

Vodafone

Telecommunications Industry



Environmental and social issues are very important to Vodafone. They use the monitoring aspect of the Entropy System for international data gathering across their operating companies. This information is fed into their Corporate Social Responsibility (CSR) Report and has resulted in significant data quality improvements.

The Entropy System is used within Vodafone for data gathering and reporting use. Vodafone have produced three CSR reports in total. They first established a vision for the company and then began to draw upon data using Word and Excel documents. The Entropy System was used for the first time on their third CSR report produced for the 2002-2003 period.

Vodafone realised they had to have a system that was more sophisticated than the previous Microsoft® Word and Excel based approach and a solution that could be integrated over time. They needed something that had an ability to grow, and developing and maintaining an in-house system was considered too costly.

Several options for systems were considered before choosing the Entropy System. It was purchased based on its usability, the opportunity to expand the System as business needs change and its value for money.

Two Group committees drive Vodafone's "CSR" programme: the Group Policy Committee (GPC) and the Group Operational Review Committee (GORC). Chief executives or senior directors from their operating companies personally champion work on Vodafone's seven strategic CSR initiatives: electro-magnetic fields; energy efficiency; products and

services; responsible marketing; waste management, refrigerants and fire suppressants; handset recycling and suppliers.

Their CSR team based at the Group headquarters in Newbury, UK, coordinate internal CSR guidance and communications and provide direct support to the two Group committees-GPC and GORC. A network of some 80 CSR representatives provides a link between the Group CSR team and the operating companies.

For reporting purposes the Entropy System is accessed two or three times a year by their operating companies. Two main users in the UK CSR team have full access to the Entropy System. On average there are two users per operating company who are involved in data input to the System. In the future, it is hoped that at least one person in each operating company will have full access, in order to use the System to benchmark against other operating companies.

The survey tool is the most recent aspect of the Entropy System that Vodafone are utilising. Linked into their seven initiatives, they intend to explore the use of the Entropy System as a performance management and project management tool to assess targets and roles.

About the Customer

Vodafone is one of the 20 largest companies in the world and second largest in the UK. Vodafone Group Plc provide a range of mobile telecommunications services, including voice and data communications. They have equity interests in 28 countries and Partner Networks in a further 8 countries.

Business Challenge

- Improve CSR reporting data
- A web-based data-collecting tool
- Flexible system that can evolve with the business

Entropy Solution

- A unified system that improved quality of data
- CSR reporting and internal benchmarking
- Improved internal performance
- Demonstrable value and ROI

"The Entropy System will allow us to increase the sophistication of our reporting and internal benchmarking over the coming years as the data available to us continues to improve."

Vodafone's Corporate Social Responsibility Report 2002-03, www.vodafone.com/responsibility

The Group CSR team at Vodafone have successfully implemented the Entropy System as a data-gathering tool. It is enabling both the Group CSR team and CSR colleagues in operating companies to analyse and report relevant data and information.

"An unexpected result was the lack of complaints from users. We were prepared for more resistance and more errors but it went surprisingly smoothly."

Chris Burgess, Senior Corporate Responsibility Manager, Vodafone

The System was bought in the second quarter of 2002 and Chris Burgess, Senior Corporate Responsibility Manager, joined the company in October 2002. He has been overseeing the Entropy System implementation since that point.

The Entropy System is found to be easy to use, and having a single company-wide system is helping to improve internal performance. Currently the Entropy System is hosted with Entropy International but the plan is to migrate the system to internal servers as access is widened and it becomes integrated with other internal systems.

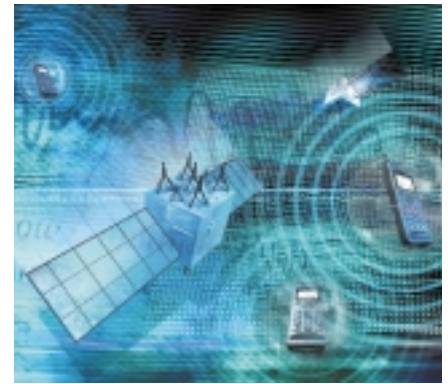
The Entropy System strengthens Vodafone's data quality and helps improve engagement on CSR issues. Full access to the Entropy System across operating companies will allow those companies to benchmark their own performance data directly against those of other operating companies. It is hoped that as well as improving transparency it will also boost the quality of the data and help in working towards the 2005 goal of five operating companies producing local CSR reports.

The flexibility of the System is viewed as a major strength. Areas can easily be turned on or off depending on requirements. Reporting data were gathered in a 2-week period from the operating

companies. The CSR team then spent 2 months analysing and checking for discrepancies. They are currently working towards a quarterly system for data gathering.

For Vodafone, CSR is about having a positive effect on people's lives and the environment by running a successful values-based business. For them it involves managing and measuring their interactions with society and the environment. Vodafone management systems offer a framework and set company standards, but Vodafone operating companies are free to choose whether to obtain certification to ISO 14001. Five of their 16 operating companies use recognised environmental management systems, including ISO1 4001. Vodafone operating companies in Greece, Portugal and Spain are company-wide certified to ISO1 4001. Retail operations in Vodafone Sweden and the network of Vodafone Egypt are also certified to ISO 14001.

The Entropy System has provided Vodafone with higher data quality than was previously available, has been used to monitor and report on performance against commitments and has helped to further define key performance indicators. The Entropy System has allowed Vodafone to increase the sophistication of their reporting and internal benchmarking. Over the coming years, increasing enhancements are anticipated as the data available continues to improve.



Entropy Services

Entropy provide you with the professional services to implement and roll out the Entropy System, from installation to training, consulting services and technical support.

Alongside our own expertise, we have built partnerships to maximise the services we offer, these range from innovative tools to specialist EQS, CSR and risk management knowledge.

About Entropy International

Entropy International provide software solutions that enable organisations worldwide to improve environmental, social and economic performance, thereby contributing to global sustainability.

We enable companies to improve risk management, internal control, external communications and overall corporate performance.

Our solution includes an enterprise risk and performance management system and services to address corporate governance and corporate social responsibility issues.

Entropy International's customer base includes companies such as BT, Cable & Wireless, Carillion, Diageo, GlaxoSmithKline, Philips, Toyota (GB), Vivendi Universal, Vodafone and the UK Government.

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