

## TELEFÓNICA CR MILESTONES AT A GLANCE

The Telefónica CR Report 2009 is structured in three main parts where the Company exposes both the milestones of 2009 and its challenges for the future:

**BLOCK 1:** cross-sector information, regarding both to the Principles of the Global Compact and the requirements of the GRI.

**Principle 1** - Over 70,200 employees, 57% of staff completed the training in Business Principles, the Telefónica's ethical code

**Principle 2** - The Company performed 840 supplier audits regarding Human Resources, Health and Safety issues to enterprises classified as critical, with improvement plans definition

**Principle 3** - In 2009, the employment conditions of 73% of Telefónica employees were covered by collective agreements (57% in 2008)

**Principle 4** - The Employee Satisfaction Index stood at 73% in 2009, improving 4 percentage points

**Principle 5** - Almost 170,000 children benefited in 2009 from the Proniño programme through 1,185 alliances to mobilize more and better resources against child labour

**Principle 6** - 20.7% of management positions were held by women at the end of 2009, an increase of 4.1 p.p. with the previous year

**Principle 7** - Telefónica undertook 979 environmental impact studies and invested over 4 million euros in measures designed to prevent the potential environmental impact of its activities

**Principle 8** - The Company began the deployment of its Global Environmental Management System in the operations of Telefónica in Spain and the headquarters in Madrid, District C, got the ISO 14001

**Principle 9** - The Group promoted a low carbon economy through its products and services: inmotics, telepresence, virtual hosting, high-performance equipment...

**Principle 10** - In 2009 Telefónica paid 20.7% of its revenue in tax in the countries where the Group operates

## BLOCK 2:

- **Employee Relations:** Telefónica invested more than 63 million euros in staff training in 2009
- **Responsibility in the supply chain:** 7,200 suppliers evaluated in 2009 to ensure adequate management and respect for human rights
- **Integrity and Transparency:** nearly 1,300 internal audits and inspections across all the Group's companies resulting in almost 7,000 recommendations for improvements
- **Customers:** as part of its commitment to quality service, Telefónica increased the coverage of its 3G networks in 2009 x 15 percentage points. It increased its fixed lines providing 25mb bandwidth increasing it by over 5 percentage points and multiplied the IP network by 2
- **Use of Information and Communication Technologies:** almost 35,000 people were training by Interactive Generations Forum to promote the safer and responsible use of new technologies by children and teenagers
- **Relations with the Community, Governments and Regulators:** Telefónica invested more than 108.4 million euros in social and cultural activities. 63% was devoted to education and youth
- **Access to information and communication technologies:** invested over 426 million euros in 2009 (275 million in 2008) in 84 digital inclusion projects
- **Environment and climate change:** between 20%-30% of estimated energy and CO2 emissions savings for its clients through the inmotics solution offered by Telefónica

**BLOCK 3:** Includes the most relevant issues in each country and is available in the Annual Corporate Responsibility Telefónica published in 18 countries according to the standards GRI G3 and AA1000AS.

Check out the local reports 2009 that we publish in English at the following url:

[http://www.telefonica.com/en/about\\_telefonica/html/publicaciones/informesresponsabilidad.shtml](http://www.telefonica.com/en/about_telefonica/html/publicaciones/informesresponsabilidad.shtml)