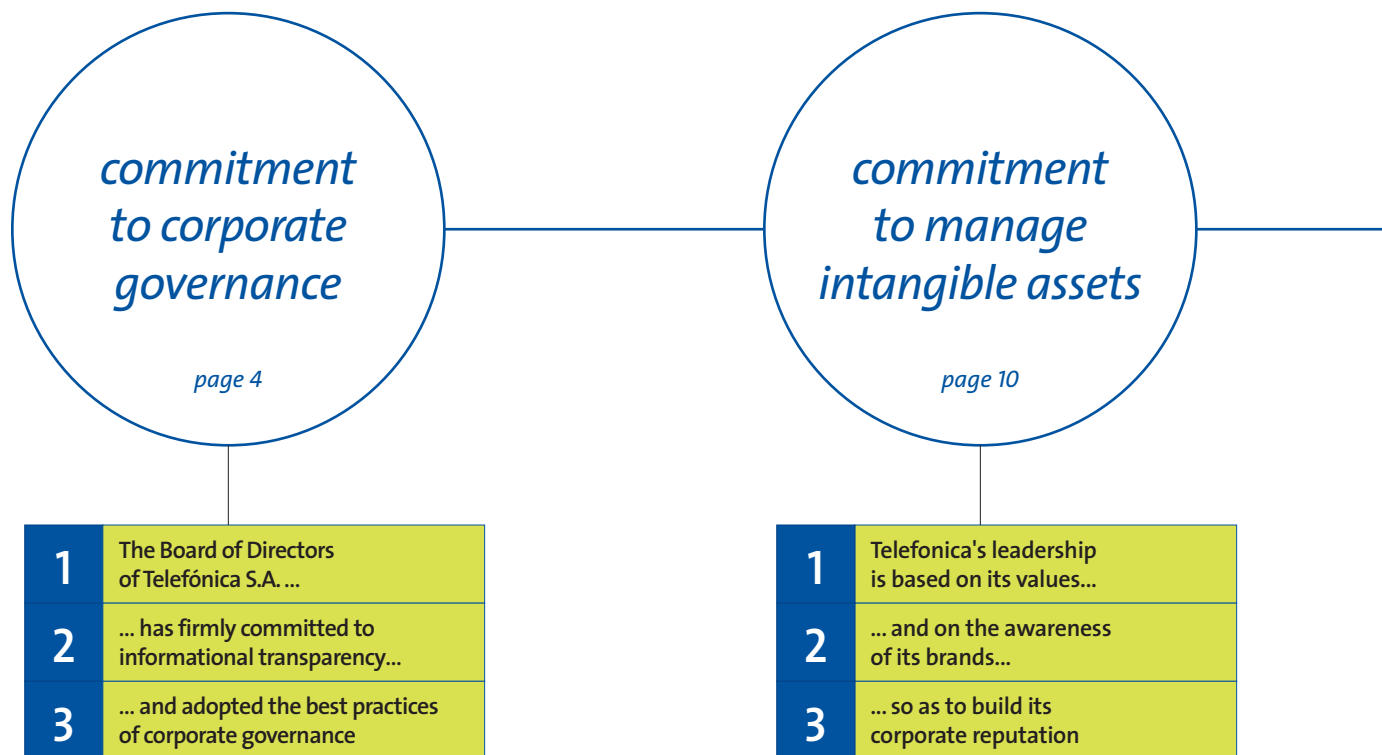


a year of commitments

graphic index and structure of document



This document includes commitments, performances and data from Telefonica in respect to corporate governance, intangible assets and its relations with customers, shareholders, employees, society, environment, suppliers and media. This information has been obtained from internal sources from the company. The data included in the document could be affected by later happenings and by evolution, and therefore its content could suffer modification.

This Corporate Responsibility Report is inspired on the GRI guidelines (Global Reporting Initiative). Developing a commitment to transparency, Telefonica will add new GRI indicators and guidelines in later publications

commitment to everyone

customers
quality and compliance
 page 18

shareholders and investors
returns and transparency
 page 30

employees
clarity and career development
 page 36

society
contribution and proximity
 page 48

environment
respect and protection
 page 66

suppliers
equal opportunity and mutual benefit
 page 78

media
information and transparency
 page 84

1	Telefónica strives for excellence in its service...
2	...based on its ability to listen to customers
3	All of its actions should be aimed at responding to the confidence its customers place...
4	... in a leading communications group like Telefónica
1	Telefónica sets up communication channels with its shareholders...
2	... and with the financial community...
3	... offering complete and transparent information
1	Telefónica's employees are the key to its leadership
2	Telefónica establishes a working environment that ensures respect for human rights...
3	... and cares about the health and safety of its employees
4	Telefónica strives to provide fair compensation to its employees...
5	... favoring employee training and professional development
1	Telefónica: a multidomestic company...
2	... at the service of society
3	The Telefónica Group takes the lead in the development of the Information Society...
4	... respecting the values of the communities in which we operate
1	Telefónica is committed to preserve the environment...
2	... and to minimise the environmental impact of its activities ...
3	... and to develop services which contribute to the protection of the environment
1	Telefónica works with a wide range of suppliers
2	The company endeavours to build relationships based on transparency and fair competition...
3	... for the mutual benefit of both ...
4	... seeking to foster ethical standards throughout the supply chain
1	Telefónica is aware of the public's interest in its activities...
2	... and provides transparent, up-to-date and rigorous information