TELECOM ITALIA S.P.A.

Registered office in Milan, Via Gaetano Negri, no. 1
Registered in the Companies Register of Milan-Monza-Brianza-Lodi under no. 00488410010
Share capital of Euro 11,677,002,855.10 fully paid-up

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF TELECOM ITALIA S.P.A. ON THE SOLE ITEM ON THE AGENDA OF THE SPECIAL MEETING OF THE HOLDERS OF THE SAVINGS SHARES CONVENED FOR 28 JANUARY 2026 IN SINGLE CALL

drawn up pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998 and Articles 72 and 84-ter of the regulation adopted with CONSOB Resolution No. 11971 of 14 May 1999, as well as in accordance with Annex 3A, Scheme No. 6, to the aforementioned regulation

December 29, 2025

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THE ONLY ITEM ON THE AGENDA OF THE SPECIAL MEETING OF THE HOLDERS OF THE SAVINGS SHARES OF TELECOM ITALIA S.P.A. CONVENED FOR 28 JANUARY 2026 IN A SINGLE CALL:

"*Conversion of saving shares into ordinary shares: **(i)** attribution to the holders of the saving shares of the right to convert them into ordinary shares, with payment of a cash component by the Company; and **(ii)** mandatory conversion into ordinary shares of saving shares for which the conversion option referred to in point (i) is not exercised, also with payment of a cash component by the Company. Amendment of Articles 5, 6, 14, 18, 19 and 20 of the By-Laws. Approval of any relevant and consequent resolution*."

Dear Shareholders,

this report (the "**Explanatory Report**") – prepared pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998 ("**CFA**") and Articles 72 and 84-ter of the Regulation adopted with CONSOB Resolution No. 11971 of 14 May 1999 (the "**Issuers' Regulation**"), as well as in accordance with Annex 3A, Schedule 6, to the Issuers' Regulation – is aimed at providing information on sole item on the agenda of the Special Meeting of the saving shareholders of Telecom Italia S.p.A. ("**TIM**" or the "**Company**") called for 28 January 2026 in a single call.

1. Reasons for the proposed transaction

1.A Transaction description

The Shareholders' General Meeting of TIM, convened for 28 January 2026 in single call, is called – in extraordinary session – to approve a transaction concerning the conversion of the Company's issued saving shares (the "**Saving Shares**" and, the related holders, the "**Saving Shareholders**") into TIM ordinary shares (the "**Ordinary Shares**"), which comprises:

(a) the granting to Saving Shareholders of the right to convert, in whole or in part, their Saving Shares into Ordinary Shares according to the following terms: *(i)* a conversion ratio equal to 1 Ordinary Share for each Saving Share; *plus (ii)* a cash component of a total of Euro 0.12 per Saving Share, to be paid by the Company to Saving Shareholders who exercise this conversion option (the "**Voluntary Conversion Cash Component**" and, the voluntary conversion transaction subject to the approval of the Shareholders' Meeting, the "**Voluntary Conversion**"); and

(b) the mandatory conversion into Ordinary Shares of the Saving Shares that have not been subject to Voluntary Conversion, according to the following terms: *(i)* a conversion ratio equal to 1 Ordinary Share for each Saving Share; *plus (ii)* a cash component of a total of Euro 0.04 per Saving Share, to be paid by the Company to the Saving Shareholders (the "**Mandatory Conversion Cash Component**" and, together with the Voluntary Conversion Cash Component, the "**Cash Component**") (the "**Mandatory Conversion**", and together with the Voluntary Conversion, the "**Conversion**").

The Mandatory Conversion, which is part of the Conversion transaction, submitted for approval to the Shareholders' General Meeting of the Company, is relevant under art. 146, paragraph 1, letter (b), of the TUF, and is therefore subject to the approval of the Special Meeting of Savings Shareholders of the Company.

The Conversion is part of a broader corporate transaction, which also encompasses the reduction of TIM's share capital, pursuant to and for the purposes of Article 2445 of the Italian Civil Code, to a total of Euro 6,000,000,000.00, without changing the number of TIM shares outstanding and with a consequent reduction in their implicit nominal value (considering that TIM shares do not have express nominal value indication) (the "**Capital Reduction**"). The Capital Reduction is subject to the approval of the same Shareholders' General Meeting called to resolve on the Conversion (*i.e.*, under item 2 of the agenda of the extraordinary part to the Shareholders' Meeting). For further information on the proposed Capital Reduction, please refer to the explanatory report prepared by the Board of Directors pursuant to Articles 125-*ter* of the CFA and 72, paragraph 1-*bis*, of the Issuers' Regulation and available to the public at the Company's registered office and on TIM website (www.gruppotim.it, Section "*Investors – Shares – AGM and Meetings*").

As described in the explanatory report on the proposed Capital Reduction, the portions of the Company's equity (*patrimonio netto*) that will be released from the nominal share capital constraint as a result of the Capital Reduction will be allocated as follows:

(a) up to one fifth of the share capital, to the legal reserve (*riserva legale*); and

(b) for the remaining amount, to the formation of an available equity reserve (*riserva disponibile di patrimonio netto*).

This available equity reserve may be used by the Company to cover any capital needs resulting from the Conversion, for the purposes of: *(i)* the payment of the Cash Component paid to the Saving Shareholders in the context of the Conversion; and/or *(ii)* the purchase of the Saving Shares in respect of which the withdrawal right is exercised within the framework of the relevant liquidation procedure (for further information on the right of withdrawal granted to Saving Shareholders in connection with the Conversion, please refer to the following Paragraph 18).

As further explained in Paragraph 10 below, the effectiveness of the Conversion resolution is subject to the fulfilment of each of the following conditions precedent:

(a) the approval of the Mandatory Conversion, pursuant to Article 146, paragraph 1, letter (b), of the CFA, by the Special Meeting of Saving Shareholders, called for 28 January 2026 in a single call;

(b) the circumstance that the maximum disbursement to be paid by the Company for the liquidation of the Saving Shares for which the right of withdrawal is exercised, and which have not been purchased by shareholders or placed to third parties as a result of the procedure referred to in Article 2437-*quater* of the Italian Civil Code, does not exceed an amount equal to a total of Euro 100,000,000.00 (the "**Stop-Loss Condition**").

The Stop-Loss Condition shall be deemed to be in the exclusive interest of the Company and, therefore, may be waived in whole or in part by the Company unilaterally and at its own discretion; and

(c) also in consideration of the functional interdependence between the Capital Reduction and the Conversion, the circumstance that the Capital Reduction resolution is approved by the Shareholders' Meeting and no objection is presented by the Company's creditors within 90 days of the registration of the Capital Reduction resolution with the competent Companies Register, pursuant to art. 2445, paragraph 3, of the Civil Code, or, in the event of an opposition, the circumstance that the authorization of the Court intervenes, pursuant to art. 2445, paragraph 4, of the Italian Civil Code, within 6 months (which may be extended by the Company by a maximum of a further 3 months) from the registration of the Capital Reduction resolution with the Companies Register (a 6-month term, as potentially extended, after which the condition will be considered not fulfilled) (the "**Capital Reduction Condition**").

It should also be noted that – again in consideration of the functional interdependence between the two transactions and as described in the explanatory report concerning the Capital Reduction proposal, to which reference should be made for further information – the Capital Reduction resolution is in turn subject (unless waived by the Company): *(i)* to the approval of the Conversion proposal by the Shareholders' General Meeting, convened for January 28, 2026, and *(ii)* the fulfilment of the conditions referred to in points (a) and (b) above.

It is provided that: *(i)* the effectiveness of the Conversion will occur before the payment date of any dividend which, should the relevant conditions be met, could be distributed from the results of the 2025 financial year; *(ii)* because of the Conversion, the Saving Shares will not benefit for the 2025 financial year from any capital privileges that may be due in their favour under the By-Laws.

1.B Reasons for Conversion

The Conversion is, first of all, justified with a view to rationalizing the structure of TIM's share capital, thus achieving the need to simplify the ownership structure and, more generally, the governance of the Company and reduce the management costs associated with the partition of the share capital into several classes of shares admitted to listing.

Indeed, also taking into account the progressive decline in market interest in saving shares, the Board of Directors believes that their retention at present does not respond to an appreciable interest of TIM. The simplification and rationalization of the share capital structure is a well-established trend towards which the market converges. As of the date of this Explanatory Report, only 5 Italian companies issuing shares listed on regulated markets – including TIM – maintain a capital structure divided into ordinary and saving shares.

On the other hand, the Conversion would make it possible to expand the overall free float of the Ordinary Shares, helping to create the conditions for greater liquidity of the TIM share and, therefore, also for greater interest of the market and institutional investors in the stock.

In this perspective, the Conversion would allow (in compliance with the rights and prerogatives of the holders of the Saving Shares, who are also granted the possibility of opting for the Voluntary Conversion according to the conversion terms described above):

(a) Saving Shareholders:

  (i) to convert their Saving Shares into Ordinary Shares according to Conversion terms that express the following implicit premiums with respect to: *(x)* closing prices as of December 19, 2025 (*i.e.*, on the trading day prior to the date of announcement of the Conversion to the market) (the "**Reference Date**"); and *(y)* the arithmetic mean of the closing prices in the 6 and 3 months and in the month preceding the Reference Date (inclusive) (for more information on the Conversion terms and the related determination criteria, please refer to the following Paragraph 8):

	Optional Conversion ([1])	Mandatory Conversion ([2])
Conversion Ratio	1:1	1:1
Cash Component per Share	€ 0.1200	€ 0.0400
Price at Reference Date	€0.5744	€0.5744
Implied premium on price at Reference Date	8.3%	(5.6%)
1-month average price (*)	€0.5622	€0.5622
Implied premium on average price over 1 month	10.6%	(3.6%)
3-month average price (**)	€ 0.5481	€ 0.5481
Implicit premium on average price over 3 months	13.5%	(1.1%)
6-month average price (***)	€ 0.5117	€ 0.5117
Implied premium on 6-month average price	21.6%	5.9%

(*)19/12/2025 – 20/11/2025 (inclusive). The days on which the market is closed were not taken into account for the purposes of the calculation.
(**)19/12/2025 – 20/09/2025 (inclusive). The days on which the market is closed were not taken into account for the purposes of the calculation.
(***)19/12/2025 – 20/06/2025 (inclusive). The days on which the market is closed were not taken into account for the purposes of the calculation.

(ii) as a result of the Conversion (whether voluntary or mandatory) to:

– be holders of Ordinary Shares that confer voting rights in the ordinary and extraordinary shareholders' meetings of the Company and incorporate their value;

– receive a security that has a greater degree of liquidity in terms of trading volumes and that falls within the scope of the discipline of mandatory takeover bids (which only concern securities that confer voting rights in shareholders' resolutions concerning the appointment or removal of directors pursuant to Article 105, paragraph 2, of the CFA);

– to participate in the future remuneration of Ordinary Shareholders in line with the Shareholder remuneration policies that may be adopted by the Company;

(b) the current holders of Ordinary Shares, to benefit from the loss of the patrimonial privileges attributed to the Saving Shares;

(c) all TIM Shareholders to benefit from the greater liquidity of the share as a result of the expansion of the free float of the Ordinary Shares following the Conversion; and

(d) the Company to rationalize and simplify the composition of its shareholding structure, also benefiting from a reduction in management costs associated with the existence of several classes of shares admitted to listing.

2. Description of the rights or privileges of the Saving Shares

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([1]) Calculated as follows: Implicit premium = [(a*b+c) / d] -1

where: "**a**" means the closing price on the Reference Date of the Ordinary Share equal to Euro 0.5020; "**b**" means the Conversion ratio of the Voluntary Conversion; "**c**" means the Voluntary Conversion Cash Component; and "**d**" indicates the price taken as a reference for the Saving Share.

([2]) Calculated as follows: Implicit premium = [(a*b+c) / d] -1

where: "**a**" means the closing price on the Reference Date of the Ordinary Share equal to Euro 0.5020; "**b**" means the Conversion ratio of the Mandatory Conversion; "**c**" indicates the Mandatory Conversion Cash Component; and "**d**" indicates the price taken as a reference for the Saving Share.

As of the date of this Explanatory Report, the Company's subscribed and paid-up share capital amounts to Euro 11,677,002,855.10, divided into 15,329,466,496 Ordinary Shares and 6,027,791,699 Saving Shares, all of which do not have an express indication of par value.

The rights and privileges due to the Saving Shares are granted in accordance with the law and the By-laws.

The following is a description of the main rights and financial privileges of the Saving Shares.

2.A Financial privileges of Saving Shares

Pursuant to Article 6 of TIM's By-Laws, the Saving Shares incorporate the following financial privileges:

(a) the net profits resulting from the duly approved financial statements, minus the portion to be allocated to the legal reserve (*riserva legale*), must be distributed to the Saving Shares up to the amount of five per cent of Euro 0.55 per Share;

(b) the profits remaining after the assignment to the Saving Shares of the preferred dividend referred to in point (a) above, the distribution of which is resolved by the Shareholders' Meeting, are distributed among all the Shares in such a way that the Saving Shares are entitled to a total dividend increased, compared to that of the Ordinary Shares, by an amount equal to two per cent of Euro 0.55 per Share;

(c) when a dividend lower than the amount indicated in point (a) above has been assigned to the Saving Shares in a financial year, the difference is calculated as an increase in the preferred dividend in the following two years;

(d) in the event of distribution of reserves, the Saving Shares have the same rights as the other Shares. In the event of the absence or insufficiency of the net profits resulting from the financial statements in order to satisfy the financial privileges referred to in the preceding points, the Shareholders' Meeting called to approve the financial statements shall have the right to resolve to satisfy the privilege referred to in point (a) and/or the right of increase referred to in paragraph (b) by distributing available reserves. The payment by means of reserves excludes the application of the "carry-over" mechanism in the following two financial years of the right to the privileged dividend not received through the distribution of profits, referred to in point (c) above;

(e) the reduction of the share capital due to losses has no effect on the Saving Shares except for the part of the loss that is not covered by the fraction of capital represented by the other Shares; and

(f) upon the dissolution of the Company, the Saving Shares have pre-emption in the repayment of the capital up to a maximum of Euro 0.55 per Share

2.B Administrative and other rights

Pursuant to Articles 145 and 146 of the CFA:

(a) the Saving Shares are deprived of voting rights at the Company's General Meeting of Shareholders and confer voting rights only at the Special Meeting of the holders of the Saving Shares;

(b) resolutions of the General Meeting of Shareholders of the Company that affect the rights of the category must also be approved by the Special Meeting of the holders of the Saving Shares.

In addition, pursuant to Articles 6 and 14 of TIM's By-Laws:

(a) in the event of exclusion from trading of Ordinary Shares or Saving Shares, Saving Shareholders may request the Company to convert their shares into Ordinary Shares, in accordance with the procedures approved by the Extraordinary Shareholders' Meeting called for this purpose within two months of the exclusion from trading;

(b) the costs relating to the organization of the Special Meeting of Saving Shareholders and the remuneration of the common representative of the Saving Shareholders shall be borne by the Company; and

(c) within the time and in the manner provided for disclosure to the market, the common representative of the Saving Shareholders is informed by the Board of Directors or by the persons delegated for this purpose on corporate transactions that may influence the performance of the prices of the Saving Shares.

3. Specific criticalities of the proposed transaction

The Conversion transaction may present the following concerns:

(a) as a result of the Conversion and of the payment of the Cash Component provided for each between the Voluntary Conversion and the Mandatory Conversion, according to the terms of Conversion illustrated in Paragraph 1.A above, the Saving Shareholders will lose the financial privileges (including those resulting from the two-year "carry-over" mechanism of the right to the privileged dividend not received through the distribution of profits, referred to in Article 6.4 of the By-Laws) and the additional rights attributed to the Saving Shares pursuant to applicable law and the By-Laws. In addition, *(i)* as a result of the Conversion resolution (and pending the Conversion itself), the Saving Shares will not benefit for the financial year 2025 (and therefore already with reference to the results of that year) from any financial privileges that may be due to them pursuant to the By-Laws, which have been taken into account in the determination of the Cash Component (as illustrated in the following Section **Errore. L'origine riferimento non è stata trovata.**); *(ii)* in any event, the effectiveness of the Conversion will occur prior to the payment date of any dividend which, if the relevant conditions to such end are met, may be distributed with reference to the results of the 2025 financial year. Accordingly, should the General Meeting of Shareholders of the Company and the Special Meeting of Saving Shareholders approve the proposed Conversion, the Saving Shareholders will not benefit from any privilege vis-à-vis the Ordinary Shareholders in the distribution of any profits resulting from the financial statements for the year ending 31 December 2025.

    On the other hand, in exchange for the Conversion, the Saving Shareholders (in addition to the payment of the Cash Component) will receive Ordinary Shares in exchange and, therefore, will be able to benefit from the administrative and financial rights conferred upon such class under applicable law and the By-Laws, including the right to vote in the General Meeting of Shareholders of the Company;

(b) upon completion of the Conversion, the voting rights of ordinary shareholders will be diluted proportionally to the number of Ordinary Shares issued as a result of the Conversion, as described in the following Paragraphs 15 and 16.

    On the other hand, as a result of the Conversion, the financial privileges attributed to the Saving Shares pursuant to the Articles of Association will cease and, therefore, the Ordinary Shareholders will participate in the distribution of the profit in the same way and *pari passu* with respect to the pre-Conversion Saving Shareholders;

(c) the assessment of the Conversion by the Shareholders is affected by multiple factors, including: *(i)* the possibility for Saving Shareholders to choose between multiple alternatives (*i.e.*, to adhere, for all or part of their Saving Shares, to the Voluntary Conversion; not to adhere to the Voluntary Conversion and participate in the Mandatory Conversion; to exercise the right of withdrawal for all or part of their Saving Shares or to sell the Saving Shares on the market before the effectiveness of the Conversion); and *(ii)* uncertainty about the possible future development of the price of Saving Shares and Ordinary Shares; and

(d) the implicit Conversion premiums, as explained in the following Paragraph 8, are calculated with regard to the Reference Date. Therefore, the amount of the aforementioned premiums may vary, even significantly and up to their erosion, depending on the performance of the securities after the Reference Date.

4. Number of Saving Shares held by the controlling shareholder pursuant to art. 93 of the CFA and by the Company

As of the date of this Explanatory Report and based on the information available to the Company:

(a) no person exercises control over TIM pursuant to Article 93 of the CFA ([3]); and

(b) TIM: *(i)* does not hold, directly or indirectly, treasury Saving Shares; and *(ii)* holds, directly and indirectly, 89,040,415 treasury Ordinary Shares, representing 0.42% of the Company's share capital and 0.58% of the share capital consisting of Ordinary Shares.

5. Intention of the controlling shareholder to carry out buying and selling activities on the Saving Shares market

As explained in Paragraph 4 As of the date of this Explanatory Report and on the basis of the information available to the Company, no person exercises control over TIM pursuant to Article 93 of the CFA.

6. Any commitments to convert undertaken by holders of Saving Shares

As of the date of this Explanatory Report, to the best of the Company's knowledge, no commitments have been made to adhere to the Voluntary Conversion by the Saving Shareholders.

Any commitments to convert the Saving Shares may not in any case be applied to the Mandatory Conversion, to the extent that, as a result of the same, all the Saving Shares for which the Voluntary Conversion option has not been exercised will be converted into Ordinary Shares.

7. Dividends distributed in the last five years to ordinary shares and Saving Shares

The following table shows the dividends per share distributed by TIM in favor of Ordinary Shares and Saving Shares in the years 2025-2021.

([3]) In this regard, it should be noted that, in its so-called "declaration of intentions" of 26 May 2025 made pursuant to and for the purposes of Article 120, paragraph 4-bis, of the CFA, the shareholder Poste Italiane S.p.A., holder of no. 3,803,169,975 Ordinary Shares, representing 24.81% of the share capital represented by Ordinary Shares, considered "*[…] that, in the current circumstances, the shareholding acquired can be classified as an associated investment (collegamento) for the purposes of the declarant's financial statements, corresponding, therefore, to the exercise of significant influence*". For the sake of completeness, it should also be noted that, by notice made pursuant to and for the purposes of Article 120 of the CFA, the shareholder Poste Italiane S.p.A. announced that on 15 December 2025 it came to hold a shareholding representing 27.315% of the ordinary share capital of TIM, declaring that it availed itself of the exemption from the obligation to launch a public tender offer on TIM Shares pursuant to Article 49, paragraph 1, letter e) of the Issuers' Regulation, undertaking to sell to unrelated parties, within 12 months from the date of purchase, the Shares exceeding the threshold of 25% and not to exercise the related voting rights during that period.

	2025	2024	2023	2022	2021 ([4])
Ordinary Shares	--	--	--	--	Euro 0.0100
Saving Shares	--	--	--	--	Euro 0.0275

8. Conversion ratio, cash component and related determination criteria

The Board of Directors of the Company resolved to propose to the Shareholders' Meeting:

(a) for the Voluntary Conversion: *(i)* a conversion ratio equal to no. 1 Ordinary Share for each Saving Share; *plus (ii)* the Voluntary Conversion Cash Component, amounting to a total of Euro 0.12 per Saving Share; and

(b) for the Mandatory Conversion: *(i)* a conversion ratio equal to no. 1 Ordinary Share for each Saving Share; *plus (ii)* the Mandatory Conversion Cash Component, equal to a total of Euro 0.04 per Saving Share.

Goldman Sachs Bank Europe SE, Italy Branch and Intermonte SIM S.p.A. acted as financial advisors to the Company in relation to the Conversion.

The total amount that the Company will pay to the Saving Shareholders as a Cash Component will be equal to Euro 723,335,003.88 in the event of full adherence to the Voluntary Conversion and Euro 241,111,667.96 in the event that all the Saving Shares are converted into Ordinary Shares as a result of the Mandatory Conversion.

The terms of the overall Conversion proposal (*i.e.* the Conversion ratio and the Cash Component) that the Board of Directors resolved to submit to the extraordinary Shareholders' Meeting and the Special Meeting of the Saving Shareholders were determined taking into account:

(a) the objectives of the Conversion and the related expected benefits as illustrated in Paragraph **Errore. L'origine riferimento non è stata trovata.** above, the privileges pertaining to the Saving Shares described in Paragraph 2 above and the trend in the market price of the Ordinary Shares and Saving Shares; and

(b) the objective of achieving a reasonable balance between the interests of both classes of Shareholders and that of the Company.

In this perspective, the Board of Directors examined, in particular: *(i)* the implicit premium granted to the Saving Shares as part of the Conversion transaction; *(ii)* the Cash Component to be paid for each converted Saving Share; and *(iii)* the dilution for Ordinary Shareholders resulting from the conversion of the Saving Shares into Ordinary Shares.

With regard to the total implicit premiums granted to Saving Shareholders, the Board of Directors took into account, in particular, the trend in the market price of the Saving Shares which – in the periods prior to the Reference Date – traded "at a premium" compared to the market price of the Ordinary Shares. This trend is believed to be mainly attributable to the following elements:

(a) the market's expectation for a possible distribution of profits in favour of the Saving Shares, depending on the reimbursement to the Company of the concession fee claimed for 1998 (the so-called "1998 Fee") ([5]) and on the related effects on the income statement (*conto*

([4]) Distributed in 2021 on the basis of the 2020 financial year results.

([5]) Reference is made in particular to the judgment of the Rome Court of Appeal, which resolved in favor of the Company *economico*), with a resulting potential dividend estimated at up to a maximum of Euro 0.0825 per Saving Share, corresponding to the preferred dividend due to the Saving Shareholders – if the relevant conditions are met – pursuant to the by-laws of the Company (*i.e.*, the annual preferred dividend of Euro 0.0275 per Saving Share, corresponding to 5% of Euro 0.55 per Share, in addition to the annual privilege relating to the two previous years according to the "carry-over" mechanism provided for by Article 6.4 of the By-Laws currently in force). In particular, it should be noted that the Saving Shares traded "at a premium" compared to the market price of the Ordinary Shares in a clear manner as of 3 April 2024, the date on which the Court of Appeal of Rome closed the dispute relating to the return of the "1998 Fee" in favour of the Company ([6]);

(b) the expectation of a possible conversion of the Saving Shares into Ordinary Shares, also depending on the reimbursement to the Company of the "1998 Fee" ([7]).

The Board of Directors has also taken into account the capital privileges due to the Saving Shares pursuant to the By-Laws, described in Paragraph 2 above.

The table below shows the trend of the closing prices of the Saving Shares in the period between 20 December 2023 and 19 December 2025.

Saving Shares ([8])	1 Month	3 Months	6 Months	12 Months	From 3-Apr-24 [(5)]	2 Years
Performance of Saving Shares (%) ([9])	3.7%	18.3%	26.8%	104.0%	145.5%	88.9%
Premium of Saving Shares Compared to Ordinary Shares (%) ([10])	13.9%	12.6%	12.3%	12.6%	12.2%	11.1%
Premium of Saving Shares Over Ordinary Shares (€) ([11])	0.07	0.06	0.06	0.05	0.04	0.03

the litigation relating to the reimbursement of the concession fee claimed for 1998 and sought to be repaid by the Company (see TIM's press release of 3 April 2024, available on TIM's website, *www.gruppotim.it*), then upheld by the Court of Cassation on 20 December 2025 (see the press release issued on the same date by TIM, available on the Company's website, *www.gruppotim.it*).

([6]) See TIM's press release of 3 April 2024, available on TIM's website, *www.gruppotim.it*.

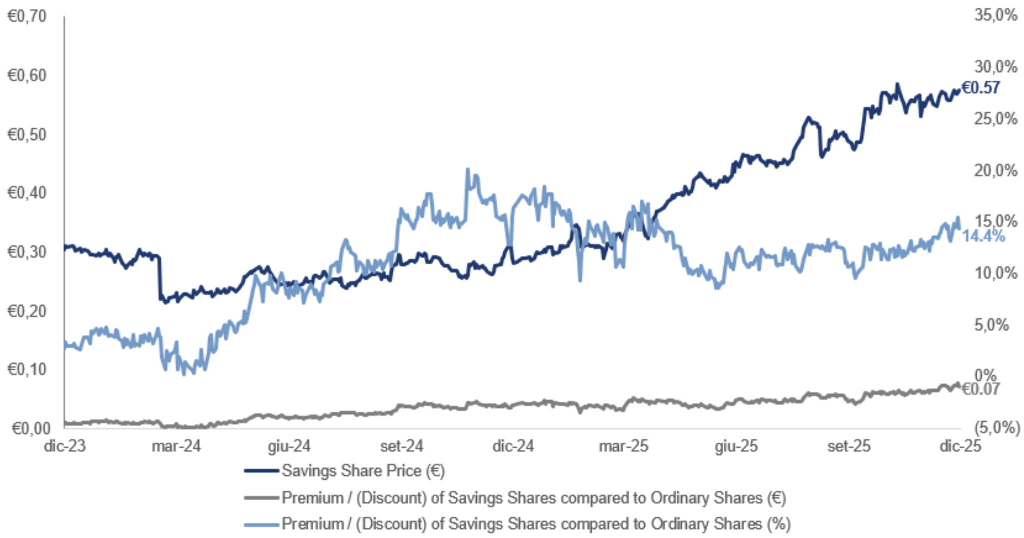
([7]) See in this regard, for example, the Kepler Cheuvreux research report published on December 19, 2025 "*We see no end to the outperformance*" by Javier Borrachero and the Bank of America Global Research report published on December 4, 2025 "*Buy into a 'normal' year*" by David Wright, Owen P. McGiveron and Samuel Bruce.

([8]) Source: FactSet as of December 19, 2025.

([9]) Performance is calculated as a percentage variation in price equal to (final price / initial price) -1.

([10]) Premium calculated on the basis of the average price of the Ordinary Shares and Saving Shares over the period.

([11]) Premium calculated on the basis of the average price of the Ordinary Shares and Saving Shares over the period.



Also taking into account the foregoing, the proposed Conversion terms express the following implied premiums with respect to: *(i)* the closing prices on the Reference Date; and *(ii)* the arithmetic mean of the closing prices over the 6 and 3 months and month prior to the Reference Date (inclusive).

	Voluntary Conversion (12)	**Mandatory Conversion (13)**
Conversion Ratio	1:1	1:1
Cash Component per Share	€ 0.1200	€ 0.0400
Price at Reference Date	€0.5744	€0.5744
Implied premium on price at Reference Date	8.3%	(5.6%)
1-month average price (*)	€0.5622	€0.5622
Implied premium on average price over 1 month	10.6%	(3.6%)
3-month average price (**)	€ 0.5481	€ 0.5481
Implicit premium on average price over 3 months	13.5%	(1.1%)
6-month average price (***)	€ 0.5117	€ 0.5117
Implied premium on average price over 6 months	21.6%	5.9%

In addition, the Board of Directors examined, among other elements and for information purposes only, the main conversion transactions carried out in the Italian market in the ten years prior to the Reference Date, deeming, however, the comparability of the Conversion with respect to previous transactions limited by reason of the following factors: *(i)* the sample observed, which consists of only 5 previous transactions (14), *(ii)* the fact that the financial privileges due to the classes of shares other than ordinary shares and subject to conversion vary according to the companies considered,

(12) Calculated as follows: Implicit premium = [(a*b+c) / d] -1

where: "**a**" means the closing price on the Reference Date of the Ordinary Share equal to Euro 0.5020; "**b**" means the Conversion ratio of the Voluntary Conversion; "**c**" means the Voluntary Conversion Cash Component; and "**d**" indicates the price taken as a reference for the Saving Share.

(13) Calculated as follows: Implicit premium = [(a*b+c) / d] -1

where: "**a**" means the closing price on the Reference Date of the Ordinary Share equal to Euro 0.5020; "**b**" means the Conversion ratio of the Mandatory Conversion; "**c**" indicates the Mandatory Conversion Cash Component; and "**d**" indicates the price taken as a reference for the Saving Share.

(14) The sample observed includes SAES Getters S.p.A. (April 2023), Banco di Desio e della Brianza S.p.A. (June 2021), Buzzi Unicem S.p.A. (October 2020), Intesa Sanpaolo S.p.A. (February 2018), Italmobiliare S.p.A. (July 2016).

and *(iii)* in previous conversion transactions, Saving shares traded "at a discount", even significantly, compared to ordinary shares, thus making the relevance of a direct comparison with the Conversion extremely limited (it should be noted that in the past even the Company's Saving Shares traded "at a discount" compared to the Ordinary Shares, even in periods in which the Saving Shares benefited from a dividend equal to the financial privilege and no dividend was distributed to the Ordinary Shares).

On the other hand, in determining the proposal relating to the Cash Component to be paid to Saving Shareholders, the Board of Directors – taking into account the cash disbursement for the Company and, therefore, the consequent increase in its financial debt (*indebitamento finanziario*) – also took due account of TIM's interest in continuing to invest in technology and maintaining a level of debt, current and prospective, in line with that communicated to the market as part of its 2025-2027 business plan. With this in mind, the Board of Directors has therefore resolved to set a total of Euro 0.12 and Euro 0.04 per Saving Share, respectively, the Voluntary Conversion Cash Component and the Mandatory Conversion Cash Component, on the basis of which the total amount that the Company will pay to Saving Shareholders as a Cash Component will be equal to: *(i)* approximately Euro 723 million – corresponding to approximately 0.2x consolidated Net debt "*after leases*" (aL) / consolidated EBITDA aL ([15]) – in the event of full adherence to the Voluntary Conversion; and *(ii)* approximately Euro 241 million – corresponding to approximately 0.07x consolidated Net debt aL / consolidated EBITDA aL ([16]) – in the event that all the Saving Shares are converted into Ordinary Shares as a result of the Mandatory Conversion.

In view of the above, the terms of the Conversion therefore make it possible to express – in the Board's assessment – a reasonable and weighted balance between the various interests that are taken into consideration: the interest of Saving Shareholders; the interest of Ordinary Shareholders, which will undergo a dilution of their relative position within the corporate organization and capital to the extent of approximately 28% ([17]); the interest of the Company.

In addition, with a view to encouraging adherence to the Voluntary Conversion, the Board intended to recognize, through the relevant Cash Component, an additional premium in favor of the Saving Shareholders who will adhere to it, also on the basis of the Company's interest in collecting the widest possible adhesion and voluntary participation in the Conversion transaction and consequently reducing the potential impact, on the market and on the company's assets (*patrimonio sociale*), of any withdrawals by Saving Shareholders.

The terms of the Conversion imply a valuation of the Saving Shares (based on the stock market prices of the Ordinary and Saving Shares at the Reference Date of 19 December 2025 and the proposed Cash Component) that is higher by 21.6% (as regards the Voluntary Conversion) and 5.9% (as regards the Mandatory Conversion) than the liquidation value of the Saving Shares for which the withdrawal right may be exercised, determined by the Board of Directors of TIM, during

([15]) Calculated as the ratio between Euro 723 million and the consolidated EBITDA aL for the last twelve months ("LTM") as at September 2025, equal to approximately Euro 3.6 billion. These figures refer, respectively, to consolidated net financial debt excluding net liabilities related to the accounting treatment of leasing contracts and to consolidated EBITDA excluding non-recurring items and amounts related to the accounting treatment of leasing contracts.

([16]) Calculated as the ratio between Euro 241 million and the consolidated EBITDA aL for the last twelve months ("LTM") as at September 2025, equal to approximately Euro 3.6 billion. These figures refer, respectively, to consolidated net financial debt excluding net liabilities related to the accounting treatment of leasing contracts and to consolidated EBITDA excluding non-recurring items and amounts related to the accounting treatment of leasing contracts.

([17]) Calculated as 1 (one) minus the ratio between the number of pre-Conversion Ordinary Shares (including treasury Shares held directly and indirectly by the Company), equal to a total of 15,329,466,496 Shares, and the total of Ordinary Shares resulting from the Conversion, equal to a total of 21,357,258,195 Shares.

the meeting of 21 December 2025 and in accordance with the criteria referred to in Article 2437-*ter*, paragraph 3, of the Italian Civil Code, in Euro 0.5117 per Saving Share.

9. Conversion mechanics

The Conversion of the Saving Shares will be carried out through the intermediaries participating in the centralized management system with which the Saving Shares are deposited (the "**Intermediaries**"), at no cost to the Saving Shareholders.

9.A Voluntary Conversion mechanics

The exercise period of the Voluntary Conversion will be agreed by the Company with Borsa Italiana S.p.A.

Also in consideration of the conditions of effectiveness, illustrated in Paragraph 10 to which the Conversion is subject, the period of exercise of the Voluntary Conversion will begin only subject to and following the fulfilment of the last of these conditions and, therefore, cannot begin before the fulfilment of the Capital Reduction Condition (*i.e.* the expiry of the term of 90 days from the registration of the Capital Reduction resolution with the competent register of companies, pursuant to art. 2445, paragraph 3, of the Civil Code, or – in the event of an objection by the Company's creditors – the obtainment of the Court's authorization, pursuant to art. 2445, paragraph 4, of the Civil Code, in any case within the term of 6 months, which may be extended by the Company by a maximum of a further 3 months, from the registration of the Capital Reduction resolution with the Companies Register).

This period and the procedures by which Saving Shareholders may adhere to the Voluntary Conversion will be disclosed and illustrated in the report that the Company will make available to the public, pursuant to Article 72, paragraph 4, of the Issuers' Regulations, by the trading day prior to the start of the exercise period of the Voluntary Conversion, also giving notice of this by means of a notice published on the Company's website and in the newspaper "*Corriere della Sera*".

The effective date of the Voluntary Conversion will be agreed with Borsa Italiana S.p.A. and will be announced by means of a notice published on the Company's website and in the newspaper "*Corriere della Sera*", pursuant to art. 72, paragraph 4, of the Issuers' Regulation. On that date, the Saving Shares for which the Voluntary Conversion option has been exercised will be delisted from "*Euronext Milan*", a regulated market organised and managed by Borsa Italiana S.p.A. The Ordinary Shares resulting from the Voluntary Conversion will be traded on the same regulated market "*Euronext Milan*".

9.B Mandatory Conversion mechanics

The Mandatory Conversion will only concern the Saving Shares for which the Voluntary Conversion option has not been exercised.

Like the Voluntary Conversion, the effective date of the Mandatory Conversion will also be agreed with Borsa Italiana S.p.A. and will be announced by means of a notice published on the Company's website and in the newspaper "*Corriere della Sera*" pursuant to art. 72, paragraph 5, of the Issuers' Regulation, which will also contain detailed information on the methods of assignment of the Ordinary Shares resulting from the Mandatory Conversion and payment of the related Cash Component. On that date, all the Saving Shares will be delisted from "*Euronext Milan*", a regulated market organized and managed by Borsa Italiana S.p.A. The Ordinary Shares resulting from the Conversion will be traded on the same regulated market "*Euronext Milan*".

In consideration of the fact that the exact number of Saving Shares that will be converted as a result of the Mandatory Conversion will depend on the degree of adherence to the Voluntary Conversion, the effective date of the Mandatory Conversion may not in any case precede the end of the exercise period of the Voluntary Conversion.

10. Conditions of effectiveness of the Conversion

The effectiveness of the Conversion is subject to the fulfilment of each of the following conditions precedent:

(a) the approval of the Mandatory Conversion, pursuant to Article 146, paragraph 1, letter (b), of the CFA, by the Special Meeting of Saving Shareholders, called for 28 January 2026 in a single call;

(b) the Stop-Loss Condition, *i.e.* the circumstance that the maximum disbursement to be paid by the Company for the liquidation of the Saving Shares for which the right of withdrawal has been exercised and which are not purchased by shareholders or placed with third parties as a result of the procedure referred to in Article 2437-quarter of the Civil Code, does not exceed an amount equal to a total of Euro 100,000,000.00.

The Stop-Loss Condition shall be deemed to be in the exclusive interest of the Company and, therefore, may be waived in whole or in part by the Company unilaterally and at its own discretion; and

(c) the Capital Reduction Condition, *i.e.* the fact that the Capital Reduction resolution is approved by the Shareholders' Meeting and no objection is filed by the Company's creditors within 90 days of the registration of the Capital Reduction resolution with the competent Companies Register, pursuant to art. 2445, paragraph 3, of the Civil Code, or, in the event of an opposition, the authorization of the Court intervenes, pursuant to art. 2445, paragraph 4, of the Civil Code, within 6 months (which may be extended by the Company by a maximum of a further 3 months) from the registration of the Capital Reduction resolution with the Companies Register (a 6-month term, as potentially extended, after which the condition will be considered not fulfilled).

The Company will announce the fulfilment or non-fulfilment of the aforementioned conditions of effectiveness (and, where applicable, any waiver of the *Stop-Loss Condition*) by means of a press release, as well as a notice published on the Company's website and in the newspaper "*Corriere della Sera*".

11. Number of Saving Shares subject to Conversion and Ordinary Shares

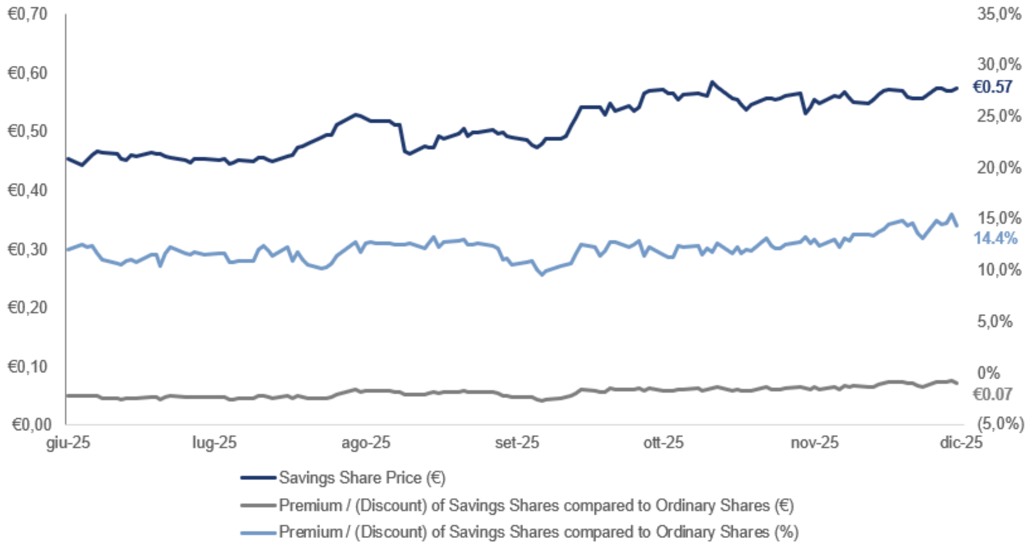
Subject to the fulfilment of the conditions of effectiveness indicated in Paragraph 10 above, all the 6,027,791,699 Saving Shares will be converted into Ordinary Shares, with regular dividend rights and having the same characteristics as those outstanding on the effective date of the Conversion.

In consideration of the Conversion ratio – equal, both for the Voluntary Conversion and for the Mandatory Conversion, to no. 1 Ordinary Share for each Saving Share, in addition to the Cash Component provided for each of them – as a result of the Conversion, a total of 6,027,791,699 new Ordinary Shares will be issued (corresponding to the number of Saving Shares issued by the Company). The entire share capital will be represented by 21,357,258,195 Ordinary Shares.

12. Saving Shares prices trend in the last six months

The chart below shows the trend of Saving Shares closing prices in the period between 20 June 2025 and 19 December 2025.

Saving Shares – Last 6 Months ([18])	1 Month	3 Months	6 Months
Performance of Saving Shares (%) ([19])	3.7%	18.3%	26.8%
Premium of Saving Shares compared to Ordinary Shares (%) ([20])	13.9%	12.6%	12.3%
Premium of Saving Shares compared to Ordinary Shares (€) ([21])	0.07	0.06	0.06



13. Incentives for participation in the transaction

The Board of Directors resolved to propose the Conversion according to the conversion terms as follows: *(i)* for the Voluntary Conversion, a conversion ratio of 1 Ordinary Share for each Saving Share, *plus* the Voluntary Conversion Cash Component, equal to a total of Euro 0.12 per Saving Share; and *(ii)* for the Mandatory Conversion, a conversion ratio equal to no. 1 Ordinary Share for each Saving Share, *plus* the Mandatory Conversion Cash Component, equal to a total of Euro 0.04 per Saving Share.

The above Conversion terms express the implied premiums described in the previous Paragraph 8.

Implicit Conversion premiums are calculated with regard to the Reference Date. Therefore, the amount of the aforementioned premiums may vary, even significantly and up to their cancellation, depending on the performance of the securities after the Reference Date.

14. Effects of the Conversion on *stock option* plans relating to Saving Shares

As of the date of this Explanatory Report, there are no *stock option* plans in place for Saving Shares.

15. Composition of the share capital before and after the Conversion

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([18]) Source: FactSet as of 19 December 2025.

([19]) Performance calculated as a percentage variation in price equal to (final price / initial price) -1.

([20]) Premium calculated on the basis of the average price of the Ordinary Shares and Saving Shares over the relevant period.

([21]) Premium calculated on the basis of the average price of the Ordinary Shares and Saving Shares over the relevant period.

As of the date of this Explanatory Report, the Company's subscribed and paid-up share capital amounted to Euro 11,677,002,855.10, divided into 15,329,466,496 Ordinary Shares and 6,027,791,699 Saving Shares, all of which do not have an express nominal value indication.

In consideration of the Conversion ratio – equal, both for the Optional Conversion and for the Mandatory Conversion, to no. 1 Ordinary Share for each Saving Share, in addition to the Cash Component provided for each of them – as a result of the Conversion, a total of 6,027,791,699 Ordinary Shares will be issued (corresponding to the number of Saving Shares in circulation) and, therefore, TIM's share capital will be divided into a total of 21,357,258,195 Ordinary Shares.

16. Changes in ownership structure as a result of the Transaction

Following the Conversion, TIM's ownership structure will change as a result of the dilutive effect that the transaction will have on the holders of Ordinary Shares before the Conversion.

In particular, taking into account the Conversion ratio, the ordinary capital currently existing would represent 71.78% ([22]) of the total capital at the end of the Conversion.

17. Main allocations that the Company intends to allocate to the proceeds of the Conversion

The Conversion does not provide for the payment of any cash component by the Saving Shareholders, with the consequence that there will be no proceeds for the Company from the Conversion.

18. Right of withdrawal

18.A Existence, terms and how to exercise it

Saving Shareholders who do not participate in the approval of the resolution of the Special Meeting of the holders of the Saving Shares concerning the Mandatory Conversion, as they are absent, abstained or dissenting, will have the right of withdrawal. Indeed, the Mandatory Conversion is relevant for the purposes of Article 2437, paragraph 1, letter g), of the Civil Code, which recognizes the right of withdrawal in relation to resolutions concerning "*amendments to the by-laws concerning voting or participation rights*".

Saving Shareholders who have not participated in the approval of the relevant resolution of the Special Meeting may, therefore, exercise the right of withdrawal, for all or part of the Saving Shares held, within 15 (fifteen) days from the date of registration of the resolution with the Companies Register.

The main steps of the procedure, as governed by Articles 2437-bis et seq. of the Civil Code, are set out below:

(a) the right of withdrawal is exercised by sending a specific declaration, which must be sent within 15 (fifteen) days from the registration in the register of companies of the aforementioned resolution by: *(i)* sending a registered letter to the address TIM S.p.A., Corporate Affairs, Via Gaetano Negri no. 1, 20123 MILAN – Italy, or, alternatively, *(ii)* by certified e-mail from the certified e-mail (PEC) address of the withdrawing shareholder to the following certified e-mail (PEC) address assemblea.azionisti@pec.telecomitalia.it; in this regard, it should be noted that, pursuant to Article 43 of the Banca d'Italia-CONSOB

([22]) Calculated as the ratio between the number of pre-Conversion Ordinary Shares (including treasury Shares held directly and indirectly by the Company), equal to a total of 15,329,466,496 Shares, and the total number of Ordinary Shares resulting from the Conversion, equal to a total of 21,357,258,195 Shares.

Provision of 13 August 2018 (the "**Banca d'Italia-CONSOB Provision**"), the legitimacy to exercise the right of withdrawal pursuant to Article 2437 of the Italian Civil Code is certified by a communication from the intermediary to the Company. Therefore, Saving Shareholders who intend to exercise the right of withdrawal are required to request the intermediary which is authorized to keep accounts (*intermediario abilitato alla tenuta dei conti*) pursuant to applicable law to transmit the aforementioned communication to the Company, pursuant to Article 41 of the Banca d'Italia-CONSOB Provision;

(b) the Saving Shares for which the right of withdrawal has been exercised (the "**Saving Shares Subject to Withdrawal**") are made unavailable by the intermediary and, therefore, the Shareholder can no longer dispose of them until their liquidation;

(c) after the expiry of the deadline for exercising the right of withdrawal, the Directors must file the offer of the Saving Shares Subject to Withdrawal to all other Shareholders (whether they are holders of Ordinary Shares and/or Saving Shares) with the Companies Register in proportion the number of Shares held. The period for the option offer will last at least 30 (thirty) days from the filing of the offer with the Companies Register. Upon exercise of the option, the legitimated Shareholders will also be entitled, provided they request it at the same time of exercising the option, to exercise the right of pre-emption to purchase the Saving Shares Subject to Withdrawal that may have remained unopted (in its entirety, the "**Option and Pre-emption Offer**");

(d) if, as a result of the Option and Pre-emption Offer, certain Saving Shares Subject to Withdrawal remain unallocated, the Board of Directors will assess the opportunity to place such shares on the market (the "**Placement to Third Parties**"); and

(e) in the event of failure to fully place the Shares Subject to Withdrawal as a result of the Option and Pre-emption Offer and any Placement to Third Parties, the remaining Shares Subject to Withdrawal will be directly purchased by the Company using available reserves. Pursuant to Article 2437-quarter, paragraph 5, of the Italian Civil Code, the purchase by TIM may also take place by way of derogation from Article 2357, paragraph 3, of the Italian Civil Code, thus exceeding the limit of one fifth of the share capital.

Information relating to the methods and terms of exercising the right of withdrawal that cannot be defined at the date of this Report, including the date of registration of the resolution with the Companies Register, as well as detailed information on the terms and methods of exercising the right of withdrawal will be disclosed to the Shareholders of TIM, also pursuant to and for the purposes of Article 84 of the Issuers' Regulation, by means of a press release, as well as a notice published on the Company's website and in the newspaper "*Corriere della Sera*".

It should be noted that the effectiveness of the exercise of the right of withdrawal is subject to the fulfilment of the conditions to which the Conversion is subject, illustrated in Paragraph 10 above (including the Stop-Loss Condition and the Capital Reduction Condition). Therefore: *(i)* the liquidation of the Shares Subject to Withdrawal in favor of the Saving Shareholders who have exercised the right of withdrawal, as well as the transfer of the Saving Shares Subject to Withdrawal purchased as part of the liquidation procedure, will be subject to the fulfilment of these conditions; and *(ii)* in the event of failure to comply with one of the conditions precedent referred to in Paragraph 10 above, the Saving Shares Subject to Withdrawal will be made available again to their holders without charging any charges or expenses to them.

Saving Shareholders who exercise the right of withdrawal will not be able to adhere to the Voluntary Conversion and will not participate in the Mandatory Conversion, nor will they therefore be able to benefit from the Cash Component provided for the two hypotheses. The liquidation of the Saving Shares in respect of which the right of withdrawal will be exercised will take place before the start of the subscription period for the Voluntary Conversion and before the Mandatory Conversion.

18.B Liquidation value

The Board of Directors of TIM, during the meeting of 21 December 2025, set the liquidation value of the Saving Shares subject to withdrawal at Euro 0.5117 per Share.

The liquidation value was determined in accordance with the criterion set out in Article 2437-ter, paragraph 3, of the Italian Civil Code, *i.e.* by referring to the arithmetic mean of the closing prices in the 6 (six) months preceding the date of publication of the notice of call of the TIM Special Meeting of Saving Shareholders called to approve the Mandatory Conversion (*i.e.,* the period between 20 June 2025 and 19 December 2025).

19. Amendments to the By-Laws

In the event of approval and execution of the Conversion, *(i)* Article 6 of TIM's By-Laws will be deleted, with the consequent renumbering of Articles 7 et seq. of the By-Laws and adaptation of references to other articles in the text and *(ii)* Articles 5, 14, 18, 19 and 20 of the By-Laws will be amended as illustrated in the table below (which does not take into account the amendments to the By-Laws consequent to the Capital Reduction).

Current text of TIM's bylaws	Amended text of TIM's bylaws
ARTICLE 5 5.1 - The subscribed and paid-up share capital is equal to € 11,677,002,855.10, divided into no. 15,329,466,496 ordinary shares and no. 6,027,791,699 saving shares, all with no nominal value.	**ARTICLE 5** 5.1 - The subscribed and paid-up share capital is equal to € 11,677,002,855.10, divided into no. ~~15,329,466,496~~ **21,357,258,195** ordinary shares ~~and no. 6,027,791,699 saving shares~~, all with no nominal value.
ARTICLE 6 6.1 - Saving shares have the privileges referred to in this article. 6.2 - The net profits resulting from the duly approved financial statements, minus the portion to be allocated to the legal reserve (*riserva legale*), must be distributed to saving shares up to the amount of five per cent of €0.55 per share. 6.3 - The profits remaining after the preferred dividend established in the second paragraph has been allocated to the saving shares, the distribution of which is resolved upon by the Shareholders' Meeting, shall be distributed among all the shares in such a way that the saving shares are entitled to a total dividend increased by two per cent of €0.55 per share compared to that of the ordinary shares. 6.4 - When, in a financial year, a dividend lower than the amount indicated in the second paragraph has been allocated to saving shares, the difference shall be calculated as an increase in the preferred dividend in the following two financial years. 6.5 - In the event of distribution of reserves, saving shares have the same rights as other shares. Moreover, the Shareholders' Meeting called to approve the financial statements, in the event of absence or insufficiency of the net profits resulting from the financial statements themselves to satisfy the financial privileges referred to in the previous paragraphs, has the right to resolve to satisfy	~~**ARTICLE 6**~~ ~~6.1 - Saving shares have the privileges referred to in this article.~~ ~~6.2 - The net profits resulting from the duly approved financial statements, minus the portion to be allocated to the legal reserve (*riserva legale*), must be distributed to saving shares up to the amount of five per cent of €0.55 per share.~~ ~~6.3 - The profits remaining after the preferred dividend established in the second paragraph has been allocated to the saving shares, the distribution of which is resolved upon by the Shareholders' Meeting, shall be distributed among all the shares in such a way that the saving shares are entitled to a total dividend increased by two per cent of €0.55 per share compared to that of the ordinary shares.~~ ~~6.4 - When, in a financial year, a dividend lower than the amount indicated in the second paragraph has been allocated to saving shares, the difference shall be calculated as an increase in the preferred dividend in the following two financial years.~~ ~~6.5 - In the event of distribution of reserves, saving shares have the same rights as other shares. Moreover, the Shareholders' Meeting called to approve the financial statements, in the event of absence or insufficiency of the net profits resulting from the financial statements themselves to satisfy the financial privileges referred to in the previous paragraphs, has the right to resolve to satisfy~~

Current text of TIM's bylaws	Amended text of TIM's bylaws
the privilege referred to in paragraph 2 and/or the increase right (*diritto di maggiorazione*) referred to in paragraph 3 by distributing available reserves. The payment by means of reserves excludes the application of the carry-over mechanism in the following two financial years of the right to the preferential dividend not received through the distribution of profits, referred to in paragraph 4. 6.6 - The reduction of the share capital due to losses has no effect on the saving shares except for the part of the loss that is not covered by the fraction of capital represented by the other shares. 6.7 - Upon the dissolution of the Company, saving shares have pre-emption rights in the repayment of capital up to a maximum of €0.55 per share. 6.8 - If the Company's ordinary or Saving shares are excluded from trading, the saving shareholder may request the Company to convert its shares into ordinary shares, in accordance with the procedures resolved by the extraordinary Shareholders' Meeting called for this purpose within two months of the exclusion from trading. 6.9 - The organisation of saving shareholders is governed by law and by these By-Laws. The costs relating to the organisation of the special shareholders' meeting and the remuneration of the common representative shall be borne by the Company.	~~the privilege referred to in paragraph 2 and/or the increase right (*diritto di maggiorazione*) referred to in paragraph 3 by distributing available reserves. The payment by means of reserves excludes the application of the carry-over mechanism in the following two financial years of the right to the preferential dividend not received through the distribution of profits, referred to in paragraph 4.~~ ~~6.6 - The reduction of the share capital due to losses has no effect on the saving shares except for the part of the loss that is not covered by the fraction of capital represented by the other shares.~~ ~~6.7 - Upon the dissolution of the Company, saving shares have pre-emption rights in the repayment of capital up to a maximum of €0.55 per share.~~ ~~6.8 - If the Company's ordinary or saving shares are excluded from trading, the saving shareholder may request the Company to convert its shares into ordinary shares, in accordance with the procedures resolved by the extraordinary Shareholders' Meeting called for this purpose within two months of the exclusion from trading.~~ ~~6.9 - The organisation of saving shareholders is governed by law and by these By-Laws. The costs relating to the organisation of the special shareholders' meeting and the remuneration of the common representative shall be borne by the Company.~~
ARTICLE 14 14.1 – [*Unchanged*] 14.2 - Within the time and manner provided for the disclosure to the market, the common representative of the saving shareholders shall be informed by the Board of Directors or by persons delegated for this purpose on corporate transactions that may influence the performance of the share prices of such class.	**ARTICLE ~~14~~ 13** ~~14~~ **13.1** – [*Unchanged*] ~~14.2 - Within the time and manner provided for the disclosure to the market, the common representative of the saving shareholders shall be informed by the Board of Directors or by persons delegated for this purpose on corporate transactions that may influence the performance of the share prices of such class.~~
ARTICLE 18 18.1 – [*Unchanged*] 18.2 – [*Unchanged*] 18.3 - The special meeting of holders of saving shares is convened by the common representative of the saving shareholders, or by the Board of Directors of the company whenever they deem it appropriate, or when it is required to be convened in accordance with the law. 18.4 - The ordinary Shareholders' Meeting, the extraordinary Shareholders' Meeting and the special meeting of holders of saving shares shall meet, even in a place other than the registered office, provided that it is in Italy.	**ARTICLE ~~18~~ 17** ~~18~~ **17.1** – [*Unchanged*] ~~18~~ **17.2** – [*Unchanged*] ~~18.3 - The special meeting of holders of saving shares is convened by the common representative of the saving shareholders, or by the Board of Directors of the company whenever they deem it appropriate, or when it is required to be convened in accordance with the law.~~ ~~18.4~~ **17.3** - The ordinary Shareholders' Meeting~~,~~ **the** extraordinary Shareholders' Meeting ~~and the special meeting of holders of saving shares~~ shall meet, even in a place other than the registered office, provided that it is in Italy.
ARTICLE 19 19.1 - In compliance with current legislation, those entitled to vote at the Shareholders' Meeting of ordinary shares may exercise it ahead of the Shareholders' Meeting by correspondence or, if provided for in the notice of call and in the manner specified therein, electronically. 19.2 – [*Unchanged*]	**ARTICLE ~~19~~ 18** ~~19~~ **18.1** - In compliance with current legislation, those entitled to vote at the Shareholders' Meeting ~~of ordinary shares~~ may exercise it ahead of the Shareholders' Meeting by correspondence or, if provided for in the notice of call and in the manner specified therein, electronically. ~~19~~ **18.2** – [*Unchanged*]

Current text of TIM's bylaws	Amended text of TIM's bylaws
19.3– [*Unchanged*]	~~19~~ **18.3**– [*Unchanged*]
19.4 – In order to facilitate the expression of voting by proxy by shareholders holding ordinary shares employed by the Company and its subsidiaries associated with associations of shareholders that meet the requirements of the regulations in force on the matter, special spaces are made available to the associations that request them for communication and for the conduct of the of their business, at the terms and pursuant to the procedures established by the Board of Directors directly or through its delegates.	~~19~~ **18.4** – In order to facilitate the expression of voting by proxy by shareholders ~~holding ordinary shares~~ employed by the Company and its subsidiaries associated with associations of shareholders that meet the requirements of the regulations in force on the matter, special spaces are made available to the associations that request them for communication and for the conduct of the of their business, at the terms and pursuant to the procedures established by the Board of Directors directly or through its delegates.
ARTICLE 20	**ARTICLE ~~20~~ 19**
20.1 - The Chairman of the Board of Directors or any person acting on his behalf chairs the ordinary and extraordinary Shareholders' Meeting and regulates its conduct; the same function is carried out, in the special meeting of holders of saving shares, by the common representative. In the absence of the Chairman of the Board of Directors (and whoever acts on his behalf) or the common representative, the person elected with the vote of the majority of the capital represented at the meeting shall preside over the Shareholders' Meeting.	~~20~~ **19.1** - The Chairman of the Board of Directors or any person acting on his behalf chairs the ordinary and extraordinary Shareholders' Meeting and regulates its conduct~~; the same function is carried out, in the special meeting of holders of saving shares, by the common representative~~. In the absence of the Chairman of the Board of Directors (and whoever acts on his behalf) ~~or the common representative~~, the person elected with the vote of the majority of the capital represented at the meeting shall preside over the Shareholders' Meeting.
20.2 – [*Unchanged*]	~~20~~ **19.2** – [*Unchanged*]
20.3 – [*Unchanged*]	~~20~~ **19.3**– [*Unchanged*]
20.4 – [*Unchanged*]	~~20~~ **19.4** – [*Unchanged*]

20. Public information

This Explanatory Report is made available to the public under the terms and in the manner provided for by the applicable legal and regulatory provisions on TIM website (*www.gruppotim.it*, "*Investors – Shares – AGM and Meetings*" Section), as well as at the Company's registered office and the "1INFO" storage mechanism (*www.1info.it*).

The information necessary for participation in the Voluntary Conversion, including the period and procedures for exercising the conversion option, will be made available to the public at the latest on the trading day prior to the start of the exercise period of the Voluntary Conversion, pursuant to Article 72, paragraph 4, of the Issuers' Regulation. In addition, pursuant to Article 72, paragraph 5, of the Issuers' Regulation, the Company will give notice of the effective date of the Mandatory Conversion by the trading day prior to such date, by means of a notice issued in the manner provided for by the applicable legal and regulatory provisions.

* * *

Dear Shareholders

in consideration of the above, the Board of Directors invites the Special Meeting of Savings Shareholders of TIM to approve the following resolution proposal:

"*The Special Meeting of Savings Shareholders of Telecom Italia S.p.A.*

having examined the explanatory report of the Board of Directors, prepared pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998 and Articles 72 and 84-ter of the Regulation adopted with CONSOB Resolution No. 11971 of 14 May 1999, as well as in accordance with Annex 3A, Schedule No. 6, to the aforementioned Regulation

resolves

to approve, pursuant to Article 146, paragraph 1, letter (b), of Legislative Decree no. 58 of 24 February 1998, the mandatory conversion of savings shares, as part of the broader voluntary and mandatory conversion transaction submitted for approval to the extraordinary General Meeting of the Company called, in a single call, for January 28, 2026, expressly approving the relevant terms and conditions, including the provision that (i) the voluntary and mandatory conversion shall in any case be effective before the possible distribution of dividends for the 2025 financial year and (ii) pending such conversion, as far as may be necessary, the savings shares shall not benefit, as from (and with reference to the results of) the 2025 financial year, from any financial privileges that may be due to them according to the by-laws in force to date."

* * *

Milan, December 29, 2025

For the Board of Directors of TIM

Alberta Figari

(*Chairman of the Board of Directors*)