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Public-private partnership: the Telecom Italia experience

Telecom Italia began to deal with sustainability in 1997 by creating a dedicated department and publishing the first socio-environmental report. The document then evolved into the Sustainability Report and included an analysis of performance in respect of stakeholders with whom the Company interacts on a daily basis. As of 2003, the data and information regarding sustainability became part of the Report on Operations of the consolidated Financial Statements, thus confirming the Group's intention to present its financial data together with its non-financial ones.

In 2002, Telecom Italia published the Group's first Code of Ethics and signed up to the Global Compact.

In 2003, a structured system for managing sustainability based on indicators (Key Performance Indicators) was implemented to measure the results achieved in respect of all stakeholders and allow appropriate improvement actions to be planned.

In 2007, Telecom Italia participated as co-leader in the laboratory set up in the context of the Alliance with the European Commission in March 2006 on assessing and communicating non-financial performance. The laboratory drew up an original communication model (www.investorvalue.org) presented in Brussels in May 2010 during the Senior Leaders Forum of the European Academy for Business in Society (EABIS).

At the end of 2008, sustainability was brought to the attention of the Board of Directors through the Internal Control and Corporate Governance Committee, which performs a coordination and control function in this respect.

In 2009, the Sustainability Report was drawn up for the first time according to the principles of the AA1000 Accountability Principles Standard (APS), which involve stakeholders in the reporting and the underlying processes and are the most advanced standard in this area.

As a confirmation of the results achieved, Telecom Italia was included in the prestigious international sustainability indexes, including the Dow Jones Sustainability Indexes (DJSI) and the Financial Times Stock Exchange for Good (FTSE4Good).

As a large company, Telecom Italia has a major impact on the communities of the countries in which it operates through products and services that improve people's quality of life by promoting new ways of learning, travelling, working and health caring,

reducing the need for travel and therefore increasing the amount of free time and improving quality of life in general. The Group's contribution to the community includes projects and initiatives for the general development of the community by means of cultural, solidarity and environmental protection initiatives carried out directly by Telecom Italia and through the Foundation.

Public-private partnerships are an important operational method that is frequently used by the Group to ensure that actions taken in respect of the community fulfil the requirements of stakeholders.

This kind of relationship is particularly beneficial because it allows results to be maximised by making the most of the potential and characteristics of the parties involved: detailed knowledge of the needs of local communities, availability of infrastructure and widespread presence across the territory, greater ease of access to technical skills and financial resources with which to implement projects.

The partnership model is also a flexible model that can be replicated and is applicable in any field: social, environmental, educational or cultural. In 2010, many different initiatives were taken in this way by the TI Group in favour of the community. In the social sphere, for example, the company continued to implement the **Dyslexia Programme**, set up in 2009 between the Telecom Italia Foundation and the Italian Dyslexia Association. On this subject a Memorandum of Understanding was signed in 2010 among the Telecom Italia Foundation, the Italian Ministry of Education, University and Research and the Italian Dyslexia Association, aimed at allowing Italian schools to detect this condition early and cope with it. Six hospitals in six Italian cities became sites for the **Smart Inclusion** project which, with support from the Italian Ministry of Public Administration and Innovation, technological and financial support from Telecom Italia, scientific and design management from the CNR-ISOF of Bologna, aims to reduce the difficulties faced by children hospitalized in onco-hematology departments, allowing them to remain in contact with their schools and families.

Memorandums of understanding were signed with national and local institutions and their associations for the creation of smart cities in which innovative digital services are able to improve quality of life by developing key sectors for municipalities, such as energy efficiency, environmental monitoring, safety, communication with citizens and the promotion of tourism.

For education and culture, a Memorandum of Understanding was signed with the Italian Ministry of Education, Universities and Research (MIUR) for the **spread of ICT in schools**, with the aim of helping young people to use new technologies and promote their use for educational purposes. In a partnership with the municipalities of Milan and Rome, and other businesses, the **Internet Saloon and Telemouse** computer literacy initiatives for the over-50s were promoted, providing centres for the elderly, school premises and student volunteers to give free lessons to elderly people. In order to raise the awareness of children, teenagers and adults (parents and teachers) about safe and responsible use of the Internet and digital technologies, the **Safe Browsing** project was implemented as a partnership with the Movimento Bambino Foundation, Save The Children and Atlantyca, licensee of the Geronimo Stilton character used to provide simple explanations to children.