



Doing the Work

2007

Verizon
Corporate
Responsibility
Report



Kimberly Grenda

*Customer Care Representative
Verizon Center for Customers with Disabilities
Marlboro, Massachusetts*

Doing the Work | 2007

Our habitat restoration project at the Verizon Center campus in Basking Ridge, New Jersey, earned us the Governor's Environmental Excellence Award for Healthy Ecosystems in 2007.

The on-going environmental project is a collaborative effort among Verizon, the New Jersey Audubon Society and the U.S. Fish and Wildlife Service that's improving 25 acres of grass and wetland habitat. Our Basking Ridge campus sits in a watershed adjacent to a portion of the 7,000-acre Great Swamp National Wildlife Refuge.

The goal of the project, which started early in 2007, was to return the parcel to its native state. Together with our partners, we've planted 550 native trees and shrubs at the location.

The U.S. Environmental Protection Agency also recognized Verizon in 2007 by naming us to their WasteWise Hall of Fame. The true game-changer for creating cleaner, greener communities and addressing energy challenges, however, may well be broadband technology. To learn more about Verizon's environmental stewardship and the green benefits of broadband, see page 32.



Contents

2	Message from the Chairman and CEO
6	Verizon Commitment and Values
7	Being Accountable for Being Responsible
12	Top 2007 Awards and Recognition
13	Earning Our Reputation <ul style="list-style-type: none">Making Technology AccessibleBroadband-Powered InnovationThinkfinity.org: The New Model for Education
26	Delivering Measurable Results
46	Community Activities in Global Markets

Message from the Chairman and CEO



I am pleased to share Verizon's 2007 Corporate Responsibility Report, "Doing the Work." In these pages, we highlight our accomplishments and challenges in the areas that define our approach to corporate responsibility, as well as provide an in-depth look at a few of our signature programs. We hope this gives you a feel for the human impact of these initiatives and, together with our previous three reports, demonstrates a consistent record of achievement in corporate responsibility.

The actions you'll read about in this report reflect the commitment of our employees to improving the quality of life in our communities. They also reflect a deeply ingrained culture of corporate responsibility that embeds a consciousness of the social impact of our business into all of our decisions.

At Verizon, we manage corporate responsibility the way we do anything we truly care about as a business: with disciplined goals, a focus on results, a commitment to operating excellence and a grounding in our corporation's core values and beliefs.

Verizon Chairman and CEO Ivan Seidenberg addresses the Consumer Electronics Association in Washington, DC after receiving the organization's Digital Patriot Award for his commitment to the effective advancement of technology, innovation and U.S. competitiveness.

Making Corporate Responsibility Work

Corporate responsibility starts with a belief that what you do is important to society. This belief is at the heart of our company. Over the course of its more than 125-year history, the communications industry has played a unique and positive role in driving our economy and creating the bonds that connect our customers to people, ideas and opportunities.

Our people believe passionately that what we do—what they do—makes a difference for customers and our society as a whole.

This social dimension is built into our very mission as a network company, in the fullest sense of the term. You see it reflected in our business purpose and values, which inform and animate our interactions with millions of customers, partners and stakeholders. (See “The Verizon Commitment and Values” on page 6.) To reinforce this value-driven culture among our 235,000 employees, we have a disciplined compliance process involving extensive training in the Verizon Code of Conduct, and we are extending this process throughout our increasingly global supply chain.

The six corporate responsibility priorities you will read about in this report represent our view of where our actions will have the greatest impact on society. In managing a company the size of Verizon—which touches hundreds of issues, thousands of communities and millions of customers every day—we

are always conscious of the concept of “materiality”; that is, how can we use our enormous technical, financial and intellectual resources to accomplish something equally significant?

In 2007, we addressed these priorities with distinctive programs that used our unique resources to achieve visible results in the following categories:

- Ethics and governance
- Service and innovation
- Empowering employees
- Promoting community growth
- Protecting the environment, and
- Partnering with communities.

Our people believe passionately that what we do makes a difference for customers and our society as a whole.

We have a disciplined process for managing corporate responsibility. In 2007, we reorganized our Corporate Responsibility Council to better align with the core competencies of our business. It is chaired by two senior officers—Tom Tauke, executive vice president – Public Affairs, Policy and Communications and Dan Mead, president of Verizon Services Operations—and includes leaders from all operating units as well as our

Foundation and corporate responsibility staffs. Under their leadership, the council establishes benchmarks and goals, assigns and enforces accountability and measures and tracks results.

This results-oriented process keeps us focused on “materiality.”

In 2007, we made big strides in areas of critical importance to our business, from risk assessment to global supply-chain management to strategic philanthropy, and we are constantly honing our ability to use the intelligence we gain from these initiatives to make ourselves a smarter, better business.

We have applied ourselves in a serious way to matters that make a difference to our customers, take advantage of our resources and have measurable outcomes.

You will see this focus on performance reflected in a new section of this report, which lays out what we said, what we did and what we will do next in each of our six priority areas. (See pages 8-11.)

The biggest compliment that a CEO can pay to the corporate responsibility function is to demand that it produce results—and at Verizon, it does.

The Big Picture

Effective management—of corporate responsibility or anything else—is about consistency, accountability, discipline and details. That commitment to operational excellence has helped us accomplish some big, ambitious goals: building the nation’s best wireless network, investing in a world-class fiber-optic network to our customers’ homes, strengthening the global Internet and

pushing the envelope on innovation.

We have only scratched the surface in discovering all the ways that these fantastic high-speed digital networks—and the new generation of products, services and applications they make possible—can be part of the solution to the most pressing issues of our time.

Our goal is to make these empowering technologies as widely available as possible and to use our leadership and resources to create new solutions to big problems. For example, you’ll see in this report that we’re exploring how greater use of broadband can reduce energy consumption and create a greener, cleaner world. Through my role as chair of the Health and Retirement Committee of the Business Roundtable, Verizon is involved in advocating for an interoperable system of electronic health-care records that can drive down costs and reduce medical errors for millions of Americans.

Our award-winning online educational resource, Thinkfinity.org, makes the best work of a Dean’s List of cultural, scientific and educational institutions available to teachers, parents and students, free of charge. Furthermore, our longstanding partnerships with literacy experts are producing measurable improvements in outcomes. Also, we are moving forward, both on our own and with partners and suppliers, with the next generation of innovative products and services that will extend the benefits of technology to people who—for reasons of geography, economic status, age or physical limitation—have been slower to benefit from the broadband revolution.

We are also committed to building a company that can compete and succeed in our rapidly evolving industry. With the help of our training and tuition assistance programs, our employees are expanding their skills so they can continue to design, build and operate the most advanced networks being deployed in the world today, as well as market increasingly complex products and services. We recognize the competitive advantage that comes from having employees with diverse ethnic backgrounds, life experiences and points of view who can relate to customers and reflect the diversity of our markets. We offer a wide variety of flexible work policies to assist employees in juggling the demands of work and family.

Above all, we provide challenging work in an exciting industry, which makes Verizon a great place to build a career.

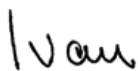
As fervently as we believe in the benefits of technology, we also are well aware of the law of unintended consequences. Every scientific and technological advance in our history has brought with it unforeseen risks that need to be managed, and that is certainly true of digital communications.

As customers live more and more of their lives online, we face growing concerns over the privacy and security of personal information. As children create social networks and virtual worlds that are often beyond the reach—not to mention the comprehension—of many adults, parents need better ways of protecting their child's online safety. As digitization turns music, art, television and movies into an endless series of 1's and 0's, we need 21st century approaches to protecting intellectual property rights. And as the 24x7 demands of the Internet Age threaten to overwhelm customers with complexity, they need trusted and reliable companies to help them make sense of technology and put it to use to make their lives better.

So for all our accomplishments, these emerging issues remind us that we always have more to do and more to learn. Our corporate responsibility process is helping us do that—functioning as an early warning system, helping us view ourselves from the outside in, and making us a learning organization that can adapt to the threats and opportunities that, in an interconnected world, arise with astonishing speed.

The discipline of corporate responsibility is based on a big idea: that a healthy society and healthy companies are mutually dependent. At Verizon, we're taking that big idea and turning it into action, every day. We have applied ourselves in a serious way to matters that make a difference to our customers, take best advantage of our resources and have measurable outcomes.

Verizon is fortunate. We have a strong culture and great employees, and we work in an industry with boundless possibilities for growth and innovation. But at the end of the day, you have to do the work. While there are always more challenges in our path, I'm proud to say that—with the help of our employees, our partners and our stakeholders—Verizon is doing some pretty terrific work to improve people's lives, create a great place to work and make a difference for our customers.



Ivan Seidenberg
Chairman and Chief Executive Officer

Jacqueline Jones

Business Solutions Group
Verizon Telecom

Hassan Rajah

Partner Solutions
Verizon Telecom



Verizon Commitment and Values

The Verizon commitment puts our customers first by providing excellent service and great communications experiences. This is what we do and this is why we exist. In order to keep this commitment, we must always honor our core values:

Integrity

Integrity is at the heart of everything we do. We are honest, ethical and upfront because trust is at the foundation of our relationships with our customers, our communities, our stakeholders and each other.

Respect

We know it is critical that we respect everyone at every level of our business. We champion diversity, embrace individuality and listen carefully when others speak.

Performance Excellence

We hold ourselves to a very high standard of performance. We prize innovative ideas and the teamwork it takes to make them realities. We never stop asking ourselves how we can make the customer experience better, and every day we find an answer.

Accountability

We take responsibility for our actions as individuals, as team members and as an organization. We work together, support one another and never let the customer—or our co-workers—down.

Great companies are judged by what they do, not by what they say. To be the best, we're going to keep pushing ourselves in new and exciting directions. These values will guide our every action.



Stacy Brown, Michael Daly
and Heather McAusland

*Partner Solutions
Verizon Telecom*

Being accountable for being responsible

Strong values and good intentions are necessary but not sufficient for an effective approach to corporate responsibility.

Effectiveness requires discipline and consistency, so we set clear objectives, report our progress and hold ourselves accountable for the results. Just as we do in every aspect of our business.

As we say at Verizon, we have to do the work — and produce results.

On the following pages, we report on the work we did in 2007, outlining our objectives, accomplishments and challenges in each of the six priority areas that define what corporate responsibility means to us.

Justin Irick

*Sales Representative
Verizon Wireless*



Our focus in 2007

Ethics and Governance

Integrity and respect are fundamental in every level of our business—how we interact with customers, investors, the public and one another.

Our goal is to operate our business with the highest level of integrity and accountability, building on the trust we have earned over the years.

Service and Innovation

We build great networks that allow us to deliver communications, data and entertainment to our customers in ways that few companies can match.

Our networks play a central role in energizing the marketplace, stimulating innovation and improving the quality of life for our customers.

Our goal is to extend the opportunity for broadband access to all Americans.

Empowering Employees

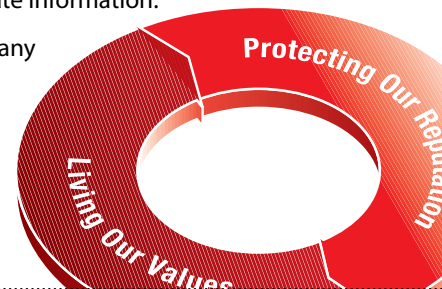
We want Verizon to be a great place to work with a culture that respects the individual and taps the full range of talent and potential in employees.

We seek the best people with diverse experiences, knowledge and backgrounds.

Our approach is to give our people the tools they need to manage their futures. In return, we offer challenging and satisfying careers.

What we said we'd do

- › Develop new training course about applying values and stakeholder expectations in decision-making.
- › Enhance our Supplier Code of Conduct to promote ethical standards among our suppliers worldwide.
- › Boost protection of consumers' private information.
- › Poll all Verizon managers to identify any real or potential conflicts of interest.



- › Roll out specific Verizon products and services for people with disabilities.
- › Engage lawmakers, civic leaders and consumers in awareness campaigns about online safety.
- › Apply our technology and resources in new ways to improve education, the environment and health care.

William Petersen
President, Verizon Pennsylvania

- › Train more employees in using next-generation, broadband technologies.
- › Provide employees with access to quality health-care options, benefits information and promote self-service applications.
- › Launch new services for employees to make better, more informed decisions about their health.

What we did

- › Unveiled a new online training course ("CR 360") in April 2007.
- › Applied a new global Supplier Code of Conduct company-wide.
- › Implemented new procedures and training to combat intrusions into customers' private information via pre-texting* schemes.
- › Identified systems with sensitive personal information and began comprehensive review to improve data protection.
- › Completed privacy training for all Verizon employees; completed poll for all managers to identify conflicts of interest.
- › Began posting our political contributions online (www.verizon.com/responsibility).

- › Launched new Coupe phone for seniors and created "Accessibility Corner" for retail locations.
- › Expanded videophone service in select call centers to help hearing-impaired customers.
- › Engaged governors, attorneys general, teachers, parents and kids in four online safety forums, focusing on behavior and tools.
- › Launched free parental controls tool for Verizon Wireless customers (www.verizonwireless.com/parentalcontrols).
- › Provided funding, equipment to create telemedicine network for rural customers in West Virginia.

- › Provided more than \$112 million in tuition assistance for more than 29,000 employees; training hours totaled 11.5 million hours.
- › Boosted participation in preventive health services, including on-site screenings.
- › Expanded online service (HealthZone) for employees to manage health; includes a personal electronic records function.
- › Extended the pay differential and other benefits of our emergency military leave policy for a new 36-month period.

What we'll do next

- › Encourage more investors who focus on corporate responsibility to buy and hold Verizon shares.
- › Establish a process that considers "reputation risk" in business decisions.
- › Establish and adopt content guidelines consistent with our belief in strong, open networks and consumer choice.
- › Complete review of systems and applications to further protect sensitive personal information.
- › Review and strengthen policies on third-party access to sensitive customer and employee data.

- › Open our wireless network so customers can use any device or application that meets minimum technical standards.
- › Launch a "big button" TV remote.
- › Make verizon.com fully accessible for people with disabilities.
- › Develop joint Telecom/Wireless marketing plan for "Baby Boomer" and disabled customers.
- › Conduct additional online safety forums for the public in key Verizon operating areas.
- › Make online safety tools easier to find and use.
- › Encourage states to adopt online safety education curriculum for kids.

- › Encourage development of culturally sensitive programs that promote ways to improve the health of employees.
- › Boost employee participation in on-site health services.
- › Enhance utility of HealthZone; encourage more employees to register and participate.

Ann Courtemanche

Retail Markets
Verizon Telecom

* Pre-texting refers to the practice of obtaining information about another person's phone usage under false pretenses without that person's consent.



Our focus in 2007

Promoting Community Growth

Our network investment creates jobs, spurs innovation and stimulates growth along the supply chain.

Our goal is to promote broadband access for all and to tap the potential of Verizon's wireline and wireless technology to address great social needs.

Protecting the Environment

It's our responsibility to minimize the impact of our operations by conserving energy, recycling and finding solutions to environmental challenges.

We want to promote the positive effect of broadband technologies on the environment which includes reducing energy use through telework, e-commerce and smart transportation.

Partnering with Communities

We are committed to using our financial, human and technological resources to improve the quality of life in our communities.

Our goal is to use technology to address social issues that are critical to our business success and the well-being of our communities. Those issues are education and literacy, family health and safety, and employee volunteerism.

What we said we'd do

- › Deploy our broadband products and services to a broader base, e.g., rural customers.
- › Enhance our supplier diversity program.
- › Re-examine the performance of our largest suppliers in light of our new Supplier Code of Conduct.
- › Evaluate our global sourcing operations against a corporate responsibility "check-list."

- › Find new opportunities to reduce energy consumption.
- › Identify partners who can help improve the efficiency of our fleet.
- › Continue our equipment and materials recycling programs.
- › Find ways to quantify the environmental benefits of our services.



- › Expand the scope and reach of Thinkfinity.org.
- › Expand our support for technology-based programs that promote the awareness and prevention of domestic violence.
- › Encourage and support Verizon employees and retirees to volunteer in their communities.



What we did

- › Boosted spending with diverse suppliers by 20 percent to \$3.1 billion.
- › Established supplier diversity success as an element of Short-Term Incentive compensation.
- › Audited five of our largest equipment suppliers on a range of social and environmental factors.*
- › Conducted reviews of our global sourcing operations in India, Argentina and the Philippines; all were in compliance.
- › Forged “Connected Nation” partnership for deploying broadband in rural areas.

- › Purchased 100 hybrid sedans from Toyota for fleet.
- › Powered-down or removed obsolete equipment from more than 400 buildings.
- › Funded and distributed nationwide study on environmental benefits of broadband.
- › Collected 1.1 million cell phones for refurbishing, donation and recycling.
- › Decreased overall carbon intensity from 81.3 metric tons of CO₂ emissions per million dollars of revenue to 80.7 metric tons.

- › Trained 550 educators about Thinkfinity.org; linked the program with 17 state education organizations.
- › Boosted Thinkfinity.org usage 14 percent; introduced 500 new lessons and activities.
- › Increased spending on domestic violence prevention programs to \$5.5 million; held second national domestic violence summit; collected over 1 million cell phones via HopeLine to aid domestic violence victims.
- › Developed online literacy assessment tools and held third national literacy summit.

What we'll do next

- › Formalize rules and decision-making criteria for work done outside the U.S.
- › Deploy FiOS services to multiple dwelling units in urban locations.
- › Increase spending with diverse suppliers.
- › Grow supplier diversity spending by specific product and service categories.
- › Develop business unit plans in-synch with supplier diversity targets.

- › Promote research on how broadband can help minimize environmental impact.
- › Educate policymakers and consumers on the environmental benefits of broadband and information communications technology.
- › Create an organization to monitor a Verizon-wide energy conservation/greenhouse gas emission strategy.
- › Deploy additional hybrid vehicles in Verizon's fleet.
- › Continue reducing CO₂ emissions and increase recycling rates.

- › Make Thinkfinity.org Web site easier to use.
- › Increase Thinkfinity.org usage by 30 percent.
- › Launch Thinkfinity.org after-school program.
- › Add 250 new educational resources to Thinkfinity.org platform.
- › Reach 25 percent more people through Verizon-supported domestic violence prevention programs.
- › Boost participation in Verizon Volunteers by 10 percent.
- › Achieve measurable improvements in student literacy via programs supported by Verizon grants.

* Audit was conducted via an assessment tool from the Global eSustainability Initiative, a global partnership of companies that promote sustainable technology development.

Top 2007 awards and honors

Verizon was named one of the **100 Best Corporate Citizens** by *CRO* magazine, based on company efforts in climate change, employee relations, the environment, financial performance, governance, human rights, lobbying disclosure and philanthropy.

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J.D. Power and Associates ranked Verizon **Highest in Customer Satisfaction** With Small/Midsize Business Data Service Providers. In separate studies, Verizon Wireless ranked Highest in Wireless Call Quality in 4 of 6 regions in the U.S. and Highest in Wireless Retail Sales Satisfaction among national wireless carriers and retailers.

••

Hailed as a "model of environmental stewardship," Verizon's wetlands restoration project won the **2007 Governor's Environmental Excellence Award** in the Healthy Ecosystems category. The 25-acre project is at the Verizon Center campus in Basking Ridge, New Jersey.

••

Verizon Chairman and CEO Ivan Seidenberg was named **CEO of the Year** by financial news website 24/7 Wall St., based on stock performance, innovation, financial results, and market competition.

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A *Computerworld* survey ranked FiOS Internet service **No. 1 among broadband service providers**, calling FiOS "head and shoulders above the rest."

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DiversityInc magazine ranked Verizon Communications **No. 6 in its Top 50 Companies for Diversity** and **No. 3 on the Top 10 Companies for African Americans**.

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BusinessWeek rated Verizon **No. 7 in the BusinessWeek 50**, a ranking of best-in-class companies in the 10 sectors that make up the S&P 500. *BusinessWeek* also named Verizon to its second annual list of **Best Places to Launch a Career** ranking it No. 38 out of 95.

••

Working Mother magazine named Verizon **one of the 100 Best Company for Working Mothers** for the seventh consecutive year. Verizon was also named to the magazine's list of Best Companies for Multicultural Women for the second consecutive year.

••

FiOS Internet service was ranked **Best** in *PC World* magazine's annual "Best and Worst ISPs" survey and No. 4 in the magazine's list of **"100 Best Products of 2007"**—the only Internet service to make the list.

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The U.S. Environmental Protection Agency named Verizon to its **WasteWise Hall of Fame**. Over the years, Verizon has earned nine WasteWise Awards from the EPA for successful waste-prevention and recycling programs. Verizon has been a charter partner since 1994.

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Computerworld named Verizon Wireless to its list of **Top 12 Green IT Vendors** for implementing smart, efficient strategies to reduce energy use through information technology.

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Hispanic Business magazine ranked Verizon **No. 9 in its Diversity Elite 60**, an annual list determined by more than 30 variables that measure companies' commitments to Hispanic hiring, promotion, marketing, philanthropy and suppliers.

••

Wired magazine named Verizon's **No. 19** in the Wired 40 list of the most innovative companies in the world for our FiOS fiber-optic network.

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Verizon Business was named the **Ethernet Service Provider of the Year** in both the U.S. and Europe by the Metro Ethernet Forum, based on breadth of coverage, value, and innovation.

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An *Edutopia* magazine reader's survey named Thinkfinity.org the **top site to download free lessons** for the second consecutive year.

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For the seventh consecutive year, Verizon Wireless was named to *Training* magazine's list of Top 125 Training Organizations in America. **We were No. 4** on the list.

••

In the American Customer Satisfaction Index, Verizon and Qwest tied for **first in the fixed line telephone service industry**. Verizon Wireless was ranked **No. 1 among wireless service providers** for the fourth year in a row.

••

The Verizon Business global IP network was recognized for the ninth consecutive year as the **most connected Internet backbone network** by the research group TeleGeography.

••

Frost & Sullivan, a leading industry analyst firm, honored Verizon Business' managed Internet security services for **excellence in product innovation, marketing and sales strategies**.

••



COMPUTERWORLD

Verizon FiOS
No. 1 Broadband service provider
Verizon Wireless
Top 12 Green IT Vendors



PCWorld



Earning our reputation

We're just beginning to discover all the ways that high-speed digital networks can help solve the pressing issues of our time.

Our goal is to make these technologies as widely available as possible and to use our leadership and resources to address the issues that are critical to the success of our business and the well-being of our communities.

In the following pages are a few stories that show our progress. You'll see that making our products and services accessible for customers with disabilities or special needs has enormous benefits. The greater use of broadband in Fort Wayne, Indiana is proving to be a strong platform for economic growth.

And our commitment to education, Thinkfinity.org, is providing high-caliber educational content in a way that can improve learning—anytime, anywhere, for free.



**WORKING
MOTHER**
**100 BEST
COMPANIES 2007**

Olivia Gomez

*Sr. Customer Service Representative
Verizon Wireless*

To make our technology accessible, we have to speak your language

David Shelton speaks to us with his hands, and we're responding face-to-face in the language he knows best.

We're doing it via videophones with employees who know American Sign Language so that deaf or hearing-impaired customers like Shelton can communicate with us in the way they're most comfortable. The service began in 2007 and it is making a difference.

"It's wonderful because there are no third-party interpreters," said Shelton, a retired federal employee living in Maryland.

"You get to speak face-to-face with customer service, and that really makes a huge difference because I can make better decisions. I've called several times and my issues have been taken care of without any problem—not just because I get to speak directly with someone at Verizon, but also because that person understands what I'm talking about."

Shelton's conversations with Verizon are made possible through our network and the availability of the high-speed Internet access we provide to our customers.

We're committed to making that technology accessible to everyone, and we've been working toward that goal for 15 years through our two Verizon Centers for Customers with Disabilities in Marlboro, Massachusetts and Oxnard, California. The centers, which handled nearly 800,000 calls last year and created more than \$55 million in sales, provide telecommunications services for people with hearing, vision, mobility, speech and cognitive limitations.

"People forget sometimes that those who are deaf or hearing impaired relish the experience of a videophone because their first language is a visual one, not a written or spoken one," said Linda Mahoney, a manager at the Marlboro center. "To them, written English is the equivalent of a second language."

Aging and Technology

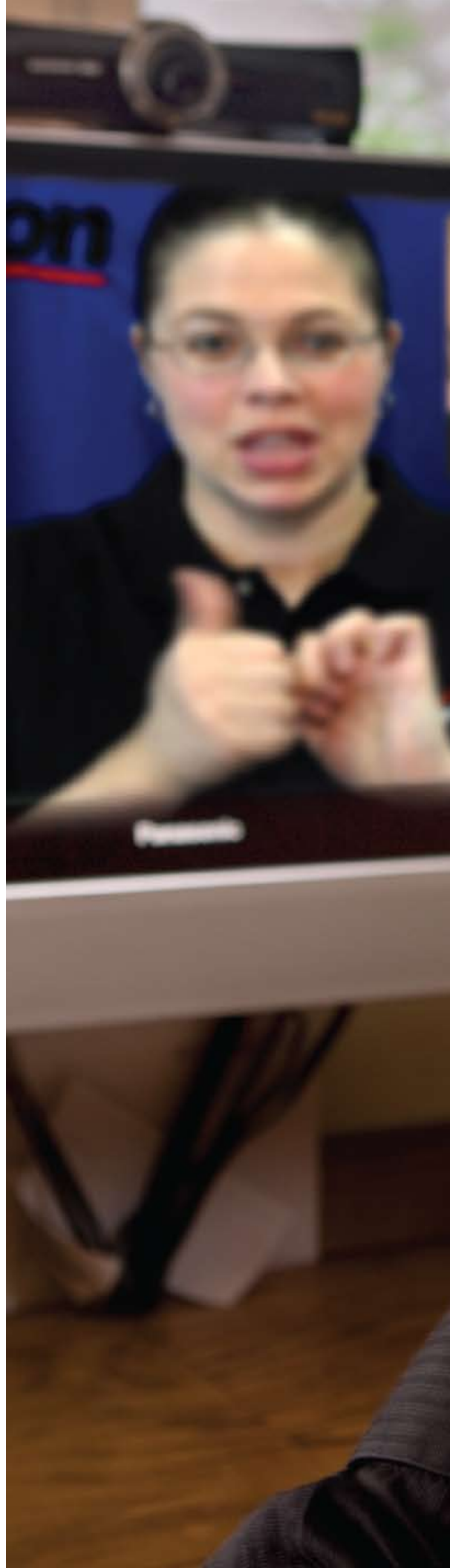
The need to make technology accessible is growing.

People with disabilities are the largest minority in America. At more than 55 million, they represent a sizable

"You get to speak face-to-face with customer service, and that really makes a huge difference because I can make better decisions."

David Shelton

Verizon FiOS customer





From the Verizon Center for Customers with Disabilities in Marlboro, Massachusetts, Verizon's Kimberly Grenda uses a video link and American Sign Language to assist David Shelton, a deaf Verizon FIOS customer in Maryland.

population of potential customers and employees. Their number will rise dramatically with the baby-boom generation now reaching retirement age. According to projections, in just two years there will be 34 million people in the U.S. between the ages of 65 and 84. In 10 years, the number rises to 47 million.

Along with disability, age is becoming a factor in the adoption and accessibility of technology—the most telling example is in the use of cell phones. Among some age segments—those between the ages of 20 and 40, for instance—almost 90 percent have cell phones. But among seniors (those older than 65), only about 50 percent have them today, according to research done by the Pew Trust. While today's seniors are more familiar with technology, they are facing challenges in the use of it such as the onset of hearing problems, weaker eyesight and arthritis among other things.

Verizon took two significant actions in 2007 to help aging adults address some of these challenges.

In March 2007, the Verizon Foundation delivered a \$1.5 million grant to the American Foundation for the Blind to fund and expand the organization's Web site. The site (www.afb.org/seniorsite) is geared to help aging adults with low vision lead independent and comfortable lives. Among the materials on the site are:

- A nationwide database of services for seniors with low vision, which shows them where to find large print or audio books, where to receive computer training and provides comprehensive listings of counseling centers.
- A library of video material providing demonstrations on everything from meal preparation and instruction on using adaptive devices to video testimonials from other aging adults.

Later in the year, we launched a mobile phone dubbed the "Coupe." The Coupe is lightweight with a large display and has buttons with larger numbers. It also features a dedicated key for calls to 911, as well as programmable "In Case of Emergency" numbers.

It also offers an easy-to-use voice-dialing feature and color-coded keys for specific features—a white key for volume control, red for the battery-charging port and blue for the headset port.

The Coupe earned a Good Housekeeping Seal in 2007 for its ease of use. Launched in September 2007, the phone quickly exceeded all sales estimates, pointing to a pent-up demand for such products.

Along with the Coupe, Verizon designed a cell-phone service plan for older Americans called "America's Choice 65 Plus." It's inexpensive—\$20 a month with a two-year service plan—and simple, with lots of "anytime" minutes and even more night and weekend minutes.

Broadband Makes It Possible

Innovations such as the Coupe phone are in keeping with our tradition of providing accessible technology—and being among the first to do so.

The Verizon Center for Customers with Disabilities in Marlboro opened in October 1992 and initially only served Massachusetts. Today, it serves Delaware, the District of Columbia, Maryland, New Jersey, New York, Pennsylvania, Rhode Island, Virginia and West Virginia. With the opening of the center in Oxnard four years ago, Verizon is now able to address the communications needs of disabled customers in 25 states.

The easy to use Coupe phone from Verizon Wireless earned a Good Housekeeping Seal in 2007. Launched in September 2007, the phone quickly exceeded all sales estimates, pointing to a pent-up demand for such products.





The outstanding quality of the video connection that's possible over Verizon FiOS high-speed Internet access lets David Shelton's expressive personality light up a room hundreds of miles away.

The use of videophones started in the Marlboro center. The option has proved so popular—growing primarily by customer referral—that the center now has plans to have four videophones installed in 2008 and to add the feature to the center in Oxnard. Videophone customer service is available currently to customers in the District of Columbia, Maryland, Massachusetts, New York, Rhode Island, Virginia and West Virginia.

"We're always trying to find ways to service our customers in an accessible manner," Mahoney said. "We serve them with e-mail. We have products with Braille, phones with big buttons, phones that have photos on the buttons to help people who have cognitive difficulties, and we even have phones that operate by remote control for people with physical disabilities."

David Shelton, who isn't shy in expressing his appreciation for how the center and its employees help him, said it was difficult to express how much the use of the videophone service has meant to him.

"I tell everyone about it and how great it is," he said. "If Verizon were to remove that service, there would be such a feeling of loss for deaf people like me."

Universal Design Principles

To make our technology accessible to the growing community of people with physical and cognitive limitations, we embraced a set of **Universal Design Principles*** nearly 20 years ago. The principles (see right) are now an integral part of the product design process throughout Verizon.

Verizon was the first telecommunications company to adopt the principles and to have an active Universal Design Committee, which examines company products and services to determine how they can assist customers who have functional limitations.

* Universal Design means creating products and services that are usable and accessible by the broadest range of customers, including individuals with disabilities.

- Provide quality service that can reasonably accommodate a broad range of diverse users, including youth, individuals with disabilities and seniors;
- Review existing services to determine which should be made more accessible;
- Design and develop services, to the extent readily achievable, to be accessible to a broad range of users;
- Market and provision services in a manner consistent with Universal Design; and
- Employ these principles Verizon-wide in relationships with customers, employees, shareowners and suppliers.



The widespread adoption of broadband technology in Fort Wayne fuels demand for Internet and computer training. Here, local high school students help seniors navigate the Internet in an intergenerational program conducted by the Fort Wayne Urban League.



Innovation comes to life in broadband-powered Fort Wayne

Ultra-high bandwidth is creating economic growth and driving new solutions in health care, transportation and public safety.

Verizon is delivering content to customers in ways that few companies can match.

We've built a national wireless data network, a global Internet Protocol (IP) backbone and a best-in-class fiber network that is delivering ultra-high bandwidth all the way to customers' homes. Not only do these networks enable us to deliver today's multimedia services faster and more reliably, they also provide a platform for innovation and economic growth and next-generation services.

Nowhere is that more evident than in Fort Wayne, Indiana.

From 2000 to 2004, employment in the Fort Wayne area fell 21 percent in the industrial sector—a steeper loss than the 15 percent decline experienced statewide. Facing a city in transition, officials believed Fort Wayne could become a center for innovation and global businesses.

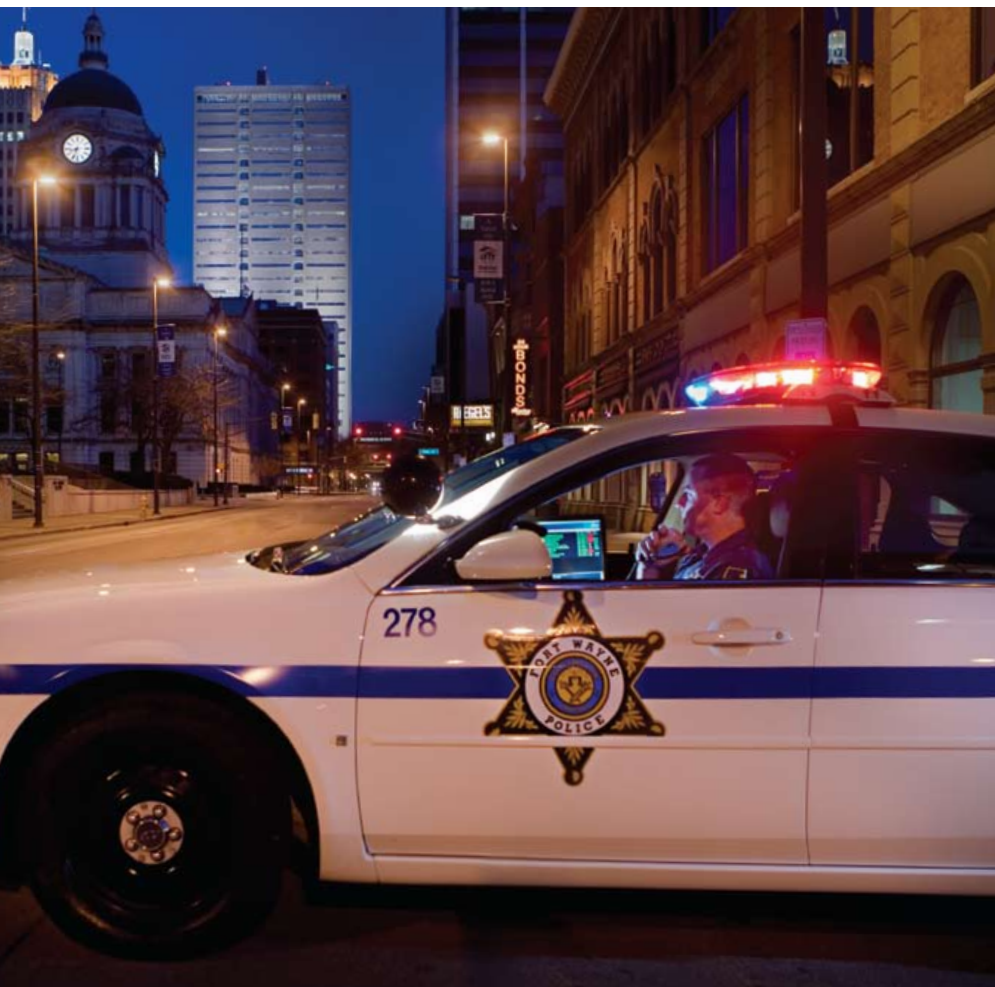
The city's then mayor, Graham Richard, was convinced that a key ingredient to Fort Wayne's future would be found in the high-speed communications technologies being developed by Verizon. Richard believed that as a technology leader, Fort Wayne could be more competitive in attracting new businesses in the global economy.

That conviction led Fort Wayne to become one of the first cities in the Midwest to have fiber-optic broadband services—FiOS—installed throughout the city. To make the most of it, the city has become a hotbed of innovative applications.

"We are making strides to be wired and inspired," Richard said.

A Sound Investment

Verizon invested nearly \$70 million to deploy some 9 million feet of fiber throughout Fort Wayne and also in nearby New Haven. That investment has brought the fastest broadband data services in the country to 130,000 households and small businesses.



Broadband AccessSM from Verizon Wireless links laptop computers in Fort Wayne's police and fire department vehicles, increasing efficiency and improving public safety.

City leaders created "Innovation Teams" to promote innovation and investment. These iTeams are charged with finding new ways to enhance the city's services via broadband. For example:

A NetLiteracy Team is building public computer labs, teaching computer and Internet skills to senior citizens, especially those who are mobility impaired or lack reliable transportation.

Jan Zimmerman, a NetLiteracy trainer, said the real beauty of the program is that "seniors who have learned these basic computer skills can bridge the educational divide by mentoring students online who are part of the state's 21st Century Scholars Program." (Students in the 7th or 8th grade who meet income eligibility requirements can receive up to four years of college tuition to attend a participating Indiana public or private college or university.)

An iTeam for the deaf and hearing-impaired community has been established to help those individuals achieve greater independence by developing a video relay service on a broadband network.

Marsha Kunash, an iTeam member and director of DeafLink, which provides interpreting services, said that the new broadband equipment greatly improves the upload time. "The new broadband service provides clearer images of the person signing and gets closer to real-time signing," she said.

A virtual medical iTeam is providing real-time diagnosis for diabetic patients with possible retinal problems. By putting a special camera in clinics, patients can be diagnosed by a specialist from a remote location, usually their office or home. The specialist has the ability to sign on and review camera images of the patient's retina in high-resolution video, either in real time or later. According to Richard, the real-time application has contributed to saving the sight of five patients.

Other iTeams in the works will focus on improving services in health-care information systems, transportation, public safety, online learning, and advanced manufacturing and library services. For example, work is under way to utilize Fort Wayne's broadband network to allow remote fire inspections

of homes, and to implement an e-mentoring program, in which college students could serve as mentors to under-served urban students.

The city also established an initiative to support new business development and job creation. That effort paid off when Raytheon, a technology company specializing in defense and aerospace systems, announced that it was adding more jobs to its Fort Wayne facility. The Raytheon site manager told the local newspaper, "We're updating our bandwidth to match the capability that

was done with Verizon. That bandwidth infrastructure was an enabling element for us to put this investment here."

By becoming a broadband community, Fort Wayne now has a 4 percent annual economic growth rate—outpacing the rest of the state. In short, what is still a vision for many other communities is a reality in Fort Wayne.

Broadband and the Economy

Raytheon's decision to add more jobs in Fort Wayne reflects a point made in recent studies about the economic impact of investing in broadband networks.

A 2008 study by Connected Nation, a nonprofit group focused on improving broadband adoption across the country, noted that a modest increase in the adoption of broadband in the United States would have an annual economic impact of \$134 billion.

The study found that a 7 percent increase in broadband adoption would create 2.4 million jobs across the United States, would save \$662 million in health-care costs and \$6.4 billion in vehicle mileage, among other savings.

In addition to the health-care and mileage savings, U.S. residents would save 3.8 billion hours a year by conducting transactions online—at a cost-savings of \$35.2 billion—and the country would gain \$92 billion in new wages from the 2.4 million jobs created through broadband growth.

Another study by the MIT Communications Futures Program found that communities with mass-market broadband experienced rapid growth in jobs, an increase in the number of businesses involved in the information-technology sector and a rise in property values in areas with broadband availability.



Darwin Dahlgren, CEO of Lambdatech International and ZOOM Information Systems, relocated his two high-technology, bandwidth-hungry companies from Minnesota's Twin Cities to the Northern Indiana Innovation Center in Fort Wayne due in part to the wide availability of Verizon's fiber-optic broadband, and the technical work force it attracts. It is a combination that makes Fort Wayne an ideal incubator for broadband start-ups.





Interactive content for the classroom.

Delivered online and it's free.

**"With the material on Thinkfinity.org,
the students pay attention a lot better
because they see the lesson in an
interactive way."**

Christy Wrede

Teacher at Carteret Middle School, Carteret, New Jersey

Math teacher Christy Wrede was looking for solutions.

Like many of her colleagues across the country, she fits workshops and seminars into an already impossibly busy schedule to find ways of incorporating new technology into her classroom. Searching the Internet, however, is just not a viable means for helping the 6th and 8th grade special education students she teaches at Carteret Middle School outside of Newark, New Jersey.

"You get a million results and half of them aren't usable", she said.

At a workshop she attended in 2007, Wrede discovered Thinkfinity.org—the Verizon Foundation's free Web site of education resources and professional development. This Web site was different from anything she had seen before.

Created by leading experts in education, Thinkfinity.org offers Wrede "quality material that you can use in the classroom."

After using it for two months, she's found new applications for her lessons and, best of all, discovered "how to apply new math applications in real life that I never even thought of."

Wrede was also delighted to find that the content on Thinkfinity.org—which is provided by 11 premier education organizations in the United States (see list of content partners page 24)—meets national and state standards.

Gene Wilhoit, executive director of The Council of Chief State School Officers, called Thinkfinity.org a positive resource and a "wonderful example of not just throwing something out there because it's high-tech."



Smithsonian
National Museum of American History
Kenneth E. Behring Center



"There was a lot of serious thought behind Thinkfinity, and I have a deep admiration for Verizon taking this on," Wilhoit said. "Just imagine this—a corporation willing to invest millions, engage professionals and not cut corners. That's the kind of true corporate citizenship we've been looking for."

Hailed as the Best

Wrede is among more than 250,000 teachers from all 50 states and the District of Columbia who have been trained to use this award-winning, nationally recognized Web site since 1997. It offers more than 55,000 free standards-based resources to anyone with an Internet connection. These resources include K-12 lesson plans, literacy assessment tools and interactive learning materials.

The Verizon Foundation unveiled a revamped Thinkfinity.org in March 2007 with a three-year, \$31 million commitment to make it the most useful and trusted source for educational resources on the Internet.

Wilhoit said the need for a digital education platform is great. "There are very few high-quality materials that teachers can use, especially now when students are moving to technology-based training," he said. "When you can bring the technology into the classroom and make it easy to use, teachers are drawn to it. Thinkfinity.org is one of the best examples of this."

Educators across the country have affirmed its quality and usefulness. For the second year in a row, a survey of readers conducted by *Edutopia*—a leading education magazine—rated Thinkfinity.org the best Web site for downloading free lessons.

The image shows a screenshot of the Thinkfinity website interface. At the top, the Thinkfinity logo is displayed with the tagline "supported by the Verizon Foundation". Below the logo, there is a navigation bar with links: "The Verizon Foundation", "About Thinkfinity", "Literacy Network", "Contact Us", and "FREE Thinkfinity Training". The main content area features a section titled "What is Thinkfinity?" which states: "Thinkfinity delivers FREE, top-quality online educational resources to problem-solving, creativity and critical thinking skills for success in..." followed by three bullet points: "✓ Thousands of lesson plans, educational games, activities &...", "✓ Content created by premier education organizations and ex...", and "✓ Stimulating opportunities for professional development". Below this, there is a "Try it now. Select your path:" section with three buttons: "educator", "student", and "afterschool". Further down, there is a search bar with the text "search for lesson plans, interactives & more..." and a "go" button. A woman with blonde hair, wearing a light blue top, is smiling and positioned in the foreground, partially obscuring the website content. The Verizon logo is visible in the bottom left corner of the website screenshot.

To describe Thinkfinity.org's usefulness, middle school teacher Christy Wrede cited a lesson plan she used with her students on the Fibonacci Series (named after a 13th century mathematician), which is a sequence of numbers where, after two starting values, each number is the sum of the two preceding numbers—1,1,2,3,5,8,13...etc.

The Thinkfinity.org lesson (<http://illuminations.nctm.org/lessons/GoldenRatio/Golden-OVH-Nature.pdf>) showed that the number of petals on most flowers is almost always a Fibonacci number, which is why four-leafed clovers are so rare; that is, four is not a Fibonacci number.

"If I'm giving a geometry lesson, I can go to Thinkfinity and find applications and lesson plans provided by the National Council of Teachers of Mathematics," Wrede said. "Then I can pull anything up and project it onto the 'smart board' (an interactive, electronic white board designed to enhance instruction and learning).

"When I was in school, the lessons were cut and dried," she added. "You just did it, but you didn't necessarily understand why. But with the materials I can find on Thinkfinity, the students pay attention a lot better because they see the lesson in an interactive way, so they end up understanding the why of things more so than before."

Thinkfinity Literacy Network

Literacy is a fundamental requirement for nearly every level of achievement and success, yet in the United States, 40 million people cannot read a prescription label or fill out a job application.

To address the issue, Thinkfinity.org provides content that includes best-in-class, evidence-based literacy resources from two of its partners—the National Center for Family Literacy and ProLiteracy Worldwide.

A key element in our effort is the Thinkfinity Literacy Network, which offers lessons and online courses for basic literacy and English as a second language; "how-to" instruction on everything from program development to volunteer recruiting; databases that match learners and volunteers with literacy programs in their area; research on literacy practices and measurements; and an assessment tool for literacy development.

In addition, the Thinkfinity Literacy Network provides literacy instructors, librarians, students, volunteers and program managers with more than 50 courses and more than 5,000 online

resources, plus access to other resources via partnerships with organizations such as the American Library Association.

A Model for Education

Thinkfinity.org also includes a comprehensive professional development series that prepares educators to incorporate its resources into their instructional settings.

As Verizon continues to build networks for the future, we'll also continue to incorporate emerging technologies and communication tools that will allow for universal access to Thinkfinity.org's learning opportunities. Improvements slated for 2008 include a remodeled, easier-to-navigate Web site, Spanish-language content, and after-school and home programs.

"A lot of companies want to sell products in the education space, but Thinkfinity is free. It's a model for where education needs to go."

Gene Wilhoit

Executive director of The Council of Chief State School Officers

Boosting literacy rates and providing world-class education resources through Thinkfinity.org provide significant returns to Verizon: consumers are better prepared to use the digital technologies we're deploying, and students are primed for success in the 21st century workplace.

"A lot of companies want to sell products in the education space, but Thinkfinity is free," Wilhoit said.

"It's a model for where education needs to go."

Our people are committed to service...

The men and women of Verizon have a history of doing the work and delivering measurable results. In the previous section of the report, we shared some specific examples of how what we do makes a difference in the lives of our customers and the communities we serve.



...and delivering results

In the following pages, we report our results in the categories that reflect our approach to corporate responsibility:

- Partnering with Communities
- Protecting the Environment
- Promoting Community Growth
- Empowering Employees, and
- Service and Innovation.

We chart how our performance in 2007 measures up to our efforts in previous years. At Verizon, we manage corporate responsibility the way we do anything we truly care about as a business: with clear goals, a focus on results and a grounding in our core values.



PARTNERING WITH COMMUNITIES

2007 OVERVIEW

Verizon's philanthropy uses our financial, human and technological resources to address the social issues that are critical to the success of our business and the well-being of the communities where our employees and customers live.

In 2007, our philanthropy was focused on education and literacy, family safety and health, and employee volunteerism. We delivered strong results in each of those areas—evidenced by both the scope of our support for high-performing partners and our leadership in addressing “silent epidemic” issues like domestic violence. To learn more about the Verizon Foundation, visit <http://foundation.verizon.com>.

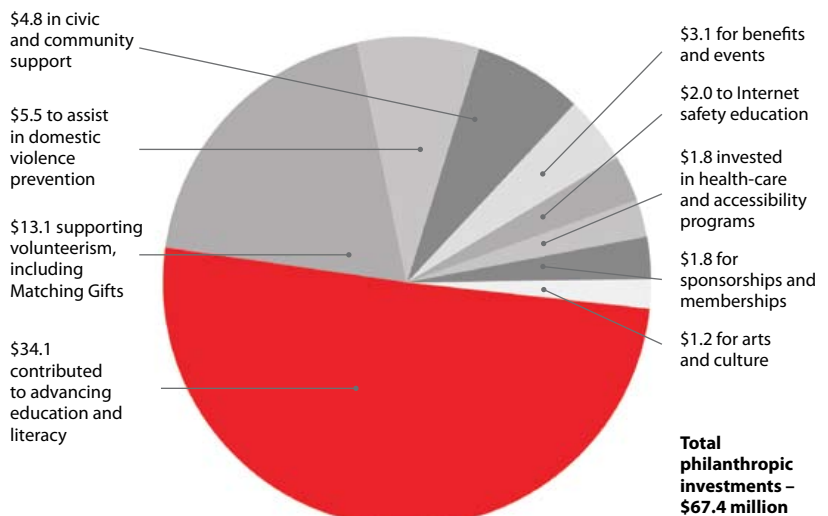
The centerpiece of the Foundation's 2007 work was Thinkfinity.org. With a three-year, \$31 million commitment, the Verizon Foundation formally unveiled the revamped Web site—a free, online learning resource for K-12 educators and literacy professionals. Our goal is to make it the most useful and trusted source for educational resources on the Internet.

Verizon once again came through in 2007 when our communities were in need.

- When tragedy struck on the campus of Virginia Tech, Verizon Wireless was there to expand calling capacity on our local network, offer wireless phones for official use, set up conference-bridge accounts, and establish a free wireless calling center on campus for use by students, faculty and staff.
- Verizon Wireless provided vital communications links for first responders in the areas affected by the extreme drought and forest fires in Georgia.
- When residents of Vernonia, Oregon were forced from their homes during last winter's flooding, Verizon provided \$10,000 to assist the needy and provided free landline and wireless service to aid recovery.
- Verizon teams provided support to victims and emergency responders as wildfires raged across Southern California in 2007. The company provided a \$60,000 grant to assist those displaced by the fires.

Verizon Wireless mobile cell sites such as this one were rapidly deployed to provide emergency communications following the shootings at Virginia Tech and the fires in Georgia and California.

Verizon Foundation 2007 Philanthropic Investments
(in millions)



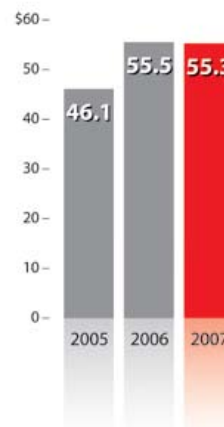
Verizon employees and the Foundation also responded swiftly and generously during the disasters and emergencies that happened last year.

- 11,000 nonprofits received time and money from employees
- 3,021 competitive grants awarded overall

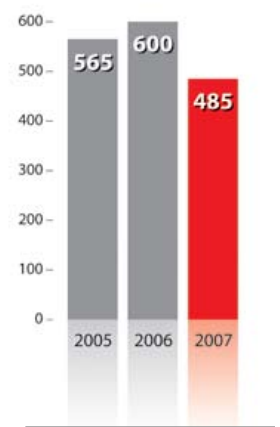
The top grants in Verizon priority areas for 2007

- Domestic violence prevention
 - National Family Justice Center Alliance
 - Joe Torre Safe at Home Foundation
 - Penn State's "Workplace Responses to Domestic Violence" project
 - Peace Over Violence
 - Rutgers University School of Social Work
- Health Care and Accessibility
 - American Foundation for the Blind
 - World Institute on Disability
 - University of Virginia Telemedicine Program
 - Korean Health Education Information & Research Center
 - Volunteers of America Home Guardian Program
- Literacy
 - American Library Association
 - LULAC National Educational Service Centers, Inc.
 - The City College of New York
 - ePhilanthropyFoundation.org
 - Council for Adult and Experiential Learning
- Civic and Community Support
 - California Emerging Technology Fund
 - USO of Metropolitan Washington
 - Institute of the National Black Business Council
 - National Chamber Foundation
 - Leadership Conference on Civil Rights Education Fund
- Education
 - Thinkfinity.org
 - World Trade Center Memorial Foundation
 - Scholarship America, Inc.
 - Pace University
 - American Association for the Advancement of Science

Cash Grants Awarded to Nonprofits
(in millions)



Employee Volunteer Hours
(in thousands)



The number of employees and retirees volunteering in the community remained steady in 2007. The average number of hours volunteered, however, declined from 101 in 2006 to 73.

PARTNERING WITH COMMUNITIES (continued)

EDUCATION AND LITERACY

Thinkfinity.org highlights for 2007

- 550 educators trained in seven states via new Thinkfinity.org training module.
- 17 states now have formal education partnerships with Thinkfinity.org.
- 46 new summer resource activities added.
- Added to Thinkfinity.org:
 - 184 new lessons
 - 192 new activities
 - 61 new interactives
 - 62 new media
- 14 percent increase in usage from 2006, as measured by the number of unique visitors to the site (19.1 million in 2007 versus 16.7 million in 2006).
- The Thinkfinity Literacy Network now supports the work of nearly 5,000 literacy programs in all 50 states as well as the District of Columbia, Canada and Puerto Rico.
- More than 18,000 educators utilized Thinkfinity Literacy Network resources in 2007.

DOMESTIC VIOLENCE PREVENTION

The Verizon Foundation's second annual Domestic Violence Awareness Summit was held in State College, Pennsylvania in September 2007, in partnership with host Pennsylvania State University, Rutgers University, University of Kentucky and the National Network to End Domestic Violence.

The college setting was purposeful: statistics show that up to 25 percent of women will be assaulted during their college career. The summit was focused on educating potential victims and the entire community about what they can do if they fear a friend or acquaintance is in danger.

The summit also highlighted domestic violence awareness, prevention and training programs that are funded by the Verizon Foundation:

- A training program on "Workplace Responses to Domestic Violence" designed by Penn State University for employees and students;
- A two-year program at Rutgers University to train professionals to identify domestic violence victims and teach appropriate techniques to intervene and assist victims; and
- A research program at the University of Kentucky designed to create a comprehensive picture of the effects of domestic violence.

To learn more visit <http://live.libraries.psu.edu/mediasite/Catalog/>.

South Dakota School Wins 2007 Verizon "Tech Savvy" Award


The first-ever Verizon Tech Savvy Awards were handed out in 2007 during a conference hosted by the National Center for Family Literacy and the Verizon Foundation.

The awards recognize programs that help parents and caregivers understand technology and equip them to help teach their children.

The national winner: Enemy Swim Day School in Waubay, South Dakota for the organization's RealeBook project in which parents were taught to write and publish a children's book using software, digital cameras and printers and incorporating the Dakota language.

Other winners: Rhode Island Family Literacy Initiative, Iowa Central Community College, Forrest Outreach Foundation in Addison, Texas, and LTSC Community Development Corporation in Los Angeles.





"Of all the opportunities I've had at Verizon Wireless, none has been more important than the chance to help other victims of domestic violence."

Olga Mendez
Human Resources Manager, Verizon Wireless

Olga Mendez trains employees at a Verizon Wireless call center. But she also helps the company teach another important skill: life.

As part of Verizon Wireless' innovative HopeLine® program, which distributes free cell phones and airtime to victims of domestic violence, Olga helps Spanish-speaking women navigate the difficult road back to independence. These women can call #HOPE from any Verizon Wireless phone, and they'll be connected directly to the National Domestic Violence Hotline.

A survivor of an abusive relationship herself, Olga gives women the support and practical advice they need to help break the cycle of domestic violence and strike out in the world on their own.

For Olga, working with HopeLine® at Verizon Wireless has been a vital part of her own recovery, and has given her an opportunity to help others.

Our People. Our Network.SM

www.vzw-whoweare.com



Verizon's Olga Mendez is helping stop the cycle of domestic violence, volunteering her time to assist women who have been victimized by this silent epidemic. Verizon supports Olga's efforts, providing financial, technical and human expertise to organizations across the country that focus on education, prevention, victim relief and empowerment.

*To learn how you can be involved, go to:
<http://foundation.verizon.com/core/domestic.shtml>.*

PROTECTING THE ENVIRONMENT

Broadband: The Green Network

A 2007 study by the American Consumer Institute* found that the widespread use of broadband services by consumers and businesses could reduce CO₂ and other greenhouse-gas emissions by nearly one billion tons over 10 years. The reductions include:

- 206.3 million tons from e-commerce
- 247.7 million tons from telecommuting
- 199.8 million tons from a 10 percent reduction in airline travel brought about by teleconferencing
- 67.2 million tons through a reduction in first-class mail, plastics saved from downloading music and videos, and office paper from e-mails and electronic documents, and
- 57.4 million tons by shifting newspaper subscriptions from physical distribution to online media.

* Broadband Services: Economic & Environmental Benefits, 2007

2007 OVERVIEW

Verizon is a global business with one of the largest private vehicle fleets in the U.S., and millions of square feet of real estate. The fact is, it takes a lot of energy to keep our networks running 24x7. That's why we hold ourselves responsible for finding ways to reduce our environmental impact and be more efficient.

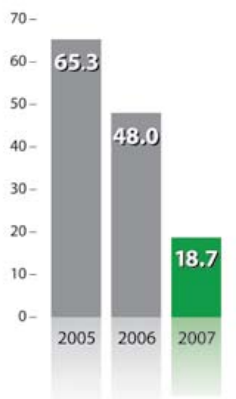
In 2007 we continued delivering on our principal environmental objectives: reduce greenhouse-gas emissions, increase recycling rates and deploy new, energy-saving technologies in our operations. (See also our environmental policy at <http://www22.verizon.com/pages/environment>.)

We also made it a priority in 2007 to make consumers and policymakers aware that broadband technology can significantly reduce energy consumption and conserve resources and should be a factor in 21st century global energy policies.

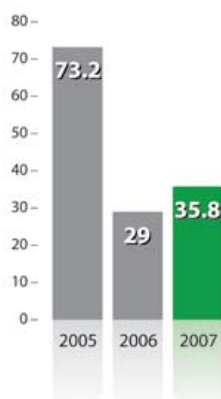
Verizon's Environmental Impact

- We occupy more than 31,000 facilities worldwide.
- We operate more than 58,000 vehicles.
- We consumed 9.4 billion kilowatt hours of electricity and 60 million gallons of gasoline and diesel fuel in 2007.
- Our primary environmental impact: energy usage, materials used to build our network, disposal of spent materials.

**Telecommunications
Equipment Recycling**
(in thousands of tons)



**Cell Phone
Battery Recycling**
(in tons)



The decrease from 2005 is the result of our ongoing deployment of fiber optic systems for FiOS.



Energy Conservation

- Verizon's energy conservation measures reduced greenhouse gas emissions by 76,000 metric tons in 2007.
- Verizon's Carbon Intensity is nearly eight times below the U.S. average. (See chart on page 34.)
- Verizon Wireless deployed more than 7,000 energy-efficient "thin client" computers in 12 call centers during 2007. Power consumption tests in one facility following deployment showed a 30 percent decrease in energy usage.
- Verizon Wireless rolled out power management software on 61,000 desktop systems nationwide that provided automatic shutdown and "sleep" functions. The move resulted in a 24 percent reduction in PC power consumption.

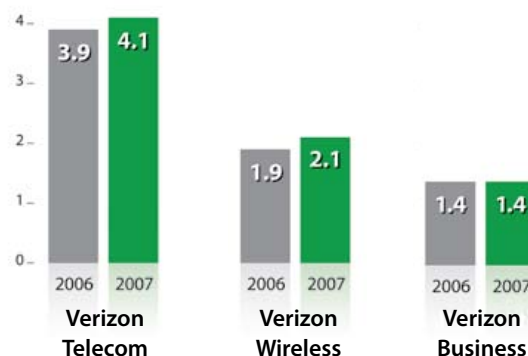
Waste Reduction and Recycling

- In 2007, Verizon was inducted into the U.S. Environmental Protection Agency's WasteWise Hall of Fame, in recognition of our waste-prevention and recycling programs (www22.verizon.com/pages/environment).
- Last year, nearly 28 percent of our \$11.6 million in expenditures for office supplies went toward products with recycled content.
- Through HopeLine, Verizon collects, refurbishes and reuses cell phones to provide free phone and service to domestic violence victims. Last year, we collected more than 1 million cell phones for the first time, up nearly 17 percent from 2006. (See chart on page 35.) Since 2001, more than 4.5 million cell phones have been collected.



Verizon purchased 100 hybrid sedans in 2007 to add to its fleet in 2008. Another 100 are expected to be purchased this year. The hybrids—Toyota Prius sedans now in use in California, the District of Columbia, New York, New Jersey and Virginia—are expected to reduce emissions by more than 500 metric tons and save 60,000 gallons of fuel annually.

CO₂ Emissions Profile by line of business
(in metric tons)



PROTECTING THE ENVIRONMENT (continued)

- Our participation in the eTree program with Computershare and American Forests enables a tree to be planted for every Verizon shareholder who agrees to receive electronic annual reports and proxies instead of paper copies and for every Verizon Business customer who opts for paperless billing. In 2007, more than 1,700 trees were planted via this program.
- In 2007, we sent over 17 million paperless bills to customers and processed approximately 100 million online payments, reducing combined paper usage by more than 770 tons.

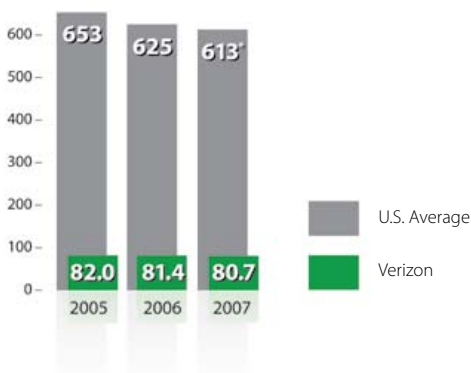
Energy-Saving Technology

- Verizon continues to expand its use of energy-efficient Hypalon roofs on buildings throughout our territory. Hypalon roofs have highly reflective surfaces and increased insulation that save energy.

Climate Change Initiatives

- Verizon is a member of the Global eSustainability Initiative's (GeSI) Climate Change Working Group. GeSI's mission is to encourage greater use of information and communications technology to reduce greenhouse-gas emissions.
- Verizon also participates in the Carbon Disclosure Project (www.cdproject.net), which now has the largest registry of corporate greenhouse-gas emissions data. Verizon has reported emissions since the Project began in 2001.
- Verizon joined the California Climate Action Registry in 2006 and participates in the Business Roundtable Climate Resolve program.

Carbon Intensity
(metric tons of CO₂ emitted
per million dollars of revenue)



* Estimated

Verizon produces far less carbon dioxide per million dollars of revenue than the national average.

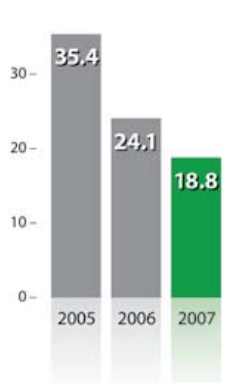
The widely used metric, referred to as Carbon Intensity, serves as an indicator of the relative impact on the environment of different companies and industries.

We estimate that our total energy conservation, waste prevention and recycling efforts reduce our greenhouse-gas emissions, on average, by 332,295 metric tons per year. That's equivalent to:

- 60,860 passenger cars not driven for one year,
- 37,717,934 gallons of gasoline not consumed,
- The annual electricity consumption of 44,013 homes,
- 2,318 acres of forest preserved from deforestation,
- 114,584 tons of waste recycled instead of dumped in a landfill,
- 8,520,385 tree seedlings storing carbon for 10 years, or
- 13,845,625 propane gas cylinders not filled for home barbeque grills.

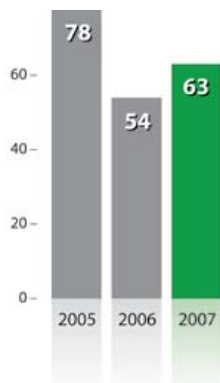
Recycling Cell Phones Helps Fund HopeLine*					
Year	Phones Collected	Phones Refurbished	Phones Recycled	Phones Donated to Shelters	Cash Donated from HopeLine Funds
2005	852,460	585,253	267,207	9,600	\$748,647
2006	909,396	666,727	242,669	16,156	\$1,271,697
2007	1,070,000	817,408	251,465	20,080	\$1,720,000

Paper and Cardboard Recycling
(in thousands of tons)



The decrease from 2005 is a result of the spin off of our directory publishing business, Verizon Information Services, now trading as Idearc.

Environmental Incidents/Complaints



Our disciplined approach to environmental stewardship resulted in a relatively small number of citations. Of the 63 notices of non-compliance, only one resulted in a penalty (\$1,500) and it was resolved to the satisfaction of the agency.

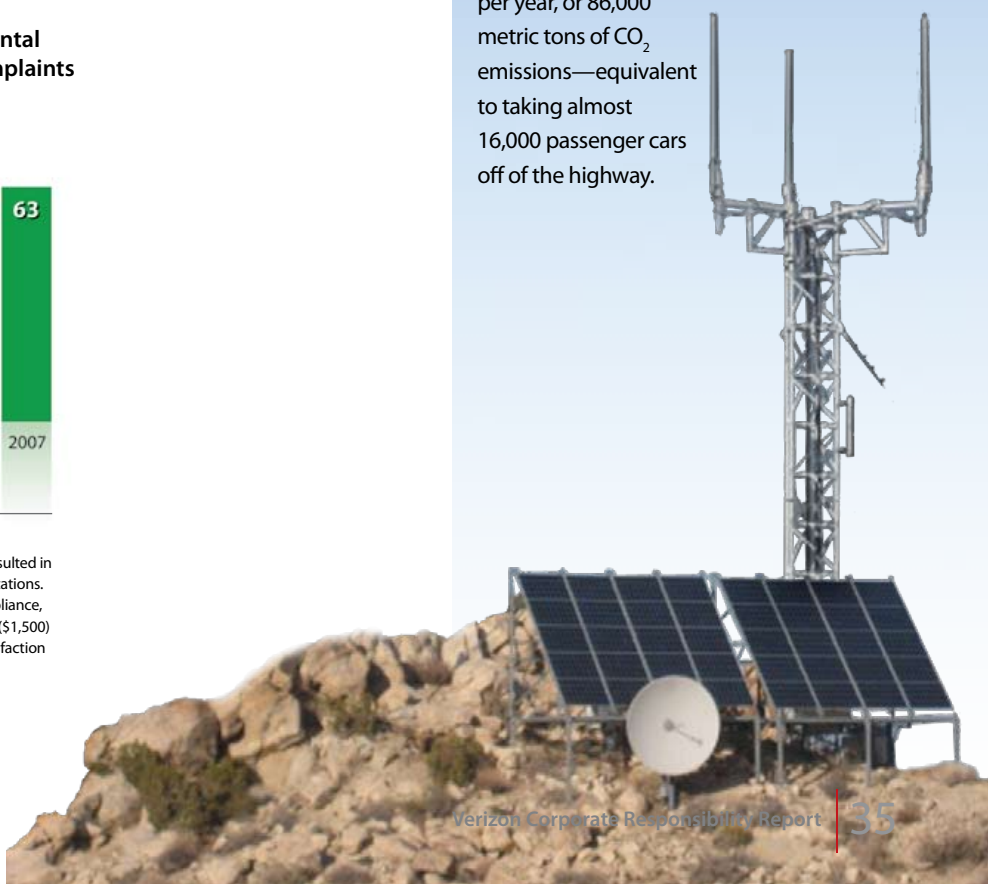
Fuel cells, solar power and the energy-efficient network

Verizon Wireless harnesses the power of the sun to extend our wireless network to remote areas. The site shown below in California's remote desert is one of the company's eight solar powered cell sites in the western United States, some requiring access by helicopter. Each has solar-charged battery backup power for cloudy days.

Verizon Business is installing hydrogen fuel cells for back-up power at two regeneration sites in Missouri and another in Texas. The fuel cells enhance the reliability of the sites, while reducing the number of batteries and the amount of energy required for cooling.

Verizon Business is also installing more energy-efficient equipment as part of an upgrade to its fiber-optic network. The network had required a regenerator each 35 to 45 miles, but newer technology eliminates the need for nearly a third of the existing regeneration sites.

Once complete, energy consumption could be reduced by 116 million kilowatt hours per year, or 86,000 metric tons of CO₂ emissions—equivalent to taking almost 16,000 passenger cars off of the highway.



PROMOTING COMMUNITY GROWTH

2007 OVERVIEW

Verizon continues to be one of America's leading employers, major taxpayers and largest purchasers of goods and services. The impact of our size and scale alone on community growth is significant.

But our networks are the principal instruments through which we contribute to society. The broadband era we are ushering in is creating the jobs of the future, making communities more competitive and driving innovation and growth.

We clearly have the best networks in the world and we continued investing—a record \$17.5 billion capital investment in 2007—to make those connections as powerful and reliable as possible. And we intend to make our broadband technologies available to everyone.

Our wireless network has clearly been the best in a very competitive field, creating record levels of customer loyalty. FiOS, our super-speed fiber network that reaches all the way to customers' premises, now passes more than 9.3 million homes. Verizon is also a leader in providing the global IP networks over which much of the world's commerce now runs.



Victor Ng and Norman Ng of Fortune Metals in Jersey City, New Jersey

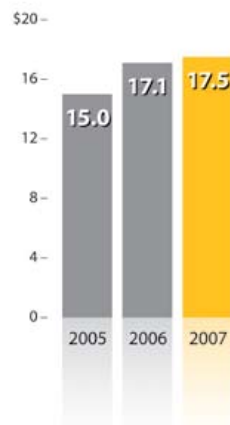
Supplier Diversity

Verizon has a strong record of supporting supplier diversity. Verizon is a charter member of the elite Billion Dollar Round Table, a coalition of 14 U.S. companies that spend at least \$1 billion each year with certified minority and women business enterprises.

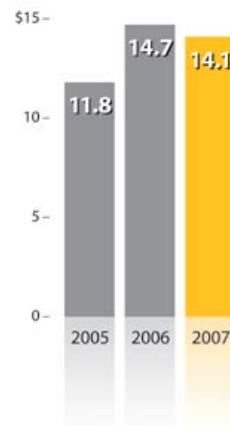
In 2007, we purchased nearly \$3.1 billion in goods and services from companies owned and managed by minorities, women, people with disabilities and veterans. That's an increase of 20 percent from 2006.

We established our supplier diversity program more than 20 years ago to create mutually beneficial business relationships with a diverse body of suppliers, a process that strengthens communities and creates value for shareholders.

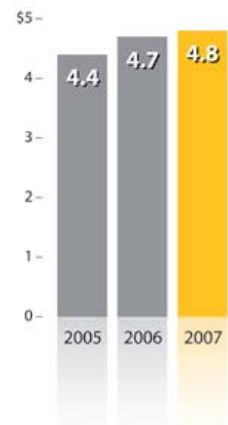
Capital Investment
(in billions)



Salaries and Wages
(in billions)



Dividends to Shareholders
(in billions)



We have deep roots as a local company and are committed to supplier diversity. Each year we establish objectives for greater spending with Minority, Women, Persons with Disabilities and Veteran-owned Business Enterprises (or MWDVBES).

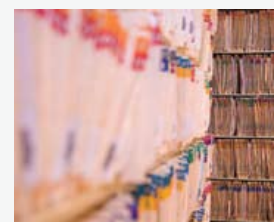
Highlights of 2007 Supplier Diversity Efforts

- The Human Resources Committee of the Verizon Board of Directors implemented a change to the 2007 annual incentive plan to tie supplier diversity success to Short-Term Incentive compensation.
- In 2007, Verizon awarded a contract to Bartech, an African American-owned company, to handle specific administrative tasks within Verizon's Human Resources group. The contract is one of the largest ever awarded by Verizon to a minority business enterprise.



Where did the paper go?

Walk into the Matthew:25 Medical Clinic in Fort Wayne, Indiana and you'll find a thriving medical practice not unlike those in any suburb or affluent community. But Matthew:25 is actually a free clinic in inner-city Fort Wayne. Despite the modern surroundings and caring staff, no patient pays. Nor does any government. It's fully funded by private donations.

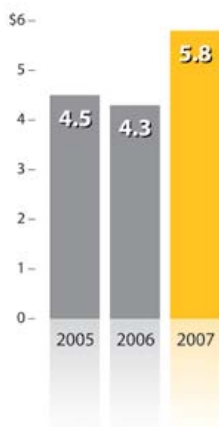


What makes it even more remarkable is what you don't see. Paper medical records. The clinic and others in Fort Wayne are part of a network of facilities using all electronic medical records. Doctors in any Fort Wayne hospital or other medical facility already have access to today's latest file on the patient in need of urgent care.

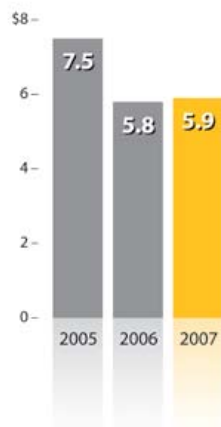
Verizon is working to make electronic records the standard not the exception. Chairman and CEO Ivan Seidenberg leads a committee of business leaders in Washington, DC urging the government to remove hurdles to safe, secure and widespread use of electronic medical records.

Sixty-thousand low-income citizens are getting better care because the paper is gone. It is just one more way Fort Wayne is already living in our broadband future.

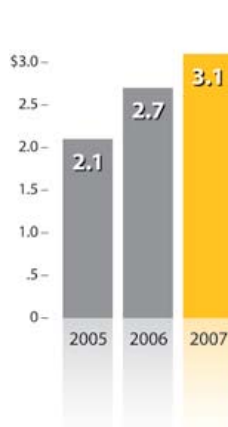
Pension and Other Retirement Payments
(in billions)



Income Tax and Other Taxes Paid
(in billions)



Purchases from Diverse Suppliers
(in billions)



EMPOWERING EMPLOYEES

2007 OVERVIEW

Verizon is a great place to work—a company that people are proud to say they work for and others want to join.

We expect a lot from people, holding ourselves to very high standards of performance and accountability. In return, those expectations are matched by compensation and benefits that are among the best in corporate America, lots of opportunities for learning and career advancement, and useful programs for balancing the demands of work and home.

The opportunities for personal development remain a Verizon hallmark. Our total employee development and training investment reached \$371 million in 2007.

Our approach to health care is to empower our people to manage and improve their health, and that of the families, by offering access to meaningful resources and encouraging preventive care.

We enhanced our line-up of benefits in 2007 to reflect prevalent family issues and expanded our Verizon HealthZone—a confidential online resource that employees can use to learn about and manage their health. A key feature: a Personal Health Record application. Verizon HealthZone now reaches more than 132,000 employees.

Respect for diversity is an integral part of the Verizon culture and a critical element in our strategy to compete and deliver the best customer experiences. We recognize the competitive advantage that comes from having employees with diverse backgrounds, life experiences and points of view who can relate to customers, speak their languages and reflect our markets.

Supporting employees on active duty

Verizon supports employees like Rich Wince when they are called to active military duty with one of the most generous military-leave programs offered by any U.S. company.

Wince is a computer systems engineer for Verizon IT. He was on active duty in the National Guard for approximately two years, serving in Washington State.

Verizon pays the difference between an employee's military pay and Verizon pay for up to 36 months. The company also continues medical, dental, vision and group life insurance for employees and eligible dependents.

Given the continued service of so many Verizon employees, this program was extended in September 2007 by 36 months. More than 90 Verizon employees are currently on active duty with the National Guard and the Reserves. Our employees have served in Afghanistan, Iraq and surrounding countries, or have played crucial roles here at home.



Jeffrey Pledger
(and Vincenzo)

Process Assurance
Verizon Telecom



New in 2007

A great place to work begins by giving people the right tools and flexibility so they can succeed at work and home. That focus on flexibility is evident in the enhancements the company added in 2007 to its slate of family-friendly benefits.

- Our paid emergency military leave was extended by 36 months. (See story at left.)
- Resources to help employees quit smoking were expanded enterprise-wide via the Verizon HealthZone portal. In addition, Verizon Wireless' free smoking cessation benefit was expanded to more employees. At Verizon Wireless, employees can enroll in a program which includes up to three months of nicotine replacement therapy.
- There were two new additions to VZ-LIFE, our employee and family assistance program: VZconsult, a Web site that connects users with their own personal consultant for support and access to information; and Chat, a service which provides on-demand support and consulting about employee-related issues as they happen.
- We removed the day and visit limits for mental health and substance abuse treatment within the majority of the health plans Verizon offers.

Employee Profile as of 12/31/07								
By Ethnicity	Management		Non management		Total		As of 12/31/06	Total U.S. Labor Force
American Indian/ Native Americans	396	0.6%	891	0.6%	1,287	0.6%	0.6%	0.7%
Asian	5,659	8.3%	4,166	2.7%	9,825	4.4%	5.8%*	3.6%
Black	9,027	13.2%	35,815	23.2%	44,842	20.1%	19.5%	10.5%
Hispanic	4,141	6.1%	16,116	10.4%	20,257	9.1%	8.3%	10.7%
Native Hawaiian/ Pacific Islander	127	0.2%	409	0.3%	536	0.2%	N/A	0.1%
Two or More Races	583	0.9%	1,384	0.9%	1,967	0.9%	N/A	1.6%
White	48,222	70.8%	95,786	62.0%	144,008	64.7%	65.8%	72.8%
Total U.S.	68,155		154,567		222,722			
International	8,113		2,056		10,169			
Total Worldwide	76,268		156,623		232,891			

By Gender	Management		Non management		Total		As of 12/31/06	Total U.S. Labor Force
Female	26,043	38.2%	67,068	43.4%	93,111	41.8%	41.4%	46.8%
Male	42,112	61.8%	87,499	56.6%	129,611	58.2%	58.6%	53.2%
Total U.S.	68,155		154,567		222,722			
International	8,113		2,056		10,169			
Total Worldwide	76,268		156,623		232,891			

* Included VDS India employees



Verizon Foundation Scholarship Program

Verizon's commitment to education begins at home—with our employees. The Verizon Foundation Scholarship Program awards the children of employees with college scholarships of \$5,000 per year, renewable for three additional years for a maximum of \$20,000 over four years.

Scholarships awarded for the 2007-2008 school year are part of our \$4.8 million investment in the education of 957 Verizon scholars – 250 freshmen and 707 others who already are enrolled in colleges and universities throughout the United States.

In all, Verizon has invested more than \$27.7 million in the college education of the children of Verizon employees, assisting more than 1,800 students across the country since 2001.

Verizon Tuition Assistance Programs		
	Participants	Expenditures
2006	27,000	\$110,000,000
2007	29,000	\$112,500,000

* Verizon's tuition assistance programs pay 100 percent of approved tuition and fees at accredited institutions of higher education, up to \$8,000 per year.

EMPOWERING EMPLOYEES (continued)

Better Health

- Verizon spends nearly \$4 billion annually on health care, equivalent to 4 percent of 2007 revenues. We offer access to health care for approximately 900,000 Verizon employees, retirees and dependents. Ninety-four percent of eligible employees have chosen health coverage.
- While most of our health plans cover preventive and detection screenings at 100 percent, our analysis showed this benefit was underutilized. We increased efforts to raise awareness and encourage early detection by offering on-site services such as flu shots and mammography screenings. On-site flu shots and mammography screenings jumped 40 percent and 10 percent, respectively, in 2007.
- In selecting companies that make up our slate of health plan offerings, Verizon now weighs how they are addressing—and reducing—the racial and ethnic disparities in health care.
- Partnering with key health plans has led to the availability of a number of new services for employees and retirees to use in managing—and improving—their health:
 - Access to 24/7 assistance from nurses to help employees navigate through their health plans and manage health conditions
 - Information on physicians and facilities within health plan networks
 - Information that identifies leading physicians and facilities that meet quality criteria, and
 - Online programs that educate employees on lower-cost alternatives for long-term maintenance medications.

Learning & Development

- Verizon employees logged 11.5 million training hours in 2007 versus 8 million in 2006. The training covered everything from compliance issues to management techniques, but the increase in hours was largely driven by employees improving broadband-, mobile- and IP-related skills.
- Verizon total 2007 training investment: \$259 million.
- *Training* magazine named Verizon Wireless among the best companies in providing training for employees in 2007— for the sixth consecutive year.

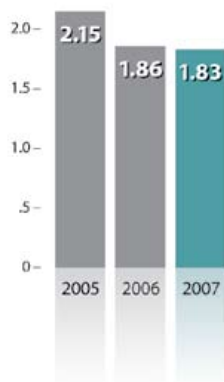
Verizon Total Training Hours, 2007	
	Training Hours
Corporate, VSO & Verizon Telecom	5,790,000
Verizon Wireless	4,965,409
Verizon Business	748,979
Total	11,504,388

Safety

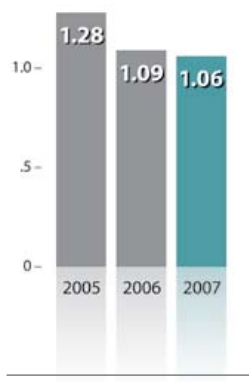
Employee fatalities	0 in 2005	9 in 2006	1 in 2007
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- One employee fatality occurred in 2007. The fatality was associated with an electrical incident. While this is a significant decrease from 2006, any loss of life is unacceptable.
- We continue to place a strong emphasis on safety and evaluate our safety management system to improve our effectiveness. In 2007, independent audits were conducted and associated action plans for continuous improvement were put in place. There was also an increase in training, safety observations and communications throughout 2007. That will continue in 2008.

Occupational injuries & illnesses rate
(per 100 employees)

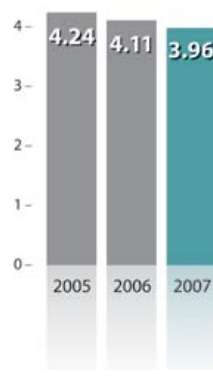


Lost Workday Rate



Reflects the number of injury/illness cases per 100 employees that result in time off the job.

Motor vehicle incident rate
(per 100 vehicles)



SERVICE AND INNOVATION

Our network. Open network.

Verizon set the stage in 2007 for the next era of innovation and growth in the wireless market with two landmark announcements.

First, Verizon Wireless announced it will provide customers the option to use, on its nationwide network, wireless devices, software and applications not offered by the company that meet technical standards. Plans are to have the new option available to customers throughout the country by the end of 2008. We held our first-ever Open Development Conference on March 19, 2008.

Verizon Wireless also announced plans to develop its fourth-generation broadband network using Long Term Evolution (LTE) technology, with trials starting in 2008.

2007 OVERVIEW

Verizon continued to energize the marketplace in 2007, deploying industry-leading broadband wireless, wireline and IP technologies. This year was marked, however, by the roll out of several products and services that address social concerns and the needs of our diverse customers.

Verizon expanded the line-up of products and services for customers with disabilities and special needs such as a mobile phone designed for aging adults, an "Accessibility Corner" in our retail locations, new videophone services for hearing-impaired customers and wireless parental controls.

Verizon also continued to be leading advocate for applying the capabilities inherent in our high-speed broadband networks to improving the quality of health care and reducing associated costs. (Read about one such initiative in Fort Wayne, Indiana on page 20.)

To address today's new media, we were joined by several governors and attorneys general among other officials in a series of community forums to raise awareness with parents and their kids about online safety.

Improving our customer service is a top priority for Verizon. Our goal is to be the company that sets the benchmark for great service in our industry in the digital era. In 2007 we inaugurated a new service measure that, along with our commitment to put customers first, will help us reach that plateau.

Verizon Wireless

- Verizon Wireless account holders can now exercise parental discretion about what their kids can see or download on their Verizon cell phones. The company offers three easy-to-set, age-specific levels of content filtering free of charge. (To learn more, go to: www.verizonwireless.com/parentalcontrols.)



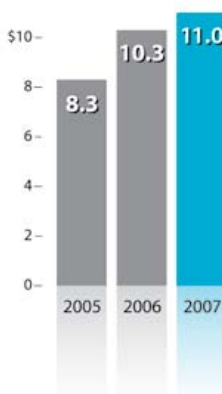
- In 2007 Verizon Wireless introduced its 30-day Test Drive—an industry first—that lets customers experience its network virtually risk-free for 30 days. If customers are not satisfied with their experience and take their number to another carrier, Verizon Wireless will refund their money for calls, equipment, activation fee and taxes.
- The company enhanced its Spanish-language Web site, www.verizonwireless.com/espanol, offering more content, expanded features and enhanced support for customers who prefer to browse, buy or manage their individual accounts online in Spanish.
- The company revised its policies to make it easier for customers in the military to manage their accounts when called to active duty. Under the new policy, active military personnel may suspend their accounts for up to 48 months.
- In August 2007, the company unveiled its expanded national test lab, designed to ensure that every device used on the company's network meets the highest standards of reliability and provides customers with the best possible wireless experience.

Verizon Telecom

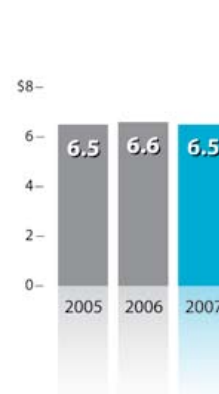
- At the end of 2007, Verizon had passed about 9.3 million homes and businesses in parts of 17 states with its high-speed fiber-to-the-premises network, FiOS.
- Verizon ended 2007 as the 10th largest video provider in the United States, with 943,000 FiOS TV customers.

Capital Investment (in billions)

Wireline Network Infrastructure



Wireless Network Infrastructure



SERVICE AND INNOVATION (continued)

Partnership for a Child-Safe Internet

Governor Sonny Perdue of Georgia (below) joined Verizon and other organizations in a town hall meeting in October 2007 to support education initiatives that will help families ensure children are using the Internet safely and responsibly.

Also participating in the gathering, which was held in Atlanta, were members of the Georgia Bureau of Investigation, Georgia Emergency Management Agency and Georgia Public Broadcasting.

We've held similar town hall meetings in New Hampshire, Pennsylvania, New York, Tennessee and Delaware. Discussions at these events focus on how parents can get the online tools to keep their children safe and what law enforcement agencies are doing to create a more secure Internet. More forums are planned in 2008.

We feel a strong responsibility to help ensure a safer, more enjoyable Internet, while addressing the challenges to privacy and security posed by today's new media. In our view, the online world will reach its full potential only if consumers trust that their online experiences will be positive and their privacy will be protected.

Sonny Perdue
Governor of Georgia



- Verizon unveiled the next generation of our FiOS TV service, making it easier for consumers to find and manage content on their TVs. At the heart of the innovation is the new, Verizon-built, interactive media guide.
- In 2007, Verizon introduced a FiOS Internet service with upload and download speeds of up to 20 megabits-per-second—ideal for uploading large files to businesses from work-at-home employees.

Verizon Business

- Verizon Business continued to expand its global IP network, adding private IP nodes in the Philippines and Malaysia. It also rolled out its next-generation, ultra long-haul optical transport network in Europe and successfully conducted the industry's first field test of 100 gigabits-per-second optical transmission.
- The Verizon Business IP network now includes more than 485,000 route miles, spanning six continents. The company provides high-capacity connections to more than 120,000 buildings in 2,700 cities around the globe.
- Verizon Business expanded its security portfolio by offering retailers and financial service companies stronger safeguards for protecting credit card holders' confidential data.
- Verizon Business is also a founding partner in a consortium that is building the Trans Pacific Express—the first next-generation undersea optical cable system directly linking the U.S. mainland and China.
- In July 2007, Verizon Business acquired Cybertrust, a privately-held provider of global information security services. The combination makes Verizon Business the leading provider of managed information security services to large business and government customers worldwide.

- Verizon Video Conferencing is helping EDS, a leading global technology services company, target a 25 percent reduction in its carbon emissions in Australia and New Zealand by 2010.

EDS deployed Verizon Video Conferencing over Verizon Private IP to connect 10 of its sites across Australia and New Zealand. By increasing the use of video conferencing, EDS plans to improve collaboration across its operations, and reduce employee air travel by nearly a third.

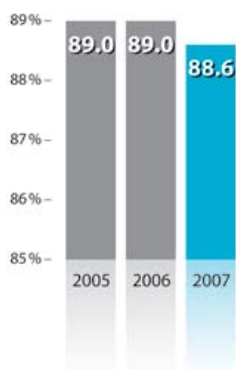
A Clear, Consistent Measure of Performance

Verizon unveiled a new way to measure the satisfaction and loyalty of customers in 2008. The new measure—which is targeted primarily at consumers and small business owners—is built around asking them a simple, basic question:

“How likely is it that you would recommend Verizon to a friend or colleague...and why do you feel that way?”

We’ve constructed the system to ensure we get feedback from customers in their own words about exactly what they want us to keep doing, where we can improve and what really concerns them. We believe this will yield a better understanding of how people view our products and services and, ultimately, help us find ways to improve the customer experience.

Customer Satisfaction Index (Verizon Telecom Customers)



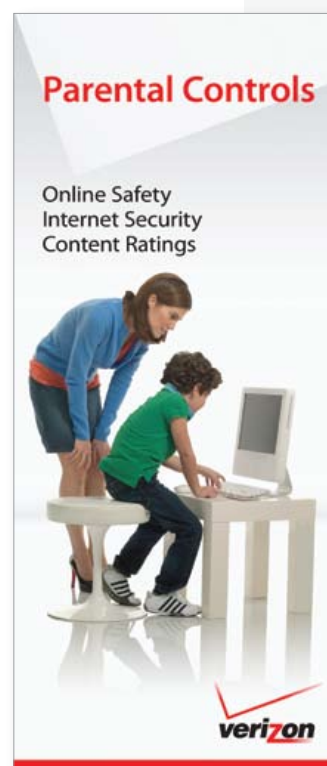
Verizon Parental Controls

In today's busy digital age, information is available everywhere. To help customers manage that information, Verizon has developed a Parental Controls Program that makes their experiences in the digital age enjoyable and safer for broadband Internet, wireless and FiOS TV.

Verizon Online: Verizon Internet Security Suite protects Internet users from many threats lurking on the Internet. (To learn more: www.surround.verizon.net/shop.)

Verizon FiOS TV: Verizon includes a parental controls feature with FiOS TV which allows customers to control the programs available to their family (www.verizon.com/fiosTV.)

Verizon Wireless: Verizon gives wireless account holders the option of Content Filters and ChaperoneSM with ChildZoneSM for their children's wireless devices (www.verizonwireless.com/parentalcontrols).





Community Activities in Global Markets

As a global company, Verizon is a catalyst for economic development overseas as well in the U.S. Our investment creates jobs and stimulates growth across our entire supply chain.

We bring to our global markets the same values that guide our domestic operations, including participation in activities that promote community growth. Increasingly Verizon employees around the world—more than 10,000 strong in more than 320 offices in 75 countries outside the U.S.—are finding ways to turn Verizon's technology and resources into tangible benefits for communities.

Verizon is helping unlock the promise of literacy for children, adults and families living outside the U.S.

Our international focus on the problem was exemplified with the Verizon Foundation's participation in a 2005 summit hosted by Georgetown University to support UNESCO's (United Nations Educational, Scientific and Cultural Organization) Education for All program.

In 2007, the Verizon Foundation was the sole corporate sponsor of the India Regional Conference in Support of

Global Literacy, held in New Delhi. The conference was one of six regional events held by UNESCO as part of its drive to promote literacy at national, regional and international levels.

We also worked with Georgetown University and ProLiteracy Worldwide in 2007 to develop literacy resources that will be hosted on the school's Global Education Consortium (GEC) portal. The GEC is a network of 100 universities around the world devoted to improving literacy.



Verizon Business employees in Brazil, including Ricardo Nanni shown here, volunteered their time during the last holiday season to support residents of a poor community in São Paulo, preparing meals and organizing activities. The São Paulo-based employees are planning to organize similar activities on a quarterly basis in 2008.

In Argentina, Verizon Business employees conducted several notable volunteer campaigns last year; including a toy drive to benefit two Buenos Aires hospitals. In 2007 the Verizon Foundation also made a grant to Fundación Leer (Reading is Fundamental) in Buenos Aires to support literacy.



The Verizon Foundation also made a grant in 2007 to the Central Berkshire Education Business Partnership in Reading, England. The funding will support the efforts of Verizon Business employee volunteers who have been assisting 75 students with learning disabilities from three schools in the area.



Employees at Verizon Data Services India have been volunteering for nearly two years to mentor students at the Olcott School in Chennai. A 2007 Verizon Foundation grant—the first grant issued by the Foundation in India—will bring much-needed equipment to help students improve their English and computer skills.

Above, Olcott Principal Mrs. Lakshmi Suryanarayanan speaks with students at the school.

Financial Statistics (as of year-end 2007)

2007 Consolidated Revenues	\$93.5 billion
2007 Net Income, Before Special Items (non-GAAP)	\$6.9 billion
2007 Capital Investment	\$17.5 billion
Shareowners	2.4 million

Operating Statistics (as of year-end 2007)

Verizon Wireless

Wireless Customers	65.7 million
U.S. Markets Served	49 of top 50
Wireless Network Presence	Reaches 263 million Americans

Verizon Telecom

Wireline Access Lines	40.5 million
Wireline Broadband Connections	8.2 million
Video subscribers*	1.8 million

Verizon Business

Global IP Network Presence	Serves 2,700 cities in 150 countries
Customers	70,000+ worldwide, including 97 percent of Fortune 500
Total Employees	235,000

* Includes both FiOS and DirecTV customers

Verizon Communications Inc. (NYSE:VZ), headquartered in New York, is a leader in delivering broadband and other wireline and wireless communication innovations to mass market, business, government and wholesale customers. Verizon Wireless operates America's most reliable wireless network, serving nearly 66 million customers nationwide. Verizon's Wireline operations include Verizon Business, which delivers innovative and seamless business solutions to customers around the world, and Verizon Telecom, which brings customers the benefits of converged communications, information and entertainment services over the nation's most advanced fiber-optic network. A Dow 30 company, Verizon has a diverse workforce of nearly 235,000 and in 2007 generated consolidated operating revenues of \$93.5 billion. For more information, visit www.verizon.com.

© 2008, Verizon. All rights reserved. Please note: The image on pages 14 and 15 is comprised of separate photographs of Verizon customer David Shelton in Burtonsville, MD and Verizon Customer Care Representative Kimberly Grenda in Marlboro, MA. Though these photos were taken at different times, they have been composited to accurately recreate one of several actual video calls between them.



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[verizon.com/responsibility](https://www.verizon.com/responsibility)