



LA FORZA DELLE CONNESSIONI

SHAREHOLDER'S MEETING OF APRIL 23, 2024

Reports and proposals
of the Board of Directors

1. Financial statements as at December 31, 2023 – Approval of financial statement documentation – Coverage of the operating loss

Dear Shareholders,

The 2023 draft financial statements submitted for the approval of the Shareholders' Meeting show a net loss of 995.364.447,83 euros. The reasons for this result are described in the report on operations, to which reference should be made.

It is proposed that upon approval of the financial statements, the loss for the year be covered through full utilization of the Additional paid-in capital and the and withdrawal of 419.691.100,41 euros from the Legal reserve, as described below.

In view of the above, the Board of Directors submits for your approval the following proposal:

The Shareholders' Meeting of TIM S.p.A.,

- having examined the annual financial report of TIM S.p.A.;
 - having taken note of the reports by the Board of Statutory Auditors and the independent auditors EY S.p.A.;
- resolved
- to approve the 2023 financial statements of TIM S.p.A.
 - to cover the loss for the year of TIM S.p.A. (equal to 995.364.447,83 euros)
 - a) for 575.673.347,42 euros through full use of the Paid-in capital.
 - b) for 419.691.100,41 euros through use of the Legal reserve.

2. Report on the remuneration policy and compensation paid

2.1 Approval of the first section (remuneration policy for 2024)

2.2 Non-binding vote on the second section (compensation paid in 2023)

Dear Shareholders,

the Report on the remuneration policy for financial year 2024 and the remuneration paid in financial year 2023 was prepared on the basis of the applicable regulatory framework.

This document is divided into two sections:

- the first illustrates the Company's policy on the remuneration of Directors, Statutory Auditors and Key Managers with Strategic Responsibilities, and is subject to a binding resolution of the Shareholders' Meeting, with the possibility of derogation in the event of exceptional circumstances, within the limits and under the procedural conditions specified in the same document;
- the second presents the items that make up the remuneration of the persons mentioned above, with an analytical illustration of the remuneration paid in 2023 and is subject to a non-binding resolution of the Shareholders' Meeting in favour or against.

All that said, you are called upon to express your views separately on the first and second sections of the Report, as described above. For this purpose, the Board of Directors submits the following proposals for your approval:

Proposal 1: approval of the first section of the Report on the remuneration policy and compensation paid

The Shareholders' Meeting of TIM S.p.A., having regard to applicable regulations,
resolved

the approval of the first section of the Report on the remuneration policy and compensation paid by the Company.

Proposal 2: non-binding vote on the second section of the Report on the remuneration policy and compensation paid

The Shareholders' Meeting of TIM S.p.A., having regard to applicable regulations,
resolved

in favour of the second section of the Report on the remuneration policy and compensation paid by the Company.

3. Appointment of the Board of Directors

3.1 Determination of the number of members of the Board of Directors

3.2 Determination of the term of office of the Board of Directors

3.3 Appointment of Directors

3.4 Determination of the compensation of the Board of Directors

Dear Shareholders,

The term of office of the Board of Directors appointed at the Shareholders' Meeting of March 31, 2021 shall end upon approval of the financial statements for the year ending December 31, 2023.

To reappoint the Board of Directors, the Shareholders' Meeting is asked to:

- set the number of members of the Board of Directors, within the limits laid down in the Bylaws (between 7 and 19 members),
- appoint the members in accordance with the procedure laid down in the Bylaws (list voting);
- set the duration of the Board of Directors, up to a maximum of three financial years;
- set the compensation.

With various proposals having been formulated, a document entitled “Guidance to TIM shareholders on the composition of the Board of Directors” has been published (available at www.gruppotim.it/assemblea) which contains a summary of the applicable rules and a series of considerations by the outgoing Board of Directors on the optimal qualitative and quantitative composition of the body. You are invited to view this document. With a view to its reappointment – and as disclosed to the general public – the outgoing Board of Directors also chose to formulate its own proposals and its own list in accordance with a dedicated procedure which can be viewed at www.gruppotim.it/assemblea. Together with its list and ancillary proposals, the Board will also file a report on its completed inquiry process. Likewise, the Board recommends that shareholders accompany the lists and proposals they intend to submit with adequate reasons to support their choices.

The list submitted by the Board will compete with those submitted by the shareholders. Where it is then necessary to integrate the Board of Directors according to the statutory majorities (absolute majority of the capital present at the meeting), a vote will be taken on the proposal to appoint unelected candidates included in the published lists, beginning with the list that obtained the most votes and in the order in which candidates are listed, in so many as are necessary for the composition of the body to comply with the gender balance requirement. Once the composition of the Board of Directors is complete, non-elected candidates from any other lists shall not be appointed.

With regard to ancillary proposals (concerning the number, duration and compensation of Directors), the Board's proposals will be put to a vote first and, only if not approved by the Shareholders' Meeting, any shareholders' proposals will be considered, beginning with the proposal submitted by the shareholders representing the largest percentage of capital. Once a proposal has been approved, no vote shall then be taken on any alternative proposals.

Therefore, with a view to the Shareholders' Meeting of April 23, 2024, the outgoing Board of Directors of TIM S.p.A.:

- hereby recommends that shareholders:
 - promptly exercise their rights to stand as candidate for the office of Director of the Company under law and the Bylaws, should they so wish;
 - submit, together with the lists if deemed appropriate, substantiated proposals concerning the number of Board

members, their term of office and their compensation.

The Board of Directors also recommends that candidates provide a photo and a copy of an identity document and that they authorize the publication of their curriculum vitae on the Company's website, which should not include any details they do not wish to be disclosed;

- invites shareholders to vote, in due time, on the published ancillary proposals and to make their selection from the lists presented in accordance with the provisions of the Bylaws.

4. Appointment of the Board of Statutory Auditors

4.1 Appointment of Standing and Alternate Auditors

4.2 Appointment of the Chairman of the Board of Statutory Auditors

4.3 Determination of compensation

Dear Shareholders,

The term of office of the Board of Statutory Auditors appointed at the Shareholders' Meeting of March 31, 2021 shall end upon approval of the financial statements for the year ending December 31, 2023.

To reappoint the Board of Statutory Auditors, the Shareholders' Meeting is asked to:

- appoint five Standing Auditors and four Alternate Auditors,
- appoint the Chairman of the Board of Statutory Auditors from among the Auditors elected by the minority, and
- set the annual compensation for the discharge of office.

This matter is devolved to the shareholders for proposal, with the Board of Directors merely convening the meeting and providing the information and recommendations below. It should be noted that the term of office is legally set at three financial years - that is, until the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2026.

Appointment of Standing and Alternate Auditors

The Bylaws provide that five Standing Auditors (two of whom are of the least represented gender) and four Alternate Auditors (two of each gender) shall be appointed. At least two Statutory Auditors and one Alternate Auditor must be chosen from among those enrolled in the register of statutory auditors and who have practised as statutory auditors for a period of not less than three years. The remaining Statutory Auditors (standing and alternate) must have at least three years' experience in the exercise of:

- administration or control activities or management tasks in companies with a share capital of not less than 2 million euros, or
- professional activities or tenured university teaching in legal, economic, financial, technical or scientific subjects closely related to the company's activities, or
- managerial roles in public bodies or public administrations which operate in the credit, financial or insurance sectors, or in sectors closely related to that of the company's activities.

According to the Bylaws, the sectors and subjects considered to be closely related to that of the Company are telecommunications, information technology, telematics, electronics and multimedia, and subjects relating to private and administrative law, economics and those relating to business organization. Also as regards requirements, the independence requirement as regulated by the applicable regulatory framework shall also be subject to the criteria set forth in the Corporate Governance Code for companies with shares listed on the electronic share market managed by Borsa Italiana, to which TIM adheres. Finally, in view of the Company's business, the members of the Board of Statutory Auditors should individually meet the requirements for concluding contracts with public administrations and carrying out activities under authorization.

Reappointment shall take place on a list basis. Lists shall be divided into two sections: one for the office of Standing Auditor and one for the office of Alternate Auditor. The first candidate in each section shall be selected from among the independent auditors entered in the appropriate register who have worked on external audits for at least three years. In

each section, when the number of candidates is greater than or equal to three, it must be ensured that both genders are present, in such a way that candidates of the less represented gender are at least one third of the total, rounding any fractions up to the whole number.

Lists may be presented by March 29, 2024 by shareholders who, alone or jointly with others, have an overall shareholding representing at least 0.5% of share capital and with the right to vote at ordinary Shareholders' Meetings. If only one (or no) list has been validly submitted on that date, or if lists have only been submitted by connected shareholders, the deadline for submission shall be postponed to April 1, 2024, and the entitlement threshold shall be halved to 0.25%. In either case, the Company must receive notices of entitlement from intermediaries by April 2, 2021.

Each shareholder may only participate in one presented list, in which they must provide information on their identity, their total percentage shareholding held, and any relationship (including indirect) with the relative majority shareholder. Together with the list, each candidate must submit their acceptance of their candidature, certification that they meet the requirements (and comply with the limitation on offices set forth in the Consob regulations) and their curriculum vitae.

At the Shareholders' Meeting:

- three Statutory Auditors and two Alternate Auditors shall be selected from the list that gains the most votes ("majority list"), in the order in which they are listed;
- two Standing Auditors and two Alternate Auditors shall be selected from the remaining lists ("minority lists") by allocating the candidates a quotient obtained by dividing the obtained number of list votes by one and two, according on their listed order, and selecting the candidates with the highest quotients for the offices of Standing Auditor and Alternate Auditor.

If the gender balance requirements are not met, the last candidate elected from the majority list who is of the most represented gender shall be replaced by the first non-elected candidate from the same list who is of the least represented gender. If the majority list does not present enough candidates of the least represented gender, the Shareholders' Meeting shall add further members to the corporate body, by absolute majority vote according to the share capital represented at the meeting, until this requirement is met. To this end – and whenever a statutory majority resolution is required to supplement the members of the Board of Statutory Auditors – the appointment of the non-elected candidates included in the duly published lists shall be put to a vote, beginning with the list that gained the most votes and in the order in which they are listed, until the number of members required for the body to comply with the gender balance requirement is met.

Appointment of the Chairman of the Board of Statutory Auditors

The list voting mechanism aims, under law, to ensure the election of Statutory Auditors "non-controlling shareholders unconnected, even indirectly, to the shareholders who submitted or voted for the list that achieved the most votes" (Article 148 of Legislative Decree No. 58/1998). The law also provides that the Chairman of the Board of Statutory Auditors must be appointed by the Shareholders' Meeting from among the Standing Auditors "elected by the minority", which the Bylaws interpret to mean Standing Auditors drawn from minority lists.

To this end, shareholders are invited to expressly indicate their candidate for the office of Chairman of the Board of Statutory Auditors in case their list turn out to be a "minority list".

The Shareholders' Meeting takes resolutions by absolute majority of the capital represented at the meeting. In the event of several valid proposals, the first shareholder proposal put to the vote shall be that which received the most votes. Once a proposal has been approved, no vote shall then be taken on any alternative proposals.

Determination of compensation

The annual compensation of Statutory Auditors shall be set at the Shareholders' Meeting for the entire term of office, by absolute majority of the capital represented at the meeting. In the event of several valid proposals, the first proposal put to a vote shall be that formulated by the shareholders with the most shares. Once a proposal has been approved, no vote shall then be taken on any alternative proposals.

Together with the list, shareholders are invited to submit a compensation proposal, which in practice should distinguish between the compensation of the Chairman and the compensation of the remaining Statutory Auditors. In this regard, it is hereby brought to attention that one Statutory Auditor shall be called upon to be a member of the Company's supervisory body provided for by the organizational model adopted by TIM pursuant to Legislative Decree No. 231/2001, effective as of April 1, 2020. When formulating compensation proposals, it is therefore recommended that, in addition to the "basic" compensation to be paid to the Chairman of the Board of Statutory and to each of the other Statutory Auditors, additional compensation should be set for the Statutory Auditor who will be vested with this role.

For informative purposes only, it should be noted that the compensation of the outgoing Board of Statutory Auditors was set by the Shareholders' Meeting of March 31, 2021 (in continuity with the previous term) at 95,000 euros gross per annum for each Standing Auditor and 135,000 euros gross per annum for the Chairman of the Board of Statutory Auditors. The Shareholders' Meeting also set the additional compensation for the Statutory Auditor who will serve as a member of the Company's supervisory board at 15,000 euros.

Therefore, with a view to the Shareholders' Meeting to reappoint the Board of Statutory Auditors, the Board of Directors of TIM S.p.A.

- hereby recommends that shareholders:
 - promptly exercise their rights to stand as candidate for the office of Statutory Auditors of the Company under law and the Bylaws, should they so wish;
 - submit ancillary proposals, together with the lists, for the role of Chairman and concerning the compensation of members.

The Board of Directors also recommends that candidates provide a photo and a copy of an identity document and that they authorize the publication of their curriculum vitae on the Company's website, which should not include any details they do not wish to be disclosed;

- invites shareholders to make their selection from the lists to be presented in accordance with the provisions of the Bylaws and to vote on the ancillary proposals published.

5. Adoption of amendments to the 2022-2024 Stock Option Plan - Related and consequent resolutions

Dear Shareholders,

On March 31, 2022, the Shareholders' Meeting approved, pursuant to Article 114-bis of Legislative Decree no. 58 of February 24, 1998 (the 'Consolidated Law on Finance'), the Stock Option Plan 2022-2024 (the 'Plan') aimed at a portion of the Group's management (including the Chief Executive Officer and Key Managers with Strategic Responsibilities of the Company), with the aim of promoting the value of the persons who occupy key organizational positions in the Company's business or who are deemed deserving of incentives and retention on the basis of management considerations on the growth in the share value through the assignment of options (the "Options") for the subscription or purchase of Telecom Italia ordinary shares (the "Shares") at the price of Euro 0.424 per share¹ (the "Strike Price").

The object of the Plan is a maximum of 257,763,000 Options, free of charge and non-transferable, which grant the beneficiaries, at the end of the Vesting Period², the right to subscribe or purchase an equal number of Shares, at the Strike Price.

The details of the Plan approved by the Shareholders' Meeting, described in the information document (hereinafter the "Information Document", available at www.gruppotim.it/assemblea) prepared pursuant to Article 84-bis of the Regulations adopted by Consob Resolution no. 11971 of May 14, 1999 (the "Issuers' Regulations") and Scheme no. 7 set forth in the related Schedule 3A, were transfused into the appropriate regulation (the "Plan Regulations") that was defined by the Board of Directors, upon the proposal of the Nomination and Remuneration Committee, on May 4, 2022, in order to implement the Plan and proceed with the allocation of the Options to the beneficiaries.

While referring to the description contained in the Information Document for the characteristics and contents of the Plan, it should be noted that during the engagement meetings held with the Company's principal equity investors and proxy advisors, critical considerations were expressed on some specific aspects of the Plan that were deemed not to be in line with the guidelines published by the same parties.

With a view to continuous improvement and listening to the suggestions that have emerged from the dialogue with stakeholders, also in view of the failure of the Shareholders' Meeting of April 20, 2023 to approve the remuneration policy for 2023, the Company's Board of Directors – after preliminary investigation by the Nomination and Remuneration Committee – deemed it appropriate to propose to the Shareholders' Meeting to make a significant amendment to the Plan, aimed at significantly reducing the maximum payout achievable by beneficiaries. In particular, it is proposed to amend the definition of "Maximum Benefit" contained in the Information Document and in the Plan Regulations, currently represented by "The gain that can be realized in the event of the sale of a number of Shares corresponding to the quantity of Options at target for CEO and Beneficiaries of each band, at the conventional price of Euro 1.50 per Share, against purchase at the Strike Price" (unchanged) of Euro 0.424, significantly reducing the "conventional price" (so called "cap") from Euro 1.50 (which represents more than 5 times the current price of Telecom Italia ordinary shares and corresponds to an overall capitalization of ordinary shares of about 22.8 billion euros, compared to about 4.3 billion euros at the date of approval of this report) to Euro 0.80 per Share. It should be noted that, due to the operation of the stock options and by virtue of the strike price (as mentioned, Euro 0.424), the 47% reduction in the 'conventional price' implies a 65% reduction in the maximum payout to target.

¹ Amount corresponding to the weighted average official listing price of the Company's ordinary share and savings share on the electronic stock market organized and managed by Borsa Italiana S.p.A. in the quarter December 2021-February 2022.

² "Vesting period": the period of time from January 1, 2022 until December 31, 2024, consisting of 9 (nine) quarters.

The adoption of this amendment will therefore result in a reduction of the maximum target payout for the CEO from 25,824,000 euros to 9,024,000 euros and for first-tier beneficiaries from 6,725,000 euros to 2,350,000 euros.

In order to follow up on what emerged at the aforementioned engagement meetings concerning the forecasts in the event of a change of control, it is also proposed to eliminate the possibility – indicated in the Information Document and in the Plan Regulations – " for the Board of Directors to resolve on the acceleration of the Vesting (and the immediate exercisability) of the Options at target, in the event of a public offer on the Shares", providing instead, as per market practice, only the mechanism according to which if "*as a result of a public offer, a party were to acquire legal control of the Company, the acceleration of the Vesting (with immediate exercisability of the Options at target) would be automatically determined*" (the so-called "double trigger"), as already indicated in the Information Document and in the Plan Regulations.

It should be noted that, in view of the Board's approval of the aforesaid proposed amendments to the Plan, the prior consent to their application was obtained from the Chief Executive Officer and General Manager, as well as from the Key Managers with Strategic Responsibilities, who, in the aggregate, are the target recipients of a number of Options amounting to 86,500,000 (corresponding to 38.4% of the Options allocated under the Plan). Following the approval of the amendments by the Shareholders' Meeting, the beneficiaries, other than the Chief Executive Officer and General Manager and the Key Managers with Strategic Responsibilities, who have not yet consented to the amendments covered in this report will be asked to accept the new version of the Plan and the Plan Regulations, so that it can also be applied to them. It should be noted that with respect to beneficiaries who do not give their consent within the aforementioned time limits, the amendments under consideration will not apply and the current provisions of the Plan will continue to take effect.

In referring to the information document prepared to reflect the changes to the Plan described above, the Board of Directors submits the following proposed resolution for your approval:

The Shareholders' Meeting of TIM S.p.A.,

- having examined the illustrative report of the Board of Directors prepared pursuant to Articles 125-ter and 114-bis of Legislative Decree no. 58 of February 24, 1998,
- having regard to the information document prepared in accordance with Article 84-bis of the Regulation adopted by Consob Resolution no. 11917/1999, which reflects the changes set forth in the aforementioned report and the manner in which they are implemented,

resolved

- to approve the amendments to the 2022-2024 Stock Option Plan, in the terms described in the report of the Board of Directors and resulting from the information document prepared pursuant to the applicable regulations;
- to vest the Board of Directors with all the powers necessary or appropriate to implement the above resolution and the amendments envisaged therein, including that of amending the Plan Regulations and any other documentation accompanying the same accordingly, leaving all the remaining provisions unchanged and notifying all the beneficiaries thereof.

6. Utilization of part of the legal reserve to cover the loss for the year - Exclusion of the obligation for subsequent replenishment in relation to the tax suspension restriction

Dear Shareholders,

It has been put to the Ordinary Shareholders' Meeting that the loss for the year 2023 be covered through full utilization of the Additional paid-in capital and the withdrawal of 419.691.100,41 euros from the Legal reserve.

It bears noting that the legal reserve is subject to tax suspension up to the amount of 1.834.666.727,25 euros, of which:

- (i) 468.944.256,66 euros pursuant to Law no. 72/1983,
- (ii) 716.378.104,85 euros pursuant to Law no. 342/2000, and
- (iii) 649.344.365,75 euros pursuant to Law no. 413/1991.

Insofar as it may be necessary, it is proposed to reduce the Legal reserve by 419.691.100,41 euros by withdrawing that amount, which should be understood to be definitive and exclusive of any obligation to subsequently replenish with future profits in relation with the tax suspension restriction. On this point, the Shareholders are called upon to pass resolution in extraordinary session, pursuant to Article 6(2) of Law No. 72 of March 19, 1983, insofar as this provision is applicable.

However, the obligation to replenish the legal reserve until it has reached one-fifth of share capital pursuant to Article 2430 of the Civil Code remains unaffected.

In view of the above, the Board of Directors submits for your approval the following proposal:

The Extraordinary Shareholders' Meeting of TIM S.p.A.,

- having regard to the resolution to cover the loss for the year 2023 for a total amount of 995.364.447,83 euros by utilizing reserves partly subject to tax suspension;

resolved

to reduce the corresponding equity items permanently, exclusive of their subsequent replenishment, without prejudice to the provisions of Article 2430 of the Civil Code.

TIM S.p.A.
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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