Vodafone Turkey 2016/17 Sustainability Report



Contents

Forewords	1
Vodafone Turkey	3
Our Sustainable Business Strategy	5
Women's Empowerment	9
Energy Innovation	20
Youth Skills and Employment	37
Principles and Practice	46
Our Approach to Human Rights	47
Our People	48
Occupational Health and Safety (OHS)	54
Our Contribution to The Economy and Public Policy	61
Combatting Bribery and Corruption	63
Mobiles, Masts and Health	64
Supply Chain Integrity and Safety	67
Corporate Security, Confidentiality of Information and Data Security	71
Innovation	75
Vodafone Turkey Foundation	78
Appendix	83
Contact	110

Women's Empowerment Energy Innovation Youth Skills and Employment

Innovation

Appendix

1

Message from Vittorio Colao CEO, Vodafone Group

Our Sustainable

BusinessStrategy



The modern world cannot function without digital networks. Our products and services play a central role in the daily lives and livelihoods of more than half a billion people across more than 26 countries and over 22 million mobile customers in Turkey. Technologies such as ultrafast 4G+ mobile, fibre-optic networks, cloud computing and the Internet of Things (IoT) are transforming businesses big and small in both mature markets and – increasingly – emerging markets. As the workplace changes, so does the home. Consumers have access to content and information of a breadth and depth that was inconceivable even a decade ago. Mobile is bringing about a revolution in access to education, healthcare and financial services for millions of people in the world's poorest communities, offering - for many - an opportunity to break out of the cycle of endemic poverty.

Vodafone's core business therefore also delivers a substantial return to society as a whole. During the year, we invested more than $\pounds7.7$ billion globally in maintaining

and upgrading the digital infrastructure relied upon by families, communities and companies, with an investment in Turkey of 1.2 billion TL. Those investments provide different demographic groups – rich and poor, young and old, educated and unskilled - with the ability to connect, learn and advance their ambitions. Few industrial sectors can claim a closer alignment between their financial objectives and the achievement of material societal gains. Our approach to what we call sustainable business is to ensure that our work always delivers positive social outcomes, not just commercial and financial success. In our view, the former reinforce the latter; they are not mere 'offsets' against them.

I would highlight in particular, Vodafone Turkey's progress against one of the three main pillars of our sustainable business strategy, Youth Skills and Jobs. The programme, Coding Tomorrow, offers young people the opportunity to learn coding skills, gain an insight into the potential of technology and the importance of digital skills in a changing world. To date, it has reached 4,558 children with an aim to reach 10,000 children across 30 cities in the 2017/18 fiscal year.

A commitment to ensuring that business goals and societal benefits are as aligned as possible is even more important amid public mistrust of multinational corporations and governments.

What we do matters; but so does how we work. We will always strive to ensure we act responsibly and with integrity at all levels, wherever we operate. Throughout all of Vodafone – from the Vodafone Group Plc Board to our smallest operating company and our smallest suppliers – we place great emphasis on ensuring the appropriate conduct and behaviours as set out in our Code of Conduct1, supported by our strong commitment to corporate transparency.

During the year, we have engaged with a range of stakeholders with an interest in our activities. Their views shape how we have

put our aspirations into practice, and I would like to thank them for their contribution to our commitment to building and growing Vodafone as a purpose-led, sustainable business.

Vodafone Turkey

Foundation

Vittorio Colao

CEO Vodafone Group

1 http://www.vodafone.com/content/index/about/conduct.html

Our Sustainable

BusinessStrategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey

Foundation

Appendix

Message from Colman Deegan CEO, Vodafone Turkey



As a global player in the telecommunication industry, which is considered to be the driving force of economic and social development, we are aware of our great responsibility for sustainability. So, to us, sustainability is not a matter of choice but an essential and integral part of our core business strategy. Our approach to sustainability is primarily based on leveraging digitalization effectively to increase quality of life in our communities and using technology for good. We believe that digitalization will have a decisive role in the future world, thanks to its innovative and transforming power.

Our efforts towards the vision of leading digitalization in Turkey are underpinned by the "sustainable business" strategy announced by the Vodafone Group in early 2016. This strategy outlines our intention to work towards three significant global transformation goals that have the potential to deliver meaningful socio-economic benefits for our customers and wider society. We believe that transformation in these three areas, namely "Youth Skills and Jobs", "Energy Innovation" and "Women's Empowerment", will be achieved by our core long-term business objectives.

As a company committed to digitalizing Turkey, we intend to support Youth Skills and Jobs by enabling the kids in our country to grow up in a digital culture. With this in mind, we developed the "Coding Tomorrow" initiative to raise children's interest in and awareness of coding in order to contribute to growth of a digital generation, which we believe is crucial for our country. Regarded as the "language" of the digital world, coding fosters children's creativity and inspires innovative thinking. Coding education helps children grow beyond being only consumers of technology and teach them how to create new technology or digital art. We believe that the young people with coding skills will be both the architects and actors of the Gigabit Society that we aim to create in Turkey. On the other hand, our Women First in Entrepreneurship program aims to give women access to the world of possibilities enabled by the communication technologies and nurture their entrepreneurship skills to promote their involvement in the business life.

As for energy innovation, another pillar of sustainable business strategy, we offer smart solutions and services for a wide range of industries including finance, health, agriculture, urbanization, manufacturing and energy. More than 65% of our IoT (Internet of Things) product range supports mitigation measures to reduce greenhouse aas emissions.

As part of our commitment to increase the proportion of women in management and leadership roles, we launched the ReConnect recruitment program to bring talented women back into the workplace after a career break and thus, promote their access to equal economic and social opportunities. The initiatives focusing on the main pillars of our "sustainable business" strategy are designed through participatory dialogue and collaboration, taking into account the inputs, expectations and suggestions of our stakeholders. And, our investment plans are shaped accordingly.

We are excited to publish our seventh sustainability report created in the light of our stakeholder dialogue processes. Authored in line with the principles of "Transparency" and "Accountability", this report outlines our company's sustainability strategy, commitments, practices and performance during the FY 2016/17.

Vodafone Turkey will continue to address sustainability as an integral part of our core business strategies and lead the way for a sustainable future.

2

Colman Deegan

Vodafone Turkey

Our Sustainable Business Strategy E

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation Appendix

Vodafone Turkey

We continue to work as part of Vodafone Group plc, serving more than half a billion people in 26 different markets. In this report, we present a summary of our sustainability strategy and our performance during Vodafone Turkey's fiscal year from 1 April 2016 to 31 March 2017.

Corporate Performance

We provide mobile voice, fixed voice, mobile internet, ADSL and fiber services to individuals and institutions in line with our vision of leading the digitalisation of Turkey. We carry out our operations with a workforce of more than 3,300 employees, 1,200 retail stores and 43,000 shareholders in our ecosystem.

The number of our mobile customers reached 22.8 billion¹ at the end of the 2016/17 period. The number of our total net customers has increased by 616 thousand and the number of our 4.5G customers has reached 9 million² by the year-end. We continue to have the widest 4.5G coverage by utilizing more than 10 thousand 4.5G communication points in the 81 cities of Turkey.



We continue to grow fast in fixed broadband as well. With 200 thousand rise in net customers in fiscal year, we increased the number of our customers by 55% to 562 thousand compared to the same period of the previous year and in parallel, we increased our service revenues from fixed services by $60\%^3$.

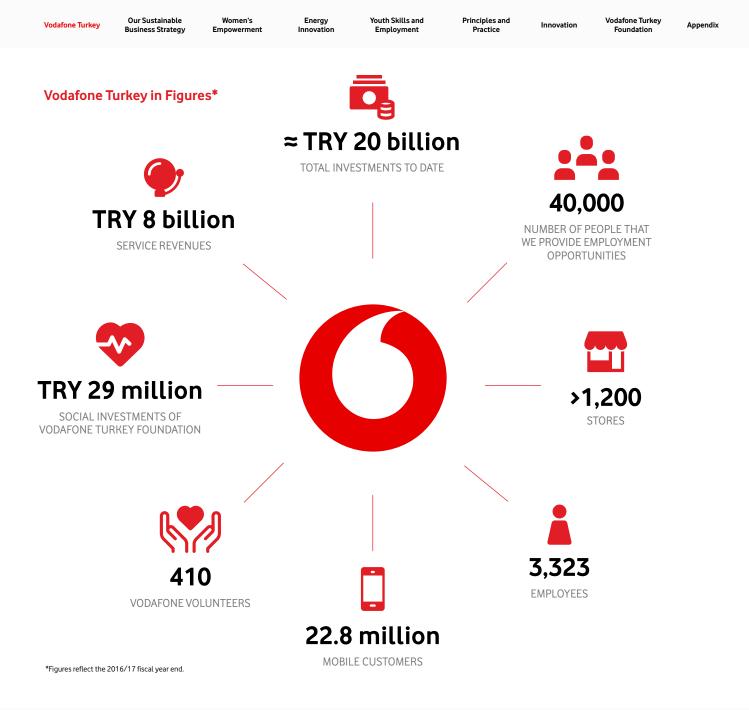
In addition, the data usage of our customers has doubled compared to the previous year and increased to 400 petabytes in the 2016/17 period. Smartphone penetration increased by 9 points from the previous year and had reached 72% by the year-end.

¹The number of customers was calculated based on Vodafone Group's customer definition. The main reason for the difference from the number disclosed in the ICTA Quarterly Market Outlook Report is the exclusion of M2M's. Data and financial information determined based on customer numbers therefore may differ.

²Number of 4.5G customers represents the customers who have sim cards and devices that are 4.5G compatible and are in the system.

3

³Growth rates are organic.



4

>

1n1

Our Sustainable **Business Strategy**

Women's Empowerment Innovation

Energy

Youth Skills and Employment

Principles and Practice

Innovation

Vodafone Turkev Appendix Foundation

Our Sustainable Business Strategy

Purpose

We connect everybody to live a better today and build a better tomorrow.

Transformation

Women's Empowerment

Energy Innovation

Youth Skills and Jobs

Transparency

Tax and Total Economic Contribution

Supply Chain Integrity and Safety

Mobiles, Masts and Health

Digital Rights and Freedoms

Principles and Practice



As a group company, we follow the "Sustainable Business" strategy, published at the beginning of 2016 by the Vodafone Group, and develop our sustainability plans and targets in alignment with this strategy.

Our intention to work towards three significant global transformation goals by 2025 is the main focus of our sustainable business strategy. Each goal has the

potential to deliver meaningful socioeconomic benefits for our customers and society at large. We foresee supporting this transition with our long term business commitments.

We fulfil our strong commitment to responsible behaviour and corporate transparency through our sustainable business strategy, and we aim to maximise the social and economic value we deliver.

In accordance with our commitment to the principles of the UNGC (United Nations Global Compact) which we voluntarily signed in 2015, we will continue our work on human rights, operating standards, environment and anti-corruption without pause.

Our Approach towards Sustainable Development Goals

In September 2015, members of the United Nations accepted 17 Sustainable Development Goals (SDG) in order to eradicate extreme poverty, inequality and injustice and to combat climate change by 2030

Our Sustainable Women's Business Strategy Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Appendix

We are aware of our important role in reaching these goals. We played a lead role and assessed the 17 goals based on the sector in which we operate and on our corporate priorities. As a result, we have mapped our practices and approaches for 6 material goals and decided to expand and enrich our practices for these 6 goals in the future.

Through our service network, innovative products and services, we contribute to ease people's lives and access to information through access to communication. With our sustainable business strategy, we aim to maximise the social and economic benefits we can offer with our activities. We shaped our sustainable business strategy in a way that will contribute to the following SDGs that we have identified as material.



_____ GOAL 1 ____

End poverty in all its formseverywhere

Our Contribution

- Our work on Women's Empowerment
- Our work on Youth Skills and Employment
- Our Smart Village project

GOAL 2 -

End hunger, achieve food security and improved nutritionand promote sustainable agriculture

Our Contribution Our Smart Village project

GOAL 4

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Our Contribution

Our work on Youth Skills and Employment

SUSTAINABLE GOALS



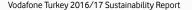
GOAL 5

Achieve gender equality and empower all women and girls

6

Our Contribution

Our work on Women's Empowerment



Our Sustainable Women's Business Strategy Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation

Appendix

GOAL 9

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Our Contribution

IoT solutions and our work on Smart Cities

GOAL 13 ·

Take urgent action to combat climate change and its impacts

Our Contribution Our work on Energy Innovation

Stakeholder Opinion

EROL BİLECİK TÜSİAD President



"In the digital age we are living in, access to information and communication technologies is one of the most important variables directly affecting the level of development. Differences in access to these services lead to increasingly larger gaps between different parts of society. Supporting all levels of society by providing access to information and communication technologies plays a vital role in supporting sustainable development with reduction of this digital gap.



Internet access is indispensable for each individual and it is considered a fundamental right in the digital financial system. Given the Sustainable Development Goals, the telecommunication industry plays a pivotal role, especially by providing broadband internet access and supporting the expansion of digital transformation to all parts of the society. The contribution of the telecommunication industry is important in the context of the development of the innovation ecosystem, the increase of R&D investments and the proper development of the digital transformation of human resources.

In order to achieve Sustainable Development Goals, we need to move away from our understanding of business-as-usual and bring more comprehensive and innovative solutions. It is very important that we develop environmentally friendly technologies and make it accessible to everybody in order to use diminishing natural resources more efficiently and tackle climate change. At this point, I believe that the Digital Transformation Movement, which Vodafone has initiated with its mission of "Inspiring everyone in Turkey with communication technologies for a better future", is a good example for both the sector and the whole business world. In many areas such as health, agriculture finance and urbanisation. Vodafone Farmer's Club. **Ready Business and Smart Cities** platforms effectively use technology and make it accessible for everyone. This shows us that it is possible to create benefit for the environment. society and companies when we combine technology and big data with sustainability.

Our Sustainable Women's Business Strategy Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation

Appendix

Recent developments such as decreasing natural resources, climate change, and increasing social problems have made sustainability one of the priorities for countries all over the world. Thinking of the Mediterranean basin as one of the regions that will be most affected by climate change, it is highly important to also consider the economic and social aspects of climate change along with the environmental ones. A study measuring the OECD countries' current performance for each Sustainable Development Goal shows that Turkey ranks 33rd among the 34 countries - second from the last. In particular, health, education, gender equality and working standards are the areas we need to improve ourselves on the most. On the other hand, Turkey is only ranked at second among OECD countries regarding the increase of greenhouse gas emissions. This picture reveals to us the necessity of timely action from Turkey with a holistic strategy for sustainable development.

TÜSİAD is an institution that has closely followed the world's agenda since the day it was founded and has pioneered the business world and the public. Our planet and the business world are going through a big change, and we have placed the issue of sustainability in the centre of our efforts to shed light on this change and understand what the future is going to look like. The business world, which is expected to act responsibly towards the planet and society, must keep sustainability at the heart of its work in order to be able to achieve international standards, build trust with its consumers and compete globally. As TÜSİAD, we aim



to increase sustainability awareness in our companies, especially at the senior management level. We all know that it is not possible to achieve this transformation without the will and commitment of top management. In addition to this, we closely follow the sustainability agenda of the world and inform our members. Turkey's commitment to international agreements and its responsibilities are closely related to the business world. In this context, we share our policy proposals in order to create a holistic strategy and fulfil commitments.

As TÜSIAD, we have been advocating for many years that, women have to be treated equally in business life for our country to have sustainable growth and a strong economic and social structure. It is inspiring to see Vodafone's work in the field of women's employment, one of the major problems of our country. In addition to having a high female employee ratio that is above the sector average, Vodafone supports women entrepreneurs, conducts studies that increase women's access to technology, and develops social responsibility projects such as the "Vodafone Women First Program" which all contribute to increasing women's social and economic wellbeina.

I would also like to congratulate Vodafone for taking a leading role by reporting all of these efforts transparently to its stakeholders in accordance with international standards and raising reporting performance higher and higher each year."

) **< >**

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

22,339 women were trained on entrepreneurship, communication, financial legislation, digital and mobile technologies and marketing since April 2015.

We are supporting the productive Women of the Information Society.



PLEASE SCAN THE QR CODE TO VISIT ONCEKADIN.GOV.TR



By introducing women to the possibilities information technologies make available with our Women First in Entrepreneurship Program, we are aiming to increase their participation in the workforce and their capacities for entrepreneurship. Our goal is to facilitate the sales of meticulously hand crafted products with the help of technology and support the families by transforming what started as a hobby into an income generating activity.



Our Sustainable Business Strategy Women's Energy Empowerment Innovation Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation

Appendix

Women's Empowerment

We recognise gender equality as a key indicator of long-term social security and economic progress. By empowering women and supporting gender equality, we contribute to the prosperity of the business world including society, economy and our own business.

As Vodafone Group, our commitment includes an aspiration to become the world's best employer for women by 2025.

Our Employees

Women's involvement in business life and equality in opportunity

OUR COMMITMENT

We will become a workplace that sets an example with its "sensitivity towards gender equality".

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

To take initiatives to increase the ratio of female employees to over 40%.



OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

The ratio of female employees is 43% in our workplace.

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

To take initiatives to keep the ratio of female employees over 40%.

Social and economic conditions of the country and industry expectations play a decisive role in our institutional priorities under diversity and inclusion. We believe that the involvement of women in business life and issues of equal opportunity, which are within these priorities, have a high importance. Hence, we have made women's employment an important building block in our corporate culture.

Taking into account that the average rate of female employees in the telecommunication sector is only 23.2%, we consider Vodafone Turkey's 43% performance in this regard - almost twice as high as the sector average - to be a success factor. We continue to work on improving diversity in order to increase this ratio and to have more female employees in management positions. We have achieved successful results in this area by having 32% female employees in middle management, with a 2% increase compared to the previous fiscal year.

We are the first telecommunication company to receive the "Equal

☆ く ▶ 10

Our Sustainable **Business Strategy** Empowerment

Women's

Energy Innovation Youth Skills and Employment

Opportunities Model Certificate" (FEM) with our vision of providing equal opportunities for men and women in 2012 and we have continued our good work in this area at an accelerated pace since then. We received special awards such as "Best Workplaces for Diversity" in 2014 by the Great Place to Work Institute and "Cooperation of Different Generations" in 2015.

We reassured our commitment to this issue by becoming a signatory of the Women's Empowerment Principles (WEPs), a United Nations initiative, in 2016, On 15-16 March 2016, we shared our activities and results. regarding women at the "WEPs World Tour: Actions and Achievements" panel, part of the Women's Empowerment Principles event in New York.

In order to increase the "diversity and inclusion" perception within our company, we ensure that our team managers and all management receive diversity and inclusion training.

We run special mentoring programs to increase this number in our technology function where the number of female managers is at a minimum level. In the program, female employees in the pool of mentors and mentees are matched under the defined criteria and trainings are given on how they can better manage the mentoring process and how they can focus on the development goals of the mentee in the process. Our training program has been described as the "best program in its

field" throughout the Vodafone Group and presented to 22 Vodafone countries as a case study.

In line with our diversity and inclusion goal, we strive to create equal opportunities for female employees with new recruitments.



ReConnect Program

With our ReConnect initiative, which was launched in 26 countries as the largest recruitment program in the world in March 2017, we aim to bring back women professionals who have been on career break. With the Vodafone Group's ReConnect initiative, we are putting forth our efforts to reach 1,000 women in 26 countries in the next 3 years and to increase the ratio of female employees in management and

Employee Gender Distribution

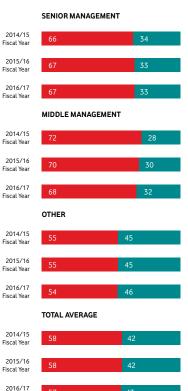
Innovation



Gender Distribution of New Recruits (%)



Gender Distribution by Staff Category (%)



Fiscal Year

Our Sustainable Business Strategy

Women's Energy Empowerment Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation Appendix

Stakeholder Opinion

BURCU ERDUR Market Research & Peer Analysis Senior Manager



"First of all, it is very promising to have such a program through which Vodafone aims to bring women back to business life in the world and in Turkey. I feel very fortunate to be a part of the Vodafone Reconnect program. As a working mother, I believe in work-life balance more than ever. Working makes me feel more efficient, dynamic and complete; I believe that I am being a good example to my daughter with this life balance as well. Unfortunately, similar approaches are not very common in countries like Turkey. We know that many talented and high-potential women have difficulty returning to their work after a break. I am proud to work in Vodafone, which is leading this program."

leadership roles. The plan is to recruit 500 women who have taken career breaks to management positions within the next 3 years and make sure this number comprises 10% of our external management recruits in this period. In addition, it is expected that nearly 500 women who have been on career breaks will be recruited for other positions.



Under the ReConnect Program, we organised a wide-ranging event on 25 September in cooperation with the YenidenBiz Association. We met around 150 women who wanted to return to business life. While the female candidates were informed about the program at the meeting, they had the opportunity to chat with our HR team at the cocktail afterwards. In 2017, 6 ReConnect candidates began to work in our Corporate Relations, Technology and Marketing functions.

Women in Technology Internship Program

It is easily observed that the number of female engineers in Turkey is very low and women are pulling away from business life because of the challenges faced in male intensive sectors. For a sustainable future, we believe that women's economic participation in every sector is important. Thus, we launched the Women in Technology Internship (WIT) Program for young women studying in engineering faculties to increase the rate of female employees, which is 23.7% in our Technology Facility.

With the Women in Technology Internship Program, we aim to bring women technology leaders not only to the company but also to the sector. Our Program targets young women who want to pursue a career in technology / telecommunications, studying in their third year of related departments in engineering faculties. Before graduating from university, we provide the opportunity to participants to perform two internships for six months at different units in the Vodafone Technology Function. This enables them to clarify their career path by experiencing their sector of expertise in a rotating working model.

🔇 📏 12

Our Sustainable **Business Strategy** Empowerment

Women's

Energy Innovation Youth Skills and Employment

Principles and Practice

Appendix

To ensure the sustainability of the Program, we have integrated it with our youth talent program: Discover. A few months before the end of their internship program, students receive priority to participate in the selection process of the Discover Youth Talent Program. Hence, we aim to recruit students who have successfully completed the internship and have shown high potential. We provide the opportunity to young people to benefit from Vodafone's local and global career opportunities. With this program, we train our next generation leaders internally at Vodafone Turkey.

As part of the Technology Internship Program, which was launched in 2016, 15 female students completed their internships and 3 participated in the Discover Youth Talent Program and joined Vodafone Turkey. In the 2017/18 period we will continue the Program and include our Sales Function in scope of the Program as well. The Women in Technology Internship Program was presented by Vodafone Group as an example to all Vodafone countries and we were awarded with the first prize in the Vodafone Group 'ConnectedSheCan' Awards, where projects in the field of diversity and inclusion were evaluated.

"Discover the Power in Yourself" Program

In 2016, the "Discover the Power in Yourself" program started and was attended by 180 women employees from our sales function.

The main goals of the program are to raise awareness among our employees, create an internal communication environment. contribute to the development of their competencies and personal networks, help them to take part in other platforms and support them on their daily practices. With this program, we bring women mentees together with our mentors from the both sales and different functions. We provide



personalized leadership trainings tailored to them and seminars with speakers from different areas of subject expertise, as well as providing learning and development opportunities while supporting them to discover their self-potential.

The program includes mentoring, personal leadership training and communication sessions. In the program, 35 women

mentors and 35 women mentees took place, 106 women participated in personal leadership trainings and 33 women participated in communication sessions.

Society

Women First in Entrepreneurship Program

START DATE

April 2015

OUR PARTNERS

Ministry of Education (MEB)



- **Turkish Informatics** Foundation (TBV)
- TBV TÜRKİYE BILİSİM VAKFI

OUR GOAL

Introduce women to the opportunities offered by communication technologies and increase their participation in their work life and entrepreneurial capacity.

OUR TARGET AUDIENCE AND REACH

- Unemployed women
- 240 consultants delivered training to 22,339 women on entrepreneurship, communication skills, financial legislation, digital and mobile technologies and marketing in 20 provinces.

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

We believe that for the sustainable growth of our country, a strong society and strong generations to come, women should have an equal stance in economic life. To this end, we aim to increase participation in the working life and entrepreneurial capacity by introducing women to the possibilities offered by communication technologies in the "Women First in Entrepreneurship" project, which we launched in April 2015. The target of the project is to facilitate the sale of hand-made, eye-catching products with innovations brought forth by information and communication technologies. By encouraging much of the work that begins as a hobby to become an income-generating activity, we aim to encourage unemployed women to participate in economic life and enable them to gain additional income that will increase the welfare of their families. The target population of the project are student / trainee women who have been trained in public education centres and advanced technical schools for girls.

Last year, 10,000 women from Istanbul, Ankara, Izmir, Antalya, Bursa, Eskisehir, Samsun, Diyarbakır, Elazıg and Giresun were trained in technology and entrepreneurship. As a result of the entrepreneurship competition held as part of the project, the total start-up capital of TRY 26,500 has been awarded to successful women who have won the competition.

This year, as a result of training given to 12,339 women by 140 trainers in Adana, Kayseri, Denizli, Trabzon, Gaziantep, Erzincan, Mersin, Mugla, Kocaeli, and Sivas Public Training Centres, women continued to deliver their products to consumers through the "oncekadin.gov.tr" digital store. Since 2015, a total of 2,706 products have been sold, amounting to TRY 207,581, with a total of 31,421 product entries on the site where there are 8,256 trainees are members. The total economic value of all the products is over TRY 42 million and they were viewed 1 million 309 thousand times during the digital store running period. Contrary to last year,



Women First Movement in Entrepreneurship Competition was organised for 250 women who applied to the program with the aim of promoting entrepreneurship culture among women, and an online public vote was held to promote all the participants in the project and to support their digital skills. As a result of the 45,151 votes collected in the public vote, entrepreneurship contest and public vote winners were awarded with a total of TRY 53,500. The Women First Entrepreneurship Project was deemed worthy of success in the category of "Projects for Women and Against Gender Discrimination" of the Felis Awards in 2017 with the positive effect it created in society.

Innovation

Technology and entrepreneurship trainings have been designed as e-learning modules in order to reach women registered in all the Public Education Centres in Turkey and are aimed to be opened for access by 2018.

Stakeholder Opinion

ASUMAN KANCA Women First in Entrepreneurship, Trainee



"The Women First in Entrepreneurship Project that was introduced to me in the stylist course that I started as a hobby. My entrepreneurial story turned into a story of success. My designs meet buyers at the digital store. I became a professional with the Project and developed a sustainable source of income. I created my brand with the name 'Fashion with Asu', and I participate in competitions and fashion shows with my brand. I'm so happy. I say, 'here I am!' "

Our Sustainable Business Strategy Women's Empowerment Energy

Innovation

Youth Skills and Employment

and P nt

Principles and Practice Innovation Vodafone Turkey Foundation

Appendix

Success Story

As part of the "First Woman in Entrepreneurship Project" I entered 162 ads with leather bag products and sold 119 products amounting to a sales revenue of TRY 36,000.

ENHAR DOĞAN

Denizli Pamukkale Public Education Centre Trainee and Finalist in the Women First Entrepreneurship Competition



I lost my father at a young age, and when I shared with my teacher that I could not continue my studies because of financial difficulties, he supported me and thus I finished high school. Following this, I attended the Department of Business at Selcuk University. Despite many difficulties, I graduated from college, got married and had two children. My daughter is now a senior student at medical school and my son is a first year student in Automotive Engineering. Two years ago, my husband



had a kidney failure. When my husband got sick and was unable to work, I became the source of financial income and particularly, moral support for my family. That is how I started making leather bags. At first, my friends ordered bags to support me. I made bags only for them. I liked the bags I made, but my sales were limited in Denizli. I heard about the "Women First Movement in Entrepreneurship" Project in March 2017. I attended the training given by my counsellor and I entered www.oncekadin. gov.tr . My orders and customers increased as we uploaded my bags to the site. I now receive orders from all over Turkey. I used to chase new customers, now I am having a hard time to keeping up with new orders. My aim had been to receive the big award since the beginning, but I still cannot describe my happiness and excitement the moment I learned that I was in the finals. I got onestep closer to my goal that day. If I win a prize from the "Women in Entrepreneurship" competition organised as part of the Project, I would like to spend it on my children's education and support my husband. Most of all, I want to take a strong and firm step forward towards work life and establish a workshop based on my experiences. I want to show everyone that there is nothing that women cannot do in this workshop of dreams. My biggest dream is to be able to provide jobs for other women in my workshop. I want to offer my endless thanks to the "Women First in Entrepreneurship" Project, Vodafone Turkey and everybody who supported me and held my hand during the way.

命 🖌 🖒 15

Our Sustainable **Business Strategy** Empowerment

Women's

Energy Innovation Youth Skills and Employment

Principles and Practice

Vodafone Turkev Foundation

Innovation

Appendix

Women First Stores

As Vodafone Turkey, we are constantly expanding the scope of our "Women First" program. With this target, as of November 2017, the investor and all of the employees of the women's stores, including Tekirdag, Ankara, Nevşehir, Niğde, Batman, Şanlıurfa, Adana, Sinop, Niğde, Adıyaman, Ardahan and Iğdır aim to encourage women's participation in the economy and labour and offer them new employment opportunities.

With the "Road Companion" feature added to the Early Rescue application, users can view their route on the map by selecting the most appropriate route among the routes automatically drawn by the application on the map and can share it with their selected people so that other people can see where they are located at any time.

Early Rescue

We believe that the increasing violence against women in our country is a serious human rights violation and a serious social problem. Mobile technologies have a vital role to play in the fight against violence towards women. For this purpose, we launched the "Early Rescue" application. The application allows women exposed to violence to have immediate and simple access to the law enforcement agencies or relatives by phone and send emergency text messages.

In addition, Alo 183, 155 Police Emergency, Ambulance and Gendarmerie emergency numbers can be called with a single key. The application, which reached 299 thousand downloads. includes information on the addresses of the nearest Violence Prevention and Monitoring Centre of the Ministry of Family and Social Policies, the organisations to which they can get help from, and the rights they have.



During journeys using the Road Companion feature, when the user detours from the current route, the followers of that journey are automatically informed regardless of the fact whether they have the application or not, as the priority is the user's safety. The follower can ask any user whether he or she is okay with a single key, and with the notification on the screen. the user

can answer with one key. At the same time, when the user feels nervous, he or she can let the follower know with the "I am feeling nervous" button. In unexpected risky situations, the user can call the police with a single "Call Police" button in the application. The aim of this application is for women to have a feeling of safety rather than fear while traveling.

The Vodafone Early Rescue campaign was awarded with the most prestigious award of the Cannes Lions International Creativity Festival, recognised as the summit of creativity around the world, the Grand Prix in the field of advertising and marketing, which was given to a Turkish firm for the first time. Vodafone Early Rescue won the Grand Prize for the first time in Turkey at the CLIO Awards, which was recognised as another summit in the advertising and marketing world after the success of Cannes Lions. Following the success we achieved in Cannes and CLIO, we were nominated for the Grand Prix at the Global Mobile Awards. known as the Oscars of the GSM industry, where awards are given by the World GSM Association (GSMA).

First6Years Mobile Application

We offer up-to-date information on the first six years of a child's life, which represent the most critical period in a child's life, through the application developed by Vodafone Turkey Foundation and ACEV, making life easier for parents. The free application

Our Sustainable **Business Strategy** Empowerment

Women's

Energy Innovation Youth Skills and Employment

Principles and Practice

Appendix

guides parents with an information database of 1,200 different questions. Information sent to the user's smartphone every other day is supported with photographs, educational videos and animations. Reaching 220,000 users, the application also includes a calendar to record important days for parents and children, a section to monitor children's height and weight, and an album to store and share photos and videos. The application will be updated with user experience kept in mind by December 2017 and will include numerous child development additions:

- Features for the needs of new mothers (ability to create new screens and download information regarding breastfeeding times, nutritional supplements and infant sleep length) will be included in the application.
- Information regarding the child's health (blood type, vaccinations, allergies, medication use) can be recorded and shared.
- There will be a separate section with content specific to fathers including information, suggestions and hints to improve mother-father and father-child relationships. By doing so, it will be possible to emphasise the importance of fathers for child development, improve the father-child communication in a healthy manner, support fatherhood skills and inform fathers correctly about child development.

Our aim is to increase the application's total number of downloads to 1 million and total number of active users to 200.000.







PLEASE SCAN THE QR CODE TO DOWNLOAD THE APPLICATION



Stakeholder Opinion

Innovation

AYŞEN ÖZYEĞİN

Chairwoman of ACEV (Mother Child Education Foundation)



How would you assess the role of the telecommunications industry in sustainable development of both Turkey and the region?

The telecommunications industry has a very important role due to increased access to information technologies and the ability to offer equal access to information for each individual in today's world. A significant gap in equality of opportunity is being closed as people living in disadvantaged areas can access education opportunities with internet access and mobile applications. Development cannot be sustainable in a society where equality of opportunity cannot be maintained in accessing information and education. As the Mother Child

Our Sustainable Women's Business Strategy Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation

Appendix

Education Foundation (ACEV), we believe that every child deserves an equal start in life and we develop and implement training programs based on scientific knowledge for children, parents and young women who need them it around the country. When we take a look at the issue from this perspective and especially assess the industry's role in line with our own mission, we believe that iust like its role in other areas. the telecommunications industry's role is very important and valuable when it comes to disadvantageous people's access to education and families and children having equal opportunities.

How would you assess Vodafone Turkey in terms of its sustainability? What are the issues Vodafone Turkey leads in when it comes to sustainability from your and AÇEV's point of view?

Vodafone Turkey is an institution that leads our country's transformation into the digital age. With "Digital Transformation", Vodafone Turkey paves the way for the education of preschool children, involvement of women in social and economic life and embracing diversity. On the other hand, complementing its activities in gender equality with its support of the HeForShe campaign that invites men to act as gender equality promoters, Vodafone Turkey also has a leading role in gender equality on international platforms.

Can you inform us on AÇEV's point of view and vision towards sustainability as an institution?

As AÇEV, we are working with all our might to increase society's quality of life in terms of education and



supporting social development with our wide reaching education programs. Quality education in preschool years, families' role in development of future generations, gender equality and lifelong learning; subjects that are important focal points of the United Nations Sustainable Development Goals, also form the origin point of AÇEV's activities. In recent years, we are also increasing our ability to utilise opportunities made available by information technologies in our activities in an accelerating manner. In this context, we aim to create equality of opportunity towards access to information with the "First6Years" mobile application we developed in partnership with the Vodafone Turkey Foundation. Along with rapid increase of smart phone and tablet usage with widened access to internet in our country, our aim is to inform families on child development and parental skills using these technological tools. "First6Years" mobile application reached thousands of people and its number of followers is increasing every day. We also take pride in the requests from other countries for this application. Our aim in the upcoming period is to raise the prevalence and efficiency of our programs and activities through internet and mobile communications.

🚡 🔇 **>** 18

Our Sustainable Women's Business Strategy Empowerment

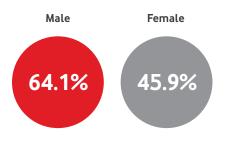
Energy t Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation

y Appendix

19

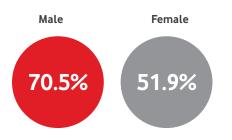
Women Customers

Computer usage ratios in Turkey*



advantages. With "Vodafone Golden Club", we ease the lives of housewives who take up many roles such as mothers, wives, brides, businesswomen and daughters with the power of mobile communication technology while empowering our women through special prices and services in line with our "Women First" vision. service providers. Golden Tariffs also provide women free minutes with their loved ones using Vodafone between 12:00-16:00 hours during the day while allowing free mobile internet services for social media. In addition, we offer "Vodafone Golden Club" member access for women to our information services such as women and children's health while offering special discounts and advantages for their favourite products and stores.

Internet usage ratios in Turkey*





⁴http://www.tuik.gov.tr/PreHaberBultenleri.do?id=21779

This issue is especially important to us as Women's Empowerment and women's access to digital technologies are among the three main targets of our sustainable business strategy. For housewives, we offer a special "Vodafone Golden Club" programme that incorporates special communication and non-communicational offers and With this vision, we collaborated with Turkey's largest supermarket chain to make our products more accessible for women, making communication cheaper and accessible for all women. Golden Tariffs that were designed towards the insights and needs of women include advantageous mobile internet options apart from minutes and SMS, which can be used between all Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkev

Foundation

Appendix

In fiscal year 2016/17, we saved 1.35 million kWh in total with our ISO 50001 studies. We used 66 wind turbines. We provided services with 9 base stations using that use only renewable energy in.

We care about energy for the future.

We give priority to increasing the energy efficiency of our customers, thereby creating opportunities for them to reduce their greenhouse gas emissions and to minimize the environmental impacts from our own operations by means of our telecommunication technologies. In parallel with our strategy to reduce our energy consumption, we are investing in more effcient technologies, renewable energy and take precautions for our buildings, vehicles and air conditioning systems.



🔂 🔇 🔪 20

Our Sustainable Business Strategy Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Appendix

Vodafone Turkev

Foundation

Energy Innovation

There is clear evidence that global temperatures are rising quickly. There is also a very strong consensus among scientists and policymakers that carbon dioxide emissions from fossil fuels such as coal, oil and gas – together with other greenhouse gases (GHGs) – are having a direct impact on the climate. Creating the opportunities for our customers to increase their energy efficiency and reduce their greenhouse gas emissions through our telecommunication services and minimising the impact on the environment through our own operations, are among our most material topics.

As Vodafone Turkey, most of our energy consumption is a result of electricity consumption for our base stations. Although we cover most of our electricity needs from the grid, our aim is to increase the amount of solar and wind power in our operations and reduce our grid consumption.



Our Energy Consumption and Greenhouse Gas Emissions

Base stations and data centres consume 80% and 14% of our energy consumption respectively. Thus, investments in more efficient technologies and renewable energy for our base stations and data centres take the lion's share among the activities to reduce our energy consumption and greenhouse gas emissions. In addition to these, we take several precautions and invest in new technologies for our other energy consumption and greenhouse gas emission sources: buildings, vehicle fleet and air conditioning systems.

We reduced our Scope 1 and 2 greenhouse gas emissions by 1% in the 2016/17 fiscal year. We were able to limit the increase of energy consumption to a lower level while the volume of data carried on our networks increased exponentially with the roll-out of 4.5G and other new generation technologies. Detailed tables regarding energy consumption and greenhouse gas emissions can be found in the "Reporting Principles" section of this report.



Our Sustainable **Business Strategy**

Women's Empowerment

Energy Innovation Youth Skills and Employment

ISO 50001

At Vodafone Turkey, acting in accordance with our passion for

1.35 million kWh saved

the environment, we develop projects that are based on energy efficiency in all our business processes. By doing so, we aim to create comprehensive environmental awareness and achieve the highest possible energy efficiency. With our ISO 50001 Energy Management System, we are conducting projects that achieve energy efficiency, provide for clear, measurable environmental improvements and carry the flag of change during the transition to a lower carbon economy for the continuity of our operations.

Our ISO 50001 activities cover the Izmir Data and Switching Site, Esenyurt Data Centre, Tuzla Data Centre, Adana and Ankara Technology Centres. As a next step, we aim to include 4.261 base stations in 12 cities and our Cyprus Telsim (VMOL) Switching and Data Site in our ISO 50001 Energy Management System.



Our ISO 50001 activities include the identification of inefficient air conditioners, heating settings for increased efficiency from equipment, air conditioner location optimisation and replacement of old inefficient air conditioning systems (Dynamic Thermal Management).



As part of these operations:

Through our Technology Centres & Data Systems Management team's ISO 50001 studies, we saved a total of 1.35 million kWh in the 2016/17 fiscal year in our Esenvurt and Gaziemir Technology Centres.

Stakeholder Opinion

İPEK SELEK

Innovation

Vodafone Technology Quality & Service Assurance Director and ISO 50001 Program Leader



"Energy performance management through ISO 50001 optimises energy use for institutions by creating energy consumption awareness. As a result, we achieve reductions in energy consumption, costs and related greenhouse gas emissions. This means a positive impact for both the institution and the environment in a system where all parties win. The importance of the process begins with institutions reviewing their status. During this process, it becomes possible to understand how and where the institutions use most of their energy resources and where their energy gaps are. Improvements are implemented with a systematic plan that focuses on these areas making sure energy consumption is better managed thus reduced. By doing

Our Sustainable Women's Business Strategy Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation Appendix

so, the importance of the process becomes apparent when transitioning to the ISO 50001 Energy Management System.

We see the importance of studies in energy management and efficiency more and more every day, especially in our country. We aim to become the leading institution when it comes to the efficient use of energy and increasing environmental awareness, acting with our passion towards the environment and our activities that define the path for our sector.

We began our activities prioritising an increase in awareness within our organisation by creating a portal where our colleagues could share their ideas on increasing energy consumption efficiency. We set up an Energy Management team to execute the ideas shared in the portal. We developed digital transformation projects to minimise written/printed paper usage and developed a policy towards choosing the least energy consuming equipment for energy saving in our buildings. As part of the most important result from our work, we obtained ISO 50001 certificates for our main technology centres. We achieved important energy savings with our work that was in line with this management system.

Scott Campbell, Associate Professor & Director of Urban Planning Doctorate Program of Michigan University's College of Architecture has an admirable definition: "Sustainability is a system's ability to reproduce itself over time." Setting off with this definition in mind, we need to make sure systems at least produce enough energy to cover their own consumption. We should also use our geographic advantage to its full



potential to minimise our foreign dependence on energy and should fully benefit from the resources nature provides us with such as solar, wind and water energy. We need to develop and utilise hybrid systems that can use different energy sources together and always remember that our main focus is nature and environmental awareness when we are talking about sustainability."

We donated to the TEMA Foundation

approximately 12.07 tons of waste paper

Saving 28,515 trees

by avoiding the need for

1.67 million tons of paper

with our waste bills and electronic billing applications.

ک **کر ک**

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

Base Stations

OUR COMMITMENTS

We will continue to expand base station applications that enable higher energy efficiency and use renewable energy.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

- To ensure the use of M2M solutions for remote control of DC energy units in at least 500 sites.
- To increase the use of renewable energy on site.

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

- We have implemented M2M solutions developed for remote control of energy units in 1,370 sites. While the number of sites that use 100% renewable energy (not attached to the power grid) continued to be nine, we started to power the signal repeater in 1 of our locations from 100% renewable sources.
- 66 wind turbines continued to support the energy backup systems at our base stations.

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

- To ensure the use of M2M solutions for remote control of DC energy units in at least 800 sites.
- To increase the number of sites utilising renewable energy by closely monitoring renewable energy technologies.



NEW COMMITMENT

 To start the process of complying with the ISO 50001 Energy Management System standard in our base stations to keep our energy consumption under control and manage our energy consumption in the 2017/18 fiscal year. We are continuing to implement our "Green Technology" and "Red Loves Green" programs started in 2009 to increase energy efficiency and reduce greenhouse gases in our base stations where most of our energy requirements come from.

Innovation

During the 2016/17 fiscal year, we continued to implement high-tech applications with considerable energy efficiency at our base stations. A significant portion of the energy is consumed by air conditioning equipment in the heating and cooling systems of base stations. To reduce the amount of energy consumed by the air conditioning equipment and make them more efficient, we replaced 385 legacy air conditioners with new generation models. In existing sites, we launched 434 natural ventilation systems, thus saving energy from air-conditioning usage. In addition, we replaced old communication equipment with new generation ones in 2,062 base stations. We are continuing to provide uninterrupted communication for our customers by reducing energy consumption in 76% of our network. In addition, we have also reduced our energy consumption by sharing base stations with other operators. We saved energy and space by sharing 421 base stations with other operators in the 2016/17 fiscal year.

In the 2016/17 fiscal year we both provided uninterrupted communication for our customers and used green technology via nine base station sites that use 100% renewable energy (that are not connected to the grid). Moreover, for the first time,



Our Sustainable **Business Strategy**

Energy Empowerment Innovation

Women's

Youth Skills and Employment

Principles and Practice

Vodafone Turkev Innovation Foundation

Appendix

we created a wider and greener coverage area for our customers by using our signal repeater equipment that gets its entire energy requirement from renewable sources.

We have continued to use 66 wind turbines to meet our partial energy demand at appropriate base stations and reduced our dependency on grid electricity. We are aiming to increase green technology usage in our base stations by closely following the technological developments in renewable energy.

Within the scope of our energy control and management practices, we have continued to benefit from M2M solutions at base stations. In the 2016/17 fiscal year, we integrated M2M technologies to more than 1.350 sites for remote control of generator and energy backup systems. This technology makes it possible for us to make remote field assessments. monitor the temperatures on site and provide optimum cooling in accordance with the ambient temperature, monitoring and control of energy backup units to use energy efficiently and provide uninterrupted service for our customers. In addition, it also increases the operational efficiency as it eliminates the requirement of being physically present on site. We will continue to increase the integration of M2M solutions and benefit from the contribution of technology towards sustainability.

This large reduction performance becomes possible by adopting energy efficient equipment in infrastructure, utilising new generation systems in air conditioning solutions and modernisation of old and inefficient equipment. We achieve savings in energy consumption and keep our greenhouse gas emissions under control by



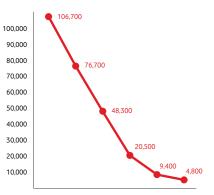
We have managed a sizeable



in per petabyte energy consumption in the 2016/17 fiscal year compared to the 2015/16 fiscal year.

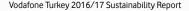
focussing our efforts towards establishing a sustainable infrastructure. We aim to continue this reduction by using more efficient equipment and renewable energy resources in the upcoming periods.

Energy consumed per total amount of data carried in Vodafone network since 2011/12 fiscal vear (Gigajoules/Petabytes)*



2011/12 2012/13 2013/14 2014/15 2015/16 2016/17

*The data use numbers given in the graph are reported to Vodafone Group and Vodafone Group calculation and reporting procedures are followed.



Our Sustainable Women's Business Strategy Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Appendix

We have achieved a significant reduction in energy consumed per total volume of data carried in our networks since the 2011/2012 fiscal year as can be observed in the graph below. The volume of data carried on Vodafone Turkey network increased 30 times between the 2011/2012 and 2016/17 fiscal years, while we were able to limit the increase in energy consumption in the same period to just 60%. While meeting the continuously increasing data needs of our customers with the subsequent introductions of 2G, 3G, and 4.5G technologies, we constantly control and manage the energy consumption levels at our base stations.

Technology Centres & Office Buildings

OUR COMMITMENTS

We will continue to implement projects, which reduce our carbon footprint in our buildings.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

40% reduction of hourly electricity consumption on the floor hosting the restaurant and other social areas at the Headquarters through mechanical devices and lighting fixtures.

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

We have increased the COP values (electricity efficiency) of the VRF air conditioning equipment from 2.72 to 3.83 during the renovation of meeting rooms and other social spaces (gym, market, hairdresser, etc.) on our Headquarters' restaurant floor. Though we previously met our heating demand through high electricity consuming



air conditioners, we have started utilising natural gas as a more efficient source. By doing so, we benefitted from natural gas' heating efficiency and increased our heating COP value. For cooling, we started to use roof installations and the COP level has increased from 2.72 to 4.03. By implementing these improvements, we have reduced energy consumption on the restaurant floor of our Headquarters.

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

Innovation

• To replace existing air conditioners and air conditioning stations with higher COP equipment on the 8th floor of our Headquarters. To increase indoor air quality and reduce electricity by 7% by changing our air conditioning stations with DX battery equipment.

NEW COMMITMENT

- To renew the TÜV Energy-Efficient Data Centre certificate for our Esenyurt Technology Centre.
- To obtain ISO 50001 certification for 5 more of our technology centres by making our energy efficient applications and controls in line with the ISO 50001 processes.

Among our practices for improving energy efficiency in switching and data sites, which altogether cover 14% of our energy consumption, we are also replacing DC power supplies with high-efficiency ones, replacing old generation air conditioners with new generation high efficiency ones and ensuring cooling optimisation through technical analysis.

In the 2016/17 fiscal year, we managed the cooling infrastructure controls in our three big technology centres in İstanbul and Ankara by integrating the smart dynamic thermal management system and therefore achieved

命 🖌 🖒 26

Our Sustainable Business Strategy E

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation

Appendix

electricity savings of 756,000 kWh. Through the dynamic thermal management system, we increase our operational security in addition to saving energy. We are planning to save another 4 million kWh of energy in the 2017/18 fiscal year by implementing our integration operations to five of our other technology centres including Izmir and Adana.

We are replacing old generation DC power supplies and cooling units with new generation efficient units. By materialising these two investments, we achieved energy savings of 600,000 kWh in the fiscal year. We plan to continue investing in DC and uninterruptable power supplies and cooling systems to achieve energy savings of 740,000 kWh in the upcoming period.

In addition to all the studies laid out above, we received ISO 50001 Energy Management System certificates for our two large technology centres in İstanbul and İzmir, which assure that energy management is carried out efficiently and correctly in our technology centres. We plan to increase our ISO 50001 certification coverage to include three further major technology centres in Istanbul, Ankara and Adana in the upcoming period.

Office Buildings and Other Environmental Applications

In the 2016/17 fiscal year, we used DX Air Handling Units that are not used in any other building other than our Kucukyali building. These units increase indoor air quality and support cooling as well as heating in relevant periods by conditioning the outdoor air. Doing so allows for electricity consumption reductions by supporting existing climate control systems during summer and winter periods and also increases the indoor air quality during climate transition periods by utilising only the DX systems. Apart from this, we support



heating with the condensing natural gas cascade system. We not only save energy but also utilise daylight to its full potential with dimming LED fixtures on all floors. We use waterless urinals or light sensors and only choose plants that can grow with rainwater for the building and only use n plants that do not require watering in the cafeteria area to reduce our water consumption. We manage our vehicle fleet with an environmentally friendly approach by implementing vehicle tracking systems and providing training on fuel-efficient driving.

Innovation

As a result of these activities, in the 2016/17 fiscal year, we managed to reduce the energy consumption of our fleet by

1%		
despite a		
2%		

increase in the number of vehicles.

With waste production as well as natural resource consumption reduction targets in all areas of our operations, we support activities to reduce our impact on the environment. We adopt the "Waste Management System Procedure" as part of managing waste occurring from our operations and take great care for the minimisation, separate collection, intermediate storage, obtaining advisory services for identifying transfer points when necessary, transportation, recycling and disposal of waste in line with the legislation by monitoring and controlling these processes. Apart from this, we continue our procedures of achieving paper savings by electronic billing and recycling waste paper.

We use paper, plastics, glass, domestic and metal packaging waste collection bins in order to collect waste separately. We

合 〈 〉 27

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Appendix

implement raising awareness and incentive campaigns for our employees to achieve further reduction, separate collection and recycling of waste.

We have prevented the cutting down of an estimated 136 trees by recycling approximately 8 tons of paper waste through our waste management activities in the 2016/17 fiscal year. By doing so, we have managed to save an estimated 11,696 trees by collecting and recycling 688 tons of paper waste in our buildings over the last 9 years.

In addition, by recycling plastic waste packaging by putting recycling bins in place over the July 2008 – March 2017 period, we achieved energy savings equal to the daily energy requirement of an estimated 43,661 buildings.

We replace the equipment in our base stations with technologically advanced, more energy efficient ones following the advancements in telecommunication technologies and technological requirements. Our priority as part of this transformation is to allow the reuse of the equipment where possible in different technical infrastructure systems as well as reducing resource consumption. Where this is not possible, we manage their recycling in compliance with legislations and international guidelines.



Percentage of our network-based waste is recycled by licenced recycling companies



Numbers of waste materials from network operations have been collected within the scope of our waste management system

2016/17 fiscal year



10-year period



COL PLA

Our Sustainable Business Strategy E

- James Harrison in

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation Appendix

PLEASE SCAN THE OR CODE TO WATCH THE SMART VILLAGE AERIAL FOOTAGE.



企 > 29 <

Our Sustainable **Business Strategy**

Energy Empowerment Innovation

Women's

Youth Skills and Employment

Principles and Practice

Innovation

Vodafone Turkev Foundation

Appendix

Smart Village

We are transforming rural life along with people, cities and institutions in line with our vision to lead digital transformation in Turkey. Vodafone Farmer's Club founded with this vision in partnership with TABIT under the the Ministry of Agriculture and Livestock, has reached 1 million members. With the platform, which was extended to 6 more countries following the success of Vodafone Turkey, we share location-based information (weather alerts, incentive news, exchange prices etc.) to help farmers.

In 2016, to further carry our initiative step further, we started the Vodafone Smart Village project with TABIT in the Kasaplar Village in the Koçarlı region of the city of Aydın. In the Vodafone Smart Village, we develop models based on agricultural technology trials that will increase farmers' incomes. Our vision with the Vodafone Smart Village project is to extend these accessible technologies to 642,000 farmers in 5 years throughout Turkey in waves with successful and sustainable business models. While increasing the economic value of agriculture with accessible technologies by including family farmers who are working by their own means, we also share the target of incentivising agriculture as an attractive and high income potential job alternative for young generations in Turkey.

In our first production trial for melons, we achieved a 150% increase in efficiency by implementing environmentally friendly agricultural technologies.



20% In agricultural costs reduction

> 10% increase

in production

We also showcase our IoT technologies that increase efficiency and savings in our Vodafone Smart Village project. Water represents one of the most important resources in both personal and industrial agriculture. With our Agricultural IoT solutions, we enable automatic irrigation by utilising soil moisture, current weather information and calculating plant needs. With more efficient water use, we prevent excessive water waste apart from product needs and unnecessary fuel consumption of motors used in water distribution. We are planning to extend these agricultural technologies and Agricultural IoT products that are tested in Vodafone Smart Village to our Farmer Solution Partner channel which we will establish by going directly to farmers in villages.

We aim to add a TRY 15 billion value to Turkey's agricultural economy

Another important aspect of our Smart Village project is social development. We support social development of women and children with this project:

- We established the Women Technology Training Centre together with the Vodafone Turkey Foundation in the Smart Village. With this centre, we aim to increase the technological literacy of all women in the village.
- We started the "Women Farmer Entrepreneurship Project". Through this project, we aim to empower women

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

- economically by allowing them to raise their own produce with the aid of available technologies. Within the scope of the project, 10 women farmers who received entrepreneurship and greenhouse trainings procured 30 thousand heads of lettuce and received additional income of approximately TRY 25,000 in total.
- We also plan to give coding training to the children in the village within the scope of our "Coding Tomorrow" project. These children will be able to write their own codes for agricultural technologies in the future.

Stakeholder Opinion

HÜSEYİN KÖMÜRCÜLER Farmer



"I received 50% less efficiency due to not having the infrastructure last year. However, this year I tracked my crops with Vodafone Smart Village and achieved success even in the July-August heat. The ones who used to call me crazy and consider Smart Village a pipe dream are now congratulating me on my success."

Energy Efficiency Solutions for our Customers

As Vodafone Turkey, we provide IoT (Internet of Things) solutions and services for many sectors from financial services to healthcare, agriculture to urban development and from manufacturing to energy. Thanks to our solutions, we can constantly monitor things in real-time, pursue, manage corporations'



business processes and crate savings. As energy has a direct impact on time, people, inventory and sustainability, they are among the main resources being saved as a result of our services.

Through our IoT products and services, such as smart meter reading, energy management and optimisation, fleet and vehicle tracking systems, waste management systems, navigation systems and mobility managements, we help our customers and business partners to reduce water, gas, electricity and fuel consumption and therefore enable improvements on greenhouse gas emissions.

Innovation

More than 65% of our IoT (Internet of Things) product range supports mitigation measures to reduce greenhouse gas emissions.

Fields of Practice of our IoT Solutions

Energy

- Remote, real-time collection and analysis of electricity, natural gas and water meter readings makes it possible for energy providers, businesses and municipalities to optimise power generation and consumption, enabling the follow-up on lost and stolen energy.
- Ranging from houses to companies, electricity and gas consumption can be reduced by between 3 to 15%.

🚡 🎸 📏 31

Our Sustainable **Business Strategy**

Women's Empowerment

Energy Innovation Youth Skills and Employment

Principles and Practice

Innovation

Vodafone Turkev Foundation

Appendix

Health

- Thanks to the Vodafone Chronic Disease IoT solution, physicians can monitor their patients in real time while at home, and when health problems and risky situations arise, health departments can get in contact with patients. Thanks to this technology, the intervention period is shortened, the unnecessary vehicle use between hospital and house has been minimised and therefore the resulting greenhouse gas emissions are prevented.
- Support to diabetes patients of Memorial with IoT Technology

With Vodafone Turkey IoT technology, Memorial can observe diabetes patients at any time thanks to an IoT device and comprehensive IoT mobile connection. As a result, patients are under control at all times without needing to visit the hospital to be checked therefore by minimising unnecessary hospital to home travel, fuel consumption is reduced.

Smart Buildings

Today, ventilation, lighting and heating systems are the most energy consuming components in buildings. Vodafone IoT technology enables ventilation to function according to

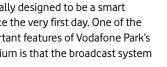
the density and circulation of people in buildings during the day to achieve the targeted indoor temperature, illumination according to daylight level, and real time management of these factors whenever necessary. Thus, we convert the buildings into environmentally friendly structures, which manage their own energy consumption well.

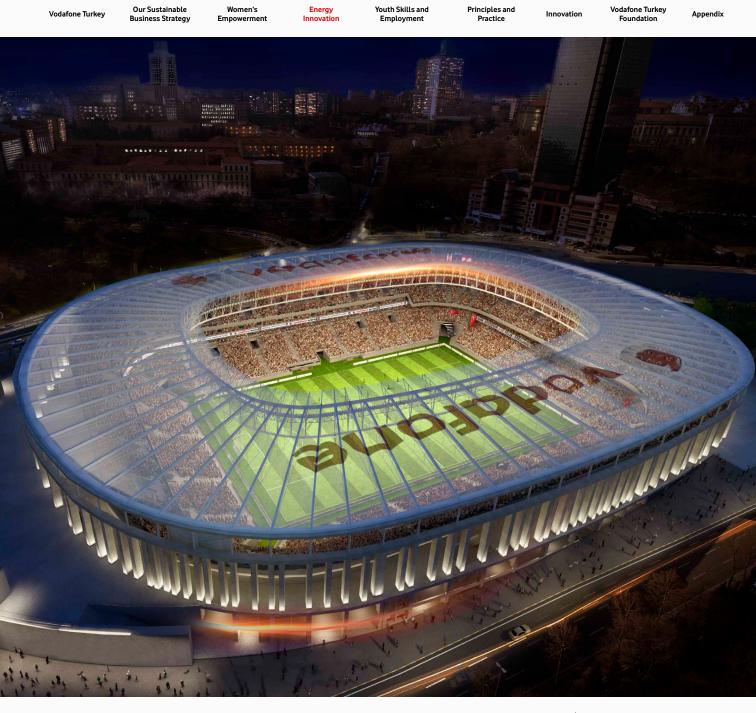


VODAFONE PARK

Unlike many other stadiums, the smart stadium infrastructure in Vodafone Park. the First Smart Stadium in Turkey, has been architecturally designed to be a smart project since the very first day. One of the most important features of Vodafone Park's Smart Stadium is that the broadcast system and mobile applications interact with fans. In Vodafone Park, data and telecom rooms were installed to feed the entire smart stadium infrastructure. The stadium has high-bandwidth Wi-Fi, 2G, 3G and 4.5G network connections to meet the needs of 50.000 visitors. Fans are able to follow important positions and match statistics on more than 700 interactive screens and more than 2.200 in-seat screens that are located in different locations and managed from a single centre. The Vodafone Park application, which interacts with the fans, is designed to perfect the smart stadium experience.

Thanks to the highly efficient energy and cooling systems preferred in the stadium's system rooms, the implemented infrastructure can potentially save about 2 million kWh in energy consumption annually compared to its counterparts. In this regard, we prevent about 1,100 tons of greenhouse gas emissions annually. This amount equates to the total annual electricity consumption of approximately 1,000 households and to the total greenhouse gas emissions from approximately 740 households.





Our Sustainable Business Strategy E

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Appendix

Stakeholder Opinion

BERNA KULAKSIZ

Vodafone Corporate Solutions Director



Can you tell us about the global importance of IoT and the level of implementation in Turkey for Digital Transformation and Industry 4.0 applications?

IoT is not a step in the digital conversion process but a driving force. By 2025, the economic impact of the IoT is expected to exceed \$ 10 trillion, amounting to more than 10% of the global economy, and to have an impact overall economy by the 2030's. The world of connected devices is expected to reach 200 billion units in 2020. Developed industrial countries are investing hundreds of billions of dollars. focusing more on Industry 4.0 each year. With the investments made, it is aimed to implement Industry 4.0 standards and methods correctly to;

- Improve production quality and production volume with automatic and artificial intelligence algorithms,
- Improve production ecosystems and processes where producers, suppliers and other stakeholders are becoming more optimised,



 Decrease the margin of error while increasing income and profitability with real-time audit and intervention.

In Turkey, IoT is more mature in the fields of automotive, energy, logistics and finance, and it is increasing in agriculture and urbanisation procedures. In our country, it is necessary for manufacturers to adopt Industry 4.0 and IoT technologies more and start the necessary investments in order to move Industry 4.0 applications forward. With these investments, the national economy will be contributed to in accordance with the productivity increase in production.

How do you evaluate the ICT sector and Vodafone Turkey's role in digital convergence and industry 4.0 applications?

The ICT sector should support all business areas with innovative solutions and practices in transformation, and advise companies to implement the right transformation strategies. Every new solution offered by the ICT sector has an important effect in reducing costs, improving business processes and increasing mobility and flexibility in all business areas.

As Vodafone Turkey, we have taken the lead role in the digital transformation of large, medium and small businesses and cities:

- For this, we measure the digital index of firms at all scales, we extract the conversion materials they need; thus we provide conversion consulting.
- We integrate our services with the solutions identified by our business partners and provide end-to-end solutions to our customers.

Our Sustainable Business Strategy Err

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Appendix

Could you tell us about Vodafone Turkey's prominent work in the context of IoT applications?

We have products and solutions specified for each sector and we offer these for the benefit of our customers. We have a broad portfolio of products ranging from smart vehicle products to energy management solutions, payment tracking solutions, agriculture, healthcare and urban solutions. Our IoT connectivity service can tailor our service to all business needs and we can offer the same service abroad. For the first time in Turkey and in the Vodafone Group, we invested in the IoT Platform to develop IoT services. In this way we will be able to rapidly develop innovative services along with our solution partners and introduce them to the market. We are proud of our usage-based insurance specific for the insurance sector, chronic illness follow-up for the health sector, smart vehicles exclusive to the automotive sector and energy management solutions for the energy sector. We are the first operator in Turkey to undertake and develop an Industry 4.0 project. As the operator providing the first Narrow Band IoT connection service in Turkey, we made available this innovation in Turkey for all uses.

Are there any issues that Vodafone Turkey has pioneered in the field of sustainability in your view? How do they contribute to the business community and the development of the community?

As Vodafone Turkey, we make a significant contributions to sustainability in the fields of energy, intelligent urbanism, healthcare, agriculture and automotive, and we have continued our activities as a pioneer in these fields for the last 5 years. With the Automatic Meter Reading Solution, we reduce manual meter reading costs. With our waste management solutions in Smart City Planning, we improve waste collection processes and consume less fuel and indirectly reduce greenhouse gas emissions. With our Vehicle Telematics Solutions, we are helping to conserve less fuel by controlling



instantaneous fuel consumption and driver behaviour, contributing to sustainability in different areas. Every contribution to sustainability is a contribution to the development of the national economy, the business world and our society. Costs are reduced with more efficient use of resources so the business world can have more resources for investment. In this regard, more employment opportunities are provided. As society sees this opportunity, the acceptance of solutions increases and sustainability extends to all processes.

Smart Cities

Innovation

The digital population in our country is increasing day by day as it is around the world. We live in a time when it is necessary to digitise public services at the same pace as the digitalisation of the population. As part of our smart city solutions, developed in line with this need, we offer solutions ranging from buses to vending machines. elevators to building lighting and ventilation systems, municipal applications to security systems. In parallel with these solutions, we announced the "Smart City Road Map" report, which can be used by municipalities working towards smart cities in Turkey as of 1 December 2016 in order to increase public satisfaction and contribute to creating sustainable cities.

It is foreseen in the report prepared with the participation of 23 metropolitan municipalities in Turkey that if smart city programs are designed on a country wide basis and implemented in a holistic manner that they will contribute to Turkey's GDP by about 30 billion TL annually. As part of the first stage, "Smart City Road Map", the target is to select 30 metropolitan municipalities and turn them into smart cities. According to the report, 20% in energy savings will be achieved in the country if this goal is achieved. With smart traffic applications, if an average of 100 minutes per day spent on traffic is avoided, an average of 104 million hours a year can be saved in a city with a population of more than 10 million people. In addition, with smart intersection



Our Sustainable Business Strategy Em

Women's Empowerment li

Energy Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation Appendix

applications, an average energy reduction of 45% per day can be achieved at intersection stops.

The report on Turkey also includes the results of the Digitalisation Index developed by Vodafone. The "Smart City Index" study put together by Vodafone with the support of the Ministry of Development with 26 metropolitan municipalities throughout Turkey shows that the average digitalisation score of the metropolitan municipalities was 55%. The municipalities have scored 52% in Digital Services, 49% in Digital Operations and 59% in Digital Technology Platforms.

İTAKSİ

- The iTaksi brand which provides mobile payment, security and mobility facilities in Istanbul taxis gets support from Vodafone Turkey IoT technology.
- Thanks to Vodafone IoT technology, taxi location information can be detected and city dwellers can see the nearest free cabs on mobile application. The fuel consumption is reduced by up to 25% per taxi as the taxi is directed to the nearest customer.

NARROW BAND OBJECTS INTERNET (NBIOT)

We launched the Narrow Band Objects Internet (NBIoT) technology for the first time in Turkey and as Vodafone Turkey the second among the Vodafone Group network. With NBIoT technology, which was first introduced and experienced with at the Vodafone



Digital Conversion Summit and later exemplified in smart parking solutions in various municipalities, objects can be served at a lower wireless power level, contributing to the environment by lowering energy consumption with lower battery usage.

EXAMPLES OF SOLUTIONS WE OFFER FOR SMART CITIES

- Thanks to Vodafone IoT's intelligent intersection solutions, traffic light signs are managed in real time, lights at intersections are instantly changed according to vehicle intensity, thus avoiding unnecessary stopping and idling of vehicles and reducing fuel consumption by an average of 6%.
- Thanks to Vodafone IoT technology's Intelligent Waste Management solutions, the occupancy rate of waste containers is instantly locally determined and the routes of waste collection vehicles are determined more effectively. This saves fuel by up to 30%.
- Thanks to Vodafone IoT technology's Smart Parking solutions, drivers can keep track of the occupancy rate of parking lots in real time and reserve them for use. In this respect, drivers both save time and save extra fuel spent to search for empty car parks, which prevents extra greenhouse gas emissions.
- Thanks to our IoT technologies; vehicles (taxis and municipal buses) are monitored including their location, fuel consumption, idle usage, distance used, driver behaviour, and measures can be taken to reduce greenhouse gas emissions.

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation Appendix

As of November 2017, we provided training to 4,558 children. We introduced robots to 715 children in hackathons.

We are Raising Generations who Produce Technology



PLEASE SCAN THE QR CODE TO WATCH THE "CODING TOMORROW" VIDEO.



We are helping to develop our children's digital competencies through coding and robotics training with our "Coding Tomorrow" project we run with the Habitat Association since August 2016. Children between the ages of 7-14 are being taught the 4 basic values (imagine, design, build, share) of the do-it-yourself culture in the trainings given within the scope of the project.



Our Sustainable Business Strategy Empowerment

Women's

Energy Innovation Youth Skills and Employmeint

Principles and Practice

Appendix

Vodafone Turkev

Foundation

Youth Skills and **Employment**

Unemployment and the lack of sufficient participation in the labour force of young people shows itself with an unemployment rate exceeding 20% in our country, which is also a global problem and causes difficulties for the future of the economy. For adults who have completed their education and entered the workforce, continuous unemployment (or low quality - intermittent jobs) can cause serious problems.

During the past decade, mobile communications and digital technologies have begun to transform every aspect of the lives of hundreds of millions of people at home and at work. But technological developments can also lead to negative social consequences. In the coming years, robots and artificial intelligence applications will lead to increased automation in many sectors and will affect issues such as employment, skills and salaries of employees. We, as Vodafone Turkey, are making efforts to increase the skills and employment of young people with our investment and understanding as responsible employers.



Our Employees

OUR COMMITMENT

- We will continue the support of the participation of individuals with highpotential in the Vodafone network and the identification of our highly talented employees in our organisation and their preparation for leadership roles.
- We will be an exemplary workplace which is "Sensitive to gender equality".

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

- To employ 40 newly-graduates through the Discover Young Talent program in July 2016.
- Ensure that at least 50% of young talents who participate in the Discover Young Talent program are female.

Our Sustainable Business Strategy E

Women's Empowerment Energy Innovation Youth Skills and Employmeint

Discover Young Talent Program

As Vodafone Turkey, we find it highly

important for new graduates to make

career choices that will support their professional development. We believe that

the right choices support the sustainable

development of both the company and

the employee. In line with this approach,

Principles and Practice Innovation Vodafone Turkey Foundation Appendix

39

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

- To employ 40 newly-graduates through the Discover Young Talent program.
- Ensure that at least 50% of young talents who participate in the Discover Young Talent program are female

IN THE 2016/17 FISCAL YEAR

Discover Genç Yetenek Programı ile



new young talents joined the Vodafone family.

63%

The percentage of female young talents joining us in the Discover Young Talent Program

WITH THE ONGOING PROGRAM SINCE 2008



young people have joined the young talents of Vodafone to date.



we carry out our new recruitment of young talent through the Discover Young Talent program, which Vodafone has been implementing in all countries on a global scale since 2008.

We adopt the Discover Young Talent program as a program aimed at expanding Vodafone Turkey's talent pool, as well as enabling young people with high potential to gain access and benefit from local and global career opportunities at Vodafone, which can be supported with training and development programs.

The program, which is open to university students from all over Turkey, begins with a five-stage evaluation and selection process and offers a three-week orientation to young people who join the Vodafone family. Through the Orientation program, the Discoverees gain a wide range of experience from being at different customer contact points from sales consultants at Vodafone stores to customer representatives at our call centre. The new graduates, who have performed two different rotations during the first year of the program, have the opportunity to learn about different functions and business lines at Vodafone closely for about six months and learn more about the specialties of these business lines.

Our Sustainable Business Strategy E

Women's Energy Empowerment Innovation Youth Skills and Employmeint Principles and Practice Vodafone Turkey Foundation Appendix

Stakeholder Opinion

YUSUF TORLAK Discovery Participant



"As an individual, we must be open to changes in order to adapt and manage the developments in the world and especially in the telecommunication sector with the acceleration of the advancing technologies and digitalisation. Thanks to the Discover program, an important brand that Vodafone owns with the mission of cultivating future leaders, I have had the opportunity to work in two teams with very different dynamics such as Marketing-Channel Management and Internal Communication in the first year of my professional life. My involvement in these teams despite the fact that I am a new graduate, has given me the opportunity to recognise my strengths and development areas at this early stages of my career and thanks to the important projects I have taken on many responsibilities. I am delighted to be a part of the Vodafone Discover program, which gives me the opportunity to gain great experience in a short period of time and the opportunity to develop myself in many different areas."

Global Columbus Talent Exchange Program

OUR COMMITMENT

We will continue to support the participation of potentially high-powered individuals in the Vodafone network and the identification



of our employees with high potential in our organisation and their preparation for leadership roles.



OBJECTIVES FOR THE 2016/17 FISCAL YEAR

Innovation

Through the Global Columbus program, to help 2 Vodafone Turkey Discover participants gain global experience at Vodafone companies in other countries and also host 2 Discover participants from other Vodafone countries at Vodafone Turkey.

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

With our Global Columbus program, our two young talents were assigned to Vodafone offices in different countries to work for two years.

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

Through the Global Columbus program, to help 2 Vodafone Turkey Discover participants gain global experience at Vodafone companies in other countries and also host 2 Discover participants from other Vodafone countries at Vodafone Turkey.

We have been participating in the Vodafone Group's Global Columbus Talent Exchange program since 2011 to offer our young talents the opportunity to gain international and project-based work experience. Young talents in the Vodafone family gain the chance to participate in the Discover program. Each year, talents selected among our high-performing Discover

Our Sustainable Business Strategy Em

Women's Empowerment

Energy Innovation Youth Skills and Employmeint Principles and Practice Innovation

Vodafone Turkey Foundation Appendix

program participants, who are successful in the assessment centre, are assigned to Vodafone companies in different countries to work for two years. This year, two more of our employees took part in Columbus and went abroad. A total of 22 young talents benefited from the Global Columbus Talent Exchange program to date.

Corporate Mentoring Program

OUR COMMITMENT

In line with our strategy, goals and priorities we will design and implement development programs to create a learning and highperforming organisation with the help of Vodafone Red Academy.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

To open up a new mentor workshop every three months and to ensure that the number of mentees in the Corporate Mentoring program pool is not below 150.

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

At the end of the 2016/17 fiscal year, the number of mentees in the pool was determined to be 268.

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

Our goal for the 2017/18 fiscal year is to have no less than 200 mentees and no less than 100 mentors in our employee pool.



A total of 76 mentors and mentees have started the Corporate Mentorship Program in the 2016/17 fiscal year, which is designed and developed with the goal of helping employees both on their own development and on building the potential of another employee. We also launched the mentoring process for women working in the sales function within the scope of the Women in Sales Project, and already, 35 of our employees are included in the mentoring process.

For the 2017/18 fiscal year, we planned two mentoring periods for May 2017 and November 2017, and our aim is that the number of mentors and mentees will not fall below 100 and 200 respectively. We also plan to pass on the mentoring process for women working in the technology function within the scope of Women in the Technology Project during this fiscal year. In addition to all these processes, we plan to launch a new mentoring process in which the mentors are selected from across the Company while the mentees are selected from customer service.

International Development Program (IDP)

The International Development Program is designed to allow an employee from any country of the Vodafone Group to work in a different Vodafone country for 4 to 10 weeks. With this program, we aim to enable our employees to exchange good practice experiences with a different country, develop their own knowledge and improve themselves to be prepared for different roles. We also want our employees to have the opportunity to develop business relationships with colleagues doing similar work in different countries. Since its initiation. 12 employees from eight different countries took part in this program in Turkey, and 6 Vodafone Turkey employees also participated in this program in 5 different countries.



Our Sustainable Women's Business Strategy Empowerment

Energy nt Innovation Youth Skills and Employmeint

(Phabitat

Principles and Practice

Appendix

Until the end of this fiscal year, we aim to welcome two employees from different countries in Turkey and to assign 2 of Vodafone Turkey employees to a different country for a short period of time.

Determination Process for Projects and Candidates



Evaluation Process

After completion of the short-term assignment within the program, the employee reviews the process before returning to his / her home country, and his / her manager's feedback is collected and recorded in corporate records. In addition, we collect feedback from both the employee and the manager in order to be able to evaluate the human resource needs that may arise in the future.

Society

Coding Tomorrow Project

NAME OF THE PROJECT Coding Tomorrow

START DATE August 2016

OUR PARTNERS Habitat Foundation

OUR AIM

- Strengthen the human capital in order to contribute to the growth of software sector in Turkey.
- Ensure that the young generation has the digital talent to participate in the global economy
- Provide high quality computer technology education

 Provide the basis for children's awareness in robotics.

Innovation

- Encourage children to develop innovative ideas and provide basic solutions to them.
- Support equal opportunities in education.

TARGET AUDIENCE AND OUR ACHIEVEMENTS

- Help children between the ages of 7-14 become literate
- Education in 15 cities
- Education for 739 Syrian children
- 6 hackathons in 6 cities
- 715 children to join hackathons
- One of the children who received education participated in the Connected Education event in England.

2016 PROJECT CITIES (6 CITIES)

Istanbul, Izmir, Samsun, Mardin, Kayseri, Sanliurfa

PROJECT CITIES UNTIL 2017 NOVEMBER (15 CITIES)

Istanbul, Ankara, Izmir, Bursa, Erzurum, Kars, Kilis, Mardin, Urfa, Afyon, Antalya, Denizli, Kayseri, Rize, Samsun

Our Sustainable Business Strategy Women's Empowerment Energy Innovation Youth Skills and Employmeint Principles and Practice Appendix

TARGET PROJECT CITIES FOR 2017/18

Istanbul, Ankara, Izmir, Bursa, Erzurum, Kars, Kilis, Mardin, Şanlıurfa, Afyon, Antalya, Denizli, Kayseri, Rize, Balikesir, Malatya, Edirne, Manisa, Aydin, Mersin, Adana, Samsun, Trabzon, Duzce, Siirt, Gaziantep, Elazıg, Erzincan, Konya, Eskisehir, Sivas ve Kibris

As Vodafone Turkey Foundation, we have been developing the digital competencies of children, who are architects of the gigabit community, through coding and robotics training since August 2016. We have been doing this with the Coding Tomorrow Project in cooperation with the Habitat Foundation.

Within the framework of the "Coding Tomorrow" project, we aim to foster generations of creators, not consumers of technology during the digitalisation process of Turkey. With this project, children aged between 7 and 14 are trained in coding through the "Scratch" coding program developed by MIT, known as the best technical university in the world, and the participants develop ideas about programming within the context of education to increase their creativity and create their own imaginary worlds so they can produce their own games. The training programs are provided by the young volunteer instructors from the Habitat Association. Children who are studying Scratch also work in teams to get acquainted with the mBot robots and learn the basics of electronics and

circuit systems by receiving introductory training on robotics programs and Makey Makey applications. All day hackathons are organised so that students can apply what they learn.

Arduino is the third level of training given as part of the "Coding Tomorrow" project provided for children aged between 10 and 14. During the 16-hour Arduino training,



children have the opportunity to access an end-to-end training from basic electronics to three-dimensional modelling to practice creation and prototyping. As of December 2017, we plan to have Arduino training programs as the third step of the project in Istanbul and Ankara.

The training program was designed to include all the current content that children should have in the context of coding.

Through this program, children learn to create their own games and animations, and in the training programs given within the project, children are taught 4 basic values that constitute the basis of the do-ityourself culture:

- Dream
- Design
- Do
- Share

Social Impact of the Coding Tomorrow Project

Number of project cities		5
Number of children participating in the project		407
Time Frame		Sept. 2016 - Feb. 2017
	Before the Training (%)	After the Training (%)
l know about the Project	22.3	56.8
l am interested in the program	54.1	72.4
l feel happier when programming	60.9	78.1
l can make my own games with Scratch	22.9	54
I can code longer and more difficult programs to crack a software	18.2	53.3
I want to remake a game which has been made earlier using Scratch	40.6	63.3
l want to be a programmer in the future	23.9	50.6

Our Sustainable Business Strategy E

Women's Empowerment Energy Innovation Youth Skills and Employmeint Principles and Practice Innovation

Vodafone Turkey Foundation Appendix

Success Stories from the Coding Tomorrow

ESRA ELBUĞA

Coding Tomorrow Project Participant



The "Connected Education" Report, which was prepared by the Vodafone Group Foundation to draw attention to the effects of digitalisation in education, was announced in London last June. Esra Elbuğa, an 11-year-old who participated in the event on behalf of Turkey and was trained as part of the "Future Coders" project, received great interest from the audience by explaining how coding has changed her life. Esra Elbuğa, born in 2007, whose family migrated from Batman to Istanbul 20 years ago, stated that the coding changed her point of view towards life and stated that all children should receive this education. Esra, who wants to be a shoe designer in the future, said that coding training had a major impact on this dream of



hers. Esra said that, when she achieves her dream, she first wants to design a shoe that could massage her father who's tired when he comes home in the evening.

"Coding training has increased my interest in technology and also had a positive impact in my education. I think there is a link between mathematics and coding. Especially in mathematics classes, I now feel more comfortable and successful. I think all my peers should benefit from these opportunities."

BERK SÜRÜCÜ

Coding Tomorrow Project Voluntary Trainer



18-year-old Berk Sürücü set up a coding stand and presented to the participants a live demo of the coding program in Connected Education event in London. Berk won the "Young Entrepreneurs" award with the project he developed with his team over a 54-hour hackathon in Silicon Valley in 2014. Berk, who is also a member of the 3646 INTEGRA, a FRC Robotics team which was selected among the top three in the world in 2016/17 period, is a voluntary trainer in the "Coding Tomorrow" project and provides software and algorithmic thinking training for children between 7 and 14 years old.

Our Sustainable Business Strategy

Women's Empowerment Innovation

Energy

Youth Skills and Employmeint

Principles and Practice

Innovation

Vodafone Turkev Appendix Foundation

"I am 18 years old and I'm a senior in high school. I am interested in software. My interest in software development began at an early age and I learned some basic software languages. When I saw the Coding Tomorrow Project, I was thrilled to be able to improve myself and teach coding to younger children, so got involved in the project. As students, we're already learning from our teachers. But now there is a new concept, which is "learning while teaching". It gives me great pleasure to teach others within this concept. I am able to communicate with different people and different age groups through different channels with coding, which enables me to improve myself."



KUTAY YALCIN Coding Tomorrow Project Participant



"People who start coding late in their life have a hard time completely understanding it because they would be past their peak for learning. It's easier when you learn coding at a young age as your brain processes it robustly. We work with robots and code with the scratch program. We have fun as we learn. Learning to code, which actually sounds hard to us, is better this way. I want to contribute to this project in the future as a computer engineer."

Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

46

3,323 Vodafone Turkey employees,
9,786 dealer and 21,084
sub-dealer employees, more than
5,700 call-centre employees,
business partners, university
students and our customers...

Women's

Empowerment

We are Preparing for the Future



We respect human rights; offer opportunities for development to our employees, stakeholders and society with the awareness that investing in people is the most important asset; constantly work to provide the perfect customer experience. It is our most basic responsibility to take measures for protecting every individual who works for Vodafone. We care about our contribution to the economy and public policies. We give the utmost importance to support welfare increase and ensuring compliance with laws wherever we operate. We show zero tolerance to bribery and corruption.



Our Sustainable Business Strategy Energy Innovation

Women's

Empowerment

Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation

Appendix

Principles and Practice

Our Approach to Human Rights

At Vodafone Turkey, we fully acknowledge our responsibility to "respect human rights" as presented by the United Nations Guiding Principles on Business and Human Rights. We extensively demonstrate our respect to human rights in Vodafone Code of Conduct.

We conduct various activities in our company and supply chain in the areas with potential risks identified by the Vodafone Group.

Labour rights: We respect the rights and freedom of all our employees and individuals in our supply chain. Our employment policies that were formed around Vodafone Code of Conduct are also in line with the UN Universal Declaration of Human Rights and Core Conventions of the International Labour Organisation. Within the framework of our Code of Ethical Purchasing; we obtain commitment from all of our suppliers that they will operate in compliance with our standards on human rights, occupational health



and safety, ethics and environmental protection, and we monitor the fulfilment of such commitments.

 Civil and political rights: The most fundamental issues in our sector are freedom of expression and privacy.
 We have respect for the privacy rights of our customers in accordance with local regulations and international rules on human rights. We comply with Vodafone's Privacy Commitments in all our activities and services.

- Child Rights: The exposure of children and youth to harmful content via digital media are among the issues that generate public concern. As Vodafone Turkey, we offer various programs to support parents in encouraging their children to use digital technology in a secure and responsible way.
- Economic, social and cultural rights: We adopt a "zero tolerance" approach to bribery and corruption, as outlined comprehensively in our Code of Conduct.

⁵ https://www.vodafone.com/content/dam/group/about/downloads/code-of-conduct/Turkish-Code-of-Conduct.pdf

r 🗸 📏 47

Women's Empowerment

Energy Innovation Youth Skills and Employment

Principles and Practice

Foundation

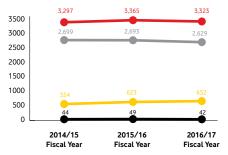
Our People

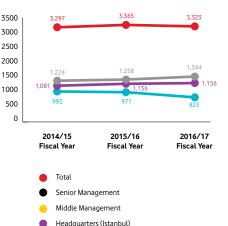
Our Human Resources Policy

- To create a customer-centered organisational culture where we "anticipate the needs of our customers; make innovation an integral part of the way we do business by putting ourselves into the shoes of our customers; and make a difference through ownership and commitment",
- To meet our employee requirements most efficiently, enable employees to manage their careers through internal performance and talent management, prioritise employees through internal career opportunities, and train professionals who will lead the mobile data revolution in Turkey,
- To create an organisational culture of constant learning and teaching, to be an excellent company that employs only the best talent, customer oriented, and believes in the strategic importance of executive and leadership development and team spirit.



In line with our Diversity and Inclusion Policy, we value and celebrate our diversity during recruitment, performance assessment and promotion processes.





Call Centre (Istanbul, Ankara)

Other (Senior Expert, Expert, etc.)

Other*

*Other: Covers employees who mainly work in technology and sales in regional centres in 12 cities, including Istanbul, Ankara, Izmir, Adana, Antalya, Bursa, Diyarbakır, Erzurum, Kayseri, Sakarya, Samsun, and Gaziantep.

Our Sustainable Business Strategy

Women's Empowerment

Energy Innovation Youth Skills and Employment

2014/15 Fiscal Year 2015/16 Fiscal Year

2016/17 Fiscal Year

Principles and Practice

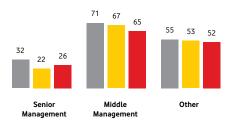
Appendix

Age Range by Staff Category (%)

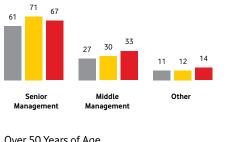
Under 30 Years of Age



Between 30-40 Years of Age



Between 40-50 Years of Age



Over 50 Years of Age



Vodafone RED Academy

Innovation

While aware that investing in people creates the highest value, we are committed to being a global brand that leads the business world with the development opportunities we offer to our employees, stakeholders and society. With our training and development centre Vodafone Red Academy, we create projects to empower our target audience of 3,323 Vodafone Turkey employees, 9,786 stores, 21,084 sub-dealer employees and over 5,700 call centre employees, business partners, university students, and customers in using new technologies efficiently.



Within one year of professional and personal development, we touched the lives of our employees via 426 different in-person trainings and 547 different e-learning contents.

49 1n1

Our Sustainable Business Strategy Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Appendix

Vision of Vodafone Red Academy

To become a unified communication academy committed to supporting the digital transformation of leaders in Turkey through innovative and out-of-the-box development solutions for the satisfaction of Vodafone customers.

Mission of Vodafone Red Academy

To become a development centre that leverages Vodafone's global knowledge with our local experiences to benefit our entire eco-system.

Internal Training Process

We are committed to continuous learning and teaching, to thus improve our operational performance. Red Academy guides our employees on their professional and personal development journey with an internal training staff of 141 people. Our trainers design learning solutions in line with our business objectives and transform these into efficient training programs in various areas.

Our internal trainers also support a variety of platforms with training and development programs outside of Vodafone, especially at universities. They also provide development guidance to a large Vodafone ecosystem of employees, suppliers and stores. Periodically, employees can attend the assessment centre of Red Academy and become internal trainers if they succeed.

We organise "Internal Trainers Day" every year for our internal trainers, who deliver 78% of our training courses annually. On this special day, we bring our Human Resources Team together with internal trainers and their managers. On this special day where



we bring together the Human Resources Team and all our internal trainers and their managers, we support education in Vodafone and ensure that all stakeholders who provide continuous improvement meet on a common communication platform.

Training Management System

Innovation

As Red Academy, we offer our employees all personal and professional developmenttraining programs via Vodafone Learning - our training management system. Used throughout the Vodafone Group, the platform helps participants easily plan, follow and report in-class and online trainings as well as examine training contents and access the courses required. Vodafone Learning Platform also operates in line with seven professional development portals for various functions created by Vodafone Group. With this integration, our employees can access all training courses that will support their occupational and professional development via these portals.

When information needs to be made available rapidly to all channels, we make use of mobile training and videos, which we develop, with our in house resources by using various content development tools. In addition, we use interactive e-learning methods to provide all field staff and call centre employees with the training courses related to the systems and the productsservices that are compulsory to learn.

Vodafone Red Academy Learning Center

Vodafone Red Academy has the goal of providing the best digital learning experience to its employees, and it unveiled its new building "Learning Centre" on June

Our Sustainable W Business Strategy Em

Women's Energy Empowerment Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation Appendix

10, 2015 in Taksim, Istanbul. The Centre was designed as the best digital academy in Turkey and provides a customised learning experience to the participants via mobile applications. Also, the "beacon" devices within the building are used to automatically monitor the participation of employees during the training.

Selections from Vodafone Red Academy Programs

We reached 236 people in "Vodafone United" competency development program, which is designed to bolster team spirit and inter-departmental collaboration. With this program, we have been awarded with the "Best Program that Supports Transformation in Business Strategies" award by Brandon Hall and "Education and Development Program with the Best Impact on Results" award by the TEGEP Association in 2015.

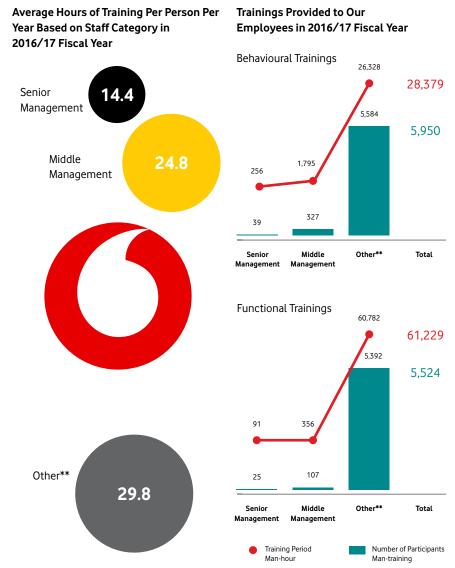


Our People

29.8

3rd Party Employees

6.3



** Includes all staff other than Senior and Middle Management.

** Includes all staff above Senior (E, D and C bands) and middle management (F band).

☆ く > 51

Our Sustainable Business Strategy E

Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation

Appendix

Employee Surveys

OUR COMMITMENTS

We will continue to maintain employee loyalty and encourage them to be brand ambassadors that recommend Vodafone products and services.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

- To maintain Employee Loyalty Index score at 80.
- To reach 77 points at Employee Net Promoter Score.

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

- Our Employee Loyalty Index score was 81.
- Our Employee Net Promoter Score was 74.

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

- To maintain Employee Loyalty Index score at 80.
- To reach 78 points at Employee Net Promoter Score.

Through a "People Survey" conducted every year in the Vodafone Group, we do a pulse check of our current working climate. The results of the survey answered anonymously, are used to measure the commitment of Vodafone employees, find ways to improve it, and evaluate the performance of managers. According to the 2016 survey, our Employee Loyalty Index



Score was 81%. Meanwhile, the "Employee Net Promoter's Score", which measures the extent to which our employees recommend Vodafone products and services, is 74%. The percentage of the employees that are proud to be employed at Vodafone is 90%.

ĥ 🔇 📏 52

Our Sustainable V Business Strategy Emp

Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation Appendix

53

Sales Channels Development Centre Program

We have an ever-increasing work dynamic to enable our customers to experience "Excellent Customer Experience" at our 1,212 independent retail outlets across Turkey. We designed our Sales Channels Development Centre Program to assess the managerial skills and competencies of our store managers working at these locations and to identify specific development areas for their sales channels.

Within the scope of the Development Centre Program, we evaluate our Store Managers at every location in Turkey according to the global competencies defined as "The Vodafone Way" principles. Throughout this program, Store Managers handle special situations designed by Vodafone that target leadership, competitiveness, customer focus, speed, simplicity and confidence.

In the Development Centre Program;

- Store managers working at Vodafone Stores, Vodafone Mobile Centres and Vodafone Express stores are included.
- 5 case studies measuring 8 competencies that are aligned with The Vodafone Way principles are specifically prepared.

- All store managers participating in the Development Centre Program are subject to a 60-question online personality inventory test precisely prepared for them.
- Each group includes 8 store managers and 3 evaluators.



By analysing the results of the Development Centre Program in detail, we determine areas to improve in on a categorical and regional basis. The development areas that represent an important part of annual training planning are supported by online and in-person training programs, and the field sales force is constantly being improved in Vodafone. We designed the Development Centre Program to support and improve our field sales force. Although this program has strategic significance as it shapes investments in sales channels training, the phrase "Assessment Centre" used in project naming can cause misunderstanding and misinterpretation of the project goals and objectives, and an overall nervousness. Therefore, it is critical to carefully design each phase of these projects, beginning with the naming.

- At the end of the program, store managers are graded in 5 categories.
- Results are analysed on an individual and regional basis, combined with analytical data.

Our Sustainable **Business Strategy** Empowerment

Energy Innovation

Women's

Youth Skills and Employment

Principles and Practice

Innovation

Vodafone Turkev Appendix Foundation

Occupational Health and Safety (OHS)

We consider taking the necessary precautions to protect every individual who works for Vodafone from any kind of danger to be our main responsibility. We prioritise occupational health and safety in all our operations with our OHS practices, contractor OHS standards and our OHS policies covering even our customers.

Our Occupational Health & Safety Policy

We are committed to being a pioneer in our sector in Occupational Health, Safety, Environment and Welfare (OSHE-W); and to protect the health, safety and wellbeing of the society, our employees, subcontractors and suppliers everywhere we operate while also protecting the environment we interact with.

In accordance with the Vodafone Global Occupational Health & Safety Principles, as Vodafone Turkey we commit to;

Manage OSHE-W not as a separate task, but a critical and indispensable part of our work:



Create a strong occupational health, safety and environment culture where legal obligations are fulfilled with the support of senior management, and all employees, contractors and suppliers contribute to the implementation and improvement of OHS Procedures in addition to complying,

- Improve the performance of Vodafone OSHE-W by increasing awareness of everyone we interact with to understand and comply with their OSHE-W responsibilities in tasks they carry out,
- Reduce risks in operations for continuous development by including our employees, contractors, suppliers and customers in topics related to occupational health and safety,
- Use resources to develop and implement the OHS plan and its objectives, and communicate them effectively and consistently,
- Manage and implement the 7 Absolute OHS Rules in all our operations at all times

Vodafone Turkey 2016/17 Sustainability Report

Our Sustainable Business Strategy Women's Empowerment Energy Innovation Youth Skills and Employment Appendix

Vodafone Occupational Safety Absolute Rules

We created "7 Absolute Rules" to protect each individual who carry out activities for Vodafone from risks. Each of these rules defines the telecommunications industry risks and encourages the establishment of separate operational health and safety management systems to take relevant measures. In our company, we define compliance with the 7 Absolute Rules as a necessity for all parties and manage it with zero tolerance.

During operations, every Vodafone employee, contractor and business partner should:

- Comply with the 7 Absolute Rules at all times,
- Intervene when they see unsafe working conditions,
- Always take into account the effects of their decisions and actions regarding the health and safety of other people.

With the implementation of our standards that have been prepared for our high-risk activities and other operations, we are helping to minimise the risk of accidents. With the directives, we have established an operational safety management system that is sustainable and consistent with our "0" accidents target which covers all of our ecosystems. We ensure the continuity of the system with regular inspections by our occupational health and safety experts and track continuous improvement.

I am Safe with **7** Absolute Rules!

 Always wear your seatbelts while driving a vehicle or on any seat during the trip!



- Never use alcohol and drugs that restrict movement and perception in the workplace or while driving a vehicle! If your routine medication has side effects such as sleepiness or numbness, do not drive any vehicle!
- Never exceed speed limits on business trips and while driving! Travel with appropriate speed in compliance with the rules and according to road conditions and the vehicle!

 Never use a mobile phone while driving!
 If you absolutely must use it, do so after pulling over or with hands free devices!

Innovation

- Always wear a safety belt when working at heights, use fall protection system (life-line) and take all necessary measures!
- Unless you are competent or an expert, never conduct electrical work or interfere with electrical systems!
- Never undertake any street or underground work activities unless authorised!

Managing Occupational Risk in the Telecommunications Sector

Through the Vodafone Occupational Safety Strategy, we address the following issues for all individuals operating in Vodafone across a wide range of locations.

- Traffic Risks
- Operating with Electricity,
- Working at Heights,
- Underground Excavation Activities,

55

Contractor Management

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation

Appendix

Traffic Risks in Turkey

Annually, 1.25 million people in the world and 20 people a day in Turkey lose their lives due to traffic accidents. According to the European Transport Safety Council, driving for work in countries like Turkey with high traffic risks is similar to working in a place that is exposed to many different risks.

To minimise these risks, we educate our employees and implement high standards to the vehicles they operate. In the 2016/17 fiscal year, 655 Vodafone employees completed their safe driving training before receiving their company vehicles. Those who were not able to pass the training were not given their vehicles. In addition, 887 people who work in Vodafone sales operations received individual training from Vodafone Operational Safety Specialists before their vehicles were delivered.

We take the following precautions against traffic risks:

We require all passengers traveling in our vehicles to wear seatbelts, including passengers in the back seat. We monitor this situation during random inspections and accident investigation processes, and issue penalties if not complied with.

We monitor vehicle speeds with a mandatory tracking system that everyone in the company including business partners and contractors are issued. Through this system, we monitored the speed of 9,304 vehicles in fiscal year 2016/17.

During training and other forms of communication, we provide the necessary information on not using mobile phones while driving, which is one of our Absolute Rules. For our employees who do not obey this rule, we monitor traffic fines and organise necessary activities for them to increase awareness.



off electricity from regions' electricity distribution companies. Each step in a high-voltage job is photographed to get permission from the assigned project officer and an Occupational Health and Safety Specialist accompanies the activities the entire time to ensure that the operation runs smoothly. Using these security measures, we completed 325 high voltage operations throughout Turkey with "0" accidents in the 2016/17 fiscal year.

Innovation

We have successfully completed all low voltage projects with our Regional Solution Partners with "0" occupational accidents as a result of carrying out our activities with competent employees and executing work permit systems through documenting the use of necessary protective equipment and insulating tools with photographs.

Working Safely with Electricity

Working with electricity entails a very high risk. Therefore, our Electricity Safety and Work Permit Procedure includes separate safety precautions for high voltage, low voltage and extra low voltage. For highvoltage operations especially, we plan ahead of time and get permission to cut

Vodafone Turkey 2016/17 Sustainability Report

습 **く >** 56

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation

Innovation

Appendix

Working Safely at Heights

We provide our mobile communication services through the interaction of antennas located on roofs and towers. Thus, working at heights is one of the highest risks of the telecom sector. It is mandatory for those who will work at heights to complete the "Working at Heights and Rescue" training from companies we approve beforehand.

In addition to the training, we require the use of personal protective equipment (PPE) at all times while working at heights, and that the PPE be CE certified and tested by an accredited organisation in accordance with the relevant EN Standards. We check the PPEs of site workers both during site audits and collective activities. We document and dispose of the damaged PPEs. To ensure this process in implemented safely, 1,058 employees working in network fields received PPE control training.

By means of the audits and inspections carried out towards working at heights, there was no fatal accident due to falling from heights in the 2016/17 fiscal year.

Underground Excavation Jobs

Occupational health and safety in excavation jobs have gained significance, particularly with the rapid increase in fiber services in recent years. Our 7 Absolute Rules clearly state that no individual without authority or expertise can work in underground or street excavation. Our Excavation and Fiber optic Projects Occupational Health and Safety Procedure cover all these areas of work

Our priority in excavation jobs is first to carry out our activities without causing harm to our employees or society, and then to the underground embedded



service infrastructure. Therefore, all excavation activities require permission from the relevant municipality, and the subsequent analysis of blueprints from related institutions (electricity distribution, natural gas, water) to determine the excavation routes. Due to the complexity of infrastructure services, we do not decide solely based on the blueprints, but also utilize metal and non-metal radar devices to accurately identify all excavation routes. We mark the identified route depths and stop excavators when they reach the marked areas therefore the job continues with safer and more cautious excavation methods without damaging the lines or interrupting access to existing services.

Along with this, we direct the traffic flow with signs and markers for environmental protection and use barriers to prevent people from accessing the excavation area. Within the framework of these measures, there were no traffic accidents or injuries during fiber excavation jobs in the 2016/17 fiscal year.

Contractor Management

With our "Contractor Occupational Health and Safety Management System" since 2008, we have been ensuring that every individual within the Vodafone ecosystem performs his/her job safely and in a healthy manner. We are the leader in raising awareness in the telecommunications industry thanks to our efforts in making our contractors adopt and enhance an OHS culture.

The system includes steps such as occupational health and safety assessment of contractors before bidding, compulsory Vodafone OHS training, and OHS audits on sites with OHS teams, which are must-haves in our contracts. Through our OHS team, we

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Appendix

carried out a total of 1,293 field inspections during the fiscal year of 2016/17.

Audits are conducted to prevent noncompliance in field work, and various fines are issued to the contractor if they are detected. However, because we know that just issuing fines alone is not the right method, we established the "Team Leaders Incentive Program" to ensure safe operations. In this award program, team leaders and team members that operate by adopting OHS principles are identified through a comprehensive and fair evaluation, and they are awarded cash bonuses. In the 2016/17 fiscal year, the award was given twice to contractors that work in the field and a total of 133 people were awarded with a net TRY 121,750 by Vodafone Turkey.

Management

The importance of occupational health, safety and welfare issues within the company and the potential of policies to make an impact are directly proportional with the importance given by the senior management. Thanks to the support of our senior management, all our employees started to see their job-related responsibilities as their own responsibilities. The Chief Executive Officer and Vice Chairman of the Board of Directors have personally visited our sites and conducted 90 occupational safety evaluations between January 2010 and March 2017. We attend conferences, meetings and events related to OHS, where we shared Vodafone's internationally standardised OHS practices and work to develop the OHS culture in Turkey.



Achievements in Contractor Occupational Safety Management System

Innovation

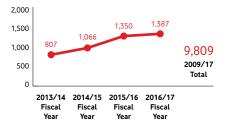
Number of contractors assessed in terms of occupational safety



Total hours of occupational safety trainings in topics such as working at heights, safe driving, basic occupational safety, safe working in electrical works (Vodafone and contractor employees)



Number of occupational safety audits on base station sites



Our Sustainable Women's Business Strategy Empowerment

Energy nt Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

Our Occupational Health and Safety Performance

Major and High Potential Accidents

Our target for the frequency of highpotential accidents for Vodafone employees was a maximum of 1.5 for the 2016/17 fiscal year, yet we managed to reduce this rate to 0.83 as of the end of year. In the 2016/17 fiscal year, three Vodafone employees suffered traffic accidents. The best result of the occupational safety measures taken was that nobody was injured. Although traffic conditions in our country are not very suitable for completely preventing the accidents, measures we can take for the individuals in our ecosystem that save their lives are more important than anything to us.⁵

⁵ Accident Frequency Rate related to Vodafone employees is calculated based on the following formula that is used throughout Vodafone Group = (Total Number of Accidents / Total Working Hours) x 100.

Contractor Performance

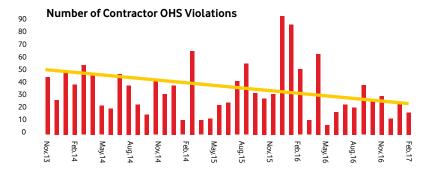
Our contractors face serious financial and/or administrative sanctions if they do not implement the occupational safety management systems they commit to in their contracts. Contractors that continue violations or fail to correct their actions are removed from the Vodafone Turkey



ecosystem. In addition to this, we reward our contractors who set a good example in occupational safety through the reward system we established in the 2014/2015 fiscal year.

Innovation

The chart clearly shows that the total number of OHS violations by our contractors on a monthly basis and the number of daily violations in general have declined over the years. We are aware that factors such as variability in seasonal conditions, firm changes and adaptation of new firms to the system can cause changes in annual violation numbers, and we set our goals accordingly.



Our Sustainable Business Strategy Er

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation

Appendix

Safe Work, Healthy Employees

In the previous fiscal year, we developed a program that will help manage the energy of our employees better. With our healthy lifestyle program we named "Corporate Athlete", we not only help our employees get healthier and more comfortable at work, but also develop initiatives on other healthy lifestyle choices for our employees and their families.

- With the "Cigarette-Free Life for Health" Program we offer support to employees who smoke to help them quit under the supervision of our on-site physicians. As an incentive, we reward our employees who quit smoking with points for shopping. 563 employees volunteered to quit smoking since the launch of this program in January 2013.
- Through Healthy Life Program, we support employees who want to lose weight. 1,001 employees volunteered to lose weight under the supervision of our on-site physicians since January 2013
- Vodafone Wellbeing Challenge Sports Contest encourages employees to exercise. During the monthly event that spans across all Vodafone countries, the country that exercises the most wins the challenge and winners are rewarded. For instance, a donation is made to the Vodafone Foundation for each employee that runs 100 km in a month.

In addition to the Well-being Challenge, we also sponsored iconic sports facilities and events such as Vodafone Park, Vodafone Istanbul Marathon and Semi-Marathon, and we will continue to do so.

 In the 2016/17 fiscal year, we provided first aid training to 775 Vodafone employees.



🔓 **< >** 🚳

Our Sustainable Business Strategy Err

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation Appendix

Our Contribution to the Economy and Public Policy

Our Contribution to the Economy

In the 2016/17 fiscal year, our service revenues increased to TRY 8 billion and we transferred this amount to the state as taxes, to our employees as salaries and benefits, and to our suppliers in exchange for products and services as well as research and development and investments in technology. Our business operations also have a multiplier effect that indirectly contributes to the local economies we operate in.

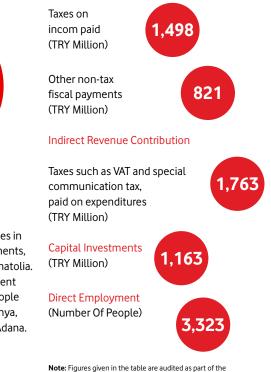
Employment Creation

We directly employ 3,323 people in Vodafone Turkey. We also provide indirect employment for a total of approximately 40,000 people including the employees of our suppliers providing products and services, store employees and employees of third parties that we outsource.

Call centres that operate on a 24/7 basis are at the heart of our investment and employment capacity. In order to contribute to overcoming the problem of youth unemployment and to help cities in Anatolia get their fair share of investments, we continue to open call centres in Anatolia. In this direction, we provide employment opportunities for more than 5,700 people in İstanbul, Ankara, İzmir, Samsun, Konya, Şanlıurfa, Afyon, Malatya, Elazığ and Adana.

Major Indicators of our Contribution to the Turkish Economy

Direct Revenue Contribution



Vodafone Group audit and reflect the 2016/17 fiscal year data of Vodafone Turkey Group.

合く)61



Our Sustainable **Business Strategy**

Women's Empowerment

Energy Innovation Youth Skills and Employment

Appendix

62

Taxes and Investments

In line with the goal of end-to-end digital development in Turkey we set, we invested TRY 1.2 billion in the 2016/17 fiscal year. In addition, we support the prosperity of the country with the taxes (VAT, special communication tax, etc.) paid through our customers who use the services we provide. In the last nine years, we have paid more than TRY 25 billion in taxes to the Turkish Government.

Our Contribution to Public Policy

In the telecommunications industry, we are committed to fulfil our responsibility to participate in developing competition policies to prevent distortion of competition and to ensure a sustainable competitive environment. For this purpose, we regularly exchange information on different platforms with regulatory authorities, other public institutions, non-governmental organisations, and the general public.

Our Goals

- Competition policies are implemented efficiently and in a target oriented manner,
- Current regulations in the market are reviewed and the best policies are adopted in light of international examples,
- Regulatory obstacles against products and services that improve the general welfare and development of society are overcome,
- Innovation and sustainable investments are encouraged for fixed and mobile broadband infrastructure, network and services.

- Development of policies that will contribute to the digital transformation of Turkey and increase the competitive power of Turkey in global areas are promoted.
- Efficiency and effectiveness is improved by driving the impact of Information Technologies in every aspect of the economy and digitalising the economy,
 - we made from 2006 to the end of the fiscal year of 2016/17, particularly investments in the area of 4.5G and fiber infrastructure. reached nearly TRY 20 billion.



Innovation

Scarce resources (mainly frequency) are used in an effective and efficient manner.

The amount of investments



Our Sustainable Women's **Business Strategy** Empowerment

Energy Innovation Youth Skills and Employment

Practice

Principles and

Vodafone Turkev Foundation

Innovation

Appendix

Combatting Bribery and Corruption

Corruption weakens entire societies. increases poverty, weakens fragile populations, and reduces work productivity, leading to increased inequality and crime and imbalance in civil society. It is of utmost importance for our commercial interests too to help prosperity, maintain social credibility and comply with laws wherever our operations are. We do not tolerate bribes or corruption in any way. We prepared our anti-corruption policy based on our "zero tolerance" approach in the Vodafone Code of Conduct.

We also fully comply with the policy compliance assessments conducted by the Vodafone Group regarding anticorruption efforts. We take measures to prevent the occurrence or recurrence of risks by recalling, following up, reporting and reminding the necessary rules to comply with our Bribery and Anti-Corruption Policy and the procedures and processes supporting it and any possible internal and external abuse risks to the company. With hotline services to report issues regarding ethics like "Speak Up" and "Red Line" established for this purpose, we



enable all employees within our ecosystem to share their questions and opinions and report misconducts they have witnessed and/or suspected anonymously. We receive Ethics Reporting Hotline services via local and global companies.

We provide training on work ethics and fight against corruption for all employees and raise awareness. We regularly monitor our Bribery and Anti-Corruption Policy and communicate with our business partners, including all our employees, suppliers and contractors.

As Vodafone Turkey, by going one step further in the fight against corruption, we are determined to be one of the first companies in the telecommunications industry to receive the ISO 37001 Anti-Bribery and Anti-Corruption Certificate and establish our Bribery and Anti-Corruption Management System in accordance with this certification in the next fiscal year. For this purpose, we are establishing a team of experts and receiving Practice and Audit training programs.

Our Sustainable **Business Strategy** Empowerment

Women's

Energy Innovation Youth Skills and Employment

Principles and Practice

Innovation

Vodafone Turkev Appendix Foundation

Mobiles, Masts and Health

OUR COMMITMENTS

- We will increase the level of awareness and knowledge of our employees and suppliers on Electro Magnetic Fields (EMF) and enable them to share information when needed.
- We will continue sharing information through various channels to increase the understanding and awareness of our stakeholders and customers on EMF.
- We will continue to perform the requirements of our EMF policy.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

- To adapt the e-learning content when the Information and Communication Technologies Authority (ICTA) regulation related to the "Security Certificate" is enacted, and ensure that 50% of our employees receive this training.
- To prepare EMF brochures with new content when the regulation on "Security Certificate" is finalised.



- To reply EMF-related questions from the public and stakeholders.
- ۲ To check whether particular sites comply with the ICTA regulations and company policies
- To update Vodafone Turkey RF Areas Health and Safety Risks Management Policy and ensure that the policy is followed

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

- Although the regulation has not been revised yet, the final draft of the e-training content has been prepared to be used as training. It is targeted to be open for employees in December 2017.
- Booklets and brochures were drafted and the questions from the public and stakeholders were answered.
- The municipality and the universities were informed through seminars and training programs.
- The number of field inspections between April 1, 2016 and March 31, 2017 was 1.293.
- We have updated Vodafone Turkey **RF Fields Health and Safety Risk** Management Policy and ensured that all stakeholders are compliant with it.

Our Sustainable Business Strategy

Women's Energy Empowerment Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

- In this period e-training will be implemented with the internal and external stakeholders who require training.
- Making booklets and brochures ready to share with stakeholders.
- Responding to EMF questions from the public and stakeholders in the new period.
- Continue to make site visits at least 1,000 times in the next reporting period.

Mobile devices fulfil our communication needs through the nearest base station by using radio frequency (RF) fields. When using mobile phones, the human body absorbs some of the RF field. Although The World Health Organisation declared, by examining thousands of scientific research studies, that a negative impact on health resulting from mobile phone usage has not been detected so far, we know that some of our stakeholders are worried about this issue. We are the first mobile phone operator in Turkey that has a corporate strategy, policy and plan on Electromagnetic Fields (EMF). We manage the issue in coordination with a team of experts within our company and inform the public via our company website⁶. Our vision is to lead the sector in order to overcome public concern related to mobile phones and base stations and



encourage everyone by showing the leading applications on EMF.

Innovation

Among our leading EMF practices are providing training for employees and other stakeholders, placing warning signs and placards to inform about EMF around our base stations, making site audits on EMF and conducting practices in order to increase public awareness.

Vodafone Group monitors the reports of all international agencies and organisations related with EMF (GSMA, ICNIRP, ETSI, ITU, WHO) and shares the new developments with all EMF organisations, including those in Turkey. At Vodafone Turkey, we direct the necessary arrangement and information studies with this information we obtain from the Vodafone Group.

⁷ http://www.vodafone.com.tr/VodafoneHakkinda/Cep_Telefonu-Elektronik_Alan_Maruziyeti.php

Our Sustainable Business Strategy Em

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

Stakeholder Opinion

UĞUR DAMCI Vodafone Rollout & Field Operations Support Expert



The first issue that I can emphasise as an employee of Vodafone Turkey is that occupational health and safety is always considered a crucial issue. In the base stations and sites that make up the Vodafone network, policies and practices are created to guarantee a high quality working environment providing safety and health to employees and which are also capable of meeting the risks and demands in the workplace. Mobile phones and base stations use "Radio Frequency" (RF) fields to fulfil our communication needs. Vodafone is leading the sector in Turkey with its corporate strategy, policies and public information about electromagnetic fields ("EMF").

Raising awareness on EMF is included amongst the sustainability targets of

Vodafone Turkey. Our employees are provided with enriched training courses as they are intended to become EMF ambassadors who can give general information about EMF when needed. It is pleasing to see that EMF awareness has increased on the whole during site visits!



Base stations are constantly monitored and maintained by Maintenance Solution Partners (BCO) and are reported periodically. As part of this maintenance work, the compliance of EMF and OHS warning signs of the areas, compliance with the ICTA legislation and Vodafone Turkey Policies are checked. In addition to the audits performed by our own internal teams, we are in one of the countries that are fully compliant among Vodafone Group companies, including EMF issues under the Vodafone Group's Policy Compliance Assessment.

Innovation

We look out for the health and safety of all our stakeholders at the highest level by enforcing effective policies on the prevention of unauthorised access to sites, mandatory trainings and precautions for field work, personal protective equipment, tools and equipment that are necessary for field work, and recording of all the field work.

Vodafone will always be amongst the driving forces of technology and information with its vision, the mission it undertakes, and the value it attaches to the environment, future and people.

I'm ready for the future with Vodafone!

1 **< >** 66

Our Sustainable **Business Strategy** Empowerment

Energy Innovation Youth Skills and Employment

Principles and Practice

Innovation

Vodafone Turkev Foundation

Appendix

Supply Chain Integrity and Safety

Women's

We will continue to support our suppliers in order for them to perform their activities in accordance with Vodafone standards in terms of ethics, the environment, social issues, and health and safety.

OUR COMMITMENTS

Continue to inform and raise awareness amongst our suppliers on OHS and ethical rules.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

Organise a session that will emphasise the importance of OHS and ethical rules in business life on Supplier Day.

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

We gave a presentation on Anti-Corruption, Occupational Health and Safety in Business and Network Operations on the Supplier Day that we organised.



OBJECTIVES FOR THE 2017/18 FISCAL YEAR

To raise awareness on OHS. Business Continuity Management, Situation Determination Process. Information Security & Privacy and Contract Management while giving information about the previous year's performance and vision for the future on the Supplier Day that will be organised.

Ethical Purchasing

We procure a significant amount of our services and products from suppliers. We purchase products and services from approximately 800 actively operating companies, most of them commercial services and technology companies. Most of our suppliers we actively work with are local companies, whereas some are global corporations.

In 2016, we made local purchases amounting to approximately TRY 3 billion.

Companies who would like to become a supplier of Vodafone must clearly state that they fully understand, accept and will comply with the standards set out in our Ethical Purchasing Regulations during the election process. These acceptances are stated in the standard terms and conditions of each contract made with all our suppliers, regardless of its size and volume. Any supplier that does not agree to operate in line with the Ethical Purchasing Regulation

Vodafone Turkey 2016/17 Sustainability Report

Our Sustainable Business Strategy En

Women's Empowerment

Energy You Innovation En

Youth Skills and Employment Principles and Practice

Appendix

cannot pass the supplier procurement process and may not be able to start a business relationship with Vodafone.

Supplier Performance Management

Vodafone Supplier Performance Management program is run in order to regularly assess the overall performance of our main suppliers in terms of other commercial criteria such as OHS. sustainability, quality, information security, and technology. We share the results of Performance Assessment with our suppliers and we work together with them to increase their performance and plan actions for improvement. We fully support them in putting into practice these improvements. When we need to work with a new supplier, we implement a Competency Assessment Process that helps us identify and evaluate potential risks. In the 2016/17 fiscal year, the majority of global suppliers we evaluated have performed better than in the previous year.

Field Assessments

Based on the fact that working in a more secure environment has positive impacts on efficiency and economic benefits, we support our suppliers to improve their business processes and capacities in order to increase their performance in the field of OHS. Also, we conduct regular field assessments in order to ensure that they comply with "Vodafone Code of Conduct" and it is an inseparable part of the Ethical Purchasing Rules.



Issues Covered in Vodafone Ethical Purchase Regulation

Innovation

- Child labour
- Forced labour
- Health and safety
- Freedom of organisation
- Discrimination
- Disciplinary actions
- Working hours
- Payment
- Individual behaviour
- Environment

Our Sustainable Business Strategy En

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation

Appendix

Stakeholder Opinion

BÜLENT ÖZASLAN Sales Director at Huawei



"Vodafone Turkey represents an important part of our global customer base. Therefore, in all the technological innovations we have made as Huawei, we seriously consider the requirements of Vodafone Turkey. Working as a strategic solution partner for Vodafone Turkey, which has the mission of pioneering the digital transformation. motivates us to find more innovative, more efficient and more environmentally-friendly solutions for our joint projects that we are currently pursuing and planning for the future. From my own point of view, seeing that these efforts we make are spent for a structure that really puts importance on social responsibility, business ethics and compliance with global standards and beyond, gives me extra happiness and hope for our country's future."

Supplier Chain Efficiency Program: My Vodafone, My Business

The "My Vodafone, My Business" efficiency program has been continuing for five years and focuses mainly on economic gains, time efficiency and environmental efficiency. Some of the examples for efficient use of resources are:



In the procurement process of each technological equipment, we prefer products with high energy efficiency and electrical heavy duty equipment over diesel ones. By using LED lighting in warehouses, unnecessary use of electricity is prevented.

- In the field leasing proposals to municipalities and institutions, the "Supply Chain Management Power (SCM Power)" package provides alternative energy usage and production options in addition to the rental offer, which will contribute to the sustainability of the institutions.
- Contracts with suppliers are shared electronically, rather than printing the documents out. In this way, we not only reduce paper consumption, but also allow suppliers to have immediate online access to supplementary contract documents. With this process, an average of 800 kg of paper is saved annually.

Supplier Day

Supplier Information Day, which we have organised every year since 2013, was held on 24 November 2016 with the 173 participants from 110 companies. In this context, we shared content on Anti-Corruption, Business and Network Operations, Occupational Health and Safety with our suppliers and received their feedback.

"10 Golden Rules of Purchasing", which is being implemented by Vodafone Supply Chain Management globally, was shared with the company beginning with Vodafone Turkey senior management and awareness was raised.

Youth Skills and Employment

Principles and Practice

Innovation

Vodafone Turkev Appendix

Foundation



Golden Rules of Purchasing

- 1. Compliance and ethical purchasing
- 2. Assignment of tasks
- 3. Looking out for the company's global interests
- **4.** Consistency of expenditure commitments to company policies
- 5. Early inclusion of supply chain management in processes
- 6. Supplier relationship management
- 7. Centralisation of global suppliers
- 8. Compliance with the category strategy
- 9. Access to purchasing data and contracts
- 10. Sharing confidential information and documents



Our Sustainable Women's Business Strategy Empowerment

Energy t Innovation Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation

Appendix

Corporate Security, Confidentiality of Information and Data Security

OUR COMMITMENTS

- We will audit the compliance ofcorporate security awareness and the practices of our suppliers with Vodafone standards and related laws.
- We will develop and apply the Sense of Security Program with the aim of increasing awareness on security and its applications among individuals in the Vodafone eco-system.
- We will continue our anti-corruption and bribery practices with "zero tolerance" approach.
- We will continue to put emphasis on compliance with international standards regarding the management of information security and privacy of customer information.
- We will establish a new corporate access management structure in order to manage the authorisations in our critical system more efficiently and to make all business units except technical teams a fundamental part of the process.



- We will carry out work to comply with the Law on Protection of Personal Data dated April 7, 2016.
- We will continue to put emphasis on emergency and business continuity management at all stages of our services.
- We will begin to work for Vodafone Turkey's compliance with international standards on bribery and anti-corruption.

- Under Doing What's Right (DWR), we will ensure that the Vodafone Group's training on high-risk policies is completed.
- We will aim to receive awards by participating in a competition for what we have done with Corporate Security.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

- To implement the due diligence process with 50 suppliers.
- To realise the five actions we have set in order to monitor the success of the Sense of Security project.
- To give anti-corruption e-training to all employees.
- To continue with regular certification of our processes in accordance with ISO/ IEC 27001:2013.
- To establish the Vodafone Turkey Corporate Access Management structure and to make the necessary implementations.

命 🕻 🖒 71

Our Sustainable Business Strategy Em

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Appendix

- To establish a structure for fast and complete responses to information requests on data processing by our customers.
- To review our data processing and to launch the work for compliance with the law.
- To conclude ISO 22301 certification of Vodafone Northern Cyprus.

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

- During the 2016/17 fiscal year, we put 44 suppliers through our supplier due diligence process.
- In the 2016/17 fiscal year, work began on the rewards and talent management section in the human resources processes.
- A survey was sent to our managers to measure their views on security culture. The results of the survey were reported.
- During the 2016/17 financial year, the training prepared by the Vodafone Group was examined and started to be adopted to Turkish.
- In the 2016/17 fiscal year, our companies, Vodafone
 Telecommunications, Vodafone Net and Vodafone Northern Cyprus, have successfully renewed their ISO / IEC
 27001:2013 certification.

- In the 2016/17 fiscal year, Enterprise Access Management Architecture was designed, new processes were created Three alternative solutions for the technology infrastructure were examined and the one that best suits Vodafone's needs was selected.
- During the fiscal year 2016/17, we designed and implemented an infrastructure and a process that



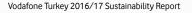
enabled our customers and employees to effectively exercise their rights from the Act on the Protection of Personal Data.

 In Vodafone Northern Cyprus, the work carried out according to ISO 22301 standard has been completed and the company has been certified with ISO 22301 after a successful external audit..

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

Innovation

- Put 50 suppliers through the supplier due diligence process
- Starting awareness studies and conducting measurements with minitests.
- To ensure that 90% of our employees receive the anti-corruption training that was prepared by Vodafone Group.
- Continue to regularly certify our processes in accordance with ISO / IEC 27001:2013 Information Security Standard
- In the 2017/18 fiscal year, we aim to deploy our Enterprise Access Management infrastructure and integrate it with critical systems for the use of our employees.
- In the 2017/18 fiscal year, we will review our existing business activities and products in accordance with the requirements of the Law on Protection of Personal Data and make the necessary improvements.
- Continue to regularly certify our processes in accordance with ISO 22301 Standard in VFTR, VBIAŞ, VFNET, VMOL.



습 **〈 〉** 72

Vodafone Turkey 2016/17 Sustainability Report

Vodafone Turkey

Our Sustainable Women's Business Strategy Empowerment

Energy nt Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation

Appendix

NEW TARGET

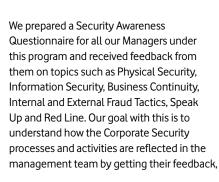
- To complete the certification process of Vodafone Turkey for the ISO 37001 Bribery and Anti-Corruption Standard. To become the first telecommunications company to receive the certificate.
- To translate the 5 training programs into Turkish and ensure that 90% of our employees receive the training.
- To participate in the International Security Awards '17 organised by the Vodafone Group Corporate Security function with the live implementation of the Network Operation Business Continuity plan that was conducted in February 2017.

Our Approach to Corporate Security

The main purpose of our activities as part of Corporate Security Management is to identify the possible threats and vulnerabilities that may damage Vodafone Turkey's revenue, image and reputation, and to take preventive and mitigating measures. Our Corporate Security Management approach includes anti-fraud, anti-corruption, prevention of laundering of crime revenues, due diligence, information security, privacy, business continuity, personnel and asset security, and awareness on security. With this end-to-end approach, in order to protect Vodafone's ecosystem and customers from any harm, we objectively assess technical, commercial, ethical and reputational risks and manage these in line with the Vodafone Business Principles.

Sense of Security Program (SoS)

We continue our work as part of the "Sense of Security" program which is the first and only program in the Vodafone Group countries. +*



to identify the areas we need to measure the security perceptions and satisfaction ratings as well as identify processes that need change or update and to raise awareness.

Innovation

We have begun rewarding employees who support Enterprise Security efforts with Red Points in the human resources process. We began by asking a question about risk and ethics prepared by our Talent Management team to our employees during promotion evaluation interviews. Our program is still the first program in the Group.

Confidentiality of Information and Data Security

We consider our customers' trust in us regarding the security of their personal information as our most essential asset. Maintaining this trust is amongst our most fundamental responsibilities. We protect our customers' personal information, mobile contact details and credit card information in compliance with the security controls defined both by the International Information Security Management System Standard under ISO/IEC 27001:2013 and PCI DSS defined by the PSI Security Standards Council. All of our Electronic Communication Services, infrastructure systems and customer information provided by Vodafone are covered by ISO/IEC 27001. Our PCI-DSS certifications also cover activities that are conducted by our customers' credit cards as well as our infrastructure for hosting services and other services provided for our corporate customers.

命 🖌 🖒 73



2

3

4

Our Sustainable Business Strategy Em

Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation

Appendix

6

We provided Personal Data Protection awareness trainings to our employees as well as our sales channels and customer service staff.

Emergency Management

In order to become strong as a society and an institution with the capacity to survive through natural disasters and other



emergencies, we believe individuals must be aware of such situations. With this insight and in accordance with ISO 22301 and ISO 27001 Standards, we have formed disaster and emergency management procedures and teams. We have continued our strategic collaboration with the Search and Rescue Foundation (AKUT) regarding emergency management and added new procedures to our emergency management efforts. We continued to perform risk analysis in Vodafone buildings and call centres operated by our suppliers. In addition to general evacuation drills, we created scenarios for different risks for buildings (epidemics, fire, etc.) and conducted drills with the aim of reaching all of our employees.

In this reporting period, we started conducting risk analyses in offices and warehouses of our solution partners together with warehouses managed by third parties on Vodafone's behalf. As of the 2017/18 fiscal year, we have started conducting site visits to the offices and warehouses of our new solution partners.

Business Continuity Management

In the 2016/17 fiscal year, we aimed to put our Network Operation Business Continuity Plan into action. Many of our business units have been extremely dedicated to this activity, supported by our Senior Management and completed in 5 months including the preparation period. We have tested the implementation of the Network Operation Business Continuity Plan from one switching site to another in real time and live in two provinces and we successfully completed the process without a customer complaint or a coverage problem. This exercise was one of the most important outcomes of the ISO 22301 Business Continuity Standard that has been in place since 2010.

Vodafone Turkey 2016/17 Sustainability Report

🚡 **ረ >** 74

Women's Empowerment

Enerav Innovation Youth Skills and Employment

Principles and Practice

Innovatio

Vodafone Turkev

Appendix

We have a say in R&D with more than 250 engineers and 125 patent applications.

We Export Technology to the World.



OKSİJEN is our global innovation company that paves the way in mobile communications innovation and proves itself in innovation not only in Turkey, but also around the world; and aims to lead the digital transformation in Turkey.

OKSIJEN, innovating not just for Vodafone Turkey but also for Vodafone Group, exports technology as a proven innovation campus.



Women's Empowerment

Energy Innovation Youth Skills and Employment

Principles and Practice

Vodafone Turkev Innovation

Foundation

Appendix

OKSIJEN

OKSIJEN, appointed as Vodafone Group's "Global Innovation Centre" to create technological innovations for over 444 million customers in 26 countries, exports technology to the world.

OUR COMMITMENTS

We will increase the number of innovative solutions and services.

OBJECTIVES FOR THE 2016/17 FISCAL YEAR

To develop innovative products and solutions with new technologies used in the telecommunications sector (big data, IoT etc.).

OUR PERFORMANCE IN THE 2016/17 FISCAL YEAR

Progress was made in Innovative Campaign Management Solutions, Artificial Intelligence Based Telecom Solutions and Location Based Solutions.

OBJECTIVES FOR THE 2017/18 FISCAL YEAR

To develop innovative products and solutions with new technologies used in the telecommunications sector.



oksijen

About OKSİJEN

Established in 2000 and incorporated under Vodafone Turkey as a global innovation company, OKSIJEN intends to lead digital transformation in Turkey for a better future while employing a labour force of local engineers. We continue to break grounds and create a great number of innovations with OKSIJEN. In the 2016/17 period, we continued to offer significant employment opportunities and resources to our country in R&D with a team of more than 250 engineers.

Innovation at OKSUEN

We continue to develop innovative products and services through OKSIJEN for Vodafone Turkey and Vodafone Group operators covering corporate and individual customers, as well as providing support for small and medium sized companies and entrepreneurial companies within our ecosystem by including them in our projects.



Our Sustainable **Business Strategy**

Women's Empowerment

Energy Innovation Youth Skills and Employment

Principles and Practice

Vodafone Turkev Appendix

Foundation

In addition to our existing specialisations, we started working on Campaign Management Solutions in the 2016/17 reporting period. Our work was heavily based on mobile advertising solutions to enable centralisation and automation in campaign management and innovative approaches for making campaigns more individualised.

In addition, we continued working on telecommunication solutions utilise artificial intelligence, and we produced prototypes for each of these solutions.

With a total of 125 patent applications in 2016, we have increased the number of patent applications made by 60% in comparison with the previous year and have been among the companies with the largest number of patent applications in Turkey.

Awards



In addition, the "Gecensenem (Mylastyear)" application, developed by OKSIJEN as a big data project, received the "Creative Use of Data" award at the Felis Awards 201 in "Direct Marketing" category.

The "Avantaj Cepte" application, designed by OKSIJEN, also received three awards at theStevie InternationalBusiness Awards.

OKSİJEN has received two awards at BEETECH 2016 Awards organised by ITU ARI Teknokent, one of the leading technoparks of Turkey under "Large Scale Companies" with "R&D Employee Rate" and "Intellectual and Industrial Property Rights" categories.

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation Appendix

We supported 4,601 students in overcoming obstacles with 19,000 volunteers since 2008.

We are Overcoming Obstacles with Dreamers.



PLEASE SCAN THE QR CODE TO WATCH THE "DREAMS ACADEMY" VIDEO

Dreams Academy is a social responsibility project that gives free culture and arts education to disabled and socially disadvantaged young people that transformed into a permanent alternative art academy to prepare young people for life. Art workshops such as vocal, rhythm, dance, Şlm, photography, DJ, instrument, painting, design etc. are in scope of the project that is run with the collaboration of AYDER, Ministry of Development and UNDP.



合く > 78

Our Sustainable **Business Strategy** Empowerment

Women's

Energy Innovation Youth Skills and Employment

Principles and Practice

Appendix

Vodafone Turkey Foundation

Being one of the 27 Vodafone Foundations in the world, the Vodafone Turkey Foundation has been committed to its mission of leading social change and development since 2007.

In order to support sustainable development in Turkey, we at the Vodafone Turkey Foundation cooperate with non-governmental organisations and other stakeholders with the intention of developing and implementing long-term projects. Our aim is to contribute to the steps Turkey must take for creating a well-trained, well-equipped and productive society. In our social investments, we act on the basis of the social needs map we created as a result of a long and meticulous study to address the social requirements of our country.

Objectives of Vodafone Turkey Foundation

To cooperate with non-governmental organisations and other stakeholders for sustainable development.



- To introduce the opportunities offered by communication technologies to women, thus improving their socio-economic conditions and creating an environment where their entrepreneurship skills can flourish.
- To support the participation of the socially and physically disadvantaged individuals into social life.



Vodafone Turkev

Foundation

- To provide solutions for social problems using digital technologies.
- To support our society, primarily Vodafone Turkey employees, in carrying out volunteer efforts social services.

Vodafone Turkey Foundation Advisory Board



The Vodafone Turkey Foundation Advisory Board was established with the aim to develop projects, to put together strategies and to determine a roadmap for the future. Members of the Advisory Board are esteemed leaders of the business world and non-governmental organisations: Leyla Alaton, Yavuz Canevi, Bülent Eczacıbaşı, Üstün Ergüder, Hüsnü Özyeğin, Arzuhan Doğan Yalcındağ, Ali Sabancı, Meral İnci Zaim. and Ebru Özdemir.

Our Sustainable V Business Strategy Emp

Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation

Innovation

Appendix

Vodafone Turkey Foundation Projects

Apart from our Women First in Entrepreneurship and Coding Tomorrow projects, the other foundation projects are listed below.

Fund for Families of Martyrs

START DATE July 2017

OUR PARTNERS

Turkish Red Crescent

OUR OBJECTIVES

- Provide education scholarships to help support children of martyrs be successful in school.
- Provide education support for 630 children.

TARGET AUDIENCE AND OUR ACHIEVEMENTS

- Children of martyrs.
- Sent half of the TRY 1 million support scheduled for 2017.

As Vodafone Turkey Foundation, we will act to support new social projects in accordance with the prioritised needs of our country and provide a total of TRY 5 million to the families of martyrs.

In cooperation with the Turkish Red Crescent, we will give education scholarships of the amount of TRY 1 million in the first year of the project to support the children of martyrs. We will provide for the children of martyrs whose parent



passed away during the July 2015 – July 2017 period. Scholarships allocated to 630 children according to the Ministry of Family and Social Policies will be allocated with the leadership of Turkish Red Crescent depending on the level of need at given schools. Accordingly, scholarships in the amounts of TRY 1,000 per year for children in primary school, TRY 1,300 per year for teenagers in high school, and TRY 2,600 per year for students in university will be provided.

We provided half of the amount allocated for the first year of this project to the designated families of martyrs via "Kızılay (Red Crescent) Kart".

Dreams Academy

Since 2008, Vodafone Turkey Foundation has collaborated with Alternative Life Association (AYDER), the Ministry of Development, and the United Nations Development Program (UNDP) to launch the Dreams Academy social responsibility program with aims to enable the inclusion of disabled and socially disadvantaged individuals into social life through arts. At Dreams Academy, 3-month alternative skill development workshops are being organised free of charge for young people suffering social disadvantages for varying reasons. In painting, drama, dance, photography, rhythm, pantomime, yoga, sign language, and kitchen workshops, young people can find the opportunity to develop their skills and artistic identities.



命 < > 80

Women's Empowerment Energy Innovation

Youth Skills and Employment

Principles and Practice

Vodafone Turkey Foundation Innovation

<

>

企

81

Appendix



Our Sustainable Women's Business Strategy Empowerme

Women's Energy Empowerment Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation Appendix

THEME

Dreams Academy: Disability

START DATE

October 2008

OUR PARTNERS





OUR OBJECTIVES

To support people with disabilities in breaking through social exclusion and in becoming active and productive through arts and culture.

TARGET GROUPS AND AUDIENCES WE HAVE REACHED

- People with physical, mental, hearing disability and visually impaired people.
- Chronic disease groups
- Young people suffering from poverty and deprivation
- Volunteers (youth from Turkey and abroad) As of November 2017, 4,601 attendees completed our workshops.

"Sign Language" Mobile Application

Vodafone Turkey Foundation has executed the most comprehensive sign language education application to facilitate some three million hearing impaired individuals and their relatives through Dreams Academy. This application was prepared



Vodafone Volunteers

Our voluntary activities constitute an important part of our social responsibility projects and we believe that they contribute a lot to the development of our employees. to Vodafone Turkey and to society. We aim to include our employees in the projects we implement under the Vodafone Turkey Foundation within the scope of the Vodafone Volunteers Program and we also aim to improve our projects with their ideas and opinions. A total of 410 Vodafone Turkey employees have participated in our voluntary program to support our projects through the end of November 2017. Each year, we bring our Dreams Academy students together and we celebrate World Volunteers' Day. We paint pictures with our disabled students and we accompany them in a rhythm show.

as courses under a certain curriculum and it was a first in Turkey. With approximately 2,600 videos and a dictionary covering 1,400 words, this application can be downloaded to smartphones.

A ★ ★ 82

Vodafone Turkey	Our Sustainable Business Strategy	Women's Empowerment	Energy Innovation	Youth Skills and Employment	Principles and Practice	Innovation	Vodafone Turkey Foundation	Appendix
Annond	•							
Append								
						X		

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation

Appendix

About the Report

Scope

GRI 102-45

We are pleased to present you our seventh sustainability report in which we share our environmental, social, economic and ethical practices and performance on the previous fiscal period and our future plans and goals with all of our stakeholders.

We shaped the scope of our report based on the topics material to our company and stakeholders that were determined through a materiality assessment. We put together our report taking into account not only significance of economic, environmental and social impacts of our company but also influence on assessments & decisions of our key stakeholders, who are comprised of our customers, employees, regulatory agencies, non-governmental organizations and society.

In addition to the policies, practices and performance in the previous fiscal year, we also include our objectives for upcoming years in the report. Hence, we transparently



communicate our plans for the future with all our stakeholders while we monitor our performance. Unless otherwise stated, all information shared in this report pertains to the fiscal year of 1 April 2016 - 31 March 2017.

The expressions "Vodafone Turkey", "our company" and "us" in this report refers to "Vodafone Turkey Group Companies". Vodafone Turkey Group Companies involve all of the following companies that are included in the scope of consolidated financial statement: Vodafone Telekomünikasvon A.S., Vodafone Dağıtım Hizmetleri A.Ş., Vodafone Teknoloji Hizmetleri A.S. (OKSİJEN), Vodafone Net İletişim Hizmetleri A.Ş., Vodafone Holding A.Ş., Türkiye Vodafone Vakfı (Vodafone Turkey Foundation), Vodafone Bilgi ve İletişim Hizmetleri A.Ş., Vodafone Elektronik Para ve Ödeme Hizmetleri A.Ş. and Vodafone Mobile Operations Limited. All of the companies above were included in the report unless otherwise stated. Regarding Vodafone Mobile Operations Limited (Turkish Republic of Northern Cyprus), only the financial data is included in the report.

Our Solution Partners

We carry out our fundamental processes such as installation and management of base stations with increasing support from our solution partners. We obtain the energy consumption data from our suppliers that are accountable for managing the assets we

Our Sustainable Business Strategy Err

Women's Energy Empowerment Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation Appendix

control, and reporting the performance of contractor companies on OHS. Our stores and third party call centers also make up an important part of our network of solution providers.

OUR VISION

Leading the digital transformation in Turkey.

OUR MISSION

Inspiring every individual in Turkey for a better future through communication technologies.



innovative and competitive international company with local roots admired by its customers.

GUIDELINES AND STANDARDS

Innovation

We used the following international guidelines and standards as a basis while identifying the topics to be covered in the report:

- GRI Standards
- UN Women's Empowerment Principles (WEPs)
- 10 Principles of the UN Global Compact (UNGC)

We appreciate your input!

Your feedback on this report is valuable to us. You are welcome to share your opinions and suggestions with us via e-mail: surdurulebilirlik@vodafone.com

GRI Standards

GRI 102-54

This year we published our seventh sustainability report. We prepared this sustainability report in accordance with the "core" option of the GRI Standards. As in previous years, we have successfully completed the GRI Materiality Disclosure Services which focuses on the information disclosed about the Materiality Assessment and Stakeholder Engagement, and confirms that disclosures in the report content and GRI content index are in line with the GRI Standards. Following the successful completion, we received a customized GRI Alignment Service Organization Mark that we have placed on the first page of our GRI content index.

UN Global Compact "Progress on Communication"

This report is the second "Progress on Communication" we published following our voluntary signing of the UNGC in November 2015, and it contains our implementations aimed at the 10 principles of UNGC and our support for the main goals of the UN.

OUR VALUES

We provide fast, high-quality, simple and reliable services while helping our customers enjoy opportunities in life and to realize their full potentials. We are committed to being a customer- centric,

命 🔇 📏 85

Our Sustainable **Business Strategy**

Women's Empowerment

Energy Innovation Youth Skills and Employment

Principles and Practice

Foundation

Our Material Topics and Key Stakeholders

GRI 102-42. GRI-102-43

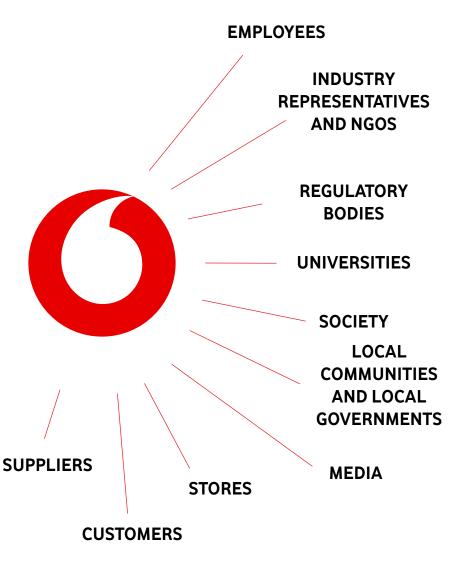
Our sustainability efforts focus on our most significant and material issues that we have a high impact on, and these issues also quide us towards determining the content of this report.

We carried out our first comprehensive materiality assessment in 2012 and obtained independent assurance following the AA1000 Assurance Standard. We regularly review our stakeholders and material topics in line with the GRI Standards, local and global developments, and stakeholder feedback via various dialogue platforms, as well as the strategies of the Vodafone Group and our company. These platforms allow us to keep up-to-date the list of our most material sustainable topics and develop our products and processes accordingly.

Our Key Stakeholders

GRI 102-40, GRI 102-42, GRI 102-43

Our stakeholders are groups that may impact or be impacted by our operations. The key stakeholders for Vodafone Turkey can be found on the figure below. In the Stakeholder Dialogue table below, we included the details about dialogue platforms established to communicate with our stakeholders and the topics covered on these platforms.



Our Sustainable Business Strategy

Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Appendix

87

Our Material Topics

GRI 102-46, GRI 102-47

We follow the guidance of the "Four Principles for Defining Report Content" from the GRI Standards Guidelines to identify our material topics, which are stakeholder inclusiveness, sustainability context, materiality and completeness. In addition to our survey of key internal and external stakeholders to identify material topics, we add to the list by also focusing on the global material topics in the telecommunications sector, the telecommunications sector standards of Sustainability Accounting Standards Board, the Vodafone Group strategy and material topics, and our company's current priorities and strategies. For example, we conducted a survey with the participation of Vodafone Turkey executives on the assessment of material topics as part of our review process.

This report covers environmental and social topics with high impact that were determined with the framework summarized above. The "Material Topics" figure reflects the results of our materiality analysis for our operations in the 2016/2017 fiscal year.

The definitions of different quadrants of the graph are as follows:

Quadrant A: Topics that are material for both our company and stakeholders are listed in quadrant A of the graph (with no particular order). These are the topics that may affect our reputation and/or have a high financial and operational impact on our business processes, and they are monitored closely.

Quadrant B: We have relatively low impact on these topics but they are of high importance for our stakeholders who want to be informed.



Our Suppliers: Throughout the report, we mention topics material not only for our company, but also for our suppliers. We reported information about and collected from our suppliers such as;

Implementing OHS practices

Innovation

- Reducing energy consumption and implementing practices to reduce its GHG emissions
- Evaluating and auditing suppliers on their OHS, environmental and ethical practices

Quadrant C: Topics that are not a major concern for all stakeholders, but that employees in particular believe may have a high impact on our corporate success.

Quadrant D: Relatively low impact topics compared to others for our company and stakeholders but are still included for communication purposes.

Vodafone Turk	Our Sustainable Business Strategy	Women's Empowerment	Energy Innovation	Youth Skills and Employment	Principles and Practice	Innovation	Vodafone Turkey Foundation	Appendix
Appendix (GRI 102-47)							
•	Jadrant B Providing solutions tha environment and effic Increasing customer so Offering solutions that and mobile use for chi	iency (E.g. loT practi atisfaction enable secure inter		 Implement practices) Evaluating a ethical practice Empowerin Contributin Implement Carrying out 	ctices g women economic g to employment a ing practices on cus it various diversity a rojects on technolo Project) Cor Safe (Pro grou grou ince Dev	ncluding emplo ers on their OHS cally nd the economy stomer and data nd inclusivenes: gical literacy in s diributing to the eguarding digital oviding access to ech) vide accessibility ups (E.g. People ome families) relop practices to	yee and supplier , environmental and y privacy s activities for empl	loyees n m of ocial d low-
	uadrant D			Quadrant C				
Significance of issues for stakeholders	Taking precautions to puppert entrepreneurs innovation Contributing to public Making access to quali easier Contributing to protect via waste managemen	ship, creativity and policy ty basic healthcare ting the environmer	t	 Identifying image and Making infr communica Looking ou Carrying ou human hea Increasing a 	reputation astructure investme ation technologies t for employee satis it projects to educa lth	ents to increase sfaction te the society or cy by implemen	in the company's in access to informati n cell phones, mast iting digital technol rechnologies	ion and s and
Signific:		-	t	 Increasing a Creating sm 	agricul <mark>tural e</mark> fficien	nenting digital t	echnologies	

- Support entrepreneurship, creativity and innovation
- ۲ Contributing to public policy
- Making access to quality basic healthcare ۲ easier
- Contributing to protecting the environment via waste management practices

- image and reputation
- Making infrastructure investments to increase access to information and • communication technologies
- Looking out for employee satisfaction
- Carrying out projects to educate the society on cell phones, masts and human health
- Increasing agricultural efficiency by implementing digital technologies
- Creating smart cities by implementing digital technologies
- Providing opportunities for further education and career development for employees

Significance of economic, environmental and social impact

88

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment

Appendix

Dialogue with Our Stakeholders

GRI 102-44

We have continued our communication with our stakeholders on various topics through different platforms with the goal of improving our sustainability practices and performance. We have continued to advance our cooperation with non-governmental organizations (NGOs) and representatives of the sector. Our dialogue processes with our key stakeholders and the examples of topics shared are provided in the next table.

Our Customers

Examples of Stakeholder Dialogue

- Every year we hold customer perception and satisfaction surveys for our corporate and individual customers, our products and services accordingly.
- We continuously establish direct communication with our customers through our call centres, sales channels, the Vodafone Forum, and social media.
- We regularly hold meetings and workshops with our corporate and individual customers to learn about their opinions and expectations.

 We reach out to our stakeholders and customers through the events that we organize and participate in, where we Exchange information and interact.

Examples of Topics Raised

 We have carried the Customer Satisfaction program to a higher level



with new products and advantageous offers, and provided an advantage to Vodafone customers on many issues such as ease of accessibility, quality of reception, utilization control and loyalty programs.

• We have emphasized the importance of digitalization in CEO Club meetings in which we participated as the main sponsor. We shared information regarding our telecom solutions for our corporate customers and municipalities at the Uludağ Economic Summit

Our Employees

Innovation

Examples of Stakeholder Dialogue

- We hold the People Survey every year.
- We regularly organize activities and practices to increase awareness among our employees.
- We learn about the opinions, expectations and suggestions of our employees regarding their and our company's performance through annual channels and regular meetings, and take necessary actions.
- We hold surveys to learn about material sustainability issues for our employees.

Examples of Topics Raised

- We held an employee Satisfaction Survey, which evaluated not only employee satisfaction, but also our OHS and environmental performance.
- During the orientation program we provide for our new employees, we aim to increase their awareness and information on sustainability issues.

合 🖌 > 89

Appendix (GRI 102-44)

 With the participation of senior management, we have executed a materiality survey which contributed to the content of this year's sustainability report.

Our Sustainable

Business Strategy

Women's

Empowerment

Society

Examples of Stakeholder Dialogue

 In line with our transparency and accountability principles, we regularly inform society through various media and platforms, including our sustainability report and mobile applications.

Examples of Topics Raised

- Through the corporate reputation survey, which involves our stakeholders from every walk of life, we evaluate the improvement of our company regarding reputation and sustainability issues.
- We share the press releases, videos, info-graphics and commercials related with our activities through http:// medyamerkezi.vodafone.com.tr.
- We published the 2015/16 fiscal year Vodafone Turkey sustainability report and shared it with our material stakeholders.

Regulatory Bodies

Energy

Innovation

Examples of Stakeholder Dialogue

 We establish dialogue with regulatory bodies on issues concerning our industry and company and we regularly provide information to these bodies through reports.



 We exchange opinions on issues such as effective and goal-oriented implementation of competition policies and removing regulatory barriers against products and services that contribute to the overall welfare and development of society.

Local Community and Local Governments

Innovation

Examples of Stakeholder Dialogue

 We closely follow the developments regarding base stations and health.
 We share the research of leading institutions, such as the World Health Organization and the International Cancer Research Agency, through our website.

Examples of Topics Raised

 We maintain ongoing two-day dialogue by receiving the opinions of local communities and local governments especially about the base stations.

Our Suppliers

Examples of Stakeholder Dialogue

 Within the framework of Supplier Performance Management Program, we support our suppliers to develop their capacities in sustainability, quality and performance.

Examples of Topics Raised

 At the Ecosystem Day event, we informed our suppliers on recent developments in occupational health and safety, best practices and our approach to sustainability.



Appendix

Our Sustainable Business Strategy En

Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice

Appendix

91

Appendix (GRI 102-44)

Industry Representatives and NGOs*

Examples of Stakeholder Dialogue

 We establish permanent cooperation with industry representatives and NGOs in line with our sustainability approach.

Examples of Topics Raised

 We establish continuous communication with industry representatives and NGOs through meetings, working groups, and visits; we cooperate for the development of our industry.

Our Stores

Examples of Stakeholder Dialogue

- We get feedback from our stores through periodic satisfaction surveys and implement remedial actions.
- We support our stores for capacity enhancements.

Examples of Topics Raised

 With the Green Office program initiated in cooperation with WWF-Turkey, we have ensured more efficient use of energy and natural resources at selected stores.

- We keep supported our store employees to develop their capabilities by organizing training programs on various topics, including service quality and customer relations.
- We hold stakeholder engagement workshops in regular intervals with the participation of opinion leaders, experts and other stakeholders.

Examples of Topics Raised

Innovation

- In the 2016/17 fiscal year, we sponsored various events such as Sustainable Brands, World Telecommunication Day, Information Security Conference, and we have shared the practices of our company on sustainability in these conferences with our stakeholders.
- We are planning to organize the fifth stakeholder dialogue workshop in the 2017/18 fiscal year.

Opinion Leaders and Experts

Examples of Stakeholder Dialogue

 We participate as speaker or sponsor to the conferences on sustainability organized in our country and we facilitate the mutual exchange of ideas on this.



^{*} Our collaboration with non-governmental organizations and industry representatives, and initiatives on which we are signatories are presented on page 13 of the Vodafone Turkey 2015-2016 Sustainability Report.

Our Sustainable Women's Business Strategy Empowerment

Energy nt Innovation Youth Skills and Employment

nd Pri

Principles and Practice Innovation Vodafone Turkey Foundation Appendix

Reporting Principles

Principles of Reporting relate to the collection and calculation of greenhouse gas emission (GRI 305-1 and 305-2) and energy consumption data (GRI 302-1 and 302-3) disclosed in this report.

The methodology for calculating greenhouse gas emissions is "greenhouse gas operational data x greenhouse gas emission or removal factors". Greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol methodology of the WRI/WBCSD. The boundaries of the company were identified based on the control approach and all Vodafone buildings, call centres, base stations, switching sites, and data centres as well as greenhouse gas emissions resulting from generators and refrigerant gases were included in the inventory. Operational boundaries are defined as scope 1 (direct) and scope 2 (indirect).

In our calculations, CO2 equivalent factors of CO2, CH4, N2O and HFCs (refrigerant gases) emissions are used and global warming potential (GWP) coefficients were taken from the 5th Assessment Report of



the IPCC. The network emission factor is calculated by using the data provided by the Turkish Electricity Transmission Company (TEİAŞ).

Sources of direct greenhouse gas emissions are as follows:

Scope 1: Leased vehicles, F-gases used in air conditioners, fuel used in buildings, diesel and gasoline generators used in base stations in emergencies.

Sources of indirect greenhouse gas emissions are as follows:

Scope 2: Electricity consumption in our buildings and base stations. Energy consumption from all buildings, switching sites and data centres, base stations, company vehicle fleet and generators under the control of Vodafone Turkey

Thereby, these data are also included in the energy consumption data given in the report.

Calorific values and tonne of oil equivalent (ToE) conversion factors were taken from tables published in the "Directive for Improving Efficiency of Energy Sources and Energy Use", issued in the Official Gazette on October 27th, 2011, numbered 28097. In the conversion of energy units the following formulas were used: 1 kcal = 4.184 kJ, 1 GJ = 0.2777 MWh (1 MWh = 3.6 GJ). The annually

Our Sustainable Women's Business Strategy Empowerment

Energy nt Innovation Youth Skills and Employment Principles and Practice

Appendix

updated Turkish Electricity Transmission Company data were used for the calculation of greenhouse gases originating from production of electricity.

We have completed our work in accordance with global standards by following the Greenhouse Gas Protocol (GHG Protocol) for measuring emissions, management and reporting that was prepared by the World Resources Institute (WRI) and World Sustainable Development Business Council (WBSD). On January 20th, 2015, renewed guideline for Scope 2 emissions states that companies must report their Scope 2 emissions both with the market-based method and the location-based method. We are aware of this necessity, but we have not been able to carry out calculations based on the market-based method since there is no descriptive and confirmed information about Vodafone's electric supply source. Thus, according to the Standard, the marketbased emissions were considered to be the same as local-based emissions.

Innovation

Energy Consumption and Greenhouse Gas Emissions

Energy Consumption	2014/15 Fiscal Year*	2015/16 Fiscal Year*	2016/17 Fiscal Year**
	GJ	GJ	GJ
Base Stations	1,312,789	1,430,689	1,554,382
Purchased Electricity	1,257,844	1,378,365	1,501,602
Generator (diesel and gasoline)	54,059	51,440	51,895
Renewable energy	886	884	885
Switching Sites and Data Centers	215,809	253,497	272,452
Purchased electricity	212,464	249,455	267,278
Generator (diesel and gasoline)	3,271	3,968	5,100
Renewable energy	74	74	74
Office Buildings (including call centers)	65,853	51,512	59,001
Purchased electricity	57,588	44,896	51,974
Generator (diesel)	887	865	992
Natural gas	7,378	5,751	6,035
Vehicle Fuels	47,891	50,698	50,117
Diesel	47,669	50,580	48,964
Gasoline	222	118	1,153
TOTAL	1,642,342	1,786,396	1,935,952

合 **く 〉** 93

94

<

合

>

* Energy and greenhouse gas emissions data for the 2014/15 and 2015/16 fiscal years was assured by the independent audit firm EY. You may find the relevant independent audit statements in Vodafone

Turkey 2014/15 and Vodafone Turkey 2015/16 reports.

** Energy and greenhouse gas emissions data for the 2016/17 fiscal year was assured by the independent audit firm BSI. You may find the relevant independent audit statements in independent assurance statement section.

Greenhouse Gas Emissions (ton CO2-equivalent)	2014/15 Fiscal Year*	2015/16 Fiscal Year*	2016/17 Fiscal Year**
Scope 1	2,103.0	19,217.2	14,606.0
Vehicles	3,608.1	3,820.1	3,118.0
F-gases	18,857.8	11,027.8	6,972.2
Fuel used in buildings	415.1	323.5	339.6
Generator (diesel + gasoline)	4,222.0	4,045.8	4,176.3
Scope 2	209,914.1	256,530.6	258,956.3
Electricity consumption in base stations	172,812.3	211,388.4	213,553.2
Electricity consumption in switching sites and data centers	29,189.9	38,256.9	38,011.5
Electricity consumption in Office buildings	7,911.9	6,885.3	7,391.6
TOTAL	237,017.1	275,747.8	273,562.3

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Appendix

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice

Vodafone Turkev

Foundation

bsi.

Independent Assurance Statement

To the Top Management of Vodafone Telekomünikasyon A.Ş

Executive Summary

The selected data of the energy consumption and carbon emission which refer to the year ended 31.03.2017, contained by the Vodafone Telekomünikasyon A.Ş Sustainability Report FY16/17 and detailed in Annex 1 has been verified with limited assurance.

Respective Responsibilities

It is the responsibility of the top management of Vodafone Telekomünikasyon A.Ş to collect and prepare the necessary data for verification review with high accuracy. The top management of Vodafone Telefomünikasyon A.Ş is also responsible for the content of the Sustainability Report FY16/17 which refers to the selected data in accordance with the criteria set out Annex 1.



Pinciples of the verification service that we perform are as follows:

- Impartiality,
- Competence,
- Factual approach to decision making,
- Openness,
- Confidentiality.

Our verification audit based on limited assurance procedures to check whether the Greenhouse Gas assertion is materially correct and the Greenhouse Gas data and information submitted to our verification team is prepared in all material respects in accordence with Annex 1.

The assurance engagement performed is fullyin compliance with the applicable independence and competency requirements as laid down in ISO14064-3-2006 Specification with Guidance for the Validation and the Verification of Greenhouse Gas Assertion published by the International Organization for Standardization.

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkev

Foundation

Appendix

bsi.

This report, including the Opinion Statement, has been prepared for the top managers of Vodafone Telekomünikasyon A.Ş to assist their Sustainability Report FY16/17 referring to the Vodafone Telekomünikasyon A.Ş's energy consumption, carbon emission monitoring and control performance.

For the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the top managers of Vodafone Telekomünikasyon A.Ş for our verification audit or this assurance report.



Methodology Used the Provision of Audit

We conducted this limited assurance engagement in accordance with ISO14064-3:2006 published by ISO (International Organization for Standardization).

To perform this assurance work, we have visited all locations and checkedall information submitted by Vodafone Telekomünikasyon A.Ş.

Our reasonable procedure require from the verification team to assess the followings:

- Inventory design, scope & boundary,
- Specific Greenhouse Gas, (GHG) activity and technology,
- Identification and selection of GHG sources, sinks or reservoirs,
- Quantification, monitoring and reporting, including relevant technical and sector issues,
- Situations that may affect the materiality of the GHG assertion, including typical and atypical operating conditions.

☆ く > 96

Our Sustainable Business Strategy Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkev

Foundation

Appendix

bsi.

The verifier of verification team have expertise to evaluate the implications of financial, operational, contractual or other agreements that may affect organization boundaries, including any legal requirements related to the GHG assertion.

Opinion Statement

Based on the results of the verification audit we delivered according to our procedures, the Greenhouse Gas assertion of Vodafone Telekomünikasyon A.Ş reported in their Sustainability Report FY16/17 is materially correct and is a fair representation of the data and information is prepared in accordance with the related international standard on Greenhouse Gas quantification, monitoring and reporting and to relevant national standards or practices available at the time verification audit performed.

BSI GROUP EURASIA BELGELENDIRME HIZMETLERI LIMITED SIRKET!

BSI (British Standards Institution) BSI Group Eurasia Belgelendirme Hizmetleri Ltd. Şti.

Özlem Ünsal Managing Director

命 🖌 🕨 97

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Innovation

bsi.

Annex-1 Vodafone Telekomünikasyon A.Ş. Greenhouse Gas Emissions Inventory Summary Report

General Principles and Scope

This report is the summary of Vodafone Telekomünikasyon A.Ş's Energy Consumption and Greenhouse GaS (GHG) Emission Report FY16/17, including the general principles of the calculation methodologies and the GHG management.

Greenhouse Gas Emissions and Activity Boundaries

Vodafone Telekomünikasyon A.Ş.'s greenhouse gas emissions are in 3 categories:

- Direct greenhouse gas emissions,
- Indirect energy greenhouse emissions,
- Other indirect greenhouse has emissions.

Direct greenhouse gas emissions are within the scope of Scope 1, energy indirect greenhouse gas emissions are within the scope of Scope 2 and other indirect greenhouse gas emissions are



within the scope of Scope 3. Scope 1 and Scope 2 emissions are under the financial and administrative control of Vodafone Telefomünikasyon A.Ş, thus the Scope 3 emissions not included in the greenhouse gas emissions inventory.

Direct Greenhouse Gas Emissions:

Vodafone Telekomünikasyon A.Ş.'s direct greenhouse gas emissions are in three categories:

- Greenhouse gas emissions sourced by the stationary combustion,
- Greenhouse gas emission sourced by the mobile combustion,
- Other direct greenhouse gas emissions.
- Energy Indirect Greenhouse Gas Emissions:

Vodafone Telekomünikasyon A.Ş.'s energy indirect emission resource is electricity.

ት **ረ >** 98

Our Sustainable Business Strategy Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice

Appendix

Vodafone Turkev

Foundation

bsi

Greenhouse Gas Emissions Inventory Calculations

Vodafone Telekomünikasyon A.Ş.'s Greenhouse Gas Emissions Inventory calculations are based on mainly "Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines"

The calculation methodologies and emission factors are as follows:

- The "IPCC-2006 Guidelines for National Greenhouse Gas Inventories, Volume 2: Energy, Chapter 2: Stationary Combustion" is used to calculate the calculate the greenhouse gas emission sourced by the mobile combustion.
- The "IPCC-2006 Guidelines for National Greenhouse Has Inventories, Volume 2: Energy, Chapter 3: Mobile Combustion" is used to calculate the greenhouse gas emission sourced by the mobile combustion.
- In the reporting period, electricity emission factor for Turkey. TEIAS statistics has been used to calculate energy indirect greenhouse gas emissions.



Management of Uncertainties and Materiality

The uncertainties can be caused by the measurement devices, potential record errors and deviations in calorific value and lower - upper values of the fuels.

Materiality is the sum of GHG inventory uncertainties and negligibles, acceptances. The company materiality has been calculated accordingly.

Opinion Restatement

Vodafone Telekomünikasyon A.Ş.'s Greenhouse Gas Inventory FY16/17 is materially correct and is a fair representation of the data and is prepared in accordance with the related international standard on greenhouse gas and to relevant national standards or practices available. It has been agreed that the materiality is under 10%.

🚡 🖌 እ 99

Youth Skills and Employment

Innovation

Appendix



GRI Standards Content Index

GRI 102-55

GRI Standards	Disclosures / Page Number(s) and Explanations	LINCO
GRI 101: Foundation 2016		UNGC Principles
General Disclosures		
Organizational Profile		
102-1 Name of the organization	Vodafone Telekomünikasyon A.Ş.	
102-2 Activities, brands, products, and services	Scope, p.96	
102-3 Location of headquarters	Vodafone Plaza, Büyükdere Cad. No: 251, Maslak 34398, ISTANBUL	
102-4 Location of operations	Turkey	
102-5 Ownership and legal form	All shares of Vodafone Turkey Group of Companies are owned by Vodafone Group Plc.	
102-6 Markets served	Turkey	
102-7 Scale of the organization	Scope, p.96	
102-8 Information on employees and other workers	Corporate Performance, p.8	Principle 6
102-9 Supply chain	Supply Chain Integrity and Safety, p.76	
102-10 Significant changes to the organization and its supply chain	During the 2016/17 fiscal year, there were no significant changes regarding size, structure, ownership, or supply chain.	
102-11 Precautionary Principle or approach	Vodafone supports the application of the European Commission's framework for a precautionary approach as contained in the 2000 EC Communication on Precaution.	
102-12 External initiatives	Vodafone Turkey Sustainability Report 2015-2016, p. 13	
102-13 Membership of associations	Vodafone Turkey Sustainability Report 2015-2016, p.13	



Our Sustainable Women's Business Strategy Empowerment

i's Energy nent Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation

Appendix

Strategy		
102-14 Statement from senior decision-maker	Message from Vodafone Group CEO, p.4; Message	
Code of Ethics and Principles	from Vodafone Turkey CEO, p.6	
102-16 Values, principles, standards, and norms of behavior	Our Approach to Human Rights, p.56	Principle 10
Governance		
102-18 Governance structure	Our Sustainable Business Strategy, p.10	
Stakeholder Engagement		
102-40 List of stakeholder groups	Our Key Stakeholders, p.98	
102-41 Collective bargaining agreements	We respect our employees' right for collective bargaining. Our employees are not unionized.	Principles 1,2,3
102-42 Identifying and selecting stakeholders	Our Material Topics, p.98; Our Key Stakeholders, p.98	
102-43 Approach to stakeholder engagement	Our Material Topics, p.98; Our Key Stakeholders, p.98	
102-44 Key topics and concerns raised	Dialogue with Our Stakeholders, p.101-103	
Reporting Practise		
102-45 Entities included in the consolidated financial statements	Scope, p.96	
102-46 Defining report content and topic Boundaries	Our Material Topics, p.99-100	
102-47 List of material topics	Our Material Topics, p.99-100	
102-48 Restatements of information	There were no restatements.	
102-49 Changes in reporting	There are no significant changes in the Scope or Aspect Boundaries.	
102-50 Reporting period	1 April 2016 - 31 March 2017	
102-51 Date of most recent report	1 April 2016 - 31 March 2017	
102-52 Reporting cycle	Sustainability report is published annually.	
102-53 Contact point for questions regarding the report	Corporate Relations Department: surdurulebilirlik@vodafone.com	
102-54 Claims of reporting in accordance with the GRI Standards	GRI Standards, p.97	
102-55 GRI content index	GRI Standards Content Index, p.112	
102-56 External assurance	Independent Assurance Statement, p.107-111	

命 < > 101

Our Sustainable Wor Business Strategy Empore

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation

Appendix

	Topic-Specific Standards	
	GRI 200 Economic Standards Series	
	GRI 201: Economic Performance 2016	
	103-1 Explanation of the material topic and its Boundary	Our Employees, p.16; Women First in Entrepreneurship Program, p.19-20; Youth Skills and Employment, p.46; Employment Creation, p.70; Our Contribution to the Economy, p.70; Taxes and Investments, s.71
GRI 103: Management Approach 2016	103-2 The management approachand its components	Our Employees, p.16; Women First in Entrepreneurship Program, p.19-20; Youth Skills and Employment, p.46; Employment Creation, p.70; Our Contribution to the Economy, p.70; Taxes and Investments, s.71
	103-3 Evaluation of the management approach	Our Employees, p.16; Women First in Entrepreneurship Program, p.19-20; Youth Skills and Employment, p.46; Employment Creation, p.70; Our Contribution to the Economy, p.70; Taxes and Investments, s.71
	201-1 Direct economic value generated and distributed	Our Employees, p.16; Women First in Entrepreneurship Program, p.19-20; Youth Skills and Employment, p.46; Employment Creation, p.70; Our Contribution to the Economy, p.70; Taxes and Investments, s.71
	GRI 202: Market Presence 2016	
GRI 103:	103-1 Explanation of the material topic and its Boundary	Women's Involvement in Business Life and Equality in Opportunity, p.16-17
Management Approach	103-2 The management approach and its components	Women's Involvement in Business Life and Equality in Opportunity, p.16-17
2016	103-3 Evaluation of the management approach	Women's Involvement in Business Life and Equality in Opportunity, p.16-17
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Women's Involvement in Business Life and Equality in Opportunity, p.16-17
	GRI 203: Indirect Economic Impacts 2016	
GRI 103:	103-1 Explanation of the material topic and its Boundary	Our Contribution to the Economy, p.70
Management Approach	103-2 The management approach and its components	Our Contribution to the Economy, p.70
2016	103-3 Evaluation of the management approach	Our Contribution to the Economy, p.70
	203-1 Infrastructure investments and services supported	Taxes and Investments, p.71, Smart Cities, p.42-43
	203-2 Significant indirect economic impacts	Our Contribution to the Economy, p.70

☆ く > 102

Our Sustainable Women's Business Strategy Empowerment

s Energy nent Innovation Youth Skills and Employment Principles and Practice

Innovation

Vodafone Turkey Foundation Appendix

	GRI 205: Anti-Corruption 2016		Principle 10
GRI 103:	103-1 Explanation of the material topic and its Boundary	Combatting Bribery and Corruption, p.72	
Management Approach	103-2 The management approach and its components	Combatting Bribery and Corruption, p.72	
2016	103-3 Evaluation of the management approach	Combatting Bribery and Corruption, p.72	
	205-1 Operations assessed for risks related to corruption	Combatting Bribery and Corruption, p.72	Principle 10
	205-2 Communication and training about anti-corruption policies and procedures	Combatting Bribery and Corruption, p.72	Principle 10
	GRI 300 Environmental Standards Series		
	GRI 302: Energy 2016		Principles 7,8,9
	103-1 Explanation of the material topic and its Boundary	Our Sustainable Business Strategy, p.10; Our Energy Consumption and Greenhouse Gas Emissions, p.28	
GRI 103: Management Approach 2016	103-2 The management approach and its components	Our Sustainable Business Strategy, p.10; Our Energy Consumption and Greenhouse Gas Emissions, p.28	
2010	103-3 Evaluation of the management approach	Our Sustainable Business Strategy, p.10; Our Energy Consumption and Greenhouse Gas Emissions, p.28	
	302-1 Energy consumption within the organization	Reporting Principles, p.104-105	Principles 7,8
	302-3 Energy intensity	Our Energy Consumption an Greenhouse Gas Emissions, p.28	Principles 7,8
	GRI 305: Emissions 2016		Principles 7,8,9
GRI 103:	103-1 Explanation of the material topic and its Boundary	Our Sustainable Business Strategy, p.10; Our Energy Consumption and Greenhouse Gas Emissions, p.28	
Management Approach 2016	103-2 The management approach and its components	Our Sustainable Business Strategy, p.10; Our Energy Consumption and Greenhouse Gas Emissions, p.28	
	103-3 Evaluation of the management approach	Our Sustainable Business Strategy, p.10; Our Energy Consumption and Greenhouse Gas Emissions, p.28	
	305-1 Direct (Scope 1) GHG emissions	Reporting Principles, p.104-106	Principles 7,8
	305-2 Energy indirect (Scope 2) GHG emissions	Reporting Principles, p.104	Principles 7,8

☆ く > 103

Our Sustainable Wom Business Strategy Empow

Women's Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation

Innovation

Appendix

	GRI 306: Effluents and Waste 2016		
GRI 103:	103-1 Explanation of the material topic and its Boundary	Office Buildings and Other Environmental Applications, p.34	
Management Approach	103-2 The management approach and its components	Office Buildings and Other Environmental Applications, p.34	
2016	103-3 Evaluation of the management approach	Office Buildings and Other Environmental Applications, p.34	
	306-2 Waste by type and disposal method	Office Buildings and Other Environmental Applications, p.34-35	Principle 8
	GRI 308: Supplier Environmental Assessment 201	6	
GRI 103: Management Approach 2016	103-1 103-1 Explanation of the material topic and its Boundary	Ethical Purchasing, s.76	
	103-2 103-2 The management approach and its components	Ethical Purchasing, p.76	
	103-3 Evaluation of the management approach	Ethical Purchasing, s.76	
	308-1 New suppliers that were screened using environmental criteria	Supplier Performance Management, p.77	Principle 8
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier Performance Management, p.77	Principle 8
	GRI 400 Social Standards Series		
	GRI 401: Employment 2016		Principle 6
GRI 103:	103-1 Explanation of the material topic and its Boundary	Our People, p.57	
Management Approach 2016	103-2 The management approach and its components	Our People, p.57	
2010	103-3 Evaluation of the management approach	Our People, p.57	
	401-1 New employee hires and employee turnover	Our People, p.57	Principle 6
	GRI 403: Occupational Health and Safety 2016		Principle 1
GRI 103:	103-1 Explanation of the material topic and its Boundary	Occupational Health and Safety, p.63	
Management Approach	103-2 The management approach and its components	Our Occupational Health and Safety Policy, p.63	
2016	103-3 Evaluation of the management approach	Management, p.67	
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Occupational Health and Safety, p.63; Supply Chain Integrity and Safety, p.76	Principle 1

命 く 〉

Our Sustainable Wo Business Strategy Empo

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation

Appendix

	GRI 404: Training and Education 2016		Principle 6
GRI 103:	103-1 Explanation of the material topic and its Boundary	Our Employees, p.46;Trainings Provided to Our Employees, p.60	
Management Approach	103-2 The management approach and its components	Our Employees, p.46; Trainings Provided to Our Employees, p.60	
2016	103-3 Evaluation of the management approach	Our Employees, p.46; Trainings Provided to Our Employees, p.60	
	404-1 Average hours of training per year per employee	Our Employees, p.46; Trainings Provided to Our Employees, p.60	Principle 6
	404-2 Programs for upgrading employeeskills and transition assistance programs	Our Employees, p.46; Trainings Provided to Our Employees, p.60	Principle 6
	404-3 Percentage of employees receiving regular performance and career development reviews	Our Employees, p.46; Trainings Provided to Our Employees, p.60	
	GRI 405: Diversity and Equal Opportunity 2016		
	103-1 Explanation of the material topic and its Boundary	Women's Empowerment, p.16; Smart Village, p.37; Women's Involvement in Business Life and Equality in Opportunity, p.16; Our Human Resources Policy, p.57	
GRI 103: Management Approach 2016	103-2 The management approach and its components	Women's Empowerment, p.16; Smart Village, p.37; Women's Involvement in Business Life and Equality in Opportunity, p.16; Our Human Resources Policy, p.57	
	103-3 Evaluation of the management approach	Women's Empowerment, p.16; Smart Village, p.37; Women's Involvement in Business Life and Equality in Opportunity, p.16; Our Human Resources Policy, p.57	
	405-1 Diversity of governance bodies and employees	Women's Empowerment, p.16; Smart Village, p.37; Women's Involvement in Business Life and Equality in Opportunity, p.16; Our Human Resources Policy, p.57	Principle 6
	405-2 Ratio of basic salary and remuneration of women to men	Women's Empowerment, p.16; Smart Village, p.37; Women's Involvement in Business Life and Equality in Opportunity, p.16; Our Human Resources Policy, p.57	Principle 6

☆ く > 105

Our Sustainable Wor Business Strategy Empow

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation Appendix

	GRI 414: Supplier Social Assessment 2016		
GRI 103:	103-1 Explanation of the material topic and its Boundary	Ethical Purchasing, p.76; Field Assessments, s.77	
Management Approach 2016	103-2 The management approach and its components	Ethical Purchasing, p.76; Field Assessments, s.77	
2016	103-3 Evaluation of the management approach	Ethical Purchasing, p.76; Field Assessments, s.77	
	414-1 New suppliers thatwere screened using social criteria	Ethical Purchasing, p.76; Field Assessments, s.77	Principles 1, 2, 3, 4, 5, 6, 10
	414-2 Negative social impacts in the supply chain and actions taken	Ethical Purchasing, p.76; Field Assessments, s.77	Principles 1, 2, 3, 4, 5, 6
	GRI 416: Customer Health and Safety 2016		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Mobiles, Masts and Health, p.73	
	103-2 The management approach and its components	Mobiles, Masts and Health, p.73	
2010	103-3 Evaluation of the management approach	Mobiles, Masts and Health, p.73	
	416-1 Assessment of the health and safety impacts of product and service categories	Mobiles, Masts and Health, p.73	
	GRI 418: Customer Privacy 2016		
	103-1 Explanation of the material topic and its Boundary	Confidentiality of Information and Data Security, p.82-83	
GRI 103: Management Approach	103-2 The management approach and its components	Confidentiality of Information and Data Security, p.82-83	
2016	103-3 Evaluation of the management approach	Confidentiality of Information and Data Security, p.82-83	
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Confidentiality of Information and Data Security, p.82-83	Principle 1

☆ く > 106

Our Sustainable Women's Business Strategy Empowerment

Energy t Innovation Youth Skills and Employment Principles and Practice Innovation Vodafone Turkey Foundation

Appendix

	Material topics that are not covered by the GRI S	tandards					
	Providing solutions that benefit the environmer	t and efficiency (Eg. IoT practices)	Principle 8				
GRI 103:	103-1 Explanation of the material topic and its Boundary	Smart Village, p.37; Energy Efficiency Solutions for our Customers, p.38					
Management Approach 2016	103-2 The management approach and its components	Smart Village, p.37; Energy Efficiency Solutions for our Customers, p.38					
	103-3 Evaluation of the management approach	Smart Village, p.37; Energy Efficiency Solutions for our Customers, p.38					
	Increasing customer satisfaction						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Society, s.19; Energy Efficiency Solutions for our Customers, p.38; Our Human Resources Policy, p.57					
	103-2 The management approach and its components	Society, s.19; Energy Efficiency Solutions for our Customers, p.38; Our Human Resources Policy, p.57					
	103-3 Evaluation of the management approach	Society, s.19; Energy Efficiency Solutions for our Customers, p.38; Our Human Resources Policy, p.57					
	Offering solutions that enable secure internet and mobile use for children and families						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our Approach to Human Rights, p.56					
	103-2 The management approach and its components	Our Approach to Human Rights, p.56					
	103-3 Evaluation of the management approach	Our Approach to Human Rights, p.56					
	Executing projects on technological literacy in society (Coders of Tomorrow Project)						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Coders of Tomorrow Project, p.50-53; Smart Village, p.37					
	103-2 The management approach and its components	Coding Tomorrow Project, p.50-53; Smart Village, p.37					
	103-3 Evaluation of the management approach	Coding Tomorrow Project, p.50-53; Smart Village, p.37					

① 〈 〉 107

Our Sustainable Women's Business Strategy Empowerment

Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkey Foundation

Innovation

Appendix

	Safeguarding digital rights and freedom (Provid	ling access to public and freedom of speech)	Principle 1			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our Sustainable Business Strategy, p.10; Early Rescue, p.22; Our Approach to Human Rights, p.56				
	103-2 The management approach and its components	Our Sustainable Business Strategy, p.10; Early Rescue, p.22; Our Approach to Human Rights, p.56				
	103-3 Evaluation of the management approach	Our Sustainable Business Strategy, p.10; Early Rescue, p.22; Our Approach to Human Rights, p.56				
	Provide accessibility solutions for all social groups (E.g. People with disabilities and low-income families)					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	"Sign Language" Mobile Application, p.93				
	103-2 The management approach and its components"Sign Language" Mobile Application, p.93					
	103-3 Evaluation of the management approach	"Sign Language" Mobile Application, p.93				
	Increasing agricultural efficiency by implementing digital technologies		Principle 9			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Smart Village, p.37				
	103-2 The management approach and its components	Smart Village, p.37				
	103-3 Evaluation of the management approach	Smart Village, p.37				
	Taking precautions to reduce paper use					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Stakeholder Opinion (İpek Selek), p.29-30; E-Billing, p.30				
	103-2 The management approach and its components	Stakeholder Opinion (İpek Selek), p.29-30; E-Billing, p.30				
	103-3 Evaluation of the management approach	Stakeholder Opinion (İpek Selek), p.29-30; E-Billing, p.30				

☆ く > 108

Vodafone Turkey	Our Sustainable Business Strategy	Women's Empowerment	Energy Innovation	Youth Skills and Employment	Principles and Practice	Innovation	Vodafone Turkey Foundation	Appendix

	Contributing to public policy					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Our Contribution to Public Policy, p.71				
	103-2 The management approach and its components	Our Contribution to Public Policy, p.71				
	103-3 Evaluation of the management approach	Our Contribution to Public Policy, p.71				
	Making access to quality basic healthcare easier					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Health, p.39				
	103-2 The management approach and its components	Health, p.39				

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Vodafone Turkev

Foundation

>

110

Appendix

Contact

Vodafone Telekomünikasyon A.Ş.

Vodafone Plaza Büyükdere Caddesi No: 251 Maslak 34398 İstanbul Tel: 0850 542 00 00 (Vodafone Headquarters) Tel: 0542 542 00 00 (Vodafone Customer Services) or 542 (Vodafone customers)

www.vodafone.com.tr

For more information on the Sustainability Report:

Corporate Relations Department surdurulebilirlik@vodafone.com

Vodafone Turkey Sustainability Report was prepared solely for informative purposes and all content and information in this Report are prepared using the information and sources deemed to be accurate and reliable in the time the Report was written. None of the information and content in this Report can be interpreted as a statement, warranty and/or commitment; nor is it guaranteed that the information and content in this Report is complete and unchangeable.

Report Consultancy

ΕY

www.ey.com/tr/en/services/assurance/ climate-change-and-sustainability-services

Report Design

FM Data İletişim Danışmanlığı www.data-iletisim.com

All Rights Reserved. Vodafone Turkey

Our Sustainable Business Strategy

Women's Empowerment Energy Innovation Youth Skills and Employment Principles and Practice Innovation

Vodafone Turkey Foundation Appendix

>

<

1пГ

111

For the scope of the report, reporting principles and independent assurance statement, please visit

http://www.vodafone.com.tr/ VodafoneHakkinda/Surdurulebilirlik.php



Please scan the QR code to manage PDF version of Vodafone Turkey Sustainability Report 2016/17



Vodafone Turkey 2016/17 Sustainability Report

www.vodafone.com.tr



