

United Nations Global Compact: Communication on Progress

Aspect GC principle	Most relevant GRI indicator	Program/Project	Milestone 2006
Human rights Principles 1-2	HR1, HR2, HR3, HR4, HR8, Q1.1, Q1.2, PA1, PA2, PA3, PA4, PA5, PA6, PA7	<ul style="list-style-type: none"> • Business Principles 	<ul style="list-style-type: none"> • Business Principles implementation across the Group
		<ul style="list-style-type: none"> • GeSi Supply Chain Working Group 	<ul style="list-style-type: none"> • Self-assessment tool developed by GeSI/EICC
		<ul style="list-style-type: none"> • Project "Digital Inclusión in Latam" 	<ul style="list-style-type: none"> • Agreement with CEPAL • 6.4 million of prepaid and control fixed lines in Latin America, nearly 30% of the total fixed lines in Latin America • Increase in Proniño indicators: 188€ economical investment, 73% attention centres, 118% beneficiaries
		<ul style="list-style-type: none"> • Integral Plan "Telefónica Accesible" 	<ul style="list-style-type: none"> • 35M€ invested in accesibility (Spain) during 2006/07 • Launching of new products and services and offers for disabled
		<ul style="list-style-type: none"> • Labour audit 	<ul style="list-style-type: none"> • 84% of Group audited
Labour standards Principles 3-6	HR5, HR6, HR7, HR8, HR9, LA (1 to 14), IO3, IO4, IO8	<ul style="list-style-type: none"> • Business Principles 	<ul style="list-style-type: none"> • 49.5% of women / in workforce. 22.69% women in senior management • 21.13% increased of disabled persons Workforce in Telefonica Group • Employee satisfaction increased 6.1% in average

			<ul style="list-style-type: none"> Nearly 40,000 employees unionised / 162,000 employees under collective bargaining
		<ul style="list-style-type: none"> Labour audit 	<ul style="list-style-type: none"> Health and Safety processes homogenization Workplace accident rate 11.91 (accidents per 1,000 employees in Telefonica de España)
		<ul style="list-style-type: none"> Integral Plan "Telefónica Accesible" - Internal accessibility Normative 	<ul style="list-style-type: none"> Launching of criteria 13 fields
Environment Principles 7-9	EN (1 to 29), PA8, PA9, Q1.1, Q3.13	<ul style="list-style-type: none"> Minimum environmental requirements 	<ul style="list-style-type: none"> Common Environmental Policy (Group) implementation Local Environmental Committees implementation in 6 countries 427 projects analyzed with environmental criteria Definition and Approval of Management and control regulations regarding the environment
		<ul style="list-style-type: none"> Efficiency programme in paper consumption 	<ul style="list-style-type: none"> Plan 2003-06, paper consumption reduction from 232 million sheets to 109 million sheets.
		<ul style="list-style-type: none"> ISO Audit 	<ul style="list-style-type: none"> Peru and Ecuador certificated under ISO 14001 (mobile)
Anti-corruption Principles 10	SO (2 to 8)	<ul style="list-style-type: none"> Business Principles 	<ul style="list-style-type: none"> Business Principles implementation across the Group Implementation of “adult content regulation”
		<ul style="list-style-type: none"> Agreement with Union Network International 	<ul style="list-style-type: none"> Renewal in 2006 Transparency about corruption incidents occurred in Telefonica