

Promoting activities for the benefit of the community

Supporting community projects and philanthropy in 2008 were deeply rooted in the company's CSR. Telefónica O2 strived to put its technology to use in helping to improve the quality of life. Already for the eighth year running, O₂ Foundation was the key instrument in transparent and systemic corporate donorship.

In 2009, the Company was nominated in the 6th year of TOP filantrop, which is an award given by the Donors Forum in recognition of exemplary socially responsible corporate behaviour. Telefónica O2 was among the TOP 10 of corporate donors in the Czech Republic; measured by the volume of invested funds, it ranked tenth in the category TOP 10 Philanthropist of 2009. Philanthropic activities are measured using the LBG (London Benchmarking Group) Standard Responsible Company, which is a comprehensive and standardised system for the assessment of corporate philanthropy. The first ever Personality of the Year award was presented on the same occasion. It is sponsored by O₂ and recognises individuals who had made an outstanding contribution to the development and promotion of Corporate Social Responsibility, for personal engagement in the non-profit or philanthropy sector in the Czech Republic.

The total value of donations, gifts and telecommunications services provided by Telefónica O2 to or for the benefit of community projects in 2009 exceeded the mark of CZK 30 million.

O₂ Foundation Award

In the 8th year of its regional grant programme, the O₂ Foundation continued the tradition and distributed more than CZK 10 million among 55 NGO projects, from which more than 7 thousand children and young people benefited. The grants for amounts ranging from CZK 50,000–400,000 were awarded to projects in aid of socially and physically disadvantaged children and youth, their leisure activities, education and to projects aimed at eliminating barriers and problems in communication. The civic association Sense and Sensitivity was awarded the 2009 O₂ Foundation Award – it was recognised for its exemplary support of grandparents raising their grandchildren. The O₂ Foundation Award of CZK 1 million expresses a special recognition to a project that the Board of Trustees of the Foundation has found appealing for its effort to change the established social habits and open tabooed social topics.

Safety Line 116 111

Already for 15 consecutive years, the O₂ Foundation was the general partner of this only national free and anonymous helpline for children in difficult life situations. In 2009, the O₂ Foundation was also general partner of Safety Line benefit concert, which celebrated its 15th anniversary. Television viewers sent donor SMS to Safety Line, raising more than CZK 1.1 million. The O₂ Foundation then matched the amount. The benefit yielded CZK 3,654,660, with Telefónica O2 becoming the largest donor with CZK 1.5 million donated through the O₂ Foundation.

Helpline for Senior Citizens

The O₂ Foundation continued in its support to Helpline for Senior Citizens (Linka seniorů) operated by Elpida Plus. Senior citizens could dial the number 800 200 007 and share their concerns and joys, consult on various issues – health, legislation, psychology and welfare. The helpline answered almost 16,000 calls, of which more than 3,300 were of serious nature, in 2009. Financial assistance from the O₂ Foundation helped to keep the service free of charge.

Stop Bullying

The programme celebrated a major success in 2009: the civic association Aisis, the programme coordinator, qualified for a grant from the European Social Fund to roll out the campaign to dozens new schools in the Czech Republic. The O₂ Foundation, which initiated the project in 2005 and funded it for five years, accomplished its longstanding ambition to raise the society's awareness of this serious subject, and to offer effective tools to schools and thus contribute to rooting out bullying among children. The extra funding will make it possible to give free long-term training in fighting bullying to teachers in additional 60 schools over the next three years.

In 2009, the O₂ Foundation also contributed towards the publication of a practical guide for parents on how to spot and stop bullying. A comprehensive survey of cyberbullying among Czech children was carried out in the second half of the year. The survey showed that the term cyberbullying was not well known by Czech children; a more detailed research confirmed that 10% of children did encounter cyberbullying in the recent months. The survey results surprisingly did not confirm the hypothesis that cyberbullies' real identity is often unknown – 78% of children stated that the bully had been a classmate. Only 8% of children confided in a teacher. The survey concluded that cyberbullying was directly related to the climate in the class or school.

Impact of O₂ Foundation activities on the general public

A survey of the public was carried out in the spring of 2009, which focused on the activities of the O₂ Foundation and their relevance. The survey was carried out by Factum Invenio and involved a million of respondents. The general recognition of the O₂ Foundation in the population was 10.4%. More than 70% of respondents who recognised the brand stated that the O₂ Foundation distributed tens of millions of Czech crowns every year to help children. 39% of respondents knew that the O₂ Foundation concerned itself with the issues of bullying in elementary schools. In the future, O₂ Foundation should focus namely on violence among elementary school pupils – it came recommended by 68.9% of the respondent group. The survey confirmed the relevance of the foundation's effort to fight bullying in schools.

The majority of the Czech population (90%) was convinced that corporations should use a part of their profits to help the needy (answers indicating a strong and prevalent agreement with the proposed statement). The O₂ Foundation also helped the overall image of Telefónica O2: 49% of the population stated that thanks the O₂ Foundation made Telefónica O2 more attractive to them (answers indicating a strong agreement with the proposed statement: 15%; answers indicating a prevalent agreement with the proposed statement: 34%).

Volunteer programmes for employees

The activities of the O₂ Foundation are based on the voluntary work of employees of the Company.

In 2009, a record 1,995 employees worked for O₂ Foundation as volunteers – the largest number of all companies in the Telefónica Europe group.

Financial donations from Telefónica O2 employees increased significantly: 1,676 employees donated almost CZK 1.3 million to the O₂ Foundation; the largest amount, CZK 474,383, was raised for the liquidation of damages caused by vast floods that devastated North Moravia in June 2009. The money was used mainly for the construction of emergency housing for flood victims in Životice. Telefónica O2 matched the amount to the total of CZK 1 million. Employees

also raised funds for Safety Line and Helpline for Senior Citizens and individual families in material distress, and donated CZK 380,000 to the emergency transplant and neonatal units of Motol hospital to buy vital function monitors and special pumps.

Employees regularly participated in volunteer events and helped with their time, knowledge and skills.

Corporate teambuilding events turned into volunteer events – managers and their teams worked in non-profit organisations. In 2009, 116 employees donated 956 hours of work for non-profit organisations. 98 employees donated their personal free time: they spent 1,096 hours working with children from children's homes organising their leisure activities, and 288 hours helping selected non-profits. They also spent 1,820 hours assisting the foundation's principal grant programme – they sat on regional committees and selected the best projects, among which the O₂ Foundation distributed CZK 10 million.

The O₂ Foundation also recognised those employees of the Company who were active volunteers in their personal free time. Their service to the community earned CZK 460,000 to 23 employees in 2009, which was in turn donated to the non-profit organisations they worked with on a long-term basis.

Easter and Christmas markets organised by the O₂ Foundation in its buildings in the Czech Republic products hand-made by people with disabilities in sheltered workshops were sold to employees. In 2009, employees spent CZK 582,000 on products from sixty sheltered workshops.

Proniño international volunteer programme

Volunteer activities of employees in 2009 again transcended the limits of the Czech Republic as six employees of the Company participated in the international volunteer programme Proniño implemented by Telefónica in Latin America. Altogether thirty volunteers hailing from all countries where Telefónica had presence were sent to Ecuador, Brazil, El Salvador and Peru in 2009. After arriving to their destination their role was to add meaningful content to the free time of children who, once their school finishes, either roam the streets or have to work.

Give Blood with O₂

Also the project Give Blood with O₂ continued, seeking to promote voluntary blood donorship in the Czech Republic. During the year, more than 360 employees participated and collectively donated 160 litres of blood.

Fair Trade

The project Be Fair with O₂, which focused on promoting Fair Trade products and services, continued also in 2009. The biggest success in this respect was that Fair Trade products were included in the catalogue of promotional items and Fair Trade catering found its way into the options for internal catering which is ordered for events with business partners. The Company also donated a display stand in the value of CZK 75,000 to a Fair Trade partner for the promotion of Fair Trade products. Fair Trade products were also used as courtesy gifts for conference participants and as Christmas gifts for business partners. The value of gifts in 2009 was just under CZK 700,000. In 2009, employees could also buy Fair Trade products at cut-rate prices through the e-shop, and order Fair Trade and ethnic catering for various corporate events.