

Society
contribution
y proximity

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Commitment with the countries

In Chapter 03 of this report it's presented the role of Telefónica as an engine of economic, technological and social development in the countries in which it operates. Without wanting to repeat the information in that chapter, Telefónica presents its explicit commitment to the various regions and countries where it is present.

Spain

In Spain, Telefónica is collaborating with the National Government and with the various Autonomous Governments in drawing up their respective Information Society plans, and particularly the initiatives that are part of the Plan Avanza. In addition, with the aim of responding more directly to the demands of the different autonomous communities, Telefónica has set up the Telefónica Consultative Councils.

If there is one service that is representative of Telefónica's commitment to investing in the whole territory of Spain in 2005, that service is Imagenio (television by ADSL). At the end of 2004, the service was commercially available only in Alicante, Barcelona and Madrid, but as from July 2005 it is available in all the provincial capitals and in more than 150 cities of Spain. Telefónica has set as its long-term aim that 60% of households should have broadband of up to 50 megas by 2010.

Latin America

In different countries of Latin America, Telefónica has also demonstrated its commitment through its long-term investments, and its willingness to become a strategic partner in their socio-economic development:

- In Argentina, Telefónica celebrated its 15 years of presence in Argentina with an institutional campaign and organising events and meetings to thank the collaboration of all those who have made it possible to reach this figure. In 2005, Telefónica also celebrated the arrival of optic fibre in Tierra del Fuego, managing to connect one of the most distant regions of the planet with the future.
- In Brazil, Telefónica has led the setting-up of the "Alianza Brasil-España", created to encourage cultural, economic and social relations between the two countries.
- In Chile, the celebration of 15 years of Telefónica in the country coincided with the 125th anniversary of the company Telefónica CTC.
- In Peru, Telefónica is taking an active part in the "Crece Perú" programme, aimed at the professionalisation and development of a powerful entrepreneurial network in the country as a key to its sustainable development. At the same time, given the large number of Peruvians resident in Spain, movistar was the sponsor of Peru Day in Madrid.
- In Mexico, Telefónica Móviles' commitment to invest was seen in the extension of its available coverage, by starting up almost 1,200 base stations during financial year 2005.

- In Colombia, the President of Telefónica conveyed to the President of the Republic the strategic importance of the country for the Telefónica Group. This message was put into effect with the commitment of investments of over 300 million dollars during 2005 and in the acquisition (in 2006) of Colombia Telecom, the state operator up to that moment.

Europe

In Europe, Telefónica's purchase of Český Telecom stands out, which received the unanimous recommendation of the Privatisations Commission of the Czech Republic. The Czech Prime Minister was present at the signing of the contract.

In addition, Telefónica's purchase of O2 helps it to balance its profile as both a European and a Latin American company. Its more than 26 million customers in the United Kingdom, Ireland and Germany, together with the dynamism shown by O2 in such competitive commercial markets, guarantee Telefónica's commitment to developing the information society in these markets.

China

Finally, an important event in the context of Telefónica's strategic alliance with China Netcom was the visit of the President of the Republic of China to Telefónica's National Supervision and Operations Centre in Spain. He was shown the procedures and tools for network control and was given a practical demonstration of how the communications networks function between Spain and China.

CASE STUDY

Telefónica leads the "Alianza Brasil-España"

Telefónica, the largest Spanish investor in Brazil, has asked more than 30 personalities from different sectors (culture, business, education, economics, international relations, media and tourism) from the two countries to take part in this project, with the aim of drawing up a report with working proposals about the existing potential for relations between Spain and Brazil. Telefónica's aim is to contribute to the building of bridges between the two countries.

In recent years, relations between Brazil and Spain have moved into a new phase, and have become broader and deeper. This is basically due to the existence of common interests in the area of international relations and to mutual trust. This has been reflected in the higher level of investments of Spanish firms in Brazil and in a huge potential for bilateral trade. A clear sign of this mutual trust is the risk taken on by Spanish firms that, in the last 15 years, have invested around 30,000 million dollars in Brazil. Foreign investment from Spain is thus second in volume after that of the United States.



CASE STUDY

Llaqt@red

Telefónica del Perú has launched the Llaqt@red project, to connect up rural areas of the country and to offer them access to information, meeting the needs and expectations of its citizens. The first stage of the plan linked 17 populations, providing permanent Internet access with a flat-rate tariff.

Llaqt@red is set up through alliances between Telefónica and local entrepreneurs who can invest in the installation of a telecentre as a profession and as a tool in the service of society.

This project was awarded a prize for Business Creativity in Peru during 2004, in the category of Public Services and is one of the case studies of the "Connect the world" alliance.

For further information:
<http://www.telefonica.com.pe/llaqtared>

Digital inclusion

The concept of the digital divide is defined as the existing differences in access to new technologies. However, digital technology is not in itself the cause of the digital divide: the main factors causing it are the provision of communications infrastructure in all the territory, as well as income level and training in using the new technologies.

Telefónica, as a significant operator in its markets and meeting its commitments to proximity and trust, not only complies with the regulatory requirements associated with the universal service, but also takes on numerous initiatives aimed at reducing the digital divide in its zones of influence.

As an example of this commitment, in 2005, Telefónica joined the Connect the World initiative, launched by the International Telecommunications Union (ITU). Its main objective is to give access to Information and Communications Technology to the nearly 1,000 million people in all the world who cannot yet even make simple telephone calls.

The idea of the initiative is to stimulate the development of new projects and collaboration between public and private bodies, to make it possible to bridge the digital divide. Connect the World has 22 founding partners, among which are such global companies as Telefónica, the only integrated operator present, Alcatel, Intel and Microsoft, governments and other organisations.

As part of this commitment, Telefónica took part in the round table on Digital Inclusion held in the second phase of the World Summit on the Information Society in Tunis.

Main cost components of the Universal Service in Latin America 2005

	% Tef. revenue	Net amount of business figure	Universal services contribution
Brasil	1%	4,853	48,527
Peru	1%	1,031	10,314
Argentina	1%	891	8,909
Total			67,750

Universal Service

Spain

In Spain, Telefónica de España is taking on by itself the net cost of providing the Universal Service, even though its estimated quota of the market for access is 85%, that for voice traffic is 66% and for retail ADSL is 55%.

The net cost of the obligations of the Universal Service in 2004 was 131 million Euros according to Telefónica de España. This breaks down into the net cost in unprofitable areas (65 million Euros), special needs users (61 million Euros), and the cost of the information services and directories (5 million Euros).

The Telecommunications Market Commission (CMT) has yet to pronounce on the definitive amount of the Net Cost incurred by Telefónica in the year 2004. The net cost does not incorporate the whole of the real cost involved for Telefónica de España in meeting these obligations.

For methodological reasons established by the CMT, the losses are compensated associated with the maintenance of 18,949 cabins in places where their use does not cover maintenance costs, and this is around 62 million euros.

Latin America

In Latin America, the Telefónica companies collaborate with the various public initiatives for universalising the service, with a contribution of over 65 million euros to the universalisation funds:

- In Argentina, the Universal Service Fund, to which each operator is expected to contribute 1% of its invoiced income, has not yet been set up. The amount provided since 2001 reaches more than 42 million euros.
- In Brazil, the Telecommunications Services Universalisation Funds (FUST) are formed from 1% of gross operating billing; by the end of 2005, its funds had not been used by the government.
- In Chile, CTC on its own account carries out programmes promoting services and applications (for example, giving Internet access to 5,500 schools) which complement the programmes of the Telecommunications Development Fund (FDT) directly financed by the government.
- In Peru, a Telecommunications Investment Fund (FITEL) has been established, formed by the contribution from the operators that is equivalent to 1% of the total gross income billed.

Investments of Telefónica de España for migrating TRAC technology¹

Data in millions of euros

	Copper	GSM	LMDS	VSAT	Total Dec 2005
Regions EU ² OBJECTIVE ¹	92.52	13.42	22.75	3.87	132.57
Other regions	8.97	2.73	1.18	0.78	13.67
Total	101.49	16.15	23.94	4.65	146.24

¹including dismantling costs and repercussions of multi-provincial costs

²Telefónica received 31 million euros in FEDER funds

CASO PRÁCTICO

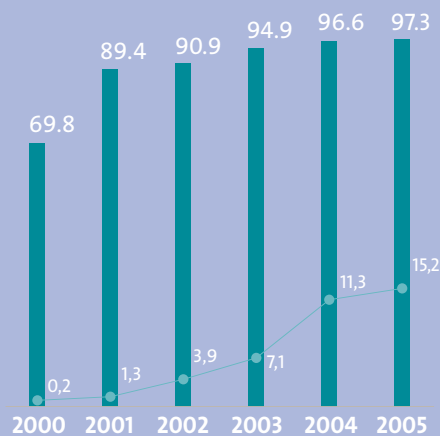
Geographic divide

The geographic divide can be described as the barrier that prevents individuals from accessing basic means of communication or broadband as a result of the physical location from which they wish to access them. This divide may be international (services that exist in some countries and not in others) or national (services that exist in some regions and not in others).

Development of population ADSL coverage by Telefónica¹

Total population coverage

Data in percentages



¹ Calculated by municipalities, considering that a municipality (and all its inhabitants) have coverage when one of the exchanges attending it is open for ADSL service. Not considering loop quality. For all the years of the series the inhabitants are considered as in INE (National Statistics Institute) 2001

Geographic divide

Spain

To meet its obligation to provide a universal service, Telefónica must offer a service in high-cost areas, and subsidise service provision in rural zones and underpopulated provincial capitals, as the service is available at the same price as in urban areas.

At the end of 2005, the number of TRAC access lines in operation was 169,512 (195,000 in 2004). This is the number of accesses that remain in service after having migrated a good number of them to various technologies, so that service supply in rural areas should not now be associated with only this type of access.

Telefónica de España is replacing the TRAC technology used to provide services in rural areas with other different technologies (LMDS, GSM/GPRS, satellite or especially copper), for which, up to December 2005, it has invested 146.24 million euros. The accesses belonging to provinces established as a European Union "Objective 1" receive EU subsidies to help in starting them up (31 million euros in FEDER funds).

This effort of investment by Telefónica de España means that the already significant ADSL coverage has increased to 96% of

lines and 97% of households, which places Spain in a position ever closer to total broadband accessibility. Financial year 2005 has been decisive for extending the availability of digital television to more than 150 cities of Spain, when it was available in only three of these in 2004. The long-term aim set by Telefónica is for 60% of households to have broadband of up to 50 megas by 2010.

In terms of mobile services, Telefónica Móviles was one of the two operators that, together with the Ministry of Industry, signed the Mobile Telephone Extension Plan, which will put national coverage at the head of the European countries with an objective value of 99%. The plan, linked to the concession of the contest of the 900 MHz GSM frequency band (June 2005), includes a joint investment of 833 million euros, with the following objectives:

- Coverage to 2,270 population centres with populations equal to or less than 1,000 inhabitants that up to the present do not have any.
- Improved coverage in 2,727 population centres with populations equal to or less than 1,000 inhabitants, with the starting-up of a second operator.
- Provision of coverage in strategic areas such as nuclear power stations or 16 petrochemical plants.

Broadband coverage in Latin America

Data in percentages

	TASA	TeleSP	CTC	TdP
Digitalisation 2005	100	100	100	97
ADSL Coverage 2005	90	97	96	97
ADSL Coverage 2004	88	95	90	95

- Improved coverage in major communication routes (motorways, highways, national routes, high-speed rail infrastructure).
- Priority actions for the municipalities involved in the emergency measures related to forest fires.

Latin America

The investment effort of Telefónica in Latin America to push forward broadband can be seen in the digitalisation of the telephone network that has reached 100% in Argentina, Brazil and Chile, and 96.8% in Peru.

This network digitalisation has made it possible to reach high coverage of broadband services over the fixed telephone network, reaching 97% in Sao Paulo (Brazil, TeleSP) and Peru (TdP), 96% in Chile (CTC) and 89.5% in Argentina (TASA).

In Latin America, Telefónica Móviles has strengthened its position as the main operator in the region, widening its coverage in all the countries in which it operates:

- Telefónica Móviles Argentina has carried out an important investment plan for extending the GSM network during 2005, giving coverage to cities and towns where up to then they did not have a mobile telephone service. In the North, GSM coverage was widened significantly, from 6.8 million inhabitants in 34 localities to 10.5 million inhabitants in 248 localities.

- After the merger with BellSouth, Telefónica Móviles Perú committed itself to implementing and improving the cellular communications service in 2,000 localities in Peru over a period of 3 years, making access to the mobile telephone available to one and a half million Peruvians. The first stage, that will take up to June 2006, consists in expanding coverage in 540 population centres of 17 departments in the country, including the department of Apurímac, thought to have one of the highest levels of poverty in the country.

- The spread of GSM by Telefónica Móviles México has been particularly significant in rural areas, reaching a total of 49,304 populations and extending the service along 60,634 kilometres of highway. In urban areas, coverage was extended to 155 cities, reaching a total of 401 (60% more cities than in 2004). This implies that practically all the important cities of the country are covered and that 96% of the possible interconnection points with the operator are available.
- Telefónica Guatemala ended the year covering 147 cities, which is equivalent to a total coverage of 63% of Guatemalan territory.
- Telefónica Móviles Nicaragua, as well as broadening its cellular coverage to reach 25% of the population of the country, leads the market in public telephones, installing 7,000 units in the whole of the national territory, and is the operator with the most public telephones installed in Nicaragua.

Mobile coverage in Latin America

Population coverage	2005
Argentina	92
Chile	95.7
Colombia	68
Ecuador	76.1
El Salvador	77.4
Guatemala	56
Mexico	69
Nicaragua	25
Panama	-
Peru	61.6
Uruguay	80
Venezuela	93.3

Prepaid lines and control consumption lines in Latin America

Data in thousands

	2004	2005	% of total lines ⁵
TelesP ¹	1,954	2,294	18.6
TASA ²	1,200	1,328	29.3
CTC ³	409	534	21.9
TdP ⁴	1,157	1,385	58.9
Total TISA	4,720	5,541	25.6

¹ Includes the Linha da economia

² Includes the Líneas Control, Cero and Recupero

³ Includes the línea económica and supereconómica, full variable, línea control, plan solución....

⁴ Includes the Fonofácil plus, popular, limited consumption, social lines...

⁵ Includes public telephones in the calculation

Public terminals, Latin America.

(Thousands)

	2003	2004	2005
Argentina	107	105	121
Sao Paulo (Brazil)	327	331	330
Peru	118	129	137
Chile	33	28	24

Economic divide

The special social rates, together with prepaid plans, the public telephone system and restricted line services, are the fundamental pillars on which Telefónica has based its array of services aimed at low income groups. According to studies made by the Group, such initiatives are essential to encourage digital inclusion, since social classes D and E (those with the lowest incomes) would hardly be able to meet the basic cost in any other way.

So it is vital to make products and services available that match the real social and economic situation of the countries in which Telefónica operates and thus meet the needs of the sectors that, for financial reasons, do not have access to telecommunications services.

Rates for low income groups in Latin America

The growth of the basic telephone service among the lower income segments in Latin America is based on developing and making available products adapted to the needs of the consumer and their financial capabilities.

The more than 5.5 million prepaid and restricted consumption lines in Latin America represent more than 25% of the total. If this proportion is compared with that of income generated by the lines, but also with the income generated from the sale of prepaid cards, it can be seen that this type of services is offering a real alternative for the lower-income strata of society.

The characteristics of this type of services include:

- Control of consumption by the users, limiting the number of calls that they can make or restricting the kind of calls to local ones.
- The possibility of making calls to mobiles, inter-city or international calls by buying prepaid cards (that can also be used in phone-booths).
- Debt repayment plans to avoid customers having the service cut off if they are late paying.
- Virtual mailboxes where messages can be recovered from a number not associated with a line.

Public telephones

The public telephone is an option instead of the home telephone that eases access to communications for all the population, avoiding the need to pay a connection or maintenance charge. Given the increase in the use of mobile telephones and the plans for low-income groups, it is a service that is used only by individuals with scarce resources. However, it is critical for these people that it should work well, and this requires a great commitment by Telefónica, due to the difficulties of dealing with repairs as a consequence of the acts of vandalism that the equipment suffers out on the street.

In Latin America, where penetration of telephones in the households is at lower levels, Telefónica offers access to telephones through more than 612,000 public terminals. In Spain, there are 56,065 telephone booths in the street, without counting the public telephones available in commercial establishments.

Mobile telephones

Generally, the billing system based on the prepaid system and the reduced cost SMS service have been determining factors in the spread of cellular mobile telephones to all social levels, as is seen in the usage figures of these services. The strategy of Telefónica Móviles, anyway, has always been to achieve the greatest client base without concentrating exclusively on the segments with higher purchasing power.

With this strategy, commercial policies have always been based on reducing the cost of terminals and on making a variety of billing schemes available which have enabled millions of users to choose the formula most suited to their communication needs or economic level. There has been a significant popularisation of the plans with a savings option that offer large discounts in calls to specific numbers chosen by the customers and that, in many cases, include not only calls to other “movistar” mobiles but also to fixed and even international telephones.

The commercial offers accompanying the launch of the new unified brand included a wide variety of products, making it easy for any customer profile to gain access to mobile telephones. Many customers thus took advantage of launch promotions or the popularisation of services to obtain terminals with more options or to have additional minutes of communication free.

At the same time as these commercial-type initiatives, Telefónica Móviles Perú studied various alternatives to make it possible for the segments with fewer resources in the country to have access to mobile

telephones. The cost of the terminal was identified as the main barrier for people with lower resources to have access to mobile telephones. The Rentas Bajas project evaluated traditional and alternative financing plans, the development of new, non-traditional direct distribution channels (door-to-door sales), special plans with more competitive rates on calls originating in low-income residential areas (Plan Conos), as well as the creation of virtual voice-mail boxes to receive messages and being able to acquire the terminal with special discounts, keeping the same telephone number. Some of these projects have been carried out in collaboration with financial bodies that provided micro-credits for purchasing terminals.

Abono Social (Social Plan)

Telefónica de España offers the Special Social Rate, in order to enable customers with financial difficulties to have access to basic telecommunications services in Spain. It consists in a discount of 70% of the current connection and installation charge of the network terminal equipment (PTR), as well as a 95% discount on the monthly telephone line fee (free of any maintenance contract). The number of lines benefiting from the Social Rate in Spain in December 2005 was 327,243 (386,430 in 2004).

CASE STUDY

Mundo Movistar': buy in Spain your mobile for Ecuador

In 2005, Telefónica Móviles launched 'Mundo movistar', a set of integrated mobile telecommunications services without borders between countries, which implied a new step in its policy of transferring to its customers the advantages of being part of the greater community of Spanish- and Portuguese-speaking mobile telephone services.

The first commercial programme of 'Mundo movistar' means that any movistar customer in Spain will be able to buy a terminal and a prepaid card with a balance in more than 3,000 sales points of the movistar network in Spain. And as from the following day, the same terminal and card would be available in Colombia or Ecuador.

The mechanism of the operation is very simple: the customer resident in Spain just has to choose the terminal that they want to “give” to their relative or friend in Ecuador or Colombia, and provide the personal data and a contact telephone number for that person. As from the following day, the receiving customer in Ecuador or Colombia will be able to contact the free telephone attention service to receive the terminal and the card.

It is not only technological barriers that can be the reason for the digital divide. There are skills and knowledge barriers that can be even higher than the technological ones, especially in developing countries and among older or disabled people. Telefónica, together with its Foundation, has been running programmes that aim to train people to use the new technologies.

CASE STUDY

Internet Educativa in Chile

Internet Educativa began in 1998 as a Telefónica project complementary to the "Red de Enlaces" of the Chilean Ministry of Education, to give Internet access to all the schools. In 2003, it began migrating from commuted access to broadband Internet under preferential conditions. As a result of this sustained effort, by December 2005, Telefónica CTC Chile was making broadband access available to 3,435 schools and commuted service to 2,265 schools, giving Internet access to 2.6 million pupils.

The Internet Educativa service is free for establishments that have commuted access and its preferential cost via multi-user broadband (1 Mbps) was 37.5 dollars (CH\$19,900) in 2005. In 2005, the contribution of Telefónica Chile to school Internet access was equivalent to US\$3.6 million, taking into consideration the commuted access lines, and the price differential of the educational broadband compared with its commercial price.

The Internet Educativa programme is enabling access to Internet and to new technologies for the young students of Chile as well as their teachers. This is encouraging their digital inclusion, so that Internet for them is an extra educational resource within their formation and in their possibilities for future development.

Education-training divide

Interest in the new technologies

In Spain, Telefónica took an active part in celebrating Internet Day, which aims to popularise the Internet and make it more accessible. The Day was promoted by the AUI (Internet Users' Association) and supported by the Secretary of State for Telecommunications and by the Information Society. It included demonstrations of the technology, free Internet access and commercial promotions.

The publicity strategy adopted by the Telefónica Group in Peru presents applications and concrete services that are transforming people's lives, with the slogan "We didn't notice, but life has become easier for us". Through this type of campaign and the availability of public booths, Peru is one of the countries with the greatest penetration in use of the Internet.

Since 1999, Fundación Telefónica Chile has been running an Internet Training initiative, with the support of Fundación Vida Rural of the Pontificia Universidad Católica de Chile. Fundación Telefónica has trained more than 40,000 people (6,652 in 2005) including students, educators, community agents, housewives, women micro-entrepreneurs, elderly people, etc.

Telefónica Móviles Panamá sponsors the Telecommunications hall of the EXPLORA Centre for Arts and Sciences, showing the advances in technology, their origin and development, and how telephones and communications work.

Getting in touch with new technologies in school

This is one of the strategies most used by Telefónica to encourage the use of technology among school communities in every country in which it operates. As well as EducaRed and "Internet en las Escuelas" we can point out:

- In Colombia, Telefónica Móviles collaborates with the Programme of the President of the Republic to provide computers and technology to educational establishments for young people with scarce resources. In 2005 a total of 2,040 machines were handed over.
- In Mexico, as part of the FuTuRo programme, Internet training classrooms have been equipped in different schools around the country.
- In Nicaragua during 2004 and 2005, as a result of a commitment made with the Regulatory Body and the Ministry of Education, Telefónica Móviles has been running a project to install computers with Internet in 700 public schools, benefiting more than 100,000 children throughout the country, as well as the school community.
- In El Salvador, Telefónica Móviles sponsors the CyberOlimpiadas initiative, aimed at encouraging the use of new technologies in many of the country's schools.
- In Peru, Telefónica is one of the organisations financing the Huascarán project, which aims to incorporate information and communication technologies in the Peruvian education system.

Difficulty of access to a computer

Another of the most common reasons for justifying the high or low penetration of broadband in a region is the figures about the number of computers available. Since 2004, Telefónica has made PC + ADSL packages available that have enabled many customers to get into IT with the aid of Telefónica.

As a complement to this initiative, in Argentina, Telefónica de Argentina joined in the “Mi PC Argentina” programme set up by the government. The objective set is to incorporate ten million PCs with the possibility of Internet connection within five years, and all the main companies in the technology sector, banks and service companies are taking part.

In Brazil, Telefónica is collaborating with the Ministry of Development, Industry and Trade of Brazil to set up 20 information and business tele-centres, with the aim of encouraging digital skills training in micro-firms in the region.

In Chile, Telefónica Móviles is collaborating with the literacy programme for rural communes in the IV Region of the National Training and Employment Service, providing the Mobile Internet service. The project works with an inter-city bus converted into a mobile classroom. At the same time, in Peru, as part of the MuniNet programme, a bus has been going around different areas of the country presenting the possibilities of Internet in remote localities.

Disability, age or gender divides

Disability is one of the barriers that the Telefónica Group is working hardest to overcome. Through projects such as Telefónica Accesible (described below in this chapter) Telefónica is offering products and services designed specifically to promote equality of opportunities.

Telefónica de España through the Elderly Group Association has given courses in information technology to elderly people and provides the premises, the telephone lines and a subsidy.

The data of new technology penetration by gender reflect its lower use by women. The possibility that there is a gender divide, and about the low proportion of women in the network high technology and Internet professions, were debated in a conference devoted “Women and the New Technologies” in the headquarters of Telefónica de España.

Lastly, the training sometimes concentrates not on technologies but on the development of entrepreneurial initiative or basic training that can help to reduce other social problems found in some of the countries in which Telefónica is operating.

CASE STUDY

Schools of Information Technology and Citizenship in Mexico

Since 2004, Fundación Telefónica has been providing support to the Committee for the Democratisation of Information Technology (CDI), a non profit-making organisation that promotes educational and professional activities with the aim of socially incorporating the members of underprivileged communities, mainly children and young people, reducing the levels of social exclusion they are immersed in, both in Mexico and in other countries of the world. The main activity of CDI is the creation of Schools of Information Technology and Citizenship (EIC), with the aim of facilitating the access of these people who have low purchasing power, in this case marginalised indigenous communities in the state of Oaxaca, to the techniques and use of the new information and communication technologies.

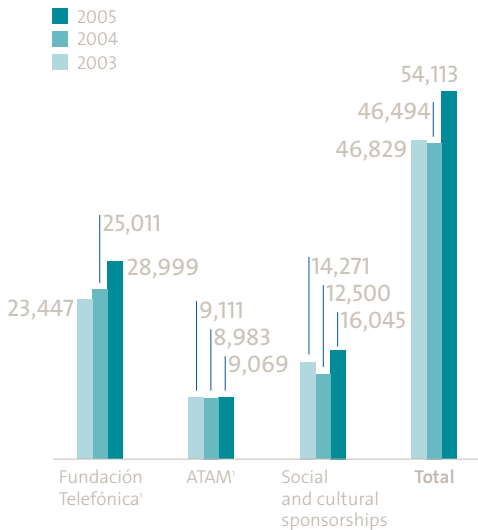
In the past year Fundación Telefónica has continued its contribution to the program “Systematisation of the Process of Digital Inclusion in Rural and Indigenous Communities in the State of Oaxaca”, by donating 20 computers with Internet connection to each of the 11 EICs that the CDI has installed on the Costa Chica of the state. Thanks to these schools or “technology hostels”, up to now 1,065 young people and adults have benefited. Likewise, the project has indirectly benefited nearly 30,000 inhabitants of this community, who use the installations to communicate with other neighbouring towns.

Social and Cultural Activity

The Telefónica Group does a significant amount of social and cultural work in all the countries in which it operates.

Telefonica's investment in culture and social action

Data in thousands of euros



* Contribution of Telefónica to the budget of Fundación Telefónica and ATAM

Social and cultural activity projects of the Telefónica Group

The companies of the Telefónica Group run various projects of social and cultural activity that complement the activities of Fundación Telefónica (budget above 16 million euros in 2005)

- Support from Telefónica Móviles to the Proniño Project of Telefónica.
- Projects of events to raise awareness about social problems, such as the Child Worker Programme of Telefónica Móviles in Ecuador or the Seminar on Terrorism and Security, Center on Law and Security, New York University School of Law.
- Collaboration with the Instituto Cervantes and the Real Academia Española.
- Sponsorship of the Elcano Royal Institute for International and Strategic Relations.
- Activities to promote digital inclusion and the progress of society such as the Digital Cities Forum.
- Support to Foundations and Awards, such as the Príncipe de Asturias Awards or the Argentine Award of the World Summit on the Information Society
- Programmes in support of the environment such as the Telefónica de España project: 1 Invoice - 1 Tree (2005-2007)
- Promotion of theatrical events (2005 season of the Teatro Real in Madrid, and of the Artistic Culture Society in Brazil).
- Artistic and cultural shows, such as the Juan Gris or Gaudí-Mompou exhibition in Venezuela.
- Support to research activities.
- Sponsorship of town feast-days.

ATAM

ATAM started in 1973, under the impulse of a group of Telefónica employees, with the collaboration of the Medical Services and Social Assistance, the Institución Telefónica de Previsión and the workers' union representatives. In 1974 the institution was incorporated into the Telefónica collective bargaining agreement, and thus became one of the first experiences in Spain of creating a legal body between a company and its workers for social purposes.

ATAM is largely funded by the solidarity and voluntary contributions of around 61,000 employees of 22 companies of the Telefónica Group. The workers contribute 2 per thousand of their basic salaries and the companies double the contribution. The amounts provided to ATAM by all the firms of the Telefónica Group in 2005 reached 9,069,072, directly benefiting around 4,000 people.

This amount includes both the contribution of 4 per thousand of the amounts paid by the member firms of the Association, and the contributions of the firm for pensioners, pre-pensioners and ex-employees of Telefónica de España as well as the contributions for working expenses of the government bodies included in the statutes.

The details of their activity can be found in the web-page www.atam.es and in its Annual Report, also available in www.telefonica/publicaciones, as well in the sub-section Employees Solidarity in the sixth chapter of this report.

Beneficiaries of Fundación Telefónica by Activity Area

Área of Activity	Collaborating Bodies ¹		Participant bodies / Beneficiaries ²		Participant Persons / Beneficiaries (estimate) ³		
	Nº of bodies Collaborating	%	Nº of bodies Particip./ Benef.	%	Nº of persons in internet projects (Thousands)	Nº of persons Other projects (Thousands)	total
Education	106	21.7	21,552	69.3	19,801	5,164	24,966
Telefónica Volunteers	38	7.8	266	0.9	0	66	66
Art, Culture and Heritage	128	26.2	2,957	9.5	7,580	4,924	12,504
Cooperation	149	30.5	4,564	14.7	833	1,180	2,013
Telemedicine, Helpline and Disability	68	13.9	1,769	5.7	493	1,556	2,049
Total	489	100	31,108	100	28,707	12,890	41,597

¹ Social and cultural activity bodies with whom a collaboration agreement has been signed.

² Educational (school and university centres), social and cultural bodies that have had direct relationships with any of the activities offered by the Fundación Telefónica programmes and projects during 2005

³ People who have had a direct relationship in any of the activities offered by the programmes and projects of Fundación Telefónica during 2005

Fundación Telefónica

During financial year 2005, Fundación Telefónica has completed a process of strategic review of its activity. With the idea of helping to improve life in society and bring its performance into line with the demands and needs of society, as from 2006 it will concentrate its activities on supporting education, the social integration of children in Latin America, the drive towards the knowledge society and the running of the corporate volunteer programmes.

Fundación Telefónica spent 29 million euros running 763 projects. These activities have taken place with the support of 489 collaborating bodies, to the benefit of more than 31,000 organisations and more than 41.5 million people. 69% of these beneficiaries are people who accessed contents, services or social information through Internet, which reflects the role of the new technologies as an engine of social development.

As well as the descriptions of the main projects realised in this chapter, all the detailed information about the projects run by Fundación Telefónica can be found in the Fundación Telefónica Annual Report 2005 or in www.fundacion.telefonica.com.

Total of Programmes Run by Fundación Telefónica by Activity Area¹

Activity Area	Nº Programmes	%
Education	17	24.3
Telefónica Volunteers	8	11.4
Art. Culture and heritage	15	21.4
Cooperation	15	21.4
Telemedicine, Helpline and Disability	15	21.4
Total	70	100.0

¹ Social and cultural action programmes run by Fundación Telefónica during 2005

Total of Projects / Initiatives Run by Fundación Telefónica by Activity Area¹

Activity Area	Nº Programmes	%
Education	114	14.9
Telefónica Volunteers	431	56.5
Art. Culture and heritage	55	7.2
Cooperation	107	14.0
Telemedicine, Helpline and Disability	56	7.3
Total	763	100.0

¹ Proyectos e iniciativas de acción social y cultural realizados por Fundación Telefónica durante el año 2005

Evolution of the EducaRed project

		2003	2004	2005
EducaRed España	Nº de Centres Registered	11,091	11,218	11,426
	Nº of visitors	2,717,975	4,733,312	9,195,516
	Nº de Pages Consulted	13,091,918	16,650,829	39,500,277
EducaRed Argentina	Nº of Users Registered	3,687	7,437	10,650
	Nº of visitors	132,803	742,275	5,738,619
	Nº de Pages Consulted	1,312,320	2,939,923	11,464,130
EducaRede Brazil	Nº of Users Registered	13,534	28,743	51,853
	Nº of visitors	469,664	739,910	1,354,670
	Nº de Pages Consulted	6,218,899	11,990,137	19,538,736
EducaRed Peru	Nº of Users Registered	-	-	8,884
	Nº of visitors	326,000	725,268	2,338,783
	Nº de Pages Consulted	1,252,352	3,113,227	12,433,496

EducaRed

Since it was founded in 1998, Fundación Telefónica has continuously given its firm support to the world of education through the creation of EducaRed, the fruit of collaboration between Fundación Telefónica, Telefónica and most of the organisations in the educational world, including the main professional associations, parents' associations and trades unions.

Its principal purpose is to contribute to improving the quality of education and to encourage equality of opportunities through applying the new technologies to teaching and learning processes. In Spain, Argentina, Brazil, Chile and Peru, EducaRed has made available to primary and secondary education the most advanced educational technology in terms of uses, applications, exchange of knowledge and intelligent information searching. These tools have brought pupils, teachers and researchers from the Latin American context together in virtual communities.

Throughout 2006, EducaRed will become the brand covering all the Foundation's education programmes. From now on, the strategy of EducaRed will concentrate on the following objectives:

- Concentrate the activities of Fundación Telefónica on infant, primary, secondary and high school teaching.
- Promote the educational use of the Internet in the classroom and the home through the EducaRed portal.
- Develop new activities in the EducaRed portal that can become face-to-face activities with wide participation and high visibility.
- Increase the on-line and face-to-face participation of teachers, educators, pupils and parents through mass events with considerable social projection.
- Launch mobile exhibitions on topics within the ambit of education.
- Create a network of model centres of academic excellence.
- Develop a plan of training in the educational use of Internet with various levels of intensity, aimed at teachers, educators and parents, with the aim of improving the quality of education.

The Fundación Telefónica Report describes the numerous initiatives that are specifically included within EducaRed, classified in the following activity areas:

- Innovation and Educational Use of ITC in the Classroom and the Home.
- Tools, Resources and Services to Facilitate Educational Tasks.
- Training for Teachers, Pupils and Parents in the Educational Use of Internet.
- Information and News about the Education Sector.
- Virtual Communities of Teachers, Pupils and Parents.

As a complement to EducaRed, Fundación Telefónica has realised programmes that have placed ICT at the service of educational efforts in especially difficult situations (street children, long-term hospitalised minors, etc.). Projects such as FuTuRo or Aulas Hospitalarias have found information technology and Internet to be a key element in their fight against social isolation and exclusion, and have helped to generate entertaining programmes for education in such values as respect for tolerance, fellowship and care for one's health.

- The FuTuRo Project forms a virtual network for meeting and working of 14 centres that welcome street children and young people in 7 countries. Some 400 children and young people benefit. 22 educators are involved in the project.
- The Aulas Educativas en Hospitales project, developed in Peru, has benefited more than 5,500 Peruvian children and young people in hospitals.

In recent months it has won the "Business Creativity" Award, and the "Peru 2021 Prize" for Corporate Social Responsibility and Sustainable Development.

As a complement to the EducaRed program, Telefónica has continued its efforts to connect the greatest possible number of education centres to the Internet, as is described in the sub-section on "digital inclusion" in this report.



Proniño



According to the ILO's International Programme on the Elimination of Child Labour (IPEC), there are nowadays about 250 million young and adolescent boys and girls in the world who are working. The situation is particularly dramatic in Latin America, where it is calculated that the figure is 19 million boys and girls between 5 and 14 years of age, with one in three performing one of the worst forms of child labour classified by the ILO.

Proniño aims at the elimination of child labour through quality schooling for children and adolescents. Defined this way, schooling of minors must be understood as their inclusion or remaining within the basic formal education system. In its fight against child labour, Proniño acts from the certainty that only a quality educational structure will manage to guarantee the fulfilment of the programme's mission.

The Proniño programme was created in 2001 by the mobile telephone operators in Latin America, with the aim of contributing to the elimination of child labour in the region. In 2005, the programme was incorporated into the strategy of Fundación Telefónica, which runs the project in collaboration with Telefónica Móviles. The aims behind every activity of the Proniño programme are:

- The progressive elimination of child labour that goes against children's rights.
- To successfully complete a basic education that meets minimum quality requirements.
- The opportunity to have access to and follow middle and higher education.
- The improvement of social skills.
- Access to knowledge of ICTs, generating new opportunities and avoiding new

Population Assisted in 2005 by the Proniño programme

Country	Nº Persons
Argentina	1,739
Chile	405
Colombia	3,138
Ecuador	1,187
Guatemala	1,100
Nicaragua	702
Panama	400
Peru	1,923
Uruguay	600
Venezuela	346
Total	11,540

forms of social exclusion

- Selective development of income opportunities for adolescents and/or families.

Fundación Telefónica not only provides each child with the funding necessary to receive a quality education. Its contribution also covers health monitoring and food that, in many cases, would not otherwise be covered. In addition, to make the schooling of the children possible, the family's commitment must be won over. Such a commitment presupposes a transformation, recognising the minor's rights and giving a new dimension to study as a strategy for individual and social progress.

For running the Proniño programme, Fundación Telefónica seeks the cooperation of educational bodies and the third sector, whose specialisation and closeness to the problems makes them the most appropriate local actors for each initiative.

Fundación Telefónica has set the year 2008 as the horizon for meeting a series of challenges in terms of quality schooling. One of the goals set for this new stage is to quadruple the number of beneficiaries and achieve a coverage of around 40,000 children assisted by the programme by 2008. In 2005, Proniño covered ten countries, but the aim is to bring it to all those of Latin America in which Telefónica operates by 2008. This extension will reach Brazil, El Salvador and Mexico, and Fundación Telefónica in Argentina, Brazil, Chile and Peru will take part.

CASE STUDY

Recognition of Proniño by the ILO

Proniño's model of working is a comprehensive intervention in the child's environment, thus managing to affect all the spheres of the life of the child (individual, family, school, community). The involvement of Fundación Telefónica and of the employees of the Telefónica Group in the programme also provides an example of social activity shared by all levels of the company.

For these reasons, in 2005, Proniño received the recognition of specialised international bodies such as the International Labour Organisation (ILO) and the Organisation of Ibero-American States (OEI).

Support programmes for groups in situations of risk

Pro-Direitos (Brazil).

Medida Legal (Legal Measures) (Brazil).

Information and Communication Technologies for the Street-Children Programme (Mexico).

IT classroom in the Child Education Centre of EDNICA (Mexico).

IT classroom in the I.A.P. Social Development Centre Promoting Youth Support (Mexico)

Multi-purpose hall in San Juan Ajusco (Mexico).

Family Violence Prevention Programme (Peru). Includes the “Telephone of the Aid to the Child and Adolescent at Risk Foundation (Teléfono ANAR)”, the “Pilot Plan of Support to Battered Women: Until When?” and “Technology within Reach of Street Children. Instituto Mundo Libre”



Cooperation

Fundación Telefónica knows that the Information and Communication Technologies are a tool with great potential for contributing to all the different dimensions and kinds of work carried out by Third Sector organisations, and therefore, from the beginning of its activity, the Foundation has worked to place the ICTs at their disposition as a resource for improving the processes and activities of social cooperation and promotion.

The new technologies and especially Internet are a prime instrument for obtaining resources, whether human or financial. Internet has become more and more a privileged means of communication for disseminating the organisations’ messages, generating and strengthening everybody’s commitment to their respective missions. The work of the International Solidarity Network Programme (Risolidaria) stands out in this context, a transnational platform whose aim is to facilitate the task of social organisations by bringing them together in a network that eases contacts and collaboration between them.

During 2005, Fundación Telefónica has collaborated more closely with the Third Sector, non-profit making organisations and all the agencies working on cooperation, in order to help them to work as effectively as possible, offering them training, technology and equipment, funding and methods for improving their relationship networks and the dissemination of their messages.

It should be mentioned that the overall activity of Fundación Telefónica in the context of Latin America pays special attention to groups related with childhood, young people, women or people with scarce financial resources whose social situation makes them especially vulnerable. One of the lines of activity in this context is development aid through education and job training, using Information and Communication Technologies to try to reduce the knowledge divide in these groups, thus promoting equality of opportunities between people and their integration in society.

Fundación Telefónica also supports various production projects that involve the progress and financial independence of the most needy and of organisations supporting them. Details of all the programmes in which Fundación Telefónica is participating can be found in its Social Report 2005.

Art and culture

The development of Information and Communication Technologies (ICT) has had great impact in the area of contemporary culture and art.

In this context, Fundación Telefónica is working intensively in the area of contemporary art and culture, and the core of all the activities that the Foundation undertakes in this area is the transmission of culture and its values through the use of new technologies and the most advanced media.

Fundación Telefónica manages and maintains the artistic and cultural heritage of the Company. The collections making up the artistic heritage of the Telefónica Group are composed of works of various prestigious artists from different art movements, which the Foundation conserves, catalogues, increases with new pieces and shows in permanent exhibitions.

During 2005, Fundación Telefónica designed a programme of temporary exhibitions at international level for the spaces and halls open to the public in such cities as Buenos Aires, Santiago de Chile, Madrid or Lima. In this context, the Foundation has established important exchange and loan agreements with other national and international bodies so that these exhibitions could travel to different cities and countries.

Since it started this activity, Fundación Telefónica has also taken care of the growth and conservation of the Company's

historical technological heritage, made up of pieces and equipment that have made telephone service provision possible over so many years. This history, which stretches from the telegraph to the latest information and communications technologies, is communicated by the Foundation in an entertaining and educational form, especially for children, in the Telecommunications Museum in Spain and the Telephone Memory Centre in Brazil.

Fundación Telefónica supports the spread of Spanish language and literature in various initiatives that make known its principal works and the most important reference texts.

The Foundation also continues working on the project to place in Internet the most representative monuments of the art-historical heritage of its surroundings through arsVIRTUAL, a project that carries important works of architecture into everybody's homes through virtual reality techniques that are able to pick up even the smallest detail.

Since 1999 in Peru, Fundación Telefónica has been promoting and maintaining the "Peru Cultural" portal that aims to bring the wealth of Peruvian culture closer to the citizen. In 2005, this portal received more than four million visits.

CASE STUDY

Most visited museums in the city of Madrid

Data in thousands of visitors

	2004	2005
Museo del Prado	2,001	1,966
Reina Sofia	1.445	1,590
Thyssen	683	643
Arqueológico Nacional	251	159
Museo Telefónica	122	132
Sorolla	85	66





Teletónica Accesible: close to people with disability

In 2004, Teletónica set up the Accessible Teletónica programme as a comprehensive project for people with disability. The aim of this programme is to make Teletónica a Group that is fully accessible in all its processes and to actively contribute to full equality of opportunities for people with disabilities (as described in the chapter on society).

Alliances

Teletónica drew up the Comprehensive Accessible Teletónica Plan in collaboration with the Spanish Committee of Representatives of People with Disabilities (CERMI), the platform that brings together the main associations of people with disabilities, representing the situation of this population of 3.5 million Spaniards and their families.

Awareness-raising

The Teletónica Group shows great social capillarity and its channels of communication with the stakeholders reach a large part of the societies in which it is present. It has thus promoted and written various documents for improving people's training, with the aim of encouraging Design for All as a way of creating an inclusive society.

- In collaboration with the Spanish Committee of Representatives of Persons with Disability (CERMI) the "Manual of communication for all" has been published, examining current problems in accessibility of communication, the guidelines that should be followed to overcome these, the values that should

govern the activities, techniques and means for correcting accessibility problems, as well as the lived experience of people with disability themselves.

- Together with CEAPAT and coordinated by the Economic and Social Development Alliance, the guide "Ask me about Accessibility and Technical Aids" has been written, with the aim of helping to apply Design for All.
- In 2006 the Accessible Teletónica Collection will start circulation, with the aim of making known information of general interest related to disability, and which is included in the agreement signed with the CERMI. The first two titles are the "Manual of Psychological and Teaching Practices for Special Education Centres", and the "University and Disability Guide to Resources", both drawn up by ATAM.
- In collaboration with Feaps-Madrid, the publication "You and me alike" has been issued, to better understand people with intellectual disability, and a guide to special education has been published together with Ferececa.
- Teletónica Móviles, the Fundación Teletónica and the University of Comillas have carried out the study "New Technologies and Social Exclusion", an in-depth analysis of the potential of the ICTs in the struggle for social inclusion in Spain.

Products and services

The work done by the Telefónica Group in setting up Accessible Telefónica implies an improvement in everyone's quality of life, especially those with some kind of disability, through telecommunications for all. Telefónica works constantly to improve the accessibility of its processes, products and services, and to ensure that they are clearly an improvement in the social and workplace inclusion of people with disability.

Fundación Telefónica has published "Communication solutions for elderly people and those with disability", identifying barriers that hinder the existence of real equality of opportunities for elderly people and the disabled.

Mobile telephony

Telefónica Móviles España has also published the "Catalogue of mobile services for social integration", including more than 30 services already in operation to ease social inclusion and to improve the quality of living of people with disability, elderly people, victims of domestic violence, people with health problems and foreign residents in Spain.

In addition, the Movistar Accesible portal has been set up where information can be found about the more accessible services and telephones of Movistar. News about mobile telephone services, disability and Design for All can be found there.

Fixed telephony and broadband

Under the Design for All concept, Telefónica has developed products that enable all kinds of users to have access to fixed telephone and broadband services:

- The Teclón is a terminal that prevents coupling with hearing-aids, has large keys, rapid dialling, and lights to signal incoming calls. This model can help people over 65 and people with slight visual and/or auditory disability.
- The Video-telephone screen has been developed, that works with any conventional telephone adding images to the conversations, and aiding communication between people with auditory disabilities.
- Telefónica de España offers the possibility of delivering the telephone bill to the public in Braille, transcribed by the ONCE, for people who have sight problems. Invoices in Braille are also available in Chile and Argentina.

CASE STUDY

www.telefonica.es/accesible

Telefónica has developed the "Telefónica Accesible" portal, www.telefonica.es/accesible, as a tool available to society which shows what the Telefónica Group is doing in the area of disability, as well as anything that may be of interest to this sector of people and their families, like a formation and legislation centre, sector-related news, or access to specialised publications.



Applications and technical aids

The information and communications technologies (ICT) are a particularly suitable means to aid social and workplace integration and to enhance the quality of life of elderly people and those with disability. Telefónica, together with representative organisations in the disability sector, has developed solutions to aid the access of people with disability to computers and to communication.

- This is the purpose of the SICLA communicator (Communicator System for Alternative Languages), developed by the Fundación Telefónica, which enables people with cerebral palsy or with motor or reading and writing difficulties to have access to the computer and to communicate through an Alternative Communication System.
- Within the Framework Agreement of collaboration with the Ministry of Work and Social Affairs, through Imserso (Institute of Migrations and Social Services), and the Fundación Telefónica, the Adapted Equipment Demonstration Unit has been set up of the State Centre for Personal Autonomy and Technical Aids (CEAPAT), where there is equipment configured with adaptations for different kinds of disability.
- Telefónica Soluciones is developing the “Beethoven” artificial conversation system, which aims to implement and study the feasibility of a comprehensive telephone communication service (fixed network, mobile and Internet) between deaf and hearing interlocutors, working in real time and over the conventional telephone network.

- Telefónica Soluciones also provides labels with magnified characters for the keyboard in two versions, black characters on a white background, and white characters on a black background (high contrast), for people with visual disabilities.
- Lastly, a Keyboard Sweep Emulator has been developed, which is an IT application that enables writing on any application compatible with Windows, and a mouse emulator (improving the handling and writing of computer programmes for people with reduced mobility).

New technology accessibility observatories

With the aim of analysing the development and state of the Information Society and of, Information and Communication Technologies, Telefónica Soluciones reports on the accessibility of products through its New Technologies Accessibility Observatory.

Information technologies are complex and to understand them requires a high degree of specialisation, so not just one Observatory is offered but a set of Observatories, each focused on a different type of technology. Initially three observatories are available: an Observatory of Telephone Accessibility, an Observatory of Web Accessibility, and an Observatory of Technical Aids.

As well as keeping up with knowledge of the latest technology, Telefónica wants to be social ally, leading the debate on the social impact of technology and transforming itself from a product- and technology-focused Group into a Group focused on the customer and on quality of life.

- Telefónica I+D makes the manual of “Design of Accessible Web-pages: Procedures and Tools” available to users through the portal Telefónica Accesible.
- Telefónica Soluciones has taken part in improving the draft version of the norm “Guidelines for the use of Sign-language in the Web” within the Sign Language in the Web Group. The document complements the norm UNE 139803:2004, defining the specific requirements for the situation when Web contents are videos with sign language. A majority of deaf people, users of sign language, consider that with this language, information can be perceived more comfortably and reliably than in written language.
- Telefónica Soluciones takes an active part in AENOR Sub-committee 8 “Systems and Devices for Third Age and Disability Groups” for the “Standardisation of User Interfaces of Computer Applications for People with Disability”, and the “Standardisation of Internet Accessibility for Elderly People and those with Disability”, developing the procedures manual for applying the WAI (Web Accessibility Initiative) guidelines.

Workplace Integration

The Telefónica Group meets the legal obligation established by the Lismi (Disabled Persons’ Social Integration Law) of hiring two per cent of people with disabilities among the personnel.

Firstly, through the Mercadis portal, www.mercadis.es, advice, information and resources are offered, related with the employment of people who have some kind of disability, and the Workplace Integration Service of ATAM develops methodologies, activities and resources with the aim of encouraging the access to employment of people with disabilities.

The Telefónica Group has Special Employment Centres of SIAA (Comprehensive Help and Assistance Services) in Atento, specialising in customer attention services through multi-canal platforms or contact centres (telephone, fax, internet ...), and with EEC electronic components.

Servitelco devotes itself to management and support services for firms employing people with disabilities in special employment centres. Its activities are mainly connected with the use of information technologies and telecommunications.

Lastly, Laveco is a special employment centre of ATAM that runs industrial cleaning activities and laundry services for hotels, residences and hospitals, provides industrial cleaning services for buildings and, in general, auxiliary services for building conservation and maintenance. These services are directed towards the social and workplace integration of people with disabilities.

CASE STUDY

Sign language in the Shareholders Meeting

As a result of Telefónica’s commitment to accessibility for all its stakeholders, interpretation in sign language will be organised for everything that takes place in the Telefónica Shareholders’ General Meeting.

Crédits

Departments that collaborated in the preparation of the report

Capítulo	Áreas implicadas
01 Corporate Governance	Secretariat General / Internal Auditing Department
02 Identity	Communication (Brand, Reputation and CSR) / Human Resources Office / Sponsorship / Internal Auditing Department
03 Driving Force for Progress	Finance (Consolidation, Management Control), Tax, Regulatory Affairs, Innovation, Telefónica I+D, Institutional Relations, Information Systems, Investor Relations
04 Customers	Corporate Marketing Development / Quality, marketing and customer service departments of the main business lines (Telefónica de España, Telefónica Móviles, Telefónica Latinoamérica) / Secretariat General / Communication / Security
05 Shareholders	Shareholders' Office / Investor Relations / Secretariat General
06 Employees	Corporate Human Resources / Human Resources Departments of the main lines of business (Telefónica de España, Telefónica Móviles, Telefónica Latinoamérica, TPI, Terra, Atento, T-Gestiona) / Communication / Health and Safety / Fundación Telefónica / ATAM / Fonditel
07 Society	Main lines of business (Telefónica de España, Telefónica Latinoamérica, Telefónica Móviles) / Institutional Relations / Management Control / Regulatory Affairs / Reputation and Corporate Social Responsibility / Fundación Telefónica / ATAM / Sponsorship
08 Environment	Internal Auditing / Reputation and Corporate Social Responsibility / Environmental Departments of the main lines of business (Telefónica de España, Telefónica Móviles, Telefónica Latinoamérica)
09 Suppliers	Purchasing / Internal Auditing / Reputation and Corporate Responsibility
10 Media	Communication
Annex 1: About the Report	Reputation and Corporate Responsibility
Annex 2: Verification Report	Ernst&Young. Report
Coordination	Reputation, Brand and Corporate Social Responsibility (G.D. of Communication)

