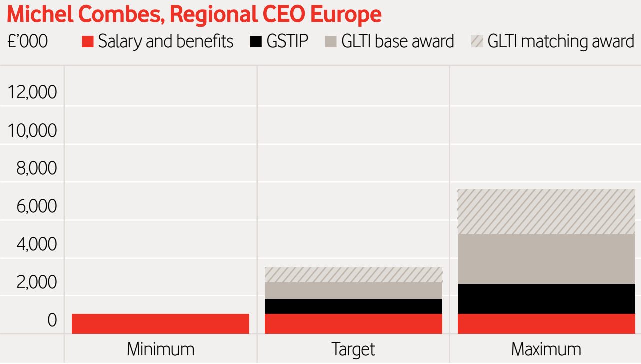
Vittorio Colao, Chief Executive



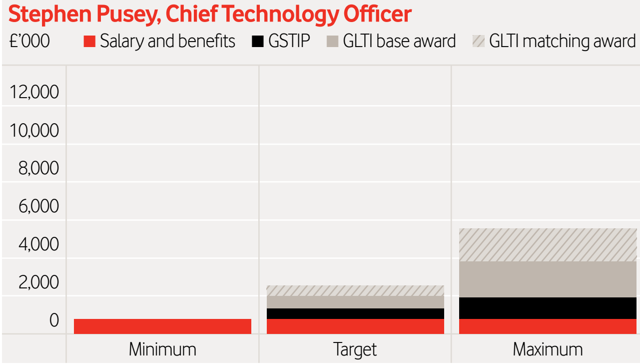
Andy Halford, Chief Financial Officer



Michel Combes, Regional CEO Europe



Stephen Pusey, Chief Technology Officer



The assumptions underlying each scenario are described below.

All scenarios

- Other benefits reflect those which were paid in the year to 31 March 2012, plus pension.
- Each executive is assumed to co-invest the maximum allowed under the GLTI, 100% of salary, and the GLTI matching award reflects this.
- The amounts shown for the GSTIP and GLTI are based on the salary disclosed on page 80. The actual amounts for the GLTI will be based on the share price on the date the award vests in 2015. They do not include an estimate of dividend equivalents which accumulate on the vested shares and are paid in cash to the executive after the award vests.

Below threshold

- No pay for performance is payable.

Target

- The target award opportunity for the GSTIP is 100% of base salary.
- The target levels of performance for the GLTI are discussed in detail on page 80. We assumed that TSR performance was at median.

Maximum

- Two times the target award opportunity is payable under the GSTIP.
- The maximum levels of performance for the GLTI are discussed in detail on page 80. We assumed that TSR performance was at or above the 80th percentile.

Directors' remuneration (continued)

Other considerations

In this section we include all other disclosures that are currently required by statute or good practice guidelines.

Cascade to senior management

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

Cascade of policy to Executive Committee – 2012 financial year

Total remuneration and base salary
Methodology consistent with the executive directors.

Annual bonus
The annual bonus is based on the same measures. For some individuals these are measured within a region 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.

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 12 months notice.

The table below summarises the key elements of their service contract:

Provision	Detailed items
Notice period	12 months
Retirement date	Normal retirement date
Termination payment	Up to 12 months salary
	Bonus paid up to termination day
	Entitlements under incentive plans and benefits that are consistent with the terms of such plans
Remuneration	Salary, pension and benefits
	Company car or cash allowance
	Participation in the GSTIP, GLTI and the employee share schemes
Non-competition	During employment and for 12 months thereafter

	Date of service agreement
Vittorio Colao	27 May 2008
Andy Halford	20 May 2005
Michel Combes	1 June 2009
Stephen Pusey	1 June 2009

Additionally, 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 to the extent that any performance condition has been satisfied. The Remuneration Committee may also decide that the extent to which an award will vest will be further reduced pro-rata to reflect the acceleration of vesting.

Fees retained for external non-executive directorships

Executive directors may hold positions in other companies as non-executive directors. Michel Combes was the only executive director with such positions held at Assystem SA and ISS Group, and in accordance with Group policy he retained fees for the year of €24,545 from Assystem SA and DKK 407,292 from ISS Group (£66,112 in total).

All-employee share plans

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

Summary of plans

Sharesave
The Vodafone Group 2008 Sharesave Plan is an HM Revenue & Customs ('HMRC') approved scheme open to all staff permanently employed by a Vodafone Company in the UK as of the eligibility date. 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 85.

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 (or 5% of salary if less) 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 executive awards is approximately 3.1% of the Company's share capital at 31 March 2012 (3.1% at 31 March 2011), whilst from all employee share awards it is approximately 0.3% (0.3% at 31 March 2011). This gives a total dilution of 3.4% (3.4% at 31 March 2011).

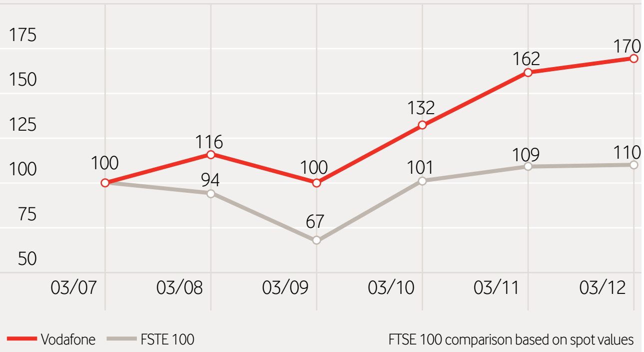
Funding

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

TSR performance

The following chart is included in order to be compliant with the requirements of the large and medium sized companies and Groups (Accounts and Reports) Regulations 2008. Data was provided by FTSE and DataStream and shows performance of the Company relative to the FTSE 100 index over a five year period, of which we were a constituent throughout the year. It should be noted that the payout from the long-term incentive plan is based on the TSR performance shown in the graph on page 77 and not on the graph below.

Five year historical TSR performance growth in the value of a hypothetical £100 holding over five years



Audited information for executive directors

Remuneration for the year ended 31 March 2012

This table[1] shows the remuneration of the executive directors during the year in the currently prescribed format. The table on page 76 includes a value for GLTI payments. All other numbers are identical.

	Vittorio Colao		Andy Halford		Michel Combes		Stephen Pusey	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Salary/fees	1,099	1,043	700	694	785	763	569	538
GSTIP[2]	1,037	1,323	654	869	728	745	537	683
Cash in lieu of GLTI dividends	545	92	333	70	326	–	110	29
Cash in lieu of pension	330	313	210	208	236	229	171	161
Benefits /other[3]	24	55	30	27	25	22	21	31
Total	**3,035**	**2,826**	**1,927**	**1,868**	**2,100**	**1,759**	**1,408**	**1,442**

Notes:
1 The information in this table is audited.
2 Payments are made in June following the end of the financial year.
3 Includes amounts in respect of cost of living allowance, private healthcare and car allowance.

The aggregate remuneration we paid to our Executive Committee (other than our executive directors) for services for the year ended 31 March 2012 is set out below.

	2012 £'000	2011 £'000
Salaries/fees	2,822	3,151
GSTIP[1]	2,758	4,081
Cash in lieu of GLTI dividends	490	89
Cash in lieu of pension	747	456
Benefits/other	169	799
Total	**6,986**	**8,576**

Note:
1 Comprises the incentive scheme information for the Executive Committee members on an equivalent basis to that disclosed for executive directors at the beginning of the report. Details of share incentives awarded to directors and other members of the Executive Committee are included in footnotes to "Directors' interests in the shares of the Company – Long-term incentives" on page 84.

Pensions

Vittorio Colao, Andy Halford, Michel Combes and Stephen Pusey take a cash allowance of 30% of base salary in lieu of pension contributions.

The Executive Committee, including the executive directors, 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 director in the year ended 31 March 2012 were:

	Total accrued benefit at 31 March 2012[1] £'000	Change in accrued benefit over the year[1] £'000	Transfer value at 31 March 2011[2] £'000	Transfer value at 31 March 2012[2] £'000	Change in transfer value over year less member contributions £'000	Change in accrued benefit in excess of inflation[3] £'000	Transfer value of change in accrued benefit net of member contributions £'000	Employer allocation/ contribution to defined contribution plans £'000
Andy Halford	18.7	0.9	701.2	846.9	145.7	(0.1)	(4.8)	–

Notes:
1 Andy Halford took the opportunity to take early retirement from the pension scheme due to the closure of the scheme on 31 March 2010 (aged 51 years). In accordance with the scheme rules, his accrued pension at this date was reduced with an early retirement factor for four years to reflect the fact that his pension is being paid before age 55 and is therefore expected to be paid out for a longer period of time. In addition, Andy Halford exchanged part of his early retirement pension at 31 March 2010 for a tax-free cash lump sum of £118,660. The pension in payment at 31 March 2010 was £17,800 per year, and this increased on 1 April 2011 by 5%, in line with the scheme rules, to £18,700 per year and remained so at 31 March 2012, as shown above. No member contributions are payable as Andy Halford is in receipt of his pension.
2 The transfer value at 31 March 2012 has been calculated on the basis and methodology set by the trustees after taking actuarial advice, as set out in the papers entitled "Calculation of cash equivalent transfer values" dated January 2011 and "Sex-specific actuarial factor" dated March 2011. No director elected to pay additional voluntary contributions. The transfer value disclosed above does not represent a sum paid or payable to the individual director. Instead it represents a potential liability of the pension scheme.
3 Inflation has been taken as the increase in the retail price index over the year to 30 September 2011.

In respect of the Executive Committee, the Group has made aggregate contributions of £100,000 (2011: £508,600) into defined contribution pension schemes.

Directors' remuneration (continued)

Directors' interests in the shares of the Company – long-term incentives

Performance shares

GLTI conditional share awards granted to executive directors for the relevant financial years are shown below. It is important to note that the figures shown in the first two columns represent the maximum amount which could vest at the end of the relevant three year performance period. In order to participate in these plans, executives have had to invest personal shares with a combined value of: £3,342,473 (Vittorio Colao); £2,035,516 (Andy Halford); £1,118,582 (Michel Combes); and £762,856 (Stephen Pusey). The total value is calculated using the closing mid-market share price on 31 March 2012 of 172.2 pence.

	Total interest in performance shares at 1 April 2011 or date of appointment	Shares conditionally awarded during the 2012 financial year[1]	Shares forfeited during the 2012 financial year[2]	Shares vested during the 2012 financial year[2]	Total interest in performance shares at 31 March 2012	Total value	Market price at date awards granted	Vesting date
	Number of shares	Number of shares	Number of shares	Number of shares	Number of shares	£'000	Pence	
Vittorio Colao								
2008 – Base award	4,126,587	–	(2,863,852)	(1,262,735)	–	–	129.95	Jul 2011
2008 – Match award	3,001,154	–	(2,082,801)	(918,353)	–	–	129.95	Jul 2011
2009 – Base award	4,564,995	–	–	–	4,564,995	7,861	117.47	Jun 2012
2009 – Match award	1,817,866	–	–	–	1,817,866	3,130	117.47	Jun 2012
2010 – Base award	4,097,873	–	–	–	4,097,873	7,057	142.94	Jun 2013
2010 – Match award	2,980,271	–	–	–	2,980,271	5,132	142.94	Jun 2013
2011 – Base award	–	3,740,808	–	–	3,740,808	6,442	163.20	Jun 2014
2011 – Match award	–	2,720,588	–	–	2,720,588	4,685	163.20	Jun 2014
Total	**20,588,746**	**6,461,396**	**(4,946,653)**	**(2,181,088)**	**19,922,401**	**34,307**		
Andy Halford								
2008 – Base award	2,282,447	–	(1,584,019)	(698,428)	–	–	129.95	Jul 2011
2008 – Match award	2,074,952	–	(1,440,017)	(634,935)	–	–	129.95	Jul 2011
2009 – Base award	2,524,934	–	–	–	2,524,934	4,348	117.47	Jun 2012
2009 – Match award	1,676,756	–	–	–	1,676,756	2,887	117.47	Jun 2012
2010 – Base award	2,154,750	–	–	–	2,154,750	3,710	142.94	Jun 2013
2010 – Match award	1,958,863	–	–	–	1,958,863	3,373	142.94	Jun 2013
2011 – Base award	–	1,887,254	–	–	1,887,254	3,250	163.20	Jun 2014
2011 – Match award	–	756,036	–	–	756,036	1,302	163.20	Jun 2014
Total	**12,672,702**	**2,643,290**	**(3,024,036)**	**(1,333,363)**	**10,958,593**	**18,870**		
Michel Combes								
2008 – Base award	2,589,782	–	(1,797,309)	(792,473)	–	–	129.95	Feb 2012
2008 – Match award	736,919	–	(511,422)	(225,497)	–	–	129.95	Feb 2012
2009 – Base award	2,771,771	–	–		2,771,771	4,773	117.47	Jun 2012
2009 – Match award	533,854	–	–	–	533,854	919	117.47	Jun 2012
2010 – Base award	2,370,225	–	–	–	2,370,225	4,082	142.94	Jun 2013
2010 – Match award	1,144,116	–	–	–	1,144,116	1,970	142.94	Jun 2013
2011 – Base award	–	2,129,901	–	–	2,129,901	3,668	163.20	Jun 2014
2011 – Match award	–	876,531	–	–	876,531	1,509	163.20	Jun 2014
Total	**10,146,667**	**3,006,432**	**(2,308,731)**	**(1,017,970)**	**9,826,398**	**16,921**		
Stephen Pusey								
2008 – Base award	942,132	–	(653,840)	(288,292)	–	–	129.95	Jul 2011
2008 – Match award	500,844	–	(347,586)	(153,258)	–	–	129.95	Jul 2011
2009 – Base award	1,872,818	–	–	–	1,872,818	3,225	117.47	Jun 2012
2009 – Match award	510,879	–	–	–	510,879	880	117.47	Jun 2012
2010 – Base award	1,693,018	–	–	–	1,693,018	2,915	142.94	Jun 2013
2010 – Match award	571,097	–	–	–	571,097	983	142.94	Jun 2013
2011 – Base award	–	1,550,245	–	–	1,550,245	2,670	163.20	Jun 2014
2011 – Match award	–	612,745	–	–	612,745	1,055	163.20	Jun 2014
Total	**6,090,788**	**2,162,990**	**(1,001,426)**	**(441,550)**	**6,810,802**	**11,728**		

Notes:
1 The awards were granted during the year under the Vodafone GIP using the closing share price on the day before the grant which was 163.2 pence. These awards have a performance period running from 1 April 2011 to 31 March 2014. The performance conditions are a matrix of adjusted free cash flow performance and relative TSR. The vesting date will be in June 2014.
2 Shares granted on 29 July 2008 vested on 29 July 2011. The performance conditions on these awards were a matrix of adjusted free cash flow performance and relative TSR, and the resulting vesting was 30.6% of maximum. The share price on the vesting date was 171.7 pence.

The aggregate number of shares conditionally awarded during the year to the Executive Committee, other than the executive directors, was 10,865,023 shares. The performance and vesting conditions on the shares awarded in the year are based on a matrix of adjusted free cash flow performance and relative TSR.

Share options

No share options have been granted to directors during the year. The following information summarises the executive directors' options under the Vodafone Group 2008 Sharesave Plan ('SAYE'), the Vodafone Group Plc 1999 Long-Term Stock Incentive Plan ('LTSIP') and the Vodafone Global Incentive Plan ('GIP'). HMRC approved awards may be made under all of the schemes mentioned. No other directors have options under any of these schemes.

Options under the Vodafone Group 2008 Sharesave Plan were 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	At 1 April 2011 or date of appointment Number of shares	Options granted during the 2012 financial year Number of shares	Options exercised during the 2012 financial year Number of shares	Options lapsed during the 2012 financial year Number of shares	Options held at 31 March 2012 Number of shares	Option price Pence[1]	Date from which exercisable	Expiry date	Market price on exercise Pence
Vittorio Colao										
GIP	Nov 2006	3,472,975	–	–	–	3,472,975	135.50	Nov 2009	Nov 2016	–
GIP[2]	Jul 2007	3,003,575	–	–	–	3,003,575	167.80	Jul 2010	Jul 2017	–
SAYE	Jul 2009	16,568	–	–	–	16,568	93.85	Sep 2014	Feb 2015	–
Total		**6,493,118**	**–**	**–**	**–**	**6,493,118**				
Andy Halford										
LTSIP	Jul 2001	152,400	–	(152,400)	–		151.56	Jul 2004	Jul 2011	163.3
LTSIP	Jul 2005	1,291,326	–	–	–	1,291,326	145.25	Jul 2008	Jul 2015	–
GIP[2]	Jul 2007	2,295,589	–	–	–	2,295,589	167.80	Jul 2010	Jul 2017	–
SAYE	Jul 2009	9,669	–	–	–	9,669	93.85	Sep 2012	Feb 2013	–
Total		**3,748,984**	**–**	**(152,400)**		**3,596,584**				
Michel Combes										
SAYE	Jul 2009	9,669	–	–	–	9,669	93.85	Sep 2012	Feb 2013	–
Total		**9,669**	**–**	**–**	**–**	**9,669**				
Stephen Pusey										
GIP	Sep 2006	1,034,259	–	–	–	1,034,259	113.75	Sep 2009	Aug 2016	–
GIP[2]	Jul 2007	947,556	–	–	–	947,556	167.80	Jul 2010	Jul 2017	–
SAYE	Jul 2009	9,669	–	–	–	9,669	93.85	Sep 2012	Feb 2013	–
Total		**1,991,484**	**–**	**–**	**–**	**1,991,484**				

Notes:
1 The closing mid-market share price on 31 March 2012 was 172.2 pence. The highest mid-market share price during the year was 183.9 pence and the lowest price was 154.0 pence.
2 The performance condition on these options is a three year cumulative growth in adjusted earnings per share. The options vested at 100% on 24 July 2010.

Non-executive directors' remuneration

The remuneration of non-executive directors is reviewed annually by the Chairman following consultation with the Remuneration Committee Chairman. Our 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 FTSE 15 companies. Following the 2012 review there will be no increases to the fees of non-executive directors.

Position/role	Fee payable (£'000) From 1 April 2012
Chairman[1]	600
Deputy Chairman	175
Non-executive director	115
Chairmanship of Audit and Risk Committee	25
Chairmanship of Remuneration Committee	25

Note:
1 The Chairman's fee also includes the fee for the Chairmanship of the Nominations and Governance Committee.

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 2012 financial year are included in the table on page 86.

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.

Directors' remuneration (continued)

Chairman and non-executive director service contracts

Gerard Kleisterlee became Chairman on the 26 July 2011, succeeding Sir John Bond who stepped down following the AGM.

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. For further information refer to "Nomination and Governance Committee" on page 68.

The terms and conditions of appointment of non-executive directors are available for inspection 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 election/re-election
John Buchanan	28 April 2003	AGM 2012
Renee James	1 January 2011	AGM 2012
Alan Jebson	7 November 2006	AGM 2012
Samuel Jonah	9 March 2009	AGM 2012
Gerard Kleisterlee	1 April 2011	AGM 2012
Nick Land	7 November 2006	AGM 2012
Anne Lauvergeon	20 September 2005	AGM 2012
Luc Vandevelde	24 June 2003	AGM 2012
Anthony Watson	6 February 2006	AGM 2012
Philip Yea	14 July 2005	AGM 2012

Audited information for non-executive directors serving during the year ended 31 March 2012

	Salary/fees		Benefits		Total	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Chairman						
Sir John Bond (retired 26 July 2011)	200	600	1	3	201	603
Gerard Kleisterlee	438	–	–	–	438	–
Deputy Chairman						
John Buchanan	175	162	–	–	175	162
Non-executive directors						
Renee James[1]	139	35	–	–	139	35
Alan Jebson[1]	145	151	–	–	145	151
Samuel Jonah[1]	139	151	–	–	139	151
Nick Land	140	140	–	–	140	140
Anne Lauvergeon	115	115	–	–	115	115
Luc Vandevelde	140	135	–	–	140	135
Anthony Watson	115	115	–	–	115	115
Philip Yea	115	115	–	–	115	115
Former non-executive directors						
Simon Murray (retired 26 July 2010)	–	38	–	–	–	38
Total	**1,861**	**1,757**	**1**	**3**	**1,862**	**1,760**

Note:
1 Salary/fees include travel allowances.

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:

	21 May 2012	31 March 2012	1 April 2011 or date of appointment
John Buchanan	239,361	239,361	222,223
Vittorio Colao	3,354,896	3,354,896	2,307,663
Andy Halford	2,527,943	2,527,649	2,335,622
Michel Combes	1,379,398	1,379,104	670,297
Stephen Pusey	698,264	698,264	544,733
Renee James	50,000	50,000	50,000
Alan Jebson	82,340	82,340	82,340
Samuel Jonah	55,350	55,350	55,350
Gerard Kleisterlee[1]	100,000	100,000	–
Nick Land	35,000	35,000	35,000
Anne Lauvergeon	28,936	28,936	28,936
Luc Vandevelde	90,478	90,478	89,030
Anthony Watson	115,000	115,000	115,000
Philip Yea	61,249	61,249	61,249

Note:
1 Non-executive directors appointed to the Board during the financial year are as follows: Gerard Kleisterlee 1 April 2011.

At 31 March 2012 and during the period from 1 April 2012 to 21 May 2012, 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 2012, members of the Group's Executive Committee at 31 March 2012 had an aggregate beneficial interest in 4,274,128 ordinary shares of the Company. At 21 May 2012 the directors had an aggregate beneficial interest in 8,818,215 ordinary shares of the Company and the Executive Committee members had an aggregate beneficial interest in 4,274,716 ordinary shares of the Company. 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 21 May 2012 there had been no change to the directors' interests in share options from 31 March 2012 (see page 85).

Other than those individuals included in the table above, at 21 May 2012 members of the Group's Executive Committee held options for 2,592,271 ordinary shares at prices ranging from 115.3 pence to 167.8 pence per ordinary share, with a weighted average exercise price of 162.2 pence per ordinary share exercisable at dates ranging from July 2008 to July 2017.

John Buchanan, Renee James, Alan Jebson, Samuel Jonah, Gerard Kleisterlee, Nick Land, Anne Lauvergeon, Luc Vandevelde, Anthony Watson and Philip Yea held no options at 21 May 2012.

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 subsidiaries was a party during the financial year.

Luc Vandevelde
On behalf of the Board

22 May 2012