

# SHAREHOLDERS' MEETING OF 15 APRIL 2026



Report on remuneration policy  
and Compensation paid 2026

Pursuant to Article 123-bis of Legislative Decree No. 58 of 24 February 1998 (TUF)

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# Letter from the Chair of the Nomination and Remuneration Committee



**Paola Giannotti De Ponti**

*Chair of the Committee  
for appointments and remuneration*

Dear Shareholders,

As Chair of TIM's Nomination and Remuneration Committee, I am pleased to bring to your attention the Report on the remuneration policy for the year 2026 and on the remuneration paid during the 2025 financial year. This document, approved by the Board of Directors on 11 March 2026, does not constitute exclusively a regulatory requirement and/or an exercise in formal transparency, but represents the cornerstone of our strategy of constant dialogue and discussion with the investment community and the entire ecosystem of our stakeholders.

The 2025 financial year marked a milestone in the Group's evolutionary path, representing the first year of full and complete operation of the "new TIM" in its ServiceCo structure, following the historic network separation operation concluded in 2024. This structural change required the management to make an extraordinary commitment to give substance and speed of execution to the Business Plan. In this context, our remuneration policy has confirmed itself as an essential tool for directing managerial action towards sustainable growth objectives, while ensuring strict alignment between the results achieved and the economic recognition of top management.

Analyzing the results of the past year, it is clear that the Company has been able to maintain a constant focus on achieving the targets set, meeting the guidance communicated to the market for the fourth consecutive year. This goal, achieved in a complex competitive framework, testifies to the solidity of the transformation path undertaken. The commitment of the CEO and the entire management team is directly reflected in the performance that forms the basis for the final balance of the MBO 2025 incentive system. The results achieved in terms of increase in revenues from services, driven by the excellent performance of the Enterprise division and TIM Brasil, together with strict financial discipline aimed at operating efficiency and cash generation, were the decisive elements for the payment of bonuses. This evidence demonstrates the effectiveness of the "pay for performance" principle, ensuring that remuneration is always the tangible expression of real value creation for the Group.

An aspect that we consider equally substantial in our rewarding architecture is the structural integration of sustainability. We firmly believe that the value of a company is not measured only through economic and financial parameters, but also through its social and environmental impact. For this reason, we have confirmed ESG objectives for 2026 with a significant weight of 18% within short-term remuneration. This commitment translates into concrete actions aimed at decarbonizing our processes, reducing the gender pay gap and promoting digital inclusion, factors that we consider critical drivers of competitiveness in the long term. Our human capital remains the most valuable resource and the remuneration policy aims to enhance this asset, promoting the attraction and retention of the best talent necessary to face the technological challenges related to the Cloud and Artificial Intelligence.

The preliminary process that led to the definition of the remuneration policy for 2026 first confirmed the panel of Peers, considering it consistent with TIM's market positioning as a provider of digital services and solutions. The benchmark carried out on national and international best practices has allowed us to confirm a modern and competitive remuneration strategy, capable of responding to the demands of a global and constantly evolving labour market.

With regard to short-term incentives, we continue to propose objectives for the MBO system aimed at safeguarding the interests of all our stakeholders, starting with shareholders. With this in mind, we confirm the integration of metrics related to "Customer Experience" while maintaining the focus on the "Detractors" indicator introduced last year, as we are convinced that the reduction of dissent and the improvement of perceived quality are necessary conditions to ensure the sustainability of revenues over time.

At the same time, a new long-term Performance Share incentive plan is proposed for the three-year period 2026-2028, which proposes the same logic and structure as the previous 2025-2027 plan. This choice aims to consolidate the direct link between the management reward and the risk profile of shareholders, ensuring a total and lasting convergence of interests through instruments entirely based on financial instruments and confirming the desire of the Committee and the Board of Directors to maintain a high level of participation in the company's results for the senior management group. The goal remains to strengthen engagement and a sense of belonging through incentive tools linked to the growth in value of the stock over time

In conclusion, the Committee believes that the remuneration policy proposed for 2026 is not only aligned with the interests of shareholders, but constitutes an enabling factor for the pursuit of the ambitious objectives defined in the 2025-2027 Strategic Plan. The structure we are presenting to you takes into account the results of comparative analyses and the valuable insights collected during 2025 during the engagement phases with the main proxy advisors and institutional investors, whose voice represents a constant stimulus for us to improve our governance.

In sincerely thanking the colleagues of the Committee for their professionalism and dedication, and the Board of Statutory Auditors for their always punctual and constructive contribution, I trust in your support for the choices made. I thank you, also on behalf of the entire Board of Directors, for the trust and attention you will want to give to this document and to the vision of the future that it intends to support.

March 11, 2026

Paola Giannotti De Ponti

*Chair of the Nomination and Remuneration Committee*

# Foreword

This Report on the 2026 Remuneration Policy and 2025 Remuneration Paid (the "Report" or the "Remuneration Policy"), approved by the Board of Directors upon proposal of the Nomination and Remuneration Committee (the "Committee" or the "CNR"), illustrates:

- in the First Section, the Remuneration Policy adopted for 2026 by TIM S.p.A. for the remuneration of Directors, Statutory Auditors and Executives with Strategic Responsibilities, as well as the procedures used for the adoption and implementation of this policy; e
- in the Second Section, the implementation of remuneration policies and remuneration paid in the financial year 2025.

The Remuneration Policy described in the First Section refers to an annual period of time and has been prepared in line with the remuneration recommendations of the Corporate Governance Code, approved by the Corporate Governance Committee of Borsa Italiana.

This report is made available to the public at the registered office of TIM (in Milan, Via Gaetano Negri, 1), as well as on the website of the TIM [Group | Telecom Italia Shareholders' Meeting – 15 April 2026](#) and on the authorised storage mechanism "1info" ([1info.it](#))

## Executive summary

The summary of the Remuneration Policy, defined in line with the resolutions of the Shareholders' Meeting adopted in 2025 and on the basis of the investigation conducted by the Committee, is presented below.

### What's new compared to 2025

The Remuneration Policy, in order to ensure constant improvement and alignment with the most consolidated market practices, to incorporate the indications of proxy advisors and to be adapted to regulatory developments, proposes the following main new elements:

- the desire to pursue the alignment of management's interests with the medium-long term objectives of the TIM group, proposing a new LTI Performance Share 2026-2028 plan (the "2026-2028 LTI Plan") which, in line with the new strategic plan, confirms the great attention to the creation of value for shareholders and sustainability issues, aligning the payout curve with the median of market comparables, in order to strengthen the incentive effectiveness of the system vis-à-vis the Chief Executive Officer, managers with strategic responsibilities (the "Managers with Strategic Responsibilities") as well as the other recipients of the 2026-2028 LTI Plan;
- the weighting of the MBO 2026 scorecard has been revised, with the weight attributed to sustainability objectives aligned with the market median;
- andevolution of the 2026 MBO architecture through a closer correlation between performance targets and the results of individual business segments, in order to strengthen managerial accountability and ensure alignment between rewards and the perimeter of effective management responsibility;
- the disclosure on the alignment of Sustainability performance indicators in short- and long-term incentive systems with the pillars of the plan has been enriched;
- The disclosure has been further expanded with additional information relating to the engagement process with shareholders, investors and relevant non-shareholder stakeholders.

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The Remuneration Policy is essentially divided into the following components:

- Fixed Remuneration
- Short-term Variable Remuneration
- Long-term Variable Remuneration
- Benefits and Welfare

the fundamental elements of which are summarized below.

Remuneration element	Objectives and characteristics	Description	Economic values
<b>Fixed remuneration</b>	<p>Appreciating the breadth and strategic nature of the role covered, attracting and retaining resources with high managerial skills, anchoring the value to the reference market.</p>	<p>For 2026, the orientation to progressively align the positioning in order to be consistent with the characteristics, responsibilities and any delegations associated with the role is confirmed.</p> <p>The Company constantly monitors the main market practices for comparable figures in order to ensure the consistency and competitiveness of the remuneration offered to its top management roles.</p>	<p><b>PRESIDENT:</b> € 600,000 gross per year total.</p> <p><b>CHIEF EXECUTIVE OFFICER / GENERAL MANAGER:</b> € 1,400,000 total gross per year</p> <p><b>EXECUTIVES WITH STRATEGIC RESPONSIBILITIES (DRS):</b> commensurate with the role held, with reference to the market median.</p>
<b>Short-term variable remuneration (MBO)</b>	<p>Supporting the achievement of annual corporate results, through the articulation of challenging and transversal objectives across the entire organization, ensuring sustainability in the medium to long term and <b>greater alignment between the interests of management and the objective of creating value for shareholders.</b></p> <p>The target value of the incentives is commensurate with the fixed component, according to diversified proportions depending on the role held.</p>	<p>The value of the MBO depends on the achievement of economic, financial and sustainability objectives established by the Board of Directors, as well as on individual performance parameters assigned to each beneficiary in line with the role held.</p> <p>It is aimed at motivating and directing management's action in the short term, in line with the Company's financial, operational and non-financial objectives, on the basis of predetermined and measurable parameters.</p> <p>It also intends to promote the achievement of the annual objectives envisaged, with an important focus on sustainability in the medium to long term, through a specific deferral mechanism and connection with the value of the Company.</p> <p><b>CEO/CEO OBJECTIVES</b></p> <ul style="list-style-type: none"> <li>&gt; TIM Group EBITDA After Lease Reported (Gate)</li> <li>&gt; TIM Group Equity Free Cash Flow After Lease</li> <li>&gt; TIM Group Net Financial Position After Lease</li> <li>&gt; TIM Group Revenues Reported</li> <li>&gt; ESG objectives: <ul style="list-style-type: none"> <li>o 4Q26 Detractor Percentage</li> <li>o <i>Environment:</i> Launch of the Group's environmental transition plan</li> <li>o <i>Social:</i> Hiring women out of total TIM Domestic hires</li> </ul> </li> </ul> <p><b>DRS OBJECTIVES:</b></p> <p>In addition to the economic and financial objectives consistent with the scope managed, there are specific objectives and ESG objectives.</p>	<p><b>PRESIDENT:</b> not provided for</p> <p><b>CHIEF EXECUTIVE OFFICER / GENERAL MANAGER:</b> gross target value equal to 100% of Fixed Remuneration.</p> <p><b>DRS:</b> gross target value equal to 50% or 75% of Fixed Remuneration depending on the role.</p> <p><b>PAYOUT LEVELS:</b></p> <ul style="list-style-type: none"> <li>&gt; Minimum: 50% of target</li> <li>&gt; Target: 100% of target</li> <li>&gt; Maximum: 150% of target</li> </ul> <p><b>MBO REDUCTION:</b></p> <p>Multiplication factor up to a maximum of -10% on the total payout, linked to the failure to carry out corrective actions/remediation plans defined with the Control Functions. This factor does not apply to the CEO.</p>
<b>Long-term variable interest</b>	<p>The long-term variable component of remuneration is aimed at promoting alignment between the interests of management and shareholders in the long term, through participation in business risk.</p>	<p>For 2026, subject to approval by the Shareholders' Meeting, the activation of a Performance Share Plan with a three-year vesting period is envisaged, followed by a 2-year lockup period for 50% of the shares allocated, net of the "sell to cover" portion.</p> <p>Performance indicators:</p> <ul style="list-style-type: none"> <li>&gt; <b>TIM Group EBITDA After Lease - Cumulative reported CAPEX</b> in the three-year period 2026-2028 (€ million)</li> <li>&gt; <i>Environment:</i> <b>Penetration of 5G traffic</b> (lever of eco-efficiency of the mobile network) at the end of 2028</li> <li>&gt; <i>Social:</i> <b>Increase in the average AI Literacy value</b> of the TIM SpA population involved, at the end of 2028</li> <li>&gt; <b>TSR performance compared</b> to European peers</li> </ul>	<p><b>PRESIDENT:</b> not provided</p> <p><b>CHIEF EXECUTIVE OFFICER/GENERAL MANAGER:</b> gross target <i>pay opportunity value</i> equal to 100% of the Fixed Remuneration and a maximum of 130% of the Fixed Remuneration.</p> <p><b>DRS:</b> gross target <i>pay opportunity value</i> equal to 75% of the Fixed Remuneration and a maximum of 97.5% of the Fixed Remuneration.</p>

<b>Severance and Non Competition</b>	It regulates the indemnity to be paid in the event of early termination of the directorship relationship or termination of the employment relationship, in the absence of just cause for dismissal.	The severance clause may be associated with a non-competition clause, depending on the relevance and strategic nature of the role held, for a maximum period of one year calculated on fixed remuneration. The amount attributable is in line with the principle of measurability recommended by the Corporate Governance Code	<b>PRESIDENT:</b> not provided <b>EXECUTIVE DIRECTORS:</b> not exceeding 24 months' remuneration. <b>DRS:</b> treatments provided for by law and CCNL.
<b>Clawback</b>	Contractual mechanism that allows the recovery of variable remuneration as a result, among other things, of wilful or grossly negligent conduct or in the event of an error in the formulation of the figure that has led to a restatement of the Financial Statements. It can be activated within 60 months following disbursements.		It applies to all recipients of variable incentives, with appropriate adjustments.
<b>Benefits and Welfare</b>	Services offered to all (welfare) or in relation to the role held (benefits) functional to increasing individual and family well-being from an economic and social point of view.	Benefits and welfare services are defined in substantial continuity with last year's policy.	<b>PRESIDENT:</b> not provided  <b>CHIEF EXECUTIVE OFFICER/GENERAL MANAGER AND DRS: recipients</b> , by analogy with the rest of the management.

The Directors (including the Chair and with the exception of the CEO) and the Statutory Auditors receive only the remuneration for the office in a fixed amount, in addition to the reimbursement of expenses incurred in the exercise of their function. The Company has also taken out a professional risk policy extended to all its Directors & Officers (including Statutory Auditors).

#### What we do

- Salary Review rolling during the year, as a tool for attracting and retaining resources with high managerial skills, in compliance with economically sustainable business management
- Variable incentive plans with predetermined and measurable financial and non-financial objectives, in line with the strategic plan
- Long-term incentive performance periods of not less than 3 years
- Clawback clauses in the event of error, intent or gross negligence

#### What we do not do

- Salary levels above market benchmarks
- Variable remuneration for non-executive directors
- One-time or discretionary bonuses for executives with strategic responsibilities
- Variable remuneration not linked to performance
- Over-value benefits

## Alignment between remuneration policy and corporate strategy

The strategic objectives for 2026 (already communicated to the market), and for the years 2027 and 2028 (which will eventually be updated and then communicated to the market at the Capital Markets Day scheduled for the second half of 2026) point to significant growth in turnover, profitability and cash generation. These objectives are part of an uncertain macroeconomic framework due to international tensions, and a national telecommunications market that in turn remains extremely competitive although in marginally positive evolution.

The targets continue in continuity with the previous plan, referring to the same perimeter of the 2025-2027 plan communicated in February 2025, which excludes Sparkle (subject to sale in the first half of 2026). In particular, they take into account the new starting point, with structurally reduced debt after the sale of Netco, while maintaining ambitious growth targets in the domestic and Brazilian markets and the return to shareholder remuneration. Specifically, a share buyback transaction for 400 million euros is envisaged, to be authorized at the shareholders' meeting after the conversion of savings shares into ordinary shares, by the first half of 2026.

The key elements of the company's strategy can be summarized along three main lines:

- > Revenue growth in the domestic market, thanks to the boost from TIM Enterprise and the stabilisation of retail revenues from TIM Consumer, and in Brazil
- > Improved profitability thanks to TIM Consumer's Transformation initiatives and TIM Enterprise's margin optimisation, and TIM Brasil's EBITDA growth above inflation
- > Focus of investments on the 5G network, the customer platform and innovative technologies for Enterprise (AI, data centers, and digital sovereignty), 5G network, IoT (Internet of things) and infrastructure development in Brazil

In this context, the Remuneration Policy supports the achievement of the guidelines defined in the corporate strategy by promoting, through the balancing and selection of the performance parameters of the incentive systems, the alignment of management's interests with the objectives of creating value for shareholders and the sustainable success of the company in the medium to long term.

The Committee ensures that the objectives assigned to the CEO and management correctly reflect the medium-long term priorities defined by the Board of Directors and contained in the Strategic Plan.

With regard to the annual horizon, the Committee envisaged the maintenance of an articulated and balanced framework of objectives, complementary to each other, aimed

on the one hand at ensuring the profitability of the TIM Group and the implementation of the country's digitalisation process, and on the other hand at enhancing the strategic importance of customers and employees.

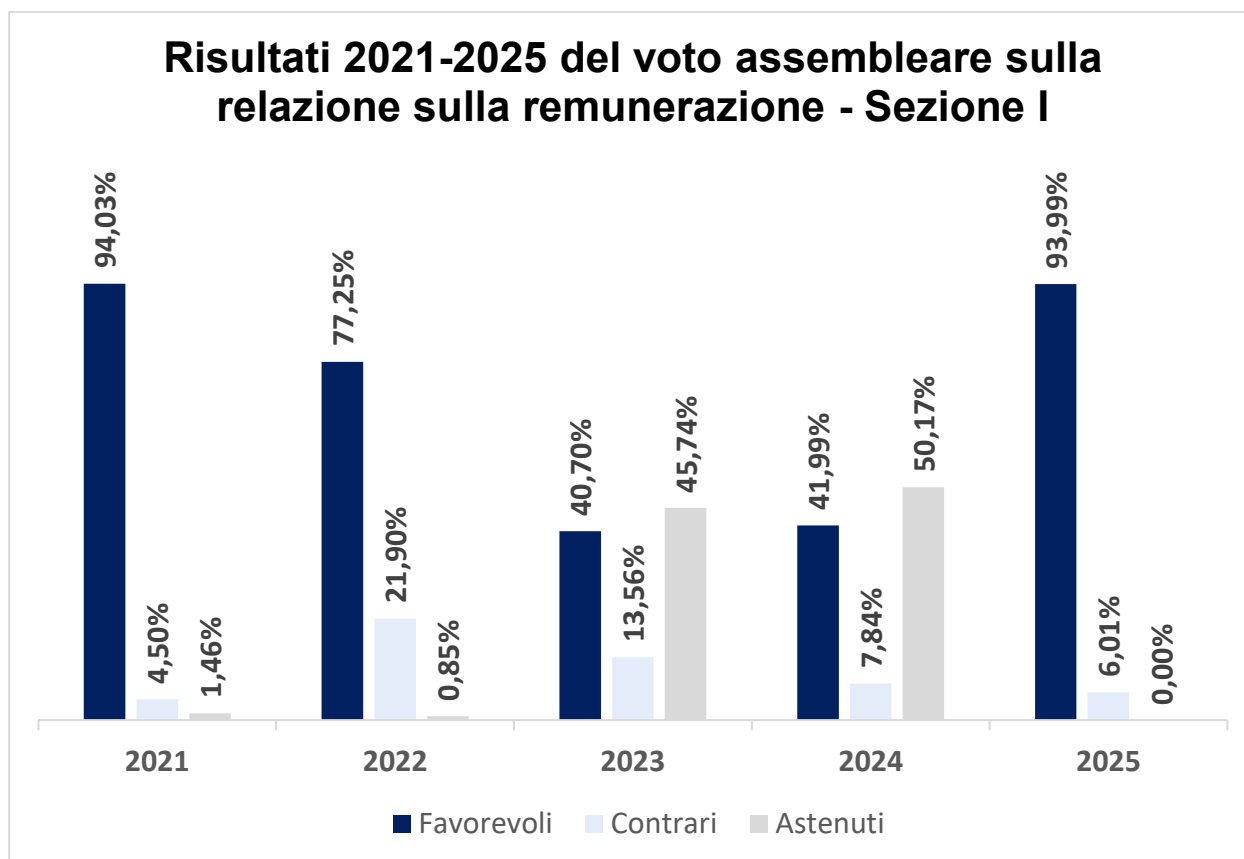
The Company's growing commitment to sustainability issues is consistently applied in the remuneration policy of recent years: also for 2026, the presence in the incentive systems of targets related to the impact of corporate activities on the environment, customer satisfaction and the gender pay gap is confirmed.

In line with the guidelines of the Strategic Plan, TIM promotes a data-driven business model, in which the use of Artificial Intelligence and analytics tools is an enabling lever for the automation and digitization of processes, the improvement of the quality of customer service and the creation of value, also contributing to the transformation and efficiency of the cost model.

In this context, the Remuneration Policy supports the responsible adoption of Artificial Intelligence through the integration of specific objectives into incentive systems, providing in the LTI 2026-2028 Plan a "Social" indicator aimed at measuring the increase in AI Literacy of the corporate population, as an enabling factor for the development of distinctive skills, the attraction and enhancement of talent and the conscious governance of change technological technology.

## Progress of the results of the votes on the Remuneration Report

The following table shows the performance of the results of the votes on the Remuneration Report – Section I, in the period 2021 - 2025, calculated on the shares for which the vote was cast.



*Shares for which the vote was cast (% of participation)*

2021	2022	2023	2024	2025
58,84%	57,76%	53,39%	50,77%	54,70%

The Company has taken note of the results of the 2025 Shareholders' Meeting vote, which show a clear improvement compared to previous years and a higher level of consensus than in previous years, in line with the Company's expectations. In this context, the Company conducted an in-depth analysis of the main reasons that emerged, renewing its commitment to incorporate the indications formulated by investors and proxy advisors and to continue on the path of strengthening the transparency of disclosure and communication to the market, also with a view to constant dialogue with its stakeholders.

## Engagement process

TIM has always considered dialogue with relevant stakeholders, including those other than investors, the main recipients of the Remuneration Policy, to be extremely important, in order to achieve constant improvement through the adoption of market best practices and the incorporation of indications from its shareholders and proxy advisors.

With reference to dialogue with investors, since 2020 TIM has adopted a specific Engagement Policy that defines the internal parties entitled to dialogue and the related support procedures. The subject of engagement are mainly the issues of strategy, financial and non-financial performance, risks, environmental, social and governance issues, and progress of the ESG plan.

On behalf of TIM, the meetings are attended by the Chair of the Board of Directors and the Chairwoman of the Committee, with the support of the Group's Investor Relations function.

# SECTION I

## REMUNERATION POLICY 2026

### Parties involved and procedures used in the Remuneration Process

#### *Foreword*

The remuneration policy for the members of the Board of Directors, the members of the Supervisory Body (Board of Statutory Auditors), as well as the General Manager and other Managers with Strategic Responsibilities, is defined in accordance with the provisions of the law and the Articles of Association.

In general, the remuneration policy is approved by the Board of Directors, upon proposal of the Committee, and is submitted to the Shareholders' Meeting for examination, which, starting from 2020, is called upon to express its opinion on the matter with a binding vote, with the frequency required by the duration of the same and in any case at least every three years, or in the event of changes.

To this end, the remuneration policy is illustrated in the first section of the "Report on the remuneration policy and remuneration paid", which must be made available to the public in the twenty-one days prior to the date of the annual shareholders' meeting (Article 123-ter, paragraph 1, of Legislative Decree no. 58/1998, "Consolidated Finance Act" or "TUF").

TIM values dialogue with its shareholders and institutional investors on remuneration issues, aware of the importance of shareholder involvement both in defining and verifying the implementation of the remuneration policy for Directors and Executives with Strategic Responsibilities.

### Subjects involved

The remuneration policy involves the following bodies:

#### Shareholders' Meeting

- Determines the remuneration of the Board of Directors as a whole (with the exception of Directors with special offices), the Statutory Auditors and the Chair of the Board of Statutory Auditors
- Expresses a binding vote on the First Section and a non-binding vote on the Second Section of the Report on the remuneration policy and remuneration paid
- Approves remuneration plans based on the allocation of financial instruments.

## Board of Directors

- › Defines and updates the remuneration policy over time, also approving exceptions to the same, in the event of exceptional circumstances
- › Resolves on the allocation of the remuneration determined by the Shareholders' Meeting for the Board of Directors (when established in a total amount for the body as a whole)
- › Determines the remuneration of Directors who hold special offices
- › Defines the objectives and performance targets of the Executive Directors and assesses their achievement with regard to the short- and long-term incentive systems
- › Defines the remuneration of the heads of the control functions (Audit and Compliance)
- › Formulates proposals to the Shareholders' Meeting on remuneration plans based on the allocation of financial instruments
- › It prepares the Report on the remuneration policy and remuneration paid.

In order to ensure that the choices made regarding remuneration are adequately instructed, the Board of Directors avails itself of the support of the Committee.

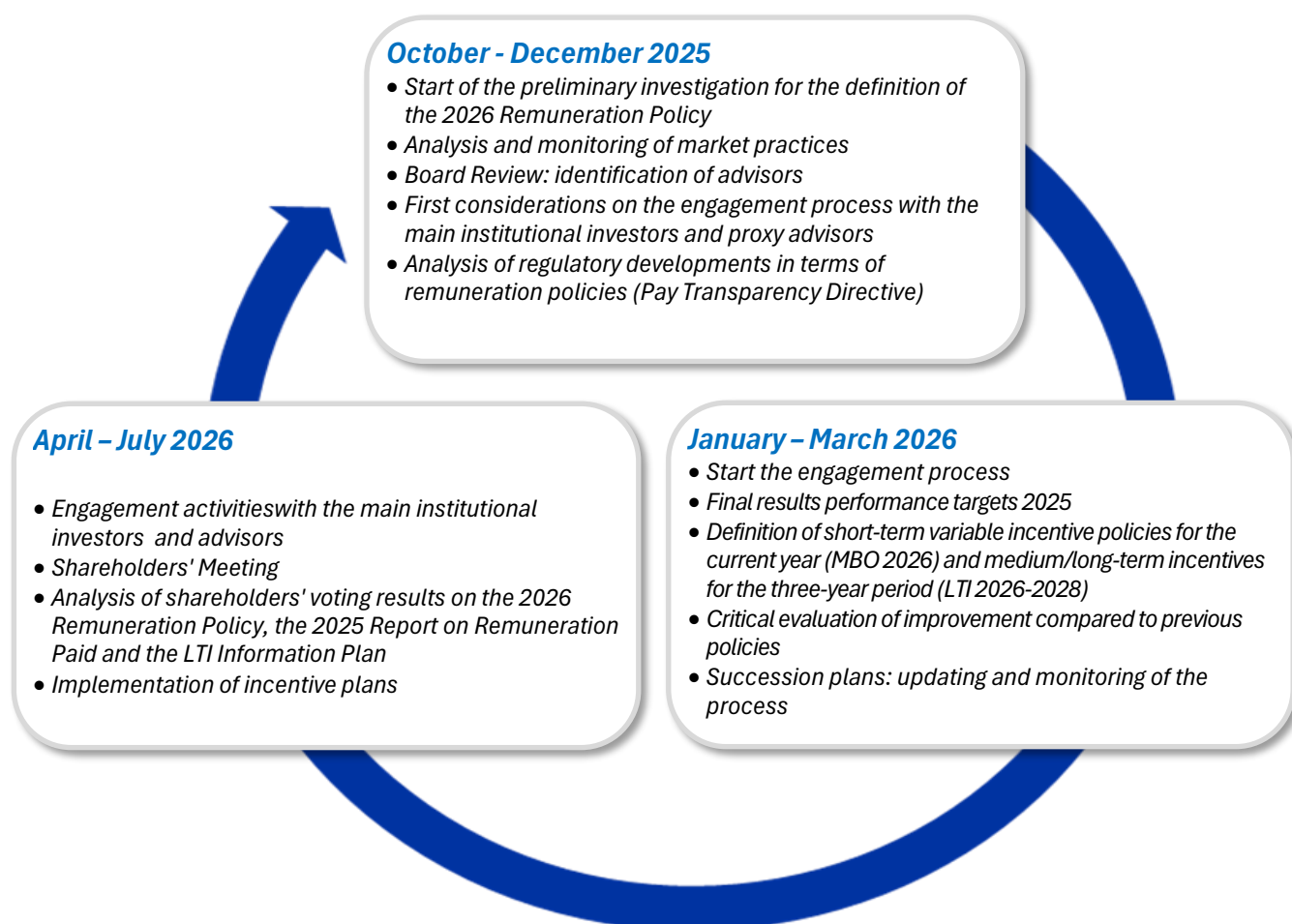
## Nomination and Remuneration Committee

- › Proposes to the Board of Directors the criteria for allocating the total remuneration established by the Shareholders' Meeting for the Board as a whole, as well as the remuneration of Directors with special offices
- › It examines, with the support of the Chief Human Resources & Organization Function, the policy for the remuneration of the managerial population, with particular regard to Executives with Strategic Responsibilities
- › Prepares proposals to the Board of Directors for remuneration plans based on financial instruments
- › It assesses the adequacy, concrete application and consistency of the remuneration policy, also with reference to the actual company performance, formulating suggestions and any proposals for corrections
- › It prepares the architecture of the objectives and performance targets linked to the variable incentive system and ascertains the level of achievement of the objectives set out in the short and long-term variable incentive plans of the Executive Board, in application of the measurement criteria established at the time of assignment
- › Examines proposals for temporary derogations from the remuneration policy in the event of exceptional circumstances
- › He follows the evolution of the regulatory framework and market best practices in the field of remuneration, gathering ideas for the design and improvement of remuneration policy

- The Chief Executive Officer will update the replacement tables of the company management
- It shall agree in advance with the Chief Executive Officer on decisions regarding the appointment of managers reporting directly to it and shall express opinions on the proposals for the appointment by the Chief Executive Officer of executive directors (or equivalent) and non-executive directors and members of the Board of Statutory Auditors of the current or future subsidiaries identified by the Board as strategic
- It calls for the adoption and implementation of measures to promote equal treatment and opportunities between genders within the company organisation

For the composition, specific activities carried out and operating methods of the Committee, please refer to the provisions of its Regulations, available on the website [www.gruppotim.it](http://www.gruppotim.it), The Group section, Governance Tools-Regulations channel.

The cycle of the main activities that characterise the Committee's work in the period between September 2025 and July 2026 is illustrated below:



## Board of Statutory Auditors

The Board of Statutory Auditors formulates the opinions required by current legislation on the remuneration proposals for Directors who hold special offices, pursuant to art. 2389, paragraph 3, of the Civil Code. Pursuant to the Company's Corporate Governance Principles, it also expresses its opinion on the remuneration of the heads of control functions, which are determined by the Board of Directors with the assent of the Control and Risk Committee.

## Policy Waiver Procedure 2026

### Foreword

TIM, in accordance with the provisions of art. 123-ter, paragraph 3-bis of the TUF, in the presence of exceptional circumstances that may compromise the long-term interests of the sustainability of the Company as a whole or to ensure the ability to stay on the market, reserves the right to temporarily derogate from the remuneration policy recently approved by the shareholders as described below.

### Areas of application

The elements of the remuneration policy subject to any derogation are the short- and long-term variable components.

### Mechanisms

It is possible to provide:

*the revision of short-term variable incentive systems (MBO) and long-term (LTI). This change may concern the performance objectives, including the Gate where applicable, only in the presence of supervening elements that were not foreseeable at the time of the launch of the respective incentive systems and which do not depend on managerial performance, but on: (i) substantial changes in the organisational perimeter and/or corporate activities; (ii) exogenous factors that have had a substantial impact on the reference market and/or on the competitive environment, or on the financial markets; (iii) any other extraordinary and unforeseeable event capable of substantially altering the operating conditions and the ability to achieve the objectives. In the event of a revision, the bonus that will be finalized must always be at the minimum level of each of the objectives, if achieved. The sterilization of performance indicators, as per the measurement criteria of the various indicators established ex ante by the Board of Directors, do not pertain to this case and therefore do not fall within the exceptions regulated herein.*

*the definition of an additional extraordinary incentive system on key roles and people. This provision is linked to circumstances of the same type as those referred to in the previous paragraph, but with structural or medium/long-term effects, in*

*order to ensure attraction, retention and recognition on the one hand and the Company's competitiveness on the other.*

### **Process**

The Nomination and Remuneration Committee, on its own initiative or at the request of the Chief Executive Officer, will launch an investigation in order to provide the Board of Directors with in-depth information on the conditions for activating the waiver and the consequent impacts.

Any exceptions will be approved by the Board of Directors, upon proposal of the Committee, with a reasoned resolution and following the Procedure for carrying out transactions with TIM's related parties. In particular, the investigation must demonstrate that the derogation procedure is based on the principles of fairness and interest for the Company.

## **GUIDELINES AND TOOLS OF THE 2026 REMUNERATION POLICY**

In general, TIM's remuneration policy is aimed at supporting the achievement of the guidelines defined in the Company's Strategic Plan, while ensuring the company's competitiveness on the labour market and its ability to attract, retain and motivate people.

For both the CEO and the Executives with Strategic Responsibilities, the remuneration structure provides for an adequate balance between the fixed and variable components.

The 2026 remuneration policy aims to:

- adopt an adequate balance of the performance parameters of the short- and long-term incentive systems to achieve the Company's strategic objectives
- make the company attractive on the talent market with particular reference to young people
- support people engagement
- protect the principles of internal equity, including gender equity
- safeguarding consistency at Group level, while taking into account the diversity of the reference markets.

The Company has defined its Remuneration Policy with the support of the independent consultant WTW, confirming a reference remuneration benchmark, for both the fixed and variable components, applicable to the main governance figures, including the Chief Executive Officer and the Chair. To this end, a peer group has been confirmed consisting of companies comparable in terms of sector, size and organisational complexity, shown

in the table below, whose remuneration practices have been carefully analysed in order to ensure alignment with market dynamics and with the standards adopted at national and international level.

The selection of the peer group was carried out following a rigorous process, which took into account not only objective parameters of homogeneity and representativeness, but also the guidelines provided by the main proxy advisors and financial analysts, so as to ensure that the remuneration structure is consistent with the best practices in the field of governance and remuneration adopted by the reference companies in the market landscape.

Reference PEER		
Acciona	Lottomatica	Pirelli
Amplifon	Maire	Proximus
Bechtle AG	Nexi	Swisscom
Brembo	Orange	Telia Company
Koninklijke KPN	Orsted	Vodafone

After illustrating the mechanisms for the realization of market salary benchmarks, the components of individual remuneration are analyzed below:

- Fixed Remuneration (the only form of remuneration provided for Directors without particular powers, the Chair of the Board of Directors and the Statutory Auditors)
- Short-term Variable Remuneration
- Long-term Variable Remuneration
- Benefits and Welfare.

The integration of the various remuneration components makes it possible to appropriately balance monetary and non-monetary instruments, with the dual objective of strengthening recipient engagement and complying with the criteria of economic sustainability.

**Fixed remuneration**

With reference to management, the breadth and strategic nature of the role held are measured through recognized and certified systems for evaluating (weighting) positions. TIM annually verifies its remuneration positioning through market benchmarks that analyse both the national and international context.

The need to ensure economically sustainable business management involves a selective approach in determining eligibility for salary increases which, in continuity with the previous year, will be reserved for resources with high potential and particularly significant performance.

In particular, for 2026, the orientation to progressively align individual remuneration positioning with market practices, through differentiated methods, is confirmed. In the

case of resources with high seniority, strong market exposure, relevance of the position held and strategic know-how – which includes Executives with Strategic Responsibilities – the objective of aligning remuneration with the median values of the reference market was achieved.

In line with the company's current guidelines, particular attention is paid to the issues of the Gender Pay Gap and the engagement of young people.

### **Short-term variable remuneration**

The short-term incentive system is also intended, among other beneficiaries, for the Chief Executive Officer and Executives with Strategic Responsibility. It makes it possible to monitor and measure the performance of the Company/Group and the beneficiaries, directing management actions towards sustainable strategic guidelines consistent with the priorities set by the Company. The 2026 short-term variable incentive system is confirmed to be substantially in continuity with previous years, with some refinements described below:

- › the presence of a Gate incentive target is confirmed, consisting of the TIM Group EBITDA After Lease indicator (reported);
- › the multiplication factor on the pay-out linked to the failure to carry out corrective actions/remediation plans defined with the Control Functions is confirmed, which provides for a penalty equal to 2% of the incentive for each deficiency found and not remedied, with a maximum of 10%. This penalty applies to Executives with Strategic Responsibilities, with the exception of the Chief Executive Officer, and to all other managers who are recipients of the incentive system;
- › the correlation between performance targets and the results of individual business segments is strengthened, in order to increase managerial accountability and ensure alignment between rewards and the perimeter of effective management responsibility.

### *Architecture for CEO and DRS*

#### **CHIEF EXECUTIVE**

The Board of Directors, upon proposal of the Committee, defines the short-term objectives of the Chief Executive Officer, aimed at measuring the Group's economic, financial and operating performance, also including sustainability parameters.

For the year 2026, the Board of Directors, upon proposal of the Committee, has provided for the assignment of the following objectives and related weights.

The outline of objectives is broken down as follows:

- › business objectives of an economic-financial nature;
- › Environmental, Social & Governance objective, consisting of sub-objectives.

**Objectives**

For the Chief Executive Officer, the TIM Group EBITDA After Lease (reported) target represents the Gate target.

The other macro-economic targets consist of: TIM Group Equity Free Cash Flow After Lease, TIM Group Net Financial Position After Lease, TIM Group Revenues Reported. There are also three sustainability goals, with an overall weight of 18%.

The aforementioned objectives are independent of each other and measured individually: it is therefore possible to have different combinations of the levels of achievement of the objectives for the evaluation of which the linear interpolation mechanism between the minimum, target and maximum target levels will be used.

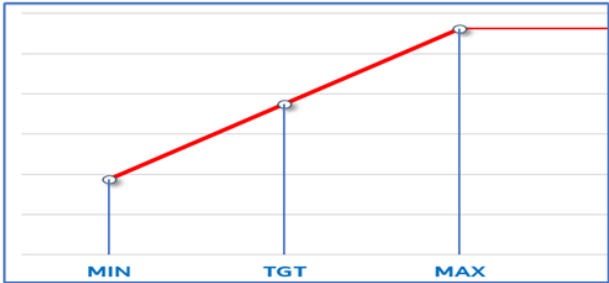
**Payout Scale**

The payout scale used to determine the accrual of the bonus linked to the CEO's objectives is as follows:

- > an incentive equal to 50% of the total fixed remuneration to be paid upon reaching minimum performance levels.
- > an incentive equal to 100% of the total fixed remuneration, to be paid upon reaching the target performance levels;
- > an incentive equal to 150% of the total fixed remuneration to be paid upon reaching the maximum performance levels;

No incentive is provided below the minimum level of performance.

Objective Levels	Minimum	Target	Maximum
Payout (% Base Salary)	50%	100%	150%



**EXECUTIVES WITH STRATEGIC RESPONSIBILITIES**

The Board of Directors, upon proposal of the Committee, has also adopted the guidelines for the short-term remuneration policy for Executives with Strategic Responsibilities, deemed adequate and consistent with the remuneration policy adopted by the Company.

**Objectives**

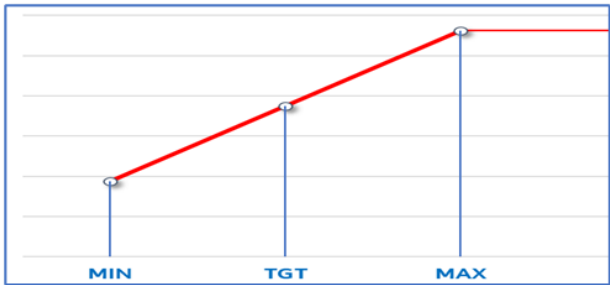
For Line I, which also includes Executives with Strategic Responsibilities, the TIM Group EBITDA After Lease (reported) target represents the Gate target.

In addition, there are functional objectives, in line with the perimeters managed, as well as specific objectives set out in the Chief Executive Officer's profile.

**Payout Scale**

The payout scale used to determine the accrual of the premium linked to the DRS objectives may vary depending on the functions performed on the basis of the following curve:

- > No incentive is provided below the minimum performance level
- > an incentive that at the minimum performance level varies from a minimum of 25% to a maximum of 37.5% of the total fixed remuneration (depending on the role)
- > an incentive that at the performance target level varies from a minimum of 50% to a maximum of 75% of the total fixed remuneration (depending on the role)
- > an incentive that at the maximum performance level varies from a minimum of 75% to a maximum of 112.5% of the total fixed remuneration (depending on the role)



Objective Levels	Minimum	Target	Maximum
Payout (% target opportunity)	50%	100%	150%

**Clawback**

The clawback clause applies to all executives who are recipients of the short-term managerial incentive system (MBO).

**MBO reduction**

The possibility of reducing the payment of the MBO bonus (with the exception of the CEO) in certain cases is envisaged: in fact, the multiplication mechanism of the payout linked to the failure to carry out corrective actions/remediation plans defined with the Control Functions is confirmed, which provides for a penalty equal to 2% of the incentive for each deficiency found and not remedied (with a maximum of 10%).

### *Option to pay the premium to Fontedir*

Also for 2026, Executive staff will be able to choose between the payment of the accrued bonus on the payroll and the payment of the amount – in whole or in part – to the Fontedir supplementary pension fund, thus benefiting from a more favourable contribution treatment, without additional charges for the Company.

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### **OTHER FORMS OF SHORT-TERM VARIABLE REMUNERATION**

In addition, the Company reserves the right to pay one-off bonuses to managers other than Executives with Strategic Responsibilities related to extra effort and particularly significant performance, not already remunerated through the MBO system.

### **Long-term variable remuneration**

The Long Term Incentive component is aimed at ensuring greater alignment between shareholder value creation and management, through the assignment of financial objectives aimed at measuring corporate profitability, objectives linked to the performance of the stock market value as well as non-financial objectives relating to sustainability.

For the three-year period 2026-2028, the LTI component of the Remuneration Policy is based on the 2026-2028 LTI Plan which, according to the relevant Information Document submitted for approval by the Shareholders' Meeting of 15 April 2026, provides for the free assignment of shares of the Company to, among other things, the Chief Executive Officer, the Executives with Strategic Responsibilities depending on the responsibilities assigned and the impact on the company's results. The 2026-2028 LTI Plan provides for the assignment of a maximum number of shares calculated on the basis of the performance achieved, a three-year vesting and a subsequent two-year lock-up on 50% of the shares assigned (net of those necessary to support tax charges).

The performance parameters, which are independent of each other and selected as indicators that are immediately understandable both for the market and for the incentivized population, are illustrated in the following table:

- **TIM Group EBITDA After Lease - Cumulative reported CAPEX** in the three-year period 2026-2028
- **Environment:** Penetration of 5G traffic (lever of eco-efficiency of the mobile network) at the end of 2028
- **Social:** Increase in the average AI Literacy value of the TIM SpA population involved, at the end of 2028
- **TSR** performance compared to European peers

### *Plan architecture*

- **Type:** performance share

- › **Vesting Part:** three-year period, from 1 January 2026 to 31 December 2028
- › **Assignment:** The plan provides for the assignment of rights to receive ordinary shares of the Company, with the assignment of the same, to the extent of 100% of those accrued, at the end of the vesting period; subsequently, a lock-up restriction will be applied to 50% of the shares assigned, net of any sales made to meet tax obligations (so-called sell to cover)

### *Performance conditions*

- › Economic and financial indicator consisting of TIM Group EBITDA After Lease - CapEX cumulated in the three-year period 2026-2028 (reported values), weight 50%
- › ESG indicator (weight 30%), divided into two sub-objectives:
  - 5G traffic penetration (mobile network eco-efficiency lever), as of December 2028, weight 15%
  - Increase in the average AI Literacy value of the Tim SpA population involved as of 31.12.2028, weight 15%
- › TSR performance compared to peers<sup>24</sup>, weight 20%

**TIM Group EBITDA After Lease - CAPEX target:** the target target is calculated as the difference between the cumulative values, for the period 2026-2028, of the TIM Group's REPORTED EBITDA After Lease and the TIM Group's CapEx as defined below:

**REPORTED EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortisation) i.e. Operating profit before Depreciation, amortisation, capital gains/(losses) and Reversals/(write-downs) of non-current assets. It can also be calculated as Total Operating Revenues and Income net of Costs for the purchase of materials and services, Personnel costs and Other operating costs, Change in inventories and Internally realized activities.

It is an indicator used by TIM as a financial target in internal presentations (business plans) and external presentations (to analysts and investors) and represents a useful unit of measurement for assessing the Group's operating performance.

Following the adoption of IFRS 16, the TIM Group uses **EBITDA After Lease** as an alternative performance indicator. EBITDA After Lease is calculated by adjusting

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<sup>24</sup> The TSR of TIM and peers is calculated over a three-year period, using the average of the official prices of TIM ordinary shares and peers' shares in the 60 days prior to the assignment and the average of the 60 days prior to the end of the Plan (31.12.2028), to which dividends paid are added. The source of data for TSR and dividends paid is Bloomberg. The companies belonging to the peer group, with the exception of Tim (BT Group, Swisscom, Deutsche Telekom, Telefonica, Telekom Austria, Telenor, Koninklijke KPN, Telia Company, Orange, Vodafone Group) are leading European companies listed on the stock exchange.

REPORTED EBITDA net of the amounts related to the accounting treatment of lease contracts.

The REPORTED target value will be sterilized according to the same criteria defined for the annual variable incentive (MBO).

**CapEX** (Capital Expenditures): represent the Group's investments in fixed assets (tangible and intangible) of an operating nature. Investments of a financial nature are therefore excluded. The REPORTED target value will be sterilized according to the same criteria defined for the annual variable incentive (MBO) in addition to any differences with respect to the value of the licenses already included in the Budget and Plan 26-28.

**5G traffic penetration** (mobile network eco-efficiency lever), calculated as a percentage of mobile traffic in 5G technology on total mobile traffic, as of December 2028.

**Increase in the average AI Literacy value** of the TIM SpA population involved, as at the end of 2028, where AI Literacy refers to the level of competence, awareness and practical ability on Artificial Intelligence to govern technological change, reduce resistance to change and consolidate critical skills on the use of Artificial Intelligence. The indicator is based on the administration of questionnaires and situational tests on 6 areas of competence, with an evaluation of 3 dimensions - technical, practical, ethical - on a centenary scale for each area of competence and a final weighting on three levels.

Downstream of the process of determining performance levels, the consequent incentives will be calculated and the number of shares to be awarded will be determined. The following table shows, for each type of beneficiary, the level of attribution of the number of shares recognized with respect to the base salary, depending on the performance achieved:

Category of beneficiaries	Payout Base Salary		
	Minimum	Target	Maximum
AD	70,0%	100,0%	130,0%
DRS	52,5%	75,0%	97,50%

*Standardisation of the objectives of variable incentive systems*

With the involvement of the Chief Financial Office, the Committee defined the qualifying criteria for identifying non-recurring events to be considered in the normalisation of the objectives set out in the short- and long-term incentive systems.

In the final balance phase, therefore, the target values are adjusted according to the impacts associated with changes in the scope of consolidation, changes in accounting

standards and exchange rates in order to pursue the managerial significance of the comparison between the target and the final balance. In addition, the Non-Recurring items identified in the Group Financial Statements are subject to assessment by the Nomination and Remuneration Committee, following the following qualifying criteria:

- Exceptional nature of the event
- economic significance of the event
- Unpredictability of the event when setting the goal
- No liability on the part of management for the event that occurred

### *Severance and non-competition treatment*

In light of the best practices on "Termination Provisions" and in line with the most recent recommendations of the Corporate Governance Committee, it is company policy that the severance indemnity of the Executive Directors, in the event of early termination of the relationship of directors without just cause, is equal to the remuneration that would have been paid until the end of the mandate, with a maximum of 24 months of remuneration.

- For the entire company management, including Executives with Strategic Responsibilities, the severance pay established by law and by the CCNL is provided, with a maximum number normally not exceeding 24 additional months' salary.
- It will also be the responsibility of the Chief Executive Officer to identify the resources that – due to the relevance and strategic nature of the role held – may be the recipients of a non-competition agreement, depending on the relevance and strategic nature of the role held, for a maximum period of one year calculated on fixed remuneration.

### *Clawback clause*

Since 2016, a contractual clawback mechanism has been applied that allows the recovery of variable remuneration. The clawback clause can normally be activated in the sixty months following payments, in the event that the disbursement has taken place, among other things, as a result of malicious or grossly negligent conduct by the managers concerned, or in the event of an error in the formulation of the data that has led to a restatement of the financial statements.

The clawback clause applies to all executives who are recipients of the short-term and long-term managerial incentive system.

### *The benefits and welfare area*

The benefits and welfare area is the non-monetary element of remuneration. In particular:

- **Benefits** are non-monetary goods and services made available to beneficiaries, depending on the role they play and are aimed at improving their well-being (check-ups, loans, cars for mixed use, mobile phones).
- **Welfare** is the set of non-monetary goods and services made available to the entire company population regardless of the role held, aimed at increasing the individual and family well-being of employees (personal services, coverage of health expenses, supplementary pensions, insurance policies).

# Remuneration of the Chair, the Chief Executive Officer and Executives with Strategic Responsibilities

## Remuneration of the non-executive Chair

The remuneration package paid to the President consists only of the fixed component.

Below is a description of the remuneration package as determined by the Board of Directors held on 24 April 2024, as proposed by the Nomination and Remuneration Committee with the opinion of the Board of Statutory Auditors.

### > Fixed component

*For the functions of Chair, the fixed remuneration is determined on an annual basis at 600,000 euros gross. The Chair is not the recipient of remuneration for the office of Director or for that of member of the Sustainability Committee (pursuant to Article 2389, paragraph 1, of the Italian Civil Code).*

### > Variable component

*The Chair is not entitled to any form of variable remuneration, either short-term or long-term.*

### > Treatment of severance

*No severance treatment is provided.*

### > Benefits

*The President is not the assignee of benefits but receives the reimbursement of the expenses incurred for the performance of the office, pursuant to the Statute.*

## Remuneration of the Chief Executive Officer

The remuneration package of the Chief Executive Officer and General Manager in office as of the date of approval of this report is described below, as established by the Board of Directors on 23 May 2025 (upon proposal of the Nomination and Remuneration Committee with the opinion of the Board of Statutory Auditors).

### > Fixed component

The fixed remuneration for the Chief Executive Officer is set at a gross annual amount of €1,400,000, divided between the remuneration for the managerial relationship (€1,200,000) and the remuneration for the office of Chief Executive Officer (€200,000).

The Chief Executive Officer is not the recipient of remuneration for the office of Director or of any member of the Committees (Article 2389, paragraph 1, of the Italian Civil Code).

## › Short-term variable component

For each financial year, the Chief Executive Officer/General Manager is assigned a short-term variable component (MBO), related to the achievement of the objectives defined annually by the Board of Directors. This component is determined as 100% of his total fixed remuneration, corresponding to €1,400,000, divided between the managerial relationship (€600,000) and the office of Chief Executive Officer (€800,000). Each objective is measured individually, with a parametric scale as described in the paragraph "Short-Term Incentive System".

The Board of Directors has identified – upon proposal of the Committee, and in line with the general architecture – the following incentive objectives for the 2026 MBO:

Objectives	Weight	Min vs Tgt	Target	Max vs Tgt
<b>TIM Group EBITDA After Lease Reported (GATE)</b>	30%	-5%	Budget	+5%
<b>TIM Group Equity Free Cash Flow After Lease</b>	30%	-15%	Budget	+15%
<b>TIM Group Net Financial Position After Lease</b>	12%	+5%	Budget	-5%
<b>TIM Group Revenues Reported</b>	10%	-2%	Budget	+2%
<b>ESG KPI's:</b>				
○ 4Q26 Detractor Percentage (6%)	18%	Min	Target	Max
○ Social: Hiring women out of total TIM Domestic hires (6%)		-1 pp	Target	+1 pp
○ Environment: Launch of the Group's environmental transition plan (6%)		Min	Target	Max

Each objective is measured individually, so different combinations of the levels of achievement of the objectives are possible for the appreciation of which the linear interpolation mechanism between the minimum, target and maximum objective levels will be used. In addition, the presence of a gate target is confirmed, represented - for this year - by the TIM Group EBITDA After Lease target (reported).

## › Long-term variable component

### Performance Share LTI Plan 2026-2028

The Chief Executive Officer is the recipient of the LTI Plan 2026-2028 described above.

The number of rights to receive shares at the end of the vesting period is subject to the conditions set out in the Information Document (see [TIM Group | Telecom Italia Shareholders' Meeting – 15 April 2026](#)) and the Implementing Regulations will be determined by relating 100% of the Fixed Remuneration to the value of the TIM share, determined on the basis of the arithmetic average of the prices recorded in the last month (Article 9, paragraph 4, letter a of the Consolidated Income Tax Act) with respect to the day of assignment.

The set of performance objectives is represented in the following table:

Objectives	Weight	Min vs Tgt	Target	Max vs Tgt
TIM Group EBITDA After Lease - CAPEX Reported cumulative in the three-year period 2026-2028	50%	-20%	Target	+20%
Environment: 5G traffic penetration (leverage of the eco-efficiency of the mobile network) by the end of 2028	15%	-2 pp	Target	+2 pp
Social: Increasing the average value of AI Literacy in TIM SpA at the end of 2028	15%	-5 pp	Target	+5 pp
TSR performance compared to peers (with TSR>0 gate)	20%	6th place	4th place	2nd place

Each objective is measured individually, so different combinations of the levels of achievement of the objectives are possible for the appreciation of which the linear interpolation mechanism between the minimum, target and maximum objective levels will be used.

#### › Treatment of severance

In the event of termination of the Directorship without just cause or resignation for just cause, occurring before the natural expiry of the mandate, the payment of an indemnity is envisaged. The same indemnity applies in the event of a change of control, i.e. any extraordinary transaction involving a change in control of the Company pursuant to Article 2359 of the Italian Civil Code. The indemnity is determined in an amount equal to the remuneration due for the office, until the natural expiry of the mandate, with a maximum of 24 months' salary (calculated as the sum of the fixed component and MBO).

With respect to the withdrawal of the Company from the employment contract as an employee in the absence of just cause or resignation for just cause or in the event of a change of control (or any extraordinary transaction involving a change in control of the Company pursuant to Article 2359 of the Italian Civil Code), the severance pay established by law and by the CCNL is envisaged. with recognition of 24 additional months' salary.

#### › Clawback

The clawback clause of the sums paid applies to the variable component of remuneration, as per market policy and best practices.

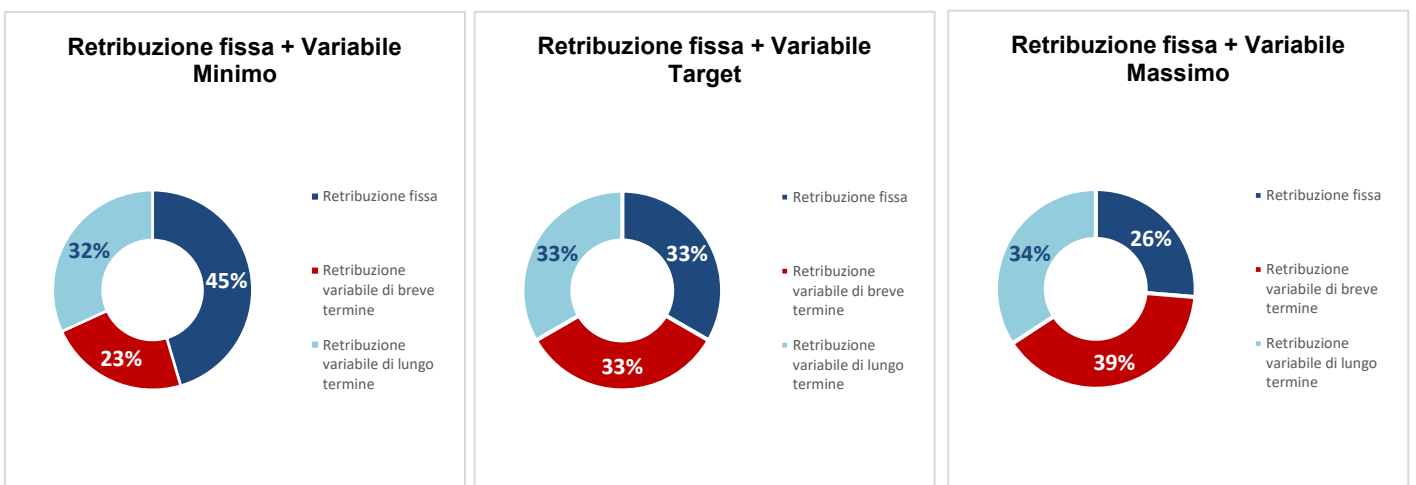
#### › Benefits and Welfare

In relation to the managerial employment relationship, the Chief Executive Officer benefits from the benefits provided for the Company's management (health coverage through supplementary health care for TIM Group executives; supplementary social security coverage through membership of the TIM Group Executives Supplementary Pension Fund; insurance coverage for professional/non-

occupational accidents, life and disability due to illness; company car for mixed use; check-ups). The "professional risk policy" stipulated by the Company and concerning all Directors & Officers also applies to the Chief Executive Officer. Coverage of housing costs on the workplace is also provided for the entire duration of the contract.

## > Pay mix

The pay mix for 2026 is shown below. The percentages indicated assume, alternatively, the payment of the minimum, target and maximum value, both for the short-term incentive system – MBO – and for the long-term incentive systems.



## Remuneration of executives with strategic responsibilities

The names of the Executives with Strategic Responsibilities as at 31 December 2025 are as follows:

<b>Administrators:</b>	
Pietro Labriola	Chief Executive Officer and Chief Executive Officer of TIM S.p.A. General Manager of TIM S.p.A.
<b>Managers:</b>	
Alberto Maria Griselli	Director Chair of TIM S.A.
Adrian Calaza Noia	<sup>(1)</sup> Chief Financial Office
Paolo Chiriotti	Chief Human Resources & Organization Office
Leonardo De Carvalho Capdeville	<sup>(2)</sup> Chief Technology Office
Giampaolo Leone	Head of Procurement & Logistics
Roberto Mazzilli	Chief IT Group Office
Agostino Nuzzolo	Head of Legal, Regulatory & Tax
Claudio Giovanni Ezio Ongaro	Chief Strategy, Business Development & Wholebuy Office
Piergiorgio Peluso	<sup>(3)</sup> Chief Financial Office
Andrea Rossini	Chief Consumer, Small & Medium and Mobile Wholesale Market Office
Eugenio Santagata	<sup>(4)</sup> Chief Public Affairs, Security and International Business Office
Elio Schiavo	Chief Enterprise and Innovative Solutions Office

(1) Dr. Adrian Calaza Noia held the position until November 6, 2025.

(2) Ing. Leonardo De Carvalho Capdeville has held the position since August 5, 2025

(3) Dr. Piergiorgio Peluso has held the position since 6 November 2025

(4) Dr. Eugenio Santagata held the position until 30 August 2025

As of 19 January 2026 - the following also qualify as key managers of the Group:

- Maria Enrica Danese, Head of Corporate Communications & Sustainability at TIM
- Alessandra Michelini, CEO of Telsy
- Sabina Strazzullo, Head of Public Affairs at TIM.

The structure of the remuneration package for Executives with Strategic Responsibilities, with the exception of the Chief Executive Officer, is established as follows for 2026:

➤ **Fixed component**

The guideline for 2026 is to keep salary levels in line with the market median, adopting selective criteria for the adjustment of fixed remuneration.

➤ **Short-term variable component (MBO)**

The annual incentive plan for 2026, with target pay opportunities equal to 50%-75% (depending on the role) of fixed remuneration, is substantially in continuity with the previous year.

The reference schemes of the objectives are shown below:

**Chief Enterprise and Innovative Solutions Office**

Objectives	Weight
TIM Group EBITDA After Lease Reported (Gate)	30%
TIM Domestic (Europe) Equity Free Cash Flow After Lease	22%
Segment allocated EBITDA After Lease (Cash View)	20%
Segment allocated Service Revenues	10%
ESG KPI's: <ul style="list-style-type: none"> <li>○ 4Q26 Detractor Percentage (6%)</li> <li>○ Social: Hiring women out of total TIM Domestic hires (6%)</li> <li>○ Environment: Launch of the Group's environmental transition plan (6%)</li> </ul>	18%

**Chief Consumer, Small & Medium and Mobile Wholesale Market Office**

Objectives	Weight
TIM Group EBITDA After Lease Reported (Gate)	30%
TIM Domestic (Europe) Equity Free Cash Flow After Lease	22%
Segment allocated EBITDA After Lease (Cash View)	20%
Segment allocated Service Revenues	10%
ESG KPI's: <ul style="list-style-type: none"> <li>○ 4Q26 Detractor Percentage (6%)</li> <li>○ Social: Hiring women out of total TIM Domestic hires (6%)</li> <li>○ Environment: Launch of the Group's environmental transition plan (6%)</li> </ul>	18%

## Other Functions reporting directly to the CEO

Objectives	Weight
TIM Group EBITDA After Lease Reported (Gate)	30%
TIM Domestic (Europe) Equity Free Cash Flow After Lease	22%
Function-Specific Objectives	30%
ESG KPI's: <ul style="list-style-type: none"> <li>o 4Q26 Detractor Percentage (6%)</li> <li>o Social: Hiring women out of total TIM Domestic hires (6%)</li> <li>o Environment: Launch of the Group's environmental transition plan (6%)</li> </ul>	18%

Each objective is measured individually, with a parametric scale as described in the paragraph "Short-Term Incentive System".

### > Long-term variable component

#### Performance Share LTI Plan 2026-2028

Executives with Strategic Responsibilities are recipients of the LTI Performance Share Plan 2026-2028, described above.

The set of objectives assigned is the same as that of the Chief Executive Officer:

Objectives	Weight	Min vs Tgt	Target	Max vs Tgt
TIM Group EBITDA After Lease - CAPEX reported cumulative in the three-year period 2025-2027	50%	-20%	Target	+20%
Environment: 5G traffic penetration (mobile network eco-efficiency lever) at the end of 2028	15%	-2 pp	Target	+2 pp
Social: Increase in the average value of AI Literacy in TIM SpA at the end of 2028	15%	-5 pp	Target	+5 pp
TSR performance compared to peers (with TSR>0 gate)	20%	6th place	4th place	2nd place

### > Treatment of severance and non-competition

The treatments applicable by virtue of legal provisions and CCNL are envisaged. The additional allowances provided for may not normally exceed 24 months' salary (calculated as the sum of gross annual salary and MBO), in line with the most recent recommendations of the Corporate Governance Committee and with the measurability principles recommended by the Code.

In the event of termination of the employment relationship in the absence of just cause for dismissal or, for certain resources, in the event of a change of control (or any extraordinary transaction involving a change in control of the Company pursuant to Article 2359 of the Italian Civil Code), the Chief Executive Officer identifies the resources who, due to the relevance and strategic nature of the role held, They may be recipients of Severance treatment. This treatment may be associated with a non-competition agreement for a maximum duration of one year, the consideration for which is calculated on the fixed remuneration.

## > Clawback

The clawback clause of the sums paid applies to the variable component of remuneration, as per market policy and best practices.

## > Benefit & Welfare

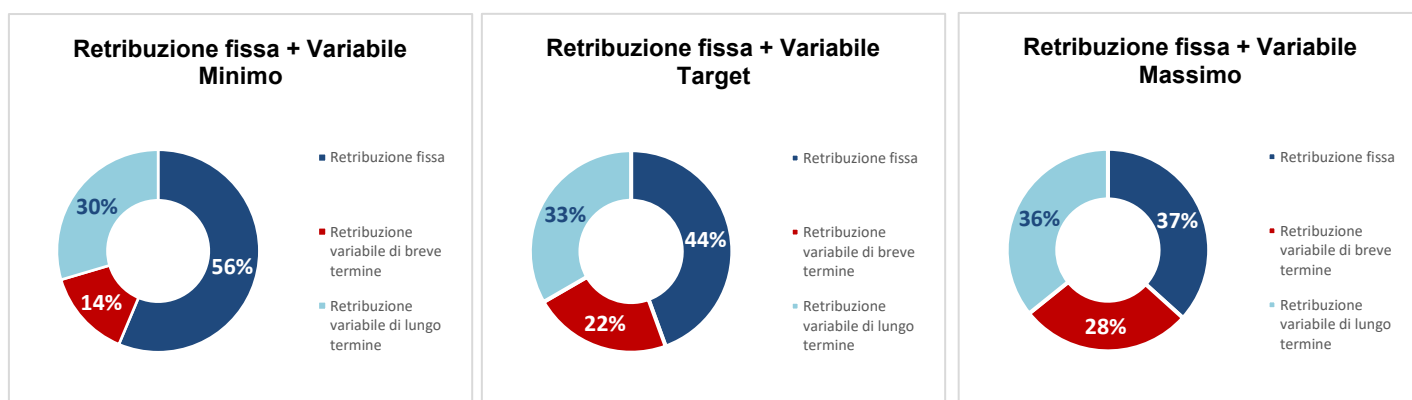
Benefits similar to those provided for the generality of company management are recognized: motor vehicle for mixed use, insurance policies (professional/non-occupational accidents, life and disability due to illness), supplementary health coverage, supplementary pension fund and Check-Up. Where necessary, a rental service is provided, activated directly by the Company. The "professional risk policy" signed by the Company and applicable to Directors & Officers also applies to Executives with Strategic Responsibilities.

## > Bonuses

The assignment of bonuses independent of performance conditions (short-term or long-term incentive system), in line with market best practices and the most recent recommendations of the Corporate Governance Committee, is excluded.

## > Pay mix

For 2026, the percentages assume, alternately, the payment of the minimum, target and maximum value, both for the short-term incentive system – MBO – and for the long-term incentive systems.



## Manager in charge of preparing the company's financial reports

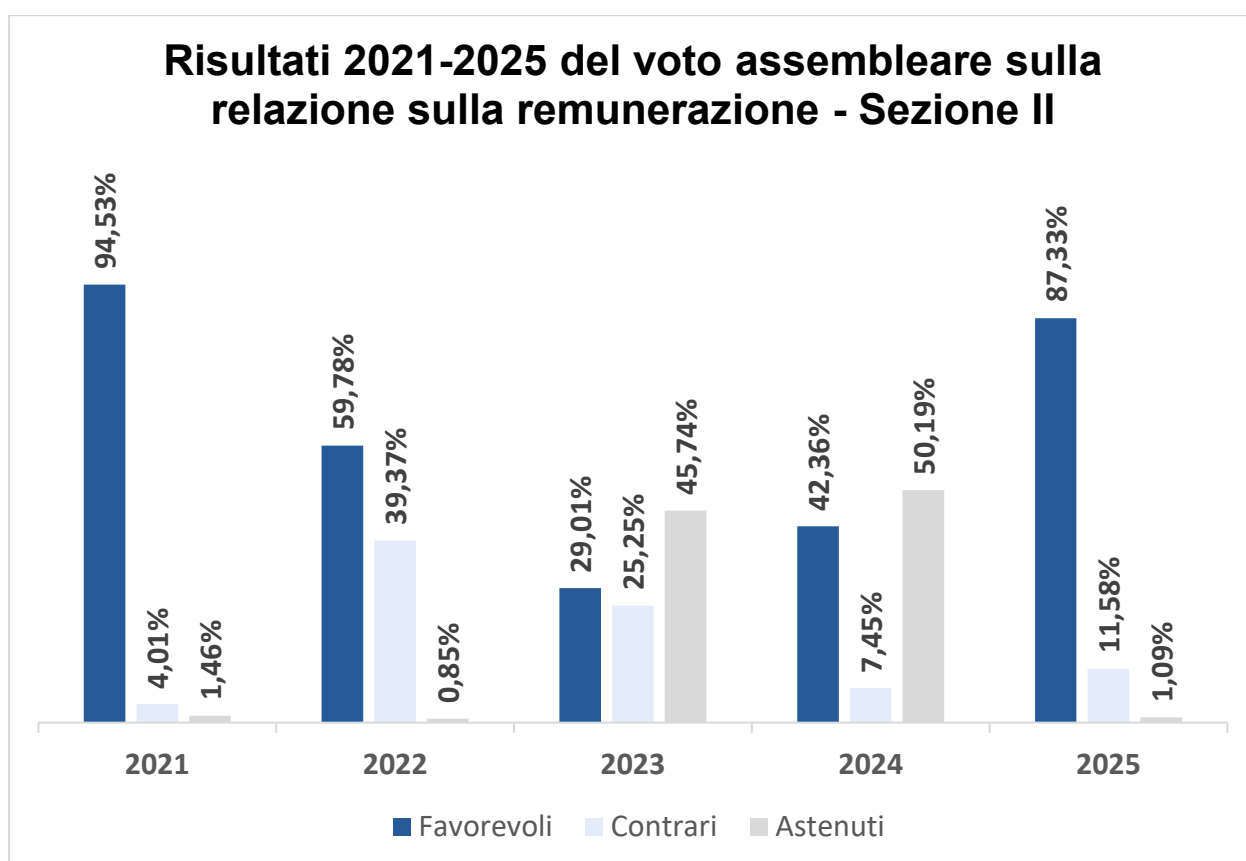
With regard to the Manager responsible for preparing the company's financial reports, the incentive mechanisms are the same as those adopted for the generality of Managers with Strategic Responsibilities, illustrated above.

## SECTION II IMPLEMENTATION OF REMUNERATION POLICIES AND REMUNERATION PAID IN 2025

This section describes the remuneration measures for the members of the Board of Directors, the Board of Statutory Auditors and the Executives with Strategic Responsibilities in 2025.

It is confirmed that, during 2025, the remuneration was paid in line with the provisions of the 2025 Remuneration Policy recently approved.

The following table shows the performance of the voting results on the Remuneration Report – Section II, in the period 2021 - 2025, calculated on the shares for which votes were cast.



The analysis of the results of the Shareholders' Meeting by the Committee and the Board of Directors described in the Executive Summary section also concerned the outcome of the non-binding vote on Section II. Similarly, during the engagement meetings held both in May-June 2024 and in January-February 2025, stakeholders' expectations were examined in depth with respect to the methods and level of detail of the disclosure of the remuneration paid.

## Remuneration of Directors

The total annual remuneration of the Board of Directors pursuant to Article 2389, paragraph 1, of the Italian Civil Code. was established by the Shareholders' Meeting of 23 April 2024 at a maximum of € 1,300,000 gross per year.

On 24 April 2024, the Board of Directors allocated this total remuneration by allocating a fixed amount of €100,000 gross per year to each Director. There is no remuneration linked to company results, nor severance indemnity. Exceptions are the Chair and the Chief Executive Officer, whose remuneration is structured differently, as detailed in the following paragraphs.

The additional remuneration for Directors who are members of the Board Committees is as follows:

### Sustainability Committee

Alberta Figari (P)

Pietro Labriola

Alessandra Perrazzelli<sup>25</sup>

Giovanni Gorno Tempini

Stefano Siragusa<sup>26</sup>

Remuneration: € 40,000 for each member (the Chair of the Board of Directors and the Managing Director donot receive remuneration)

### Nomination and Remuneration Committee

Paola Giannotti De Ponti (P)

Alessandra Perazzelli<sup>25</sup>

Umberto Paolucci<sup>27</sup>

Remuneration:  
President: € 50.000

### Control and Risk Committee

Federico Ferro Luzzi (P)

Paola Camagni

Paola Giannotti De Ponti

Remuneration:  
President: € 70.000  
Components: € 50.000

Components: € 40.000

### Related Parties Committee

Paola Camagni (P)

Federico Ferro Luzzi

Umberto Paolucci<sup>27</sup>

Remuneration:

<sup>25</sup> Alessandra Perrazzelli was co-opted to replace Domitilla Benigni, who resigned on 25 September 2025, as well as was appointed on the same date as a member of the Committee and confirmed as Director by the Shareholders' Meeting of 28 January 2026

<sup>26</sup> Stefano Siragusa was appointed a member of the Committee on 19 January 2026

<sup>27</sup> Lorenzo Cavalaglio was co-opted to replace Umberto Paolucci, who resigned on 1 January 2026 and was confirmed as a director by the Shareholders' Meeting of 28 January 2026

President: € 50.000  
Components: € 40.000

For Directors without particular offices, there is no variable remuneration, nor the assignment of benefits, without prejudice to the reimbursement of expenses incurred for the performance of the office.

An analytical breakdown of the remuneration, received by name by the Directors, is shown in Table 1 of the second part of this section.

## Remuneration of the Board of Statutory Auditors

The remuneration of the Statutory Auditors was established by the Shareholders' Meeting of 23 April 2024 to be valid for the entire duration of the mandate (until the approval of the financial statements for the year 2026) at €135,000 gross per year for the Chair of the Board of Statutory Auditors and €95,000 gross per year for each standing auditor. In addition, the Mayor Anna Doro receives - as a member of the Supervisory Body - an additional remuneration of € 15,000 gross per year.

### Board of Statutory Auditors

**Francesco Fallacara (P)**

Mara Vanzetta

**Francesco Schiavone Panni**

Anna Doro

**Massimo Gambini**

The Statutory Auditors do not receive variable remuneration, nor are they assignees of benefits, but they receive the reimbursement of the expenses incurred for the performance of the office.

An analytical breakdown of the remuneration received by name by the Statutory Auditors is shown in Table 1 of the second part of this section.

## President

| *Alberta Figari*

On 24 April 2024, the Board of Directors appointed Alberta Figari as Chair of the Board of Directors.

As of the date of publication of this Report, the Chair is vested only with the powers resulting from the law, the Articles of Association and the Company's corporate governance documents.

In the period, the remuneration package was as follows:

- › fixed emolument on an annual basis of 600,000 euros gross. The Chair was not the recipient of the remuneration pursuant to Article 2389, paragraph 1, of the Italian Civil Code for the office of Director or member of the Sustainability Committee;
- › no form of variable incentives;
- › no end-of-term pay, no *benefits* (only reimbursement of expenses incurred for the office, as per the Articles of Association), no *claw back*, no *severance pay*.

The analytical details of the fees received are shown in table 1 of the second part of this section.

## Chief Executive Officer and General Manager

| *Pietro Labriola*

The position of Chief Executive Officer and General Manager was held, for the entire year, by Pietro Labriola.

The composition of the remuneration package, approved by the Board of Directors on 20 June 2024, provides for a fixed total gross annual amount of €1,400,000, divided into €1,300,000 as Gross Annual Remuneration for the employment relationship and €100,000 as gross remuneration for the office of Chief Executive Officer pursuant to Article 2389, paragraph 3, of the Italian Civil Code. The attribution of further remuneration for the office of Director has been excluded.

On 23 May 2025, the Board of Directors resolved on a different structure of remuneration, starting from 1 July 2025: €1,200,000 as Gross Annual Remuneration for the employment relationship and €200,000 as gross remuneration for the office of Chief Executive Officer.

In addition, again by way of remuneration pursuant to Article 2389, paragraph 3 of the Italian Civil Code, Pietro Labriola was the recipient of an MBO, with a target amount of €1,400,000 gross, and a Long Term Performance Share Incentive with a maximum Pay Opportunity of €1,400,000.

The following table illustrates in detail the degree of achievement of the objectives for the MBO 2025 short-term variable component compared with the assigned references.

Values in € million		TARGET LEVEL 2025 RESTATED			FINAL RESULTS		
OBJECTIVE	WEIGHT	Min Payout 50%	Target Payout 100%	Max Payout 150%	Result 2025	% raggiung.to	Score Weighted
TIM Group EBITDA After Lease Reported (Gate) <sup>(1)</sup>	30%	2.848	2.998	3.148	3.902	150%	45%
TIM Group Equity Free Cash Flow After Lease	23%	500	588	676	736	150%	35%

Transformation Program Achievement EBITDA After Lease Minus Capex 2024- 2025 cumulated impact	15%	248	275	303	336	150%	23%
TIM Group Service Revenues (reported)	10%	12.258	12.784	13.040	12.860	115%	11%
ESG indicators: a) Detractor percentage at 4Q25 (10%) b) Environment - Number of Data Centers certified according to the European Taxonomy (6%) c) Social - Hiring of women out of total hires (Group) (6%)	22%	a) 20.73 b) 5 DC c) 47.0%	a) 18.58 b) 10 DC c) 48.0%	a) 17.47 b) 10 DC+ WUE≤0.19 for 3 DC c) 49.0%	a) 15.74 b) 11 DC WUE ≤0.19 over 3 DC c) 52.8%	a) 150% b) 150% c) 150%	33%
(1) The Gate is a condition for access to the bonus linked to all the awarded objectives							<b>146%</b>

The guidance provided to the market, and relating to Total Revenues and EBITDA After Lease for the year, was not changed and achieved a result consistent with the budget targets. The final balance of the MBO, which operated on the EBITDA After Lease and Service Revenues indicators, therefore appears consistent with the expected results.

The target values have been adjusted to the effective exchange rate, in order to pursue the managerial significance of the comparison between the target and the final balance.

In addition, subject to the Committee's assessment and in line with the provisions of the current remuneration policy, only one sterilisation was applied, relating to the change in the duration from 8 to 4 years of the recognition in the income statement of deferred contractual costs of the Fixed Network – carried out in prospective terms – which entailed higher costs (for Purchases and Personnel) repaid to the income statement in order to adjust them to the new durations.

On the basis of the achievement percentage reported above, the Chief Executive Officer accrued a bonus for the 2025 short-term variable component in the amount of 2,050,781 euros gross, corresponding to 146.48% of the target value.

\*\*\*

With regard to the **2022-2024 SOP Plan**, already approved by the Shareholders' Meeting of 7 April 2022, the Board of Directors of TIM S.p.A. on 14 April 2025 approved the final balance of the Plan's objectives, with the simultaneous exercisability of the Options. The Chief Executive Officer has accrued the right to receive a number of options equal to 26,030,400.

The Shareholders' Meeting of 24 June 2025 approved a series of amendments to the said 2022-2024 Stock Option Plan. These additions were introduced to neutralize the effects of the significant business discontinuity deriving from the sale of the fixed network

(NetCo) and to preserve the incentive and retention purpose of the original Plan for management.

The aforementioned amendments, explained below, apply to beneficiaries of the 2022-2024 SOP options who: (i) as of 24 June 2025 were still linked by employment or administration relationship with TIM or another Subsidiary (with the exception of Telecom Italia Sparkle S.p.A.) and (ii) opted to adhere to the new rules referred to below, waiving the previous regulation on strike price and exercise period ("Participating Non-Ceased Beneficiaries").

In particular, the proposed amendments concern:

- the determination of a different strike price value, reduced from the original price of 0.424 euros to the New Strike Price of 0.3465 euros (calculated on the basis of the weighted average of the market prices of the TIM share recorded in the 30 days prior to the resolution of the Board of Directors of 23 May 2025), with the related reparameterization of the maximum payout achievable by the Non-Ceased Beneficiaries;
- the determination of a different exercise period, which will run from 1 February 2027 to 14 April 2027 for the Non-Terminated Participating Beneficiaries, as defined above.

For more details, please refer to the information document published on <https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/Modifica-Documento-informativo-SOP-2022-2024-DEF-ITA-26-05.pdf>

\*\*\*

The Shareholders' Meeting of 24 June 2025 approved the **2025-2027 Performance Shares LTI Plan**, aimed at strengthening the alignment between the interests of management and those of shareholders, through the free assignment of TIM ordinary shares subject to the achievement of specific performance objectives on a three-year basis.

The Plan is addressed to the Chief Executive Officer and members of the Group's management (including Executives with Strategic Responsibilities).

The Plan is an equity-based and equity-settled plan, structured over a three-year time horizon, in line with market best practices in terms of remuneration. The Beneficiaries of the Plan are assigned a number of Performance Shares proportional to their gross annual salary. In particular, the pay opportunity with respect to the base salary will be a function of the role and the performance achieved.

The number of Shares assigned to the Beneficiaries at Vesting is directly related to the degree of achievement of the Performance Objectives illustrated below, consisting of an

economic-financial objective, two ESG objectives as well as a market-based objective relating to the Total Shareholder Return (TSR), which measures the total return on the investment in the Shares over the three-year period of reference, taking into account the change in the price of the Shares and the dividends distributed by the Society).

In particular:

- the economic-financial objective is constituted by the TIM Group EBITDA AL - CAPEX reported cumulative in the three-year period 2025-2027;
- ESG objectives are related to (i) the eco-efficiency of the mobile network and (ii) the percentage of female individuals in a position of responsibility in the Domestic perimeter;
- with regard to the TSR (Total Shareholder Return), the performance will be calculated by verifying the positioning of TIM's Total Shareholder Return with respect to a basket of peers consisting of ten European TLC peers.

	<b>OBJECTIVES</b>	<b>WEIGHT</b>
<i>Economic and financial</i>	<b>TIM Group EBITDA After Lease - Cumulative reported CAPEX in the three-year period 2025-2027</b>	<b>50%</b>
<i>ESG</i>	<b>Environment: Eco-efficiency of the mobile network</b>	<b>15%</b>
	<b>Social: Women in positions of responsibility as defined for the plan (perim. Domestic)</b>	<b>15%</b>
<i>TSR</i>	<b>TSR performance compared to peers</b>	<b>20%</b>

The Plan will end when the Performance Shares are vested in accordance with the Board of Directors' approval of the Group's consolidated financial statements as at 31 December 2027 (and therefore in the 2028 financial year), without prejudice to the subsequent Lock-up and the subjection to Claw-back.

The payout curve is defined as follows: 50% of the Pay Opportunity at the minimum value, 75% of the Pay Opportunity at the target value, 100% of the Pay Opportunity at the maximum value.

The number of shares allocated to the Chief Executive Officer for the entire Plan, upon reaching the maximum (100% of the Pay Opportunity), is equal to 3,438,958.

For further details, please refer to the information document of the initiative available at the link <https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/Documento-Informativo-LTI-Performance-Shares-2025-2027-.pdf>

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With regard to the item "non-monetary benefits" (column 4 of table 1), it should be noted that these amounts refer to supplementary pensions, health care, car and mobile

benefits and other non-monetary benefits, for a total annual amount of € 64,727.41 (of which the majority, € 47,828.00 refers to social security and assistance).

In 2025, the proportion of fixed and variable remuneration in the total remuneration of the Chief Executive Officer was 49% (fixed/total) and 51% (variable/total), as shown in Table 1 (column 8) of the second part of this section.

The analytical details of the fees received are shown in table 1 of the second part of this section.

## Executives with Strategic Responsibilities

The fixed remuneration of Managers with Strategic Responsibilities was made up of the gross annual salary relating to the employment relationship. The interventions carried out in 2025 were in accordance with the provisions of the applicable remuneration policy.

In line with the provisions of the 2025 remuneration policy recently approved, the Executives with Strategic Responsibilities were the recipients of a short-term variable component MBO, whose first three objectives were the same as those of the Chief Executive Officer, but with different weights, then completed by specific objectives relating to the scope of implementation, such as Service Revenues and EBITDA of the reference segment, which are reported below for the Consumer, Small & Medium and Mobile Wholesale Market Office (CC) Department and the Enterprise and Innovative Solutions Office (CE) Department, and/or other specific function objectives.

Values in € million	WEIGHT I Line		TARGET LEVEL 2025		
	Commercial Functions	Other Functions	Min Payout 50%	Target Payout 100%	Max Payout 150%
TIM Group EBITDA After Lease Reported (Gate)	25%	25%	2.848	2.998	3.148
TIM Group Equity Free Cash Flow After Lease	13%	13%	500	588	676
Transformation Program Achievement EBITDA After Lease Minus Capex 2024-2025 cumulated impact	10%	10%	248	275	303
ESG indicators:					
a) Detractor percentage at 4Q25 (10%)			a) 20.73	a) 18.58	a) 17.47
b) Environment - Number of Data Centers certified according to the European Taxonomy (6%)	22%	22%	b) 5 DC	b) 10 DC	b) 10 DC+ WUE≤0.19 for 3 DC
c) Social - Hiring of women out of total hires (Group) (6%)			c) 47.0%	c) 48.0%	c) 49.0%
Consolidated Ebitda segment CC	15%	-	2.772	2.918	3.064

CE			1.032	1.086	1.140
Segment Services Revenues					
CC	15%	-	5.305	5.413	5.521
EC <sup>1</sup>			3.212	3.278	3.344
Function-specific objectives	-	30%			

<sup>1</sup> including Olivetti, Noovle, Telsy

The table below shows the average % payout value for the MBO 2025 short-term variable component of those who had the qualification of Executives with Strategic Responsibilities in 2025, compared with the average values of those who, in previous years, had the same qualification.

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Average Payout	146%	122%	107%	142%	*	91%	102%	*	107%	95%

(\*) In view of the failure to achieve the TIM Group Ebitda target at the minimum level (95% of the budget target), as a condition for access to all other targets, the entire MBO measure has been cancelled.

A breakdown of the remuneration received by Executives with Strategic Responsibilities during the 2025 financial year is shown in Table 1 of the second part of this section.

\*\*\*

It is confirmed that, during 2025, the remuneration policy in force regarding one-off payments, benefits and severance agreements was respected, with reference to both contractual treatments and indemnities paid in the period.

\*\*\*

With regard to the **2022-2024 SOP Plan**, the above applies, with the determination of a different strike price value (reduced from the original price of €0.424 to the New Strike Price of €0.3465) and the determination of a different exercise period, which will run from 1 February 2027 to 14 April 2027.

For more details, please refer to the information document published on <https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/Modifica-Documento-informativo-SOP-2022-2024-DEF-ITA-26-05.pdf>

Executives with Strategic Responsibilities have accrued the right to receive a total number of options equal to 40,672,500, exercisable in the new exercise period indicated above.

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The Shareholders' Meeting of 24 June 2025 approved the **Phantom Shares Plan 2025-2027**. This is a long-term monetary incentive plan (Long Term Incentive) based on the value of the capital shareholding, aimed at a selected group of Group employees identified on the basis of their strategic role, who are not already recipients of the 2022-2024 SOP Plan.

Unlike stock option plans or performance shares, this instrument is "cash settled": it does not involve the allocation of physical shares, but virtual units called "Phantom Shares". These units give the beneficiary the right to receive a cash bonus (monetary bonus), calculated on the basis of the increase in the value of the TIM share compared to an initial reference value.

In particular:

- the Threshold Value (reference price) is set at 0.3465 euros, in line with the new strike price defined for the amended SOP Plan;
- the accrual of the bonus is subject to a value of the security at the end of the Plan (Vesting Value) higher than the Threshold Value and to the permanence of the employment relationship between the Company (or a Subsidiary) and the Beneficiary as of 31 January 2027 (except in the case of so-called good leavers).

The final bonus will be determined by multiplying the number of Phantom Shares vested by the difference between the market value of the stock on the vesting date and the Threshold Value above. The maximum value in any case attributable to each Phantom Shares, once the accrual for the purposes of the payment of the Bonus has occurred, will be equal to € 1.4225.

As of December 31, 2025, the recipients of the Phantom Shares Plan include Executives with Strategic Responsibilities who are not recipients of SOPs, with a number of Phantom Shares allocated for the entire plan of 13,557,500.

For further details, please refer to the information document of the initiative available at the link: <https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/TIM-Documento-Informativo-Piano-di-Phantom-Shares-2025-2027.pdf>

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The Shareholders' Meeting of 24 June 2025 approved the **2025-2027 LTI Performance Shares Plan**, already mentioned above, addressed to the Chief Executive Officer and

members of the Group's management (including Executives with Strategic Responsibilities).

The total number of shares allocated for the entire Plan to Executives with Strategic Responsibilities upon maximum achievement (100% of the Pay Opportunity) was 7,663,960.

For further details, please refer to the information document of the initiative available at the link <https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/Documento-Informativo-LTI-Performance-Shares-2025-2027-.pdf>

\*\*\*

The analytical details of the plans are reported in the tables of incentive plans in the second part of this section.

In 2025, the percentage of fixed remuneration on the total remuneration of Executives with Strategic Responsibilities was 55%, as shown in Table 1 (column 8) of the second part of this section.

### **Application of the remuneration policy derogation procedure**

In 2025, for the third consecutive year, the Company did not avail itself of the possibility of activating the derogation procedure provided for in the Remuneration Policy in force.

## Annual Change in Remuneration and Performance

The table below compares, for the last five years, the annual change in the remuneration of the Chair, the Chief Executive Officer, and the average remuneration, calculated on a full-time equivalent basis, of employees (excluding the Chief Executive Officer). The amounts also include variable fees (when any).

TIM S.p.A.	2025	% change	2024	% change	2023	% change	2022	% change	2021	% change	2020
<i>Values expressed in thousands of Euro</i>											
Chair's Remuneration	600	0%	600	0%	600	0%	600	0%	600	0%	600
Chief Executive Officer Remuneration	2.800	0%	2.800	-4%	2.915	-10%	3.355	161%	1.284	-53%	2.759
Average employee remuneration	48,2	+1,5%	47,5	+13,9%	41,7	-0,1%	41,8	1,5%	41,2	+2,0%	40,4
Ratio of CEO remuneration to average employee pay	58x		59x		70x		80x		31x		68x

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### PERFORMANCE

TIM Group (IFRS 16)

	2025	% change	2024	% change	2023	% change	2022
EBITDA Organic After Lease	3.689	+6.5%	3.672	+10.1%	5.304	+6,1%	4.995
Equity Free Cash Flow After Lease	+736		-321		-64		-26
Adjusted Net Debt AL variation (% YoY)	-5.7%		-64.3%		+1.7%		14%
Adjusted Net Debt AL / Organic EBITDA AL	1.9x		<2.x		3.8x		4.0x

As at 31 December 2025, the TIM Group's organic EBITDA After Lease increased by 6.5% compared to the previous year, attributable both to the improvement in performance in the Domestic market (+5.1% year-on-year, thanks also to an important containment and transformation of the cost base, which remained stable despite the difficult inflationary environment) and to the performance of Brazil (+8.5%).

Equity free cash flow on an after-lease basis amounted to +736 million euros (cash increase), an improvement compared to the previous year (+1,057 million euros).

Net debt after lease, amounting to 6,854 million euros at 31 December 2025, decreased by approximately 412 million euros compared to 31 December 2024 (7,266 million euros).

As a result, the leverage ratio (Net Debt AL / Organic EBITDA AL ratio) stood at 1.9x.

# REMUNERATION PAID IN 2025

## TABLE 1: Remuneration paid to the members of the Board of Directors and Statutory Auditors, the General Manager and executives with strategic responsibilities

The remuneration due to all persons who, during the 2025 financial year, held, even for a fraction of the period, the position of member of the administrative and control body, General Manager or the role of Manager with Strategic Responsibilities (for the latter case, the figure is reported in aggregate form).

In particular:

- › the column "Fixed remuneration" shows the lump-sum allowances and fixed salaries from employment gross of social security and tax charges payable by the employee;
- › the column "Remuneration for participation in Committees" shows, according to an accrual criterion, also possibly at an aggregate level, the remuneration of Directors for participation in Committees. The notes provide an indication of the committees of which the Director is a member and, in the event of participation in more than one committee, the remuneration he receives for each of them.
- › the column "Non-equity variable remuneration" shows, under the item "Bonuses and other incentives", the portions of remuneration accrued, even if not yet paid, during the year for objectives achieved in the same year, against monetary incentive plans. This value corresponds to the sum of the amounts indicated in Table 3B. No data is reported under "Profit sharing" as there are no forms of profit sharing;
- › the "Non-monetary benefits" column shows the value of fringe benefits (according to a taxable basis) including any insurance policies and supplementary pension funds;
- › the column "Other remuneration" shows, according to an accrual criterion, any additional remuneration deriving from other services provided or due; the "Total" column shows the sum of the amounts of the previous items;
- › the column "Fair value of equity remuneration" shows the fair value at the date of assignment of remuneration for the year for incentive plans based on financial instruments, estimated in accordance with international accounting standards;
- › the column "Indemnity for termination of office or termination of employment" shows the indemnities accrued, even if not yet paid, in favour of the Directors due to termination of office during the financial year in question, with reference to the year in which the effective termination of office took place. The estimated value of any payment of non-monetary benefits, the amount of any consultancy contracts

and indemnities relating to the assumption of non-compete commitments is also indicated.

## Board of Directors

(Amounts in thousands of Euro)

	A	B	C	D	1	2	3	4	5	6	7	8	9	
Notes	Name and Surname	Charge	Period for which the position was held (gg.mm)	Term of office (mm.yy)	Fixed fees	Remuneration for participation in committees	Variable remuneration Non-equity				Fair Value of fees equity	TOTAL	Proportion between fixed and variable remuneration (1)	Severance pay or termination of employment
							Bonuses and other incentives	Participation to profits	Non-monetary benefits	Other remuneration				
1	<b>Figari Alberta</b>	President	01.01 - 31.12	12.26	600									
2	<b>Pietro Labriola</b>	Amministratore Generale Manager Delegate	01.01 - 31.12	12.26	1.400		1.400	65		117			49% - 51%	
3	<b>Domitilla Benigni</b>	Director	01.01 - 25.09	12.26	73	58								
4	<b>Paola Camagni</b>	Director	01.01 - 31.12	12.26	100	100								
5	<b>Federico Ferro Luzzi</b>	Director	01.01 - 31.12	12.26	100	110								
6	<b>Giannotti de Ponti</b>	Director	01.01 - 31.12	12.26	100	100								
7	<b>Giovanni Gorno Tempini</b>	Director	01.01 - 31.12	12.26	100	40								
8	<b>Paolucci Umberto</b>	Director	01.01 - 31.12	12.26	100	80								
9	<b>Perrazzelli Alessandra</b>	Director	25.09 - 31.12	12.26	27	22								
10	<b>Siragusa Stefano</b>	Director	01.01 - 31.12	12.26	100	40								
<b>Total Board of Directors (a)</b>					<b>2.700</b>	<b>550</b>	<b>1.400</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>117</b>	<b>4.832</b>		

(1) Proportion of fees: fixed on total = columns (1+2+4+5)/7; variables on total = columns (3+6)/7

**Board of Statutory Auditors**  
(Amounts in thousands of Euro)

A	B	C	D	1	2	3	4	5	6	7	8	9		
Notes	Name and Surname	Charge	Period for which the position was held (gg.mm)	Term of office (mm.yy)	Fixed fees	Variable remuneration Non-equity					Fair Value of fees equity	TOTAL	Proportion between fixed and variable remuneration	Severance pay or termination of employment
						Remuneration for participation in committees	Bonuses and other incentives	Participation to profits	Non-monetary benefits	Other remuneration				
11	<b>Francesco Fallacara</b>	President	01.01 - 31.12	12.26	135					67		<b>202</b>		
12	<b>Anna Doro</b>	Mayor Effective	01.01 - 31.12	12.26	95					15		<b>110</b>		
13	<b>Massimo Gambini</b>	Mayor Effective	01.01 - 31.12	12.26	95					6		<b>101</b>		
14	<b>Francesco Schiavone Panni</b>	Statutory Auditor	01.01 - 31.12	12.26	95					60		<b>155</b>		
15	<b>Mara Vanzetta</b>	Mayor Effective	01.01 - 31.12	12.26	95							<b>95</b>		
<b>Total Board of Statutory Auditors</b>					<b>515</b>					<b>148</b>		<b>663</b>		

## Executives with Strategic Responsibilities <sup>(1)</sup>

(Amounts in thousands of Euro)

A		B	C	D	1	2	3	4	5	6	7	8	9
Notes	Name and Surname	Charge	Period for which the position was held (gg.mm)	Term of office (mm.yy)	Remuneration fixed	Remuneration for Participation to Committees	Variable remuneration Non-equity			Fair Value of fees equity	TOTAL	Proportion between fees of nature fixed and Variable <sup>(2)</sup>	Remuneration End of charge or termination of the report working
							Bonuses and Incentives	Participation to profits	Benefits not monetary				
<b>Remuneration in the company that prepares the financial statements</b>					4.882		2.485	344		300	8.011	65% - 35%	
<b>Remuneration from subsidiaries <sup>(3)</sup></b>					635 (4)		635 (5)			1.293 (6)	2.563	25% - 75%	
<b>Total Executives with Strategic Responsibilities (c)</b>					5.517		3.120	344		1.593	10.574	55% - 45%	
<b>TOTAL FEES PAID (a+b+c)</b>					<b>8.732</b>	<b>550</b>	<b>4.520</b>	<b>409</b>	<b>148</b>	<b>1710</b>	<b>16.069</b>		

- (1) Remuneration refers to those who held the position of Manager with Strategic Responsibilities during the 2025 financial year (12 executives).
- (2) Proportion of fees: fixed on total = columns (1+2+4+5) / 7; variables on total = columns (3+6) / 7.
- (3) The Other remuneration column shows the remuneration received as members of the corporate bodies of the Group companies.
- (4) The amount refers to the local employment contract converted at the average exchange rate of 2025 to 31/12/2025 (Real/€ 6.30082).
- (5) The amount refers to the amount recognized as MBO (provision in the balance sheet), converted into average euro in 2025 as of 31/12/2025 (Real/€ 6.30082).
- (6) The amount refers to the equity remuneration of local incentive plans based on financial instruments converted at the average exchange rate of 2025 to 31/12/2025 (Real/€ 6.30082).

- 1 **Alberta Figari - Chairwoman**  
col.1 The amount refers to the remuneration received as a member of the Board of Directors.
- 2 **Pietro Labriola - Chief Executive Officer and General Manager**  
col.1 The amount includes the remuneration of employees (€/000 1,300 for the first semester and 1,200 for the second semester) for the office of General Manager as well as the fixed remuneration pursuant to Article 2389 c 3 of the Italian Civil Code (€/000 100 for the first semester and 200 for the second semester) for the office of Chief Executive Officer, for the period 01/01 - 31/12/2025. The Chief Executive Officer is not the recipient of remuneration for the office of Director of the Board.  
col.3 The amount, recognized pursuant to Article 2389 c. 3 of the Italian Civil Code, refers to the "bonus" pertaining to the year for objectives achieved in the same year for the period 01/01 - 31/12/2025. From April 2025, Pietro Labriola, as General Manager, receives an amount on the payroll - not shown in the table - as reimbursement of expenses relating to housing, as per the *Remuneration Package* and in line with the current company policies for executive staff.  
col.6 The amount refers to the fair value booked for the first year 2025 of the Long Term Performance Share Plan 2025 - 2027
- 3 **Domitilla Benigni - Director**  
col.1 The amount refers to the remuneration received as a Director until 25 September 2025  
col.2 The amount refers to the remuneration received as a member of the Nomination and Remuneration Committee (€/000 29), and as a member of the Sustainability Committee (€/000 29) until 25 September 2025.
- 4 **Paola Camagni - Director**  
col.1 The amount refers to the remuneration received as a member of the Board of Directors.  
col.2 The amount refers to the remuneration received as Chair of the Related Parties Committee (€/000 50), and member of the Control and Risk Committee (€/000 50).
- 5 **Federico Ferro Luzzi - Director**  
col.1 The amount refers to the remuneration received as a member of the Board of Directors.  
col.2 The amount refers to the remuneration received as Chair of the Control and Risk Committee (€/000 70) and as a member of the Related Parties Committee (€/000 40).
- 6 **Paola Giannotti De Ponti - Director**  
col.1 The amount refers to the remuneration received as a member of the Board of Directors.  
col.2 The amount refers to the remuneration received as a member of the Control and Risk Committee (€/000 50), and Chair of the Nomination and Remuneration Committee (€/000 50).
- 7 **Giovanni Gorno Tempini - Director**  
col.1 The amount refers to the remuneration received as a member of the Board of Directors.  
col.2 The amount refers to the remuneration received as a member of the Sustainability Committee (€/000 40)
- 8 **Umberto Paolucci - Director**  
col.1 The amount refers to the remuneration received as a member of the Board of Directors.  
col.2 The amount refers to the remuneration received as a member of the Related Parties Committee (€/000 40), as a member of the Nomination and Remuneration Committee (€/000 40)
- 9 **Alessandra Perrazzelli - Director**  
col.1 The amount refers to the remuneration received as a Director from 25.09.2025.  
col.2 The amount refers to the remuneration received as a member of the Sustainability Committee since 25.09.2025 (€/000 40) and as a member of the Nomination and Remuneration Committee (€/000 40)
- 10 **Stefano Siragusa- Director**  
col.1 The amount refers to the remuneration received as a member of the Board of Directors.  
col.2 The amount refers to the remuneration received as a member of the Sustainability Committee Committee (€/000 40)
- 11 **Francesco Fallacara – President**  
col.1 The amount refers to the remuneration received as Chair of the Board of Statutory Auditors.  
col.5 The amount refers to the remuneration received as Chair of the Board of Statutory Auditors of the subsidiary Tim Retail S.r.l (€/000 27). for the period 01/01- 31/12/2025 in addition to the remuneration received as Standing Auditor of TI Sparkle S.p.A. from 01/01/2025 to 31/12/2025 (€/000 40)
- 12 **Anna Doro – Statutory Auditor**  
col.1 The amount refers to the remuneration received as a Standing Auditor.  
col.5 The amount refers to the remuneration received as a member of the Supervisory Body of TIM S.p.A.
- 13 **Massimo Gambini – Statutory Auditor**  
col.1 The amount refers to the remuneration received as a Standing Auditor.  
Col.5 \* The amount refers to the remuneration received as Statutory Auditor of Telsy S.p.A. from 7.4.25 to 31.12.25 (€/000 5.9)
- 14 **Francesco Schiavone Panni – Statutory Auditor**  
col.1 The amount refers to the remuneration received as a Standing Auditor.  
col.5 The amount refers to the remuneration received as Chair of TI Sparkle S.p.A. from 1.01 to 31.12.2025 (€/000 60)
- 15 **Mara Vanzetta – Statutory Auditor**  
col.1 The amount refers to the remuneration received as a Standing Auditor.

### **TABLE 3A: Incentive plans based on financial instruments other than Stock Options, in favour of the members of the Board of Directors and Executives with Strategic Responsibilities**

The following table shows the shares assigned/assignable, at an aggregate level, in favour of Executives with strategic responsibilities (including all persons who, during the year, held the aforementioned offices, even for a fraction of a year). The Chief Executive Officer and General Manager have not been assigned Long-Term Share-based Incentive Plans.

In particular:

- > the column "Financial instruments allocated in previous years not vested during the year" shows the number of shares assigned in previous years and not vested during the year, with an indication of the vesting period;
- > the column "Financial instruments granted during the year" shows the number of shares granted during the year, with an indication of the fair value at the grant date, the vesting period, the grant date and the market price at grant;
- > the column "Financial instruments vested during the year and not assigned" shows, if any, the number of shares for which the vesting period ended during the year and which were not allocated to the recipient due to the failure to meet the conditions to which the allocation of the instrument was conditional;
- > the column "Financial instruments vested during the year and assignable" shows the number and value at the vesting date of the shares granted, vested during the year and assignable on the basis of the final balance of the performance conditions of the vesting period, or the pro rata required by the Plan Regulations; in the event of a lack of performance data at the date of approval of the Report, the table shows the estimate of the shares that can be assigned to the target level for the performance not yet available at the date of publication of the Report;
- > the column "Financial instruments for the year" shows the fair value of the shares granted, still outstanding, for the portion for the year only.

Name and Surname	Charge	Plan	Notes	Financial instruments allocated in previous years not vested during the year		Financial instruments allocated during the year				Financial instruments vested during the year and not allocated	Financial instruments vested during the year and attributable		Financial instruments for the year
				Number of Shares	Vesting Period	Number of Shares	Fair value at grant date	Vesting period	Date of award	Market price at attribution	Number of Shares	Number of Shares	Value at vesting date
Executives with strategic responsibilities (in companies that prepare the financial statements)						12.300.412	3,8 €M	1/1/2025 – 31/12/2027					0,9 €M
<b>Total</b>						<b>12.300.412</b>	<b>3,8 €M</b>	<b>1/1/2025 – 31/12/2027</b>					<b>0,9 €M</b>
Executives with strategic responsibilities (in subsidiaries and associates)	Long Term Incentive 2024-2026 - Grant 2025	-				309.687	R\$ 5.333.333	3 years	05/05/2025	17,22172191			\$ 1.482.534 <sup>3</sup>
	Long Term Incentive 2024-2026 - Grant 2024	(A)	261,765 <sup>1</sup>	3 years							47,239 <sup>2</sup>	\$ 16,54	R\$ 4.406.784 <sup>3</sup>
	Long Term Incentive 2021-2023 - Grant 2023	(B)	161,984 <sup>1</sup>	3 years							206,968 <sup>2</sup>	\$ 16,54	\$ 2.174.153 <sup>3</sup>
	Long Term Incentive 2021-2023 - Grant 2022	(C)	-	3 years							187,310 <sup>2</sup>	\$ 16,54	\$ 83.386 <sup>3</sup>
<b>Total</b>				<b>423.749</b>		<b>290.850</b>	<b>R\$ 5.333.333</b>				<b>338.898</b>		<b>R\$ 8.146.857</b>

**A) LTI 2024-2026 - Grant 2024**

- 1) Of the volume of shares assigned in 2024 amounting to 290,850, 29,085 became vested during the 2025 financial year and 261,765 will become exercisable during the years 2026 and 2027.
- 2) Of the total of 47,239 shares transferred, 29,085 correspond to the original volume that became vested, 14,543 additional shares are due to the achievement of the performance level and 3,611 to dividends paid in additional shares.
- 3) The Fair Value R\$ 4.406.784 represents the amount recognized in accounting in 2025, which considers the value associated with shares and performance projections.

**B) LTI 2021-2023 - Grant 2023**

- 1) Of the volume of shares assigned in 2023 amounting to 323,969, 64,794 became vested during the 2024 financial year, 97,191 became vested during the 2025 financial year and 161,984 will become exercisable during the years 2026.
- 2) Of the total of 206,968 shares transferred, 97,191 correspond to the original volume that became vested, 85,071 additional shares are due to the achievement of the performance level and 24,706 to dividends paid in additional shares.
- 3) The Fair Value R\$ 2.174.153 represents the amount recognized in accounting in 2025, which considers the value associated with shares and performance projections.

**C) LTI 2021-2023 - Grant 2022**

- 1) Of the volume of shares assigned in 2022 of 226,751, 75,583 became vested during the 2023 financial year, 75,584 became vested during the 2024 financial year and 75,584 became vested during the 2025 financial year.
- 2) Of the total of 187,310 shares transferred, 75,584 correspond to the original volume that became vested, 84,628 additional shares are due to the achievement of the performance level and 27,098 to dividends paid in additional shares;
- 3) The Fair Value R\$ 83.386 represents the amount recognized in accounting in 2025, which considers the value associated with shares and performance projections.

## TABLE 3B: Monetary incentive plans for members of the administrative bodies, the General Manager and Executives with Strategic Responsibilities

The following table shows the variable monetary incentives provided for the Chief Executive Officer and General Manager, and, at an aggregate level, for the other Executives with strategic responsibilities (including all persons who, during the year, held the aforementioned offices, even for a fraction of a year).

In 2025, payable bonuses and deferred bonuses have been envisaged, the latter referring to the "Phantom Shares" incentive plans referred to in the relevant details in this document.

The Short-Term Variable Incentive accrued during the year is shown on the basis of the final performance of the objectives defined for the year of the year; in the event of unavailability of the performance result at the date of approval of the Report, the table shows the estimate of the incentives accrued considering at target level the performance not yet finalized.

The "Other Bonuses" column shows the bonuses for the year that are not explicitly included in the other items. For 2025, these are the aforementioned "Phantom Shares" incentive plans, with possible disbursement no earlier than the year 2027.

The total of the amounts of the item "payable" in the column "Bonus of the year" and of the column "Other bonuses", coincide with those indicated in the column "Bonuses and other incentives" of table 1 if paid during the year.

(Amounts in thousands of Euro)

A Name and Surname	B Charge	1 Plan	2 Bonus of the Year			3 Previous years bonus			4 Other Bonuses
			(a)	(b)	(c)	(a)	(b)	(c)	
			Deliverable/ Dispensed	Deferred	Deferral period	No longer deliverable	Deliverable/ Dispensed	Still deferred	
<b>Pietro Labriola</b> Chief Executive Officer and General Manager		MBO 2025 BoD Resolution	1.400						
<b>Executives with Strategic Responsibilities</b>									
<b>Remuneration in the company that prepares the financial statements</b>		MBO 2025	2.485						
		Phantom Shares							584 <sup>(2)</sup>
<b>Remuneration in subsidiaries and associates</b>		MBO 2025	635 <sup>(1)</sup>						
<b>TOTAL</b>			<b>4.520</b>						<b>584</b>

(1) The amount refers to the amount recognized as MBO (based on the figure set aside for the 2025 Financial Statements), converted into euros at the 2025 average exchange rate (Real/€ 6.30082).

(2) The amount refers to the 2025 portion - calculated at cost, with fair value as at 31.12.2025 - relating to the Long Term "Phantom Shares" equity based/cash settled Incentive Plan, referred to in the relevant details in this document.

## SCHEME No. 7-ter: Scheme relating to information on the shareholdings of the members of the Administrative and Control Bodies, the General Manager and the Managers with Strategic Responsibilities

The following table shows the equity investments held by all the persons who, during the 2025 financial year, held, even for a fraction of the period, the position of member of the Board of Directors, member of the Board of Statutory Auditors, General Manager or the role of Manager with Strategic Responsibilities (for the latter case, the figure is reported in aggregate form).

Name and Surname	Charge	Investee Company	Share category	Number of shares held at the end of the previous financial year (or at the date of appointment)	Number of shares purchased during the year	Number of shares sold during the year	Number of shares held at the end of the financial year (or on the date of termination of office, if earlier)
<b>Board of Directors</b>							
<b>Alberta Figari</b>	President	=	=	=	=	=	=
<b>Pietro Labriola</b>	Chief Executive Officer General Manager	TIM S.p.A.	Ordinary	2.900.000	=	=	2.900.000
		TIM S.A.	Ordinary (1)	850.380 (2)	=	850.380	=
<b>Paola Camagni</b>	Director	=	=	=	=	=	=
<b>Federico Ferro Luzzi</b>	Director	=	=	=	=	=	=
<b>Giovanni Gorno Tempini</b>	Director	=	=	=	=	=	=
<b>Domitilla Benigni</b>	Director	=	=	=	=	=	=
<b>Paola Giannotti De Ponti</b>	Director	=	=	=	=	=	=
<b>Umberto Paolucci</b>	Director	=	=	=	=	=	=
<b>Alessandra Perrazzelli</b>	Director	=	=	=	=	=	=
<b>Stefano Siragusa</b>	Director	TIM S.p.A.	Ordinary	1.553.280	500.000	2.053.280	=
<b>Board of Statutory Auditors</b>							
<b>Francesco Fallacara</b>	President	=	=	=	=	=	=
<b>Anna Doro</b>	Statutory Auditor	=	=	=	=	=	=
<b>Massimo Gambini</b>	Statutory Auditor	=	=	=	=	=	=
<b>Executives with Strategic Responsibilities</b>							
<b>12</b>		TIM S.p.A.	Ordinary Savings	3.204.869 (3)	200.000	443.000	2.961.869 (3)
		TIM S.A.	Ordinary (1)	=	=	=	=
				248.153	441.517	248.153	441.517

Note: two out of twelve managers with strategic responsibilities have left the group (for them the figure dates back to the date of termination of work)

(1) Shares listed on the NYSE and BOVESPA markets.

(2) Shares obtained through the conversion of stock options received from TIM S.A.

(3) Of which 9,576 held by the spouse who is not legally separated

## Appendix – Remuneration Plans Tables

### REMUNERATION PLANS BASED ON FINANCIAL INSTRUMENTS

Table no. 1 of Schedule 7 of Annex 3A to Regulation no. 11971/1999

The Shareholders' Meeting of 24 June 2025 approved a series of amendments to the 2022-2024 Stock Option Plan, already approved by the Shareholders' Meeting of 7 April 2022, with the conditions and purposes illustrated in this report and in the Information Document available on the website.

The final balance of the objectives related to this Plan was approved by the Board of Directors of TIM S.p.A. on 14 April 2025, and on that date the Options became exercisable.

The proposed amendments concern:

- the determination of a different strike price value, reduced from the original price of 0.424 euros to the New Strike Price of 0.3465 euros (calculated on the basis of the weighted average of the market prices of the TIM share recorded in the 30 days prior to the resolution of the Board of Directors of 23 May 2025), with the related reparameterization of the maximum payout achievable by the Non-Ceased Beneficiaries;
- the determination of a different exercise period, which will run from 1 February 2027 to 14 April 2027 for the Non-Terminated Participating Beneficiaries, as defined above

The following table shows the details of the amended SOP Plan to which the Managers with Strategic Responsibilities have adhered:

### Amended 2022-2024 SOPs

Date: 31/12/2025

Name or category	Charge	Date of the shareholders' resolution	PANEL 2 Stock Options Section 1 Options relating to plans, currently valid, approved on the basis of previous shareholders' resolutions								
			Instrument description	Number of target options	Assignment Date	New Strike Price	Market price of the underlying shares on the grant date	Period of possible exercise	Number of final options	Fair Value Year 2025	Fair Value Final balance
Pietro Labriola	Amministratore Delegato and General Manager	07/04/2022 24/06/2025	Stock options	24.000.000	10/05/2022	€ 0,3465 VAT included	€0.26 VAT included	01/02/2027 – 14/04/2027	26.030.400	536.877	€ 2.863.344
Executives with Strategic Responsibilities		07/04/2022 24/06/2025	Stock options	37.500.000	10/05/2022	€ 0,3465 VAT included	€0.26 VAT included	01/02/2027 – 14/04/2027	40.672.500	838.870	€ 4.473.975 VAT included

# Glossary

**AI Literacy:** Level of competence, awareness and practical ability on Artificial Intelligence, relevant for the governance of technological change.

**Executive Directors:** Directors vested with special offices by the Board of Directors.

**Shareholders' Meeting:** The corporate body that votes on the Remuneration Policy and approves incentive plans based on financial instruments.

**Remuneration benchmark:** Comparative analysis of remuneration levels and structures against a group of comparable companies.

**CapEx (Capital Expenditures):** Group investments in tangible and intangible fixed assets of an operating nature.

**CCNL:** National Collective Bargaining Agreement for Executives.

**Change of Control:** Extraordinary transaction involving a change in control of the Company pursuant to Article 2359 of the Italian Civil Code.

**Clawback:** Contractual mechanism that allows the recovery of variable remuneration already paid in the event of predefined events or behaviors.

**Corporate Governance Code:** Code promoted by the Corporate Governance Committee that provides recommendations on corporate governance.

**Nomination and Remuneration Committee:** Board Committee with preliminary and propositional functions on appointments and remuneration policies.

**Detractors:** Customers who express a low level of satisfaction, the reduction of which is used as a KPI to measure the improvement of the *Customer Experience*.

**EBITDA After Lease:** Performance indicator that measures the Group's operating result net of the accounting effects of leases.

**ESG (Environmental, Social and Governance):** Environmental, social and corporate governance factors integrated into incentive systems.

**Engagement:** Structured process of dialogue with relevant shareholders, investors and stakeholders.

**Gate:** Condition for access to the variable incentive system, necessary for the accrual of the bonus.

**IFRS 16:** International Accounting Standard Governing the Treatment of Lease Contracts.

**LTI (Long Term Incentive):** Long-term incentive system aimed at aligning management and shareholders.

**Lock-up:** Period of unavailability for sale of the shares granted following vesting.

**MBO (Management By Objectives):** Short-term incentive system based on the achievement of annual objectives.

**Pay Mix:** Percentage composition between fixed and variable remuneration.

**Peer Group:** A group of comparable companies used for remuneration benchmark analyses.

**Performance Share:** Equity incentive instrument subject to the achievement of performance objectives.

**Remuneration Policy:** Document that defines the principles, criteria and instruments for the remuneration of corporate bodies and management.

**Fixed Remuneration:** Component of remuneration not linked to performance results.

**Variable Remuneration:** Component of remuneration linked to the achievement of performance objectives.

**Sell to Cover:** Mechanism for selling a share of shares to meet tax burdens.

**ServiceCo:** Company perimeter focused on the offer of technological services and platforms, distinct from the infrastructure network, which defines the scope of responsibility and reporting of results for management incentives.

**Severance:** Indemnity paid in the event of termination of the relationship according to predefined conditions.

**Stock Option:** The right to receive shares of the Company at a fixed price (*strike price*), subject to the completion of the *vesting period* and the occurrence of the conditions set out in the relevant Regulations.

**TSR (Total Shareholder Return):** An indicator that measures the total return for the shareholder, including price change and dividends.

**Vesting:** Period at the end of which the assigned rights become mature and exercisable.