

APPENDIX: Stages in the Preparation of the Report and Methodology of Classification of Material Aspects

1. Stages in the Preparation of the Report

- **Planning:**

Identification of the themes to be included in the Report, based on:

- the guidelines established by the Vodafone Group and **Vodafone Portugal**;
- analysis of the reports of organisations in the telecommunications sector regarded as benchmarks in terms of sustainable development;
- the criteria set out in the GRI G3 Guidelines;
- the results of the materials aspects classification methodology, which in turn took account of the above aspects.

- **Development:**

Consultation with the Company's various departments via:

- individual contacts and section meetings;
- contacts by e-mail;

Preparation of the material:

- compilation and analysis of material from the various departments;
- organisation and editing of the first draft;
- analysis of the first draft to evaluate the form and consistency of the content.

- **Auditing:**

Following internal validation, the final version was audited by an independent organisation. All the comments received from this organisation are taken into account and the corrections suggested by it are made.

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2. Methodology of Classification of Material Aspects

This methodology is designed to evaluate the materiality of the aspects of Social Responsibility resulting directly or indirectly from **Vodafone Portugal's** business in order to decide which are materially relevant.

The following criteria, among others, are determined in the evaluation of materiality:

- Impact on the Environment (soil, water, air): Consumption of resources, severity, frequency and legislation;
- Impact on Society: health, safety and feedback from stakeholders;
- Economic impact: reputation, average coverage and costs.

For each of the above criteria, two scales have been defined: an importance scale (from 1 to 5) and a weighting scale (from 0%-100%). By applying the multi-criterion methodology to each of the material aspects under consideration, a classification between 0 and 100% is obtained.

The materiality of the Social Responsibility aspects is obtained by cross-referencing the classification results of the multi-criterion analysis and the number of times that the material aspect is mentioned in a sample of 6 social responsibility reports in the telecommunications sector.

For further information on the materially relevant aspects of **Vodafone Portugal** at 31 March 2008, see the chapter 'Strategy and Sustainability of the Business »» Material Aspects'.

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Classification results of the

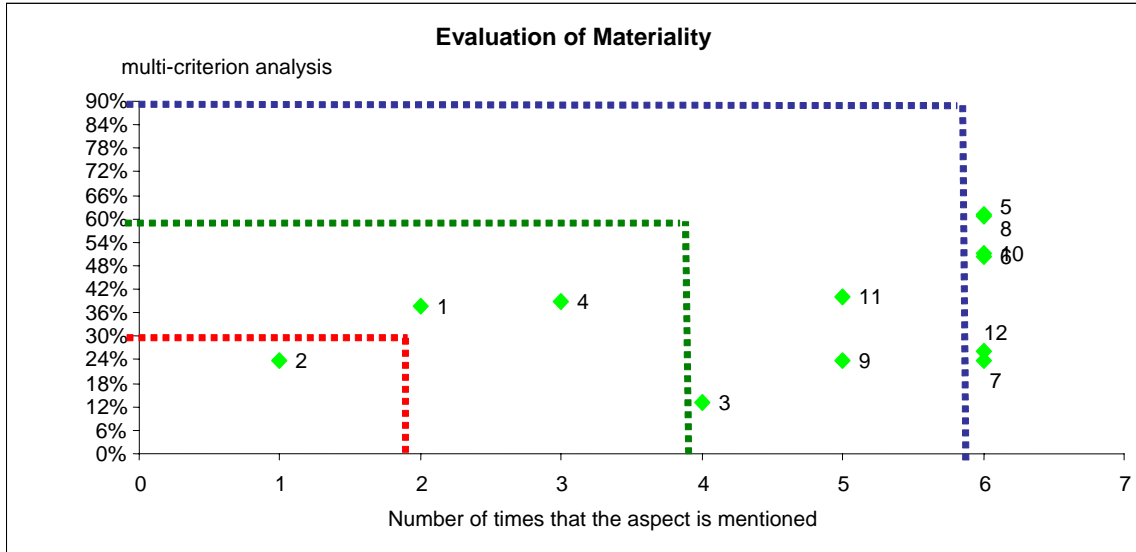














Table of Material Aspects Subjected to Evaluation versus Materially Relevant Aspects

<i>Material aspects for evaluation</i>	<i>Result of the analysis of materiality</i>	<i>Materially relevant aspects at 31 March 2008</i>
1. Production of waste generated by the construction and maintenance of the telecommunications network	 Material aspects not relevant and reported	Not applicable
2. Production of waste generated by the construction and maintenance of shops and offices	 Material aspects not relevant and not reported	Not applicable
3. Water consumption	 Material aspects not relevant and reported	Not applicable
4. Use of ozone depleting gases	 Material aspects not relevant and reported	Not applicable
5. Management of electrical and electronic waste: discontinued phones and accessories	 Material aspects relevant and reported	Recycling and Re-use of Phones, Batteries and Accessories
6. Electricity consumption	 Material aspects relevant and reported	Electricity Consumption and Climate Change
7. Landscaping of base stations	 Material aspects relevant and reported	Not applicable

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<i>Material aspects for evaluation</i>	<i>Result of the analysis of materiality</i>	<i>Materially relevant aspects at 31 March 2008</i>
8. Use of base stations	 Material aspects relevant and reported	Mobile Phones, Base Stations and Health Responsible Development of the Network
9. Design of products and services	 Material aspects relevant and reported	Access to Content
10. Development of services for people with special needs	 Material aspects relevant and reported	Products for Social Inclusion
11. Subcontracted services	 Material aspects relevant and reported	Social Responsibility in the Value Chain
12. Purchasing of goods and services	 Material aspects relevant and reported	Social Responsibility in the Value Chain