



LA FORZA DELLE CONNESSIONI

# SHAREHOLDER'S MEETING OF APRIL 23, 2024

Stock Options Plan 2022-2024

Information document (drawn up pursuant to Article 84-bis of Consob Regulations no. 11971 of 14 May 1999)

The present Information Document highlights in blue the amendments to the 2022-2024 Stock Options Plan, approved by the Shareholders' Meeting of 7 April 2022, which will be submitted by the Board of Directors to the approval of the Shareholders' Meeting of 23 April 2024.

TIM S.p.A.  
Registered Office in Milan at Via Gaetano Negri 1  
General Administration and Secondary Office in Rome at Corso d'Italia 41  
PEC (Certified Electronic Mail) box: PEC (Certified electronic mail) box:  
telecomitalia@pec.telecomitalia.it  
Share Capital 11,677,002,855.10 euros, fully paid up  
Tax Code/VAT Registration Number and  
Milan Monza-Brianza Lodi Business Register Number 00488410010

## INTRODUCTION

On March ~~26, 2024~~~~2022~~, the Board of Directors of ~~TIM~~~~Telecom Italia~~ S.p.A. ('Telecom Italia', 'TIM', the 'Company or the 'Issuer'), based on the preliminary investigation ~~of carried out by~~ the Nomination and Remuneration Committee, ~~approved the proposal to the Shareholders' Meeting resolved to submit for approval to the Ordinary Shareholders' Meeting of TIM~~ convened for April ~~23~~~~7~~, ~~2024~~~~2022~~ certain proposed amendments to the 2022-2024 Stock Option Plan (the 'Plan'), ~~approved by the same Shareholders' Meeting on April 7, 2022~~. These amendments aim to provide for a significant reduction in the maximum payout achievable by the beneficiaries of the Plan and the cancellation of the power of the Board of Directors to approve the acceleration of the vesting of options in the event of a public offering on the Company's ordinary shares. Given the Board's approval of the abovementioned proposed amendments to the Plan, the prior consent to their application was obtained from the Chief Executive Officer and General Manager in office, Mr Pietro Labriola, and Key Managers with Strategic Responsibilities. The Company shall request that the other plan Beneficiaries accept the changes so that they can also be applied to them. The amendments will not apply to the Beneficiaries who do not give their consent within the aforementioned time limits, and the original provisions will remain in force and applicable.

In this regard, in addition to the documents and notices published on the occasion of the aforementioned Shareholders' Meeting of April 7, 2022 and the related minutes of the Shareholders' Meeting, which are available on the Company's website, please refer to the explanations provided in the directors' report prepared pursuant to art. 125-ter and Article 114-bis of Italian Legislative Decree No. 58 of February 24, 1998 (the 'TUF') available on the same website in the section dedicated to the Shareholders' Meeting of April 23, 2024 at [www.gruppotim.it/assemblea](http://www.gruppotim.it/assemblea).

This information document (the 'Information Document') has been prepared pursuant to Article 84-bis ~~(4)~~ of the ~~Issuers'~~ Regulation adopted by ~~(~~Consob ~~Resolution~~ No. 11971/1999 (the 'Issuers' Regulation') and in compliance with the indications in Schedule No. 7 of the relevant Annex 3A to illustrate the ~~terms and conditions~~ amendments to the Plan, highlighted in blue below ~~defined to date~~.

Information on the implementation phase of the Plan, devolved to the competency of the Telecom Italia Board of Directors, will in due course be disseminated as set out in the applicable regulations.

Please note that the Plan qualifies as one 'of major significance' pursuant to article 114-*bis*, subsection 3 of the CLF (Italian Legislative Decree no. 58/1998) and article 84-*bis*, subsection 2 of the Issuers' Regulations.

## DEFINITIONS

- *Shares* – The ordinary shares of the Company, without par value, listed on the MTA electronic share market organized and managed by Borsa Italiana (the Italian Stock Exchange).
- *Beneficiaries* - The CEO and Employees (including any executive with strategic responsibilities) of the Company and its Subsidiaries to whom the Options will be allocated, as identified at the discretion of the Board of Directors.
- *Maximum Benefit* - The capital gain realisable with the sale of a number of Shares corresponding to the number of target Options for CEOs and Beneficiaries in each tier [other than the CEO](#), at the conventional price of 1.50 euros per share, against the purchase at the Strike Price.
- [Modified Maximum Benefit - The capital gain realisable in the event of the sale of a number of Shares corresponding to the number of Options at target per CEO and, where applicable, because of the acceptance of the amendments approved by the Shareholders' Meeting of April 23, 2024, for the Beneficiaries of each tier, at the agreed price of EUR 0.80 per Share, against purchase at the Strike Price.](#)
- *CEO* – The General Manager and Chief Executive Officer of TIM: on the date of approval of the Plan by the Board of Directors, Pietro Labriola.
- *Claw-back* - Recovery by cancellation (full or partial) of Options allocated and not exercised, in the event of wilful misconduct or gross negligence by the Beneficiary to the detriment of the Company, determined during disciplinary proceedings or with an error in the formulation of the data, which resulted in the restatement of the Financial Statements.
- *Board of Directors* - The pro tempore Board of Directors of the Company, which will make all assessments regarding the Plan, and any appropriate decisions.

- *Subsidiary Companies*—Each of the companies that is directly or indirectly controlled by the Company at any given time, pursuant to Article 2359 of the Italian Civil Code.
- *Employees* - The employees with permanent employment contracts with the Company or its Subsidiary Companies registered in Italy on the allocation date.
- *Group* - The Company and the Subsidiary Companies.
- *Vesting* - Assessment of the exercisability of Options to a variable extent considering (i) the correction of the number of Options assigned to target represented by the Maximum Benefit or Maximum Modified Benefit, and (ii) the degree to which Performance Parameters are achieved within the Vesting Period. The Board of Directors will conduct the assessment at the meeting to approve the financial statements (financial and non-financial information) as of December 31, 2024.
- *Options* - The options covered by the Plan, allocated free of charge and non-transferable inter vivos, each of which attributes the right to subscribe or purchase 1 (one) Share under the terms and conditions set out in the Regulation, at a unit price equal to the Strike Price.
- *Performance Parameters* - These are (i) the cumulative reported EBITDA - CAPEX reported for the 2022-2024 financial years (weight: 70%); (ii) the percentage presence of women in positions of responsibility at the end of 2024 (weight: 15%); (iii) the ratio of renewable electricity to electricity consumed in the 2024 financial year (weight: 15%), resulting from the targets included in the Business Plan.
- *Exercise Period* - Stock market trading days (*i.e.* other than Italian national holidays and public holidays in the cities of Rome, Milan and Turin) included in the two-year period starting from the day after the meeting of the Board of Directors approving the Group's consolidated financial and non-financial information documents as at December 31, 2024, except for days on which the Regulations do not permit exercise.
- *Vesting Period* - The period from January 1, 2022 until December 31, 2024, comprising 9 (nine) four-month periods.
- *Business Plan* - TIM's 2022-2024 business plan approved by the Board of Directors on March 2, 2022.
- *Regulations* - The Plan regulations, subject to Board of Directors approval.

- *Strike Price* - The price the Beneficiaries must pay TIM in order to subscribe or purchase one Share if they exercise the Options, equal to 0.424 euros.
- *Successor Company*: any company that is the beneficiary of a demerger of TIM or the transferee of a business unit of TIM.

## 1. BENEFICIARIES

The Plan is reserved for the CEO and members of Group management, as identified by the Board of Directors at its discretion, following approval of the Plan by the Shareholders' Meeting, from among Employees deemed worthy of incentives, recognition and retention based on management considerations.

### ***1.1. Names of the Beneficiaries who are members of the Board of Directors of the Issuer, of the Issuer's parent companies and of the Subsidiaries***

The Board of Directors will identify the Beneficiaries from among the Employees following the approval of the Plan by the Shareholders' Meeting, without prejudice to the inclusion of the CEO.

### ***1.2. Categories of employees or collaborators of the Issuer or the Issuer's parent companies or Subsidiaries***

See the provisions of paragraph 1.1.

### ***1.3. Indication of the names of the Beneficiaries belonging to the groups stated in point 1.3, letters a), b) and c) of Annexe 3A, Schedule 7 of the Issuer Regulation***

See the provisions of paragraph 1.1.

### ***1.4. Description and numerical indication of the Beneficiaries, separated for the categories stated in point 1.4, letters a), b) and c) of Annex 3A, Schedule 7 of the Issuer Regulation***

See the provisions of paragraph 1.1. The total number of beneficiaries is estimated at 140.

## 2. REASONS FOR THE ADOPTION OF THE PLANS

### ***2.1. Objectives to be achieved by application of the Plan***

The goal of the initiative, following a logic of motivation and retention, is to incentivise the Beneficiaries to create value for Company shareholders, aligning the interests of

management with the interests of TIM shareholders, to achieve qualified Business Plan objectives and growth in the Share value in the medium term. The Plan intends to also assure the possibility of attracting new managers from the outside, as the Business Plan is implemented.

## ***2.2. Key variables, including performance indicators, considered for the application of the Plan***

The allocation of the Options (discretionary and free of charge) will depend on the strategic nature of the Beneficiaries concerning implementation of the Business Plan, as assessed at the discretion of the Board of Directors.

## ***2.3. Elements involved in determining the amount of remuneration based on financial instruments or criteria for its determination***

The number of Options allocated to Beneficiaries other than the CEO will be determined by the Board of Directors through their discretionary and unquestionable inclusion in three pay opportunity tiers in relation to the contribution and impact of the role held on the company's strategic objectives.

The number of target Options will be 24,000,000 for the CEO (corresponding to a **Modified** Maximum Benefit of ~~9,024,000~~<sup>25,824,000</sup> euros). The number of target Options allocated to the remaining Beneficiaries will be equal to:

- no. – 6,250,000 Options for first-tier Beneficiaries (corresponding to a **Modified** Maximum Benefit of €2,350,000 or, where applicable, a Maximum Benefit of €6,725,000;
- no. 3,125,000 Options for second-tier Beneficiaries (corresponding to a **Modified** Maximum Benefit of €1,175,000 or, where applicable, a Maximum Benefit of €3,362,500;
- no. 520,000 Options for third-tier Beneficiaries (corresponding to a **Modified** Maximum Benefit of €195,520 or, where applicable, a Maximum Benefit of €559,520, subject to re-proportioning in the event of allocation after August 31, 2022 and subject to the Maximum Benefit or Modified Maximum Benefit limit.

The re-proportioning will take place starting from the allocations after August 31, 2022, considering six four-monthly allocation windows so that the number of target Options will be reduced to

- 7/9 of the above quantities for allocations made from 1 September to December 31, 2022;
- 6/9 of the above quantities for allocations made between 1 January and April 30, 2023;
- 5/9 of the above quantities for allocations made from 1 May to August 31, 2023;
- 4/9 of the above quantities for allocations made from 1 September to December 31, 2023;
- 3/9 of the above quantities for allocations made between 1 January and April 30, 2024;
- 2/9 of the above quantities for allocations made from 1 May to August 31, 2024.

No Options will be allocated after September 1, 2024.

The above target quantities (possibly re-proportioned as above) will be subject to a downward adjustment where the nominal value<sup>1</sup> of the Share at Vesting is higher than [EUR 0.80 \(conventional value for the determination of the Modified Maximum Benefit\)](#) or 1.50 euros (conventional value for determination of the Maximum Benefit, [where applicable](#)): so-called Adjusted Target. For example, given a [Modified](#) Maximum Benefit for the CEO of ~~9,024,000~~~~25,824,000~~ euros:

(delta between EUR ~~0.80~~~~1.50~~ and Strike Price) x no. 24,000,000

in the event of a Normal Value at Vesting of 2 euros per Share, the Adjusted Target Options for the CEO will be equal to

~~9,024,000~~~~25,824,000~~ euros: (2 euros - 0.424 euros) = ~~5,725,888~~~~16,385,787~~ Options

#### ***2.4. Reasons for adopting remuneration plans based on financial instruments not issued by the Issuer***

Not applicable.

#### ***2.5. Evaluation of significant tax and accounting implications that have influenced the design of the Plan***

There have been no significant tax and accounting implications that have influenced the design of the Plan.

---

<sup>1</sup> The 'nominal value' is the arithmetic mean of the official Share price recorded from the stock exchange trading day preceding the starting point until the thirtieth previous ordinary calendar day (both inclusive) on the Electronic Share Market organized and managed by Borsa Italiana S.p.A., using as a denominator only those days to which the prices used for the basis of the calculation apply, rounded to two decimal places, and without prejudice to application of appropriate correction factors as per market practice.



***2.6. Any support for the Plan from the special Fund for encouraging employee ownership of companies, pursuant to Article 4, subsection 112 of Italian Law no. 350 of December 24, 2003***

The Plan does not receive support from the special Fund to provide incentives for employee shareholdings in the enterprises.

**3. APPROVAL PROCESS AND TIMETABLE FOR ALLOCATION OF THE INSTRUMENTS**

***3.1. Scope of the powers and functions delegated by the Shareholders' Meeting to the Board of Directors for the implementation of the Plan***

Based on the preliminary examination carried out by the Nomination and Remuneration Committee on March 2, 2022, the Board of Directors resolved to submit the initiative to the Shareholders' Meeting of April 7, 2022,

- in the ordinary session, for authorisation of the Plan pursuant to and for the purposes of art. 114-*bis* of the CLF, as well as for the accomplishment – as required – of the acts to dispose of Treasury shares available in the Company's portfolio, from time to time if the Board of Directors should consider it appropriate to service the Plan with the Treasury Shares available to the Company;
- in the extraordinary session for the issue of the new conversion shares.

The powers delegated to the Board of Directors include

- powers to approve (and eventually update) the Plan regulations and any other documentation accompanying the same;
- discretionary identification of the Beneficiaries upon the proposal of the CEO;
- the inclusion of the Beneficiaries, other than the CEO, in the various allocation tiers.

The Board of Directors may delegate the CEO to identify and include the Beneficiaries in the various allocation tiers.

***3.2. Persons charged with administering the Plan and their functions and duties***

The Board of Directors is assigned responsibility for the administration of the Plan, availing itself of the corporate functions for those aspects within their competence, and may also delegate some of its powers to the CEO concerning Beneficiaries other than the CEO

***3.3. Procedures for revising the Plan, including concerning any changes in the underlying objectives***

In the event of extraordinary transactions involving the Company, as well as extraordinary situations not envisaged in the Plan Regulations, the Board of Directors shall make any amendments and additions to the Plan that it deems necessary and/or appropriate to keep the essential contents of the Plan (in material and economic terms) as unchanged as possible, also acting – if necessary, and to the extent of availability – on the constituent documents of the Successor Companies.

***3.4. Description of how the availability and allocation of the Shares on which the Plan is based will be determined***

To implement the Plan, the Beneficiaries will be allocated Options to subscribe to newly issued Shares or to purchase treasury Shares at the Company's disposal at the Strike Price, at a ratio of one Share for each Option exercised, in the maximum number ascertained at the time of Vesting.

***3.5. Role played by each director in determining the characteristics of the Plan; any conflict of interest involving the directors concerned***

The Beneficiaries of the Plan include the CEO. The board resolutions to allocate Options to the same (or to revise the Plan) must be adopted in compliance with the applicable regulatory provisions.

***3.6. Date of the decision taken by the competent body to submit approval of the Plan to the Shareholders' Meeting and of the proposal of the Nomination and Remuneration Committee***

The Nomination and Remuneration Committee structured the Plan at its meetings on February 11, 18, 25 and 28, 2022, reporting on its work to the full Board for a first resolution at its meeting on February 21, 2022 and then finally on March 2, 2022. On that occasion, the Board of Directors approved calling the Shareholders' Meeting on April 7, 2022 to take the decisions described in paragraph 3.1.

***3.7. Date of the decision taken by the competent body concerning the award of the financial instruments and any proposal made to such body by the Nomination and Remuneration Committee, if any***

The Plan and the instruments for its implementation must be submitted to the Shareholders' Meeting of April 7, 2022. Following the Shareholders' Meeting, in the event of approval of the Plan and of the related ancillary resolutions, the Board of Directors shall make the decisions relevant to implementation of the Plan itself, subject to the

preliminary investigation of the Nomination and Remuneration Committee, in compliance with the applicable rules depending on the status of the Beneficiaries.

### ***3.8. Market price of the Shares recorded on the dates mentioned above***

The official price of the Shares on the Electronic Share Market (MTA) organized and managed by Borsa Italiana S.p.A. was:

- February 11, 2022 - 0.422 euros
- February 18, 2022 - 0.410 euros
- February 21, 2022 - 0.398 euros
- February 25, 2022 - 0.379 euros
- February 28, 2022 - 0.376 euros
- March 2, 2022 - 0.341 euros.

***3.9. Time limits and procedures by which the Issuer, in identifying the calendar for the allocation of the instruments to implement the Plan, considers the possible timing coincidence of: (i) that award or any decisions taken in this regard by the Nomination and Remuneration Committee; and (ii) the disclosure of any relevant information pursuant to Article 17 of Regulation (EU) No. 596/2014***

The decisions regarding the allocation of the Options will be taken by the Board of Directors at one or more sessions after the Shareholders' Meeting approves the initiative and obtains the opinion of the Nomination and Remuneration Committee and, if necessary, the Board of Statutory Auditors of TIM, where holders of special offices within the Company's Board of Directors are among the Beneficiaries.

Moreover, the Options will be exercisable on Vesting, not immediately; therefore, the Company does not envisage taking any particular precautions regarding the above-mentioned situations.

## **4. CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ALLOCATED**

### ***4.1. Description of how the Plan is structured***

The Plan provides for the Options to be allocated to the Beneficiaries free of charge. This shall take place on a personal basis. The Options allocated may not be transferred or subject to restrictions or constitute the purpose of acts of disposal inter vivos for any reason whatsoever.

#### ***4.2. Indication of the period of actual implementation of the Plan, with reference also to any different cycles envisaged***

The Plan envisages a single Option allocation cycle, without prejudice to the possibility for the Board of Directors to allocate Options during the Vesting period, and until August 31, 2024, for a maximum target number of 234,330,000 Options.

Following Vesting and during the Exercise Period, the Options may not be exercised in the 30 days preceding approval by the Board of Directors of the financial statements for the year and the half-yearly report of the Company and in the 15 days preceding approval by the Board of Directors of the explanatory report illustrating the results of the first and third quarters of the financial year. The Regulations will allow the Board of Directors, at their discretion, to set extraordinary suspension periods.

#### ***4.3. Expiration of the Plan***

The Plan will expire at the end of the Exercise Period, except for forfeiture or Clawback of the Options during the Vesting or Exercise Period.

#### ***4.4. Maximum number of financial instruments also as Options, allocated in each fiscal year concerning the persons individually identified or to the categories specified***

Identification of the Beneficiaries and allocation of the Options to them will be carried out by August 31, 2024.

The maximum number of Options that may be allocated to Beneficiaries by that date is 234,330,000, resulting in a maximum number of exercisable Options (if the correction<sup>s</sup> for exceeding the [Modified Maximum Benefit or](#) Maximum Benefit is not applied and each of the Performance Parameters is set at the maximum level) of 257,763,000.

#### ***4.5. Plan implementing procedures and clauses, specifying if the actual allocation of the financial instruments is dependent on conditions being met, or on the achievement of specific results, including performance results***

The Options will become exercisable, subject to the Board of Directors' assessment of the level of achievement of the Performance Parameters, at the end of the Vesting Period.

In particular:

- exercising 70% of the Adjusted Target Options will be subject to achievement of the Performance Parameter represented by the cumulative reported EBITDA-CAPEX for

the 2022-2024 financial years, as set out in the Business Plan, with a variation range from -10% (achievement of 80% of the target as set out in the Business Plan) to +10% (achievement of 120% of the target as set out in the Business Plan), with linear interpolation for intermediate levels of achievement of the Performance Parameter. If the Performance Parameter achievement level is lower than 80% of the Business Plan target, the corresponding Options shall lapse without compensation;

- the exercisability of 15% of the Adjusted Target Options is subject to the Performance Parameter represented by the percentage of women in positions of responsibility at the end of 2024, out of all holders of positions of responsibility, as set out in the Business Plan, with a range that goes from -10% (25% of women out of the total number of holders of positions of responsibility to +10% (28% women out of the total number of holders of positions of responsibility); the target level for this parameter is 27% of women out of the total holders of positions of responsibility. Concerning the indicator ‘percentage of women in positions of responsibility’, ‘positions of responsibility’ means: Formalized positions in the company organization.

If the percentage of women in positions of responsibility at the end of 2024 is less than 25%, the corresponding Options will lapse without compensation.

- the exercisability of 15% of the Adjusted Target Options is subject to the Performance Parameter represented by the ratio between renewable electricity and electricity consumed in the financial year 2024, as set out in the Business Plan, with a variation interval ranging from -10% (75% renewable electricity) to +10% (83% renewable electricity); the target level of the parameter is 80% renewable electricity.

The indicator ‘ratio between renewable electricity and consumed electricity’ is defined as follows: MWh from self-produced and purchased renewable sources divided by total MWh consumed.

If the ratio between renewable electricity and electricity consumed in the 2024 financial year is less than 75%, the corresponding Options will lapse without compensation.

The cumulative reported EBITDA-CAPEX indicator is calculated as the difference between cumulative values, for the period 2022-2024 of the reported EBITDA of the TIM Group and the capex of the TIM Group, as defined below:

- EBITDA reported i.e. operating profit before depreciation, amortization, capital gains/(losses) and impairment/(write-downs) of non-current assets. It can also be calculated as the total operating revenues and other income net of costs for purchasing materials and services, employee benefits expenses and other operating expenses, and changes in inventories and Internally generated assets. This indicator is used by TIM as a financial target in internal presentations (business plan) and external presentations (to analysts and investors). It represents a useful unit of measurement for evaluating the group's operating performance. The target reported value will be sterilized according to the same criteria defined for the annual variable incentives (MBO).
- capex (capital expenditures) represent the Group's investments in (tangible and intangible) operative fixed assets. Financial investments are therefore excluded. The target reported value will be sterilized according to the same criteria defined for the annual variable incentives (MBO) and any differences concerning the value of the licences already included in the Budget and 2022-2024 Plan.

The value of cumulative reported EBITDA-CAPEX, as per the Business Plan for the years 2022- 2024, is 3,994.6 million euros.

~~In the event of a public offering of the Shares, The Plan regulations will provide for the possibility for~~ the Board of Directors [has the power](#) to resolve on the acceleration of the Vesting (and the immediate exercisability) of the Target Options, ~~in the event of a public offer on the Shares: with respect only to those Beneficiaries who have not consented to the application to them of the amendments made to the Plan by the Shareholders' Meeting of April 23, 2024.~~ If a subject gains legal control of the Company because of a public offering [of the Shares](#), Vesting will be accelerated automatically (with immediate exercisability of the target Options).

#### ***4.6. Information on any restrictions on the disposability of the Options or on the Shares delivered from the exercise of the Options***

The Options will be allocated to the Beneficiaries on a personal basis, and may not be transferred or subjected to restrictions or be the subject of acts of disposal inter vivos. Following the Options being exercised (to the maximum extent to which they may be exercised at Vesting, in application of the correction related to the Maximum Benefit [or the Modified Maximum Benefit](#) and depending on Performance Parameters' achievement level), against payment of the Strike Price, the Beneficiaries will receive

Shares with regular dividend entitlement, at the rate of one Share for each Option exercised, with no restrictions on availability.

***4.7. Description of any resolutive conditions which apply to the allocation under the Plan if the Beneficiaries engage in hedging transactions to neutralize any prohibitions on the sale of the Options or of the Shares deriving from the exercise of such options***

Not applicable.

***4.8. Description of the effects produced by the termination of employment***

The Options will lapse without compensation upon termination of the Beneficiary's employment with TIM, its Subsidiaries and/or Successor Companies during the Vesting period.

Exceptions to this rule are cases of early Beneficiary death (with the Options exercisable by the heirs) or interruption of the relationship due to (i) retirement; (ii) total and permanent disability; (iii) termination by mutual consent (excluding voluntary resignation), provided that the interruption event occurs on or after 1 January of the year following allocation. In these cases, the Options will be subject to Vesting (without any Vesting acceleration), in a number reduced in proportion to the full four-month periods which have already elapsed since the allocation date until the interruption event (and for an entire year for Beneficiaries allocated Options before September 1, 2022).

It is understood that, in any other case of termination of the Beneficiary's employment relationship with TIM, its Subsidiaries or Successor Companies, Options shall be forfeited. If a notification of disciplinary proceedings is sent, the right to exercise the Options will be suspended until receipt of the communication announcing the sanction to be applied (with possible application of the Claw Back) or that no sanction will be applied.

***4.9. Indication of any other grounds for cancelling the Plan***

The Board of Directors shall be attributed all the powers required to implement the Plan, making all amendments/supplements to it as are necessary to pursue the objectives the Plan is intended to achieve, including when the applicable regulations change, or extraordinary situations not envisaged in the Regulations arise.

***4.10. Reasons for an option for the company to 'buy back' the financial instruments underlying the plan, introduced pursuant to article 2357 et seq. of the Italian Civil Code***

The plan does not provide the Company with a right to repurchase.

***4.11. Any loans or other facilities to be granted for the purchase of Shares pursuant to Article 2358 of the Italian Civil Code***

No loans or other facilities will be granted for purchasing the Shares pursuant to Article 2358 of the Civil Code.

***4.12. Indication of the cost the Company is expected to incur at the time of the allocation, as may be determined based on the already defined terms and conditions, in total and for each financial instrument***

At the date of this document, it is not possible to indicate the exact Plan cost amount for the Issuer, as this cost depends on the number of Options to be allocated, determined in the manner described above.

Pursuant to IFRS 2 (Share-based payments), the Company and, where applicable, each Subsidiary or Successor Company will recognize the fair value of the Options allocated over the vesting period for the portion attributable to them. This total will be recognized pro-rata temporis in the separate income statement throughout the vesting period, with an item in employee benefits expenses as a counter-entry to a net equity reserve. These expenses recognized among the employee benefit expenses may be deducted for IRES (corporate income tax) purposes by the Company and by each Subsidiary with registered offices in Italy, for the portion pertaining to it.

***4.13. Indication of any capital dilution effects caused by the Plan***

If newly issued Shares should service the entire Plan, and it should be determined that a maximum number of 257,763,000 Options could be exercised, the issue of a maximum of 257,763,000 new Shares would have a dilution effect of 1.19% of the total capital and 1.65% of the ordinary shares alone as at December 31, 2021.

***4.14. Any restrictions on the exercise of voting right or the attribution of property rights***

No restrictions on the exercise of voting rights or the attribution of property rights inherent to the Shares acquired through the exercise of the Options are anticipated.

***4.15. If the shares are not traded on regulated markets, all the information needed to assess the value attributed to them properly***

Not applicable.

***4.16. Number of financial instruments underlying each Option***



Each Option will entitle the holder to subscribe to a newly issued Share (or to purchase an existing Share already held in the Company's portfolio) against payment of the Strike Price, based on Regulation terms and conditions.

***4.17. Maturity of the Options***

Please refer to paragraphs 4.3 and 4.8 above.

***4.18. Procedures, timing and clauses for exercising the Options***

See the provisions of preceding paragraphs 4.2 and 4.5.

***4.19. Strike price of the Options***

The Strike Price is equal to 0.424 euros per Share and has been calculated as the weighted average of the official market price of TIM's ordinary Shares and savings shares on the electronic share market organized and managed by Borsa Italiana S.p.A. in the quarter December 2021-February 2022.

***4.20. If the strike price is not the same as the fair market value, the reasons for this difference***

The method of determining the Strike Price is intended as a tool for synthetically valuing Company equity (in both its ordinary and savings share components) before the approval of the Business Plan, whose implementation is rewarded by Plan incentives.

***4.21. Criteria used as the basis for expecting different strike prices between various parties or various categories of Beneficiary***

Not applicable.

***4.22. If the financial instruments underlying the Options are not traded in regulated markets, an indication of the value attributable to the underlying financial instruments or the criteria for determining such value***

Not applicable.

***4.23. Criteria for the adjustments made necessary following extraordinary operations on the capital and other operations entailing a change in the number of underlying instruments***

See the provisions of preceding paragraph 3.3.