

Caring for employees and the workplace environment

In the area of human resources, the company has always strived for O2 to be “a place which is a pleasure to work at”. In 2008, Telefónica O2 made a pledge to employees, in which it defined in clear terms what it intends to achieve and deliver in specific areas. In 2009 the Company then went on to implement the steps in the direction of delivering on the promise.

Employee structure

	As at 31 December 2009
Employees total	8,020
of which women	2,784
of which men	5,236
of which employees with physical handicap or disability	62

Employees by division

Division – unit	As at 31 December 2009
Business Division (corporate and SME customers)	1,007
Consumer Division	2,107
Operations Division	3,465
Wholesale Division	63
External Relations	24
Strategy and Product Development	292
Human Resources	82
Support Services	349
Finance Division	382
Legal Affairs	51
Internal Audit and Risk Management	17
Government and Business Solutions	132
DHL	43
Office of the Chief Executive Officer	6
Total	8,020

Employee engagement

Reflect

The interest and motivation of employees to participate in the employee satisfaction survey grew year on year by 1% and reached 90%. The overall Reflect index stayed at the level of the year 2008. The management considered the outcome as good, especially with regard to the fact that many important changes occurred during the year. Several surveyed areas showed a positive trend: the My Manager, My Work and Development and Atmosphere indices improved by one point and were ranked as the Company's strong points. The Top Management Index dropped by 3 points from the year before; the management will therefore focus more on improving the credibility, availability and effectiveness of the top management team.

Spirit of O₂

As every year, also in 2009 Telefónica O2 recognised the best employees at its annual Spirit of O₂ awards. Employees could either nominate themselves or their colleagues whose accomplishments distinguished them from the rest and who helped keep Telefónica O2 at the forefront of the telecommunications market. An innovation for 2009 was the doubling up of the nominations – in the spring round, the winners were chosen by employees, and in the autumn round, a special jury comprising top executives of the Company selected the best out of the nominees.

Work-life balance programmes

Telefónica O2 realises that giving the employees an option to work from home is a win-win situation for all involved – the employees, the Company and its customers. Any employee, whose job character allowed for this option, could talk to their manager about working from home. The communication tools (fixed and mobile internet connection and a company mobile telephone) meant that not all activities had to be done from the office. The Company also allowed employees, conditional on the relevant manager's consent, to work part-time. Parents of children of pre-school age could also use employee bonuses from the so-called cafeteria, which were redeemable against pre-school care.

Health**Healthy Company programme of VZP**

Všeobecná zdravotní pojišťovna offered its clients – employees of Telefónica O2 – a healthcare programme focused on prevention in those areas that are concerned by their work. The programme, in the total value of CZK 1.4 million, was delivered by Santé, the employee preventive healthcare provider of Telefónica O2. Employees could choose from inoculation against influenza or type A hepatitis, back massages or preventive diagnostics of lifestyle diseases.

Ad hoc health promotion activities

At the end of 2009, the Company provided and organised a campaign of inoculation against the seasonal influenza. In the spring, the Company paid for revaccination of employees against meningitis in those workplaces where the disease was detected in 2008. Therapeutic counselling was also offered to members of any team where a fatal incident happened.

At the end of 2009, the Company trialled NoStress, a new employee health promotion programme. The programme focused on improving the resistance of employees against stress and strengthening their capacity to deal with stressful situations. The course was held in Prague, Kolín and Pardubice for a total of 79 participants.

Education and personal development**Workshops – key behaviour**

At the beginning of 2009, four key behaviours necessary for the Company's success in the marketplace were identified: accountability, openness to change, dealing with problems in a cooperative way and customer orientation. All employees were invited to two half-day workshops at which employees from different units of the Company debated the meaning of these behavioural concepts and how they should translate into everyday professional life. In 2009, a total of 2,300 employees participated at the workshops. In 2010, the programme will be evaluated and modified, if required.

Improving line management competences

In 2009, a total of 110 employees (474 persons in total) took part in Leading to Excellence, a programme for the middle management, whose aim was to standardise the management style in the Company. Managing Others, a long-term training for newly appointed supervisors and managers, was launched in the second quarter of 2009; 36 employees completed the programme in 2009.

Motivation programmes and benefits

Despite the challenging economic reality in the marketplace, Telefónica O2 continued the tradition of offering its employees a wide choice of employee benefits – for example financial products, O₂ products and services, benefits promoting the work-life balance and benefits which make life easier for parents of children in pre-school facilities. Employees with reduced work capacity also received a voucher for rehabilitative physiotherapy in the value of 2 x CZK 10,000 per year. A total of 69 employees received the vouchers in 2009.

The employee benefits menu is updated every year with regard to the demand. Retail partners in the Good Shopping programme offered discounts on services (e.g. restorative spa treatments, healthcare, physiotherapy, etc.). The programme included specially-priced offerings from more than sixty partners in 2009.

Employer of the Year

In 2009, the Company won third place in the main category of the Employer of the Year Awards. The professional jury placed the Company three positions higher from 2008.