



TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

Insight

TIM Group

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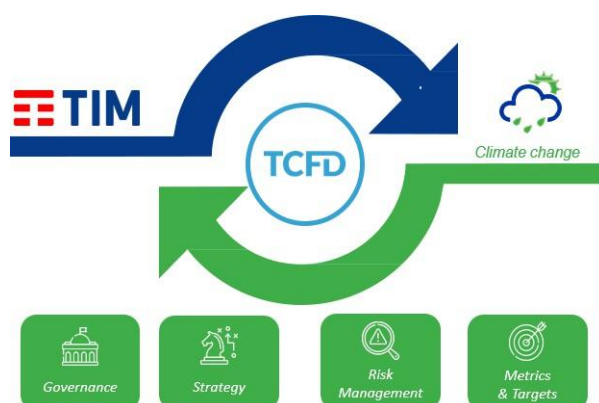
1. TCFD Recommendations as a Framework for the TIM Group's Climate Strategy

To systematically integrate the risks and opportunities associated with climate change into its strategy and decision-making processes, TIM follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The framework, developed at the initiative of the Financial Stability Board, provides guidance for presenting the financial implications of climate-related risks and opportunities in a consistent and comparable manner.

This approach makes it possible to illustrate how climate-related factors are integrated into business processes and to provide investors and stakeholders with information on how these factors are managed. This approach also supports the strategic management of the climate transition and is part of the Group's broader sustainability reporting system, including in relation to the obligations set forth by the CSRD.

In line with the TCFD framework, this in-depth analysis is organized into the four areas outlined by the framework:

- **Governance:** how the organization manages climate-related risks and opportunities;
- **Strategy:** the impacts of climate change on the business model, the business plan, and financial planning;
- **Risk Management:** how climate risks are identified, assessed, and managed;
- **Metrics and Targets:** which indicators are used to monitor climate performance and the achievement of environmental targets.





2. Governance

TIM Group manages the risks and opportunities associated with climate change within the framework of its governance system and Enterprise Risk Management model, through the involvement of the corporate bodies and relevant business functions. This structure allows for the gradual integration of climate-related issues into the Group's risk assessment processes and strategic decisions.

The **Board of Directors** oversees ESG issues, including those related to climate change, with the support of the relevant board committees. In particular, the **Sustainability Committee** performs advisory, propositional, monitoring, and investigative functions and supports the Board and management in addressing environmental, social, and governance issues. As part of its activities, the Committee also reviews key climate policies and has approved the 2026 Climate Transition Plan, which has been integrated into the Group's business planning. **The Control and Risk Committee**, on the other hand, oversees—within the scope of its responsibilities—the internal control and risk management system, as well as financial and non-financial reporting, collaborating with the Sustainability Committee on ESG risks, including those related to climate change. At the management level, oversight of sustainability issues is entrusted to the **Corporate Communication and Sustainability division** and, within it, to the **Sustainability Function**, which works in coordination with the other relevant corporate functions. The Function coordinates the ESG Plan and the Climate Transition Plan, contributes to the definition of the related objectives, and collaborates with the **Enterprise Risk Management Function** in assessing and managing risks related to environmental aspects, including climate-related risks. The head of the Corporate Communication and Sustainability Department and the head of the Sustainability Function participate in Sustainability Committee meetings, facilitating coordination between management and the governance bodies.

3. Strategy

Climate change is a significant factor for TIM's operations, both due to the nature of its business and because of the potential effects on infrastructure, costs, and changes in the regulatory and market environment. The TIM Group's business is based on mobile network infrastructure and data centers that consume significant amounts of energy, as well as on



assets distributed throughout the country that are exposed to the effects of increasingly frequent and intense extreme weather events.

In this context, the Group identifies and assesses both physical risks and transition risks. **Physical risks** are linked, in particular, to phenomena such as heavy rainfall, landslides, floods, and flash floods, which can cause damage to real estate and network assets, service interruptions, increased insurance costs (Assurance Cost Overspending), and potential impacts on productivity due to heat stress (Decreased Job Performance);

Transition risks, on the other hand, are linked to changes in the regulatory framework and the energy market, with potential effects on operating costs, including in relation to the possible introduction of a carbon tax and increased energy expenses. The analysis is conducted across three time horizons: short, medium, and long-term, and considers the possible impacts on the Group's operations and financial planning.

The assessment of these risks is integrated into the Enterprise Risk Management process and supports the identification of priorities for action and the related adaptation and mitigation measures. The identified measures are incorporated into the company's risk management, business continuity, investment planning, and infrastructure development processes, with the goal of progressively strengthening their resilience to climate change. For operations already in place, adaptation measures are generally planned with an implementation timeline of less than five years.

Assessments of climate risks and opportunities also contribute to the definition and implementation of the Group's strategic decisions. TIM's environmental strategy is focused on the gradual decarbonization of its operations in Italy and Brazil through the adoption of innovative technologies and resilient assets, the exclusive use of renewable energy, the promotion of the circular economy, and the procurement of solutions with a certified carbon footprint.

The climate strategy also takes into account changes in the Group's business scope. In 2024, the sale of fixed-line network infrastructure assets to Kohlberg Kravis Roberts & Co. L.P. (KKR) resulted in a significant change in the Group's operational scope, both in terms of asset



size and workforce, with substantial impacts on the Group's emissions profile. The changes in structure and activities affected the comparability of emissions performance with previous fiscal years and made it necessary to identify a new baseline for monitoring progress. In this context, 2024 serves as the new base year for measuring and monitoring emissions reductions and was subject to further verification and methodological refinements in 2025.

In light of the new industrial structure, TIM has revised its decarbonization trajectory and the related implementation tools, in line with the Group's new scope and the recommendations of the Science Based Targets initiative (SBTi), with the aim of ensuring that the climate trajectory aligns with strategic priorities and is integrated into the Group's planning processes. The Climate Transition Plan was formalized and published in July 2026 and supports the continuation of the main emission reduction strategies already initiated by the Group.

The integration of climate factors is also reflected in financial planning. The assessment of climate-related risks and opportunities allows the Group to consider, as part of its planning processes, the potential economic and financial implications of its strategic decisions. These implications relate, in particular, to revenue growth linked to transition opportunities, changes in operating costs, investments required for energy efficiency and infrastructure resilience, and the potential effects of climate events on assets.

In terms of **revenue**, the climate transition can represent an opportunity to expand the Group's offerings, particularly through digital products and services that promote a more efficient use of resources and a reduction in environmental impacts. In 2025, approximately 6.07% of the Group's total revenue will come from activities eligible under the EU Taxonomy, primarily attributable to data processing, hosting, and cloud services; data-driven solutions for reducing greenhouse gas emissions; IT/OT solutions for reducing water loss; and circular economy activities, such as the rental of mobile devices and the sale of used goods. For TIM, this component represents a strategic area linked to the opportunity to develop and/or expand low-emission products and services.

In terms of **operating costs**, energy accounts for approximately 7% of the Group's total purchases, and the expansion of the network and services may lead to an increase in demand. Changes in energy consumption and prices are therefore one of the ways in which transition



risks can affect the Group's operating costs. However, the annual energy efficiency initiatives implemented in Italy help offset the increase in consumption and generate savings. In 2025, 7.15% of the Group's OpEx is associated with economic activities eligible under the EU Taxonomy.

Strategic decisions related to climate transition are also reflected in the Group's investments. Energy efficiency projects require dedicated resources. Furthermore, in 2025, Energy Efficiency Certificates generated cost savings of approximately 17 million euros, thanks to measures implemented on the fixed-line and mobile networks and the real estate portfolio.

Finally, the planning takes into account the effects of extreme weather events on assets and related insurance coverage. The Group assesses the probability and impact of such events on the infrastructure and equipment necessary to ensure communication services, allocating resources both to insurance coverage, to protect the economic value of the assets, and to the measures needed to ensure business continuity.

To gain a deeper understanding of the potential strategic and financial implications of climate-related factors, the Group analyzed specific risks and opportunities, taking into account the affected part of the value chain, the potential financial impact, the time horizon, and the magnitude, as well as the planned response measures. The findings presented below examine, in particular, a transition risk related to the possible introduction of a carbon tax, a physical risk linked to the exposure of infrastructure to extreme weather events, and an opportunity associated with the development and expansion of low-emission products and services.



Transition Risk: Introduction of a Carbon Tax | Example 1

Affected part of the value chain	Primary Potential Financial Impact	Time horizon	Impact magnitude
Direct operations	Increase in Direct Costs Estimated financial impact of the risk before corrective measures are taken: €2,660,000	Long Term Estimated average time horizon (in years) for the financial implications of the risk: 15 years	Medium-low

Business Scenario

Investments in mobile network infrastructure—including the rollout of 5G—and in data centers supporting cloud services entail significant energy requirements. In this context, the Group considers the potential introduction of a carbon tax to be one of its transition risks, particularly in light of the evolution and effectiveness of the European ETS system. The introduction of stricter carbon pricing mechanisms could lead to an increase in operating costs directly associated with fuel use and, indirectly, in energy procurement costs.

Financial effects

The potential financial impact was estimated based on the Group's Scope 1 and Scope 2 emissions levels in 2024, applying a conservative projection of the carbon price based on available information. Using a reference value of 83.5 €/tCO₂, the potential financial impact before mitigation measures is estimated at 2.66 million euros. Changes in carbon pricing mechanisms could also affect, directly or indirectly, the Group's energy procurement costs.

Risk mitigation cost

The total cost associated with the main initiatives considered for risk management and mitigation is estimated at €252,846,000. The actions include sourcing 100% of electricity from renewable sources through Guarantees of Origin, PPAs, and self-generation; energy efficiency measures for the network, data centers, and technological infrastructure; the gradual migration of traffic to more energy-efficient 5G networks; the gradual alignment of investments with the criteria of the European Taxonomy; and the decarbonization of the supply chain through the integration of ESG criteria into procurement processes and the involvement of suppliers in reducing indirect emissions.

Transition risk highlights how changes in climate regulations and energy costs may affect the Group's investment decisions and decarbonization initiatives. This aspect is compounded by the physical exposure of the infrastructure, which is particularly significant given the geographic distribution of the assets and the need to ensure service continuity.

Physical hazard: floods (coastal, river, rain-induced, groundwater) | Example 2

Affected part of the value chain	Primary Potential Financial Impact	Time horizon	Impact magnitude
Direct operations	Increase in Capital Expenditures Estimated financial impact of the risk prior to the implementation of corrective measures: €75,000,000	Long Term Estimated average time horizon (in number of years) for the financial implications of the risk: 15 years	Medium-High

Business Scenario

The widespread distribution throughout the country of the infrastructure used to provide telecommunications services exposes the Group's assets to the effects of extreme weather events. In particular, flooding can cause damage to buildings and network infrastructure, with potential consequences for business continuity and the resulting need to repair or replace the affected assets.

Financial effects



The Group assesses its exposure to hydrogeological risk using TIMgis, a georeferenced system that integrates ISPRA's Hydrogeological Risk Maps with data on real estate and network infrastructure, valued based on reconstruction or replacement costs. The analysis considers the exposed value and vulnerability of assets—including with respect to low-probability events—and uses historical data and climate projections from the Network for Greening the Financial System (NGFS) to assess how the risk might evolve by 2030 and 2050. Based on these analyses, the potential financial impact before mitigation measures are implemented is estimated at 75 million euros.

Risk mitigation cost

The estimated cost of risk response measures is €4,500,000. The Group conducts analyses of its real estate portfolio and network infrastructure and uses simulation models to estimate potential losses associated with extreme events and to support the identification of mitigation measures. These tools are complemented by the All Risks Property insurance program, designed to cover potential losses resulting from catastrophic events.

In addition to the risks, the Group also considers climate change in terms of the opportunities associated with the role of digital technologies in the transition to models with a lower environmental impact. The ability to develop digital services that promote a more efficient use of resources represents, in fact, an area of potential growth for both offerings and revenues.

Opportunity: Development of Low-Emission Goods and Services | Example 3

Affected part of the value chain	Primary Potential Financial Impact	Time horizon	Impact magnitude
Downstream	Increase in revenue resulting from higher demand for products and services. Quantitative estimate: €814,360	Short term	High

Business Scenario

Digital technologies can help reduce the environmental impact of citizens, businesses, and public administrations by promoting more efficient resource management. The Group develops solutions such as cloud services, telemedicine, remote work, smart industry, smart agriculture, smart metering, and smart parking, enabled in part by 5G networks and the Internet of Things. These are complemented by trade-in programs for mobile devices, designed to promote their reuse and the recycling of materials.

Financial effects

The financial impact indicated refers to the revenue generated in 2025 from Activity 8.1—Data Processing, Hosting, and Related Activities—which is eligible under the EU Taxonomy and aligns with the climate change mitigation objective. Revenues associated with this activity amount to €814,360. The relevant information is included in the TIM Group's 2025 Annual Financial Report, within the Sustainability Report.

Risk mitigation cost

The operating cost associated in 2025 with Activity 8.1 — Data Processing, Hosting, and Related Activities, which is eligible under the EU Taxonomy—amounts to €57,713,000. The investments and costs incurred for the development and management of digital solutions support the provision of services that promote greater efficiency in the use of resources and can contribute to the development of new business opportunities.

Analyses of climate-related risks and opportunities are also used to assess the resilience of the Group's strategy under different climate scenarios and the potential implications in the medium to long term. To this end, the Group conducts qualitative and quantitative scenario analyses, examining scenarios consistent with the goal of limiting global temperature rise to below 1.5 °C, in accordance with the guidelines of the Network for Greening the Financial System (NGFS).

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With regard to transition risks, the Group conducted a quantitative analysis of the Net Zero target for 2050, taking into account potential regulatory obligations related to non-reducible CO₂ emissions—including the possible introduction of a carbon tax—and the resulting increase in costs. Over a time horizon extending to 2050, a gradual reduction in emissions was estimated, and possible deviations from the target of 10%, 20%, and 30% were also considered, assessing their relative potential economic impact.

With regard to physical risks, the Group is evaluating the gradual expansion of its analyses to include chronic risks and medium- to long-term climate scenarios, including the new-generation IPCC scenarios SSP1-2.6, SSP2-4.5, and SSP5-8.5, in order to broaden, over time, the assessment of the potential effects of climate change on its strategy and business model. These analyses, integrated into the Enterprise Risk Management framework, focus in particular on risks that could compromise the company's assets and business continuity.

Among these, the **hydrogeological risk** is assessed using CLIMADA, which cross-references official maps with the Group's georeferenced assets, estimating their value at replacement cost. **The risk of reduced work performance** caused by hot and humid weather conditions is also taken into account. The studies indicate an average decline in overall productivity of 9.84%; for the Group, this risk could translate into an estimated economic loss ranging from 16 million euros—with a 0.8% reduction in productivity in the best-case scenario at +1.4 °C—to 50 million euros, with a 2.4% reduction in the worst-case scenario at +2 °C.

Scenario analyses therefore make it possible to assess how different climate and transition conditions may affect business continuity and financial results and, more generally, the resilience of the Group's strategy. In line with the scenarios analyzed, TIM identifies the most significant climate events for its sector, assesses their potential impact, and monitors the evolution of possible damage to assets, while also taking into account the mitigation measures already implemented

As part of its crisis management efforts, the Group also conducts simulations and drills to test the resilience of Essential Communication Services and its ability to ensure business continuity in the event of natural disasters, civil protection incidents, or IT



failures. At the same time, the effectiveness of IT system security measures is periodically verified. Where necessary, these analyses may result in corrective action plans, while residual risks are also managed through specific insurance coverage.

The results of assessments of climate risks, opportunities, and scenarios are reflected in various aspects of the Group's strategy. In particular, climate factors are taken into account in decisions regarding the development of digital technologies and solutions, supply chain management, investments in research and development, and operations, as summarized in the table below.

Risks and Opportunities Related to Climate Change Impact on TIM's Strategy	
Impacted Area	Description of the influence
Digital Technologies and Solutions	Climate change presents an opportunity to develop products, services, and solutions with a low environmental impact. The Group invests in the adoption of digital technologies such as 5G, cloud, IoT, and artificial intelligence, which facilitate the digital and environmental transition of businesses and public administrations. Through Noovle, the Group's cloud company and a Benefit Corporation, TIM supports public and private organizations in their digital transformation journeys through cloud solutions and advanced services developed within an ecosystem of data centers certified to international energy efficiency standards. In 2025, revenue from IoT, cloud, and cybersecurity services grew by 22% compared to the previous year, and the Group certified 11 data centers in accordance with the EU Code of Conduct on energy efficiency.
Supply chain and/or value chain	The Group works with suppliers to steer purchasing decisions toward more efficient solutions with a lower environmental impact. The requesting departments and the Procurement function integrate ESG criteria into the various stages of the procurement process, from supplier qualification to performance monitoring along the value chain. In 2025, 299 new suppliers were qualified, 35% of whom also underwent ESG assessments. Through assessments and audits, including those conducted as part of the Joint Alliance for CSR (JAC), the Group promotes continuous improvement initiatives aimed at reducing environmental impacts and strengthening social and governance standards throughout the supply chain.
Investments in Research & Development	Climate change presents an opportunity for the development of products, services, and solutions with a low environmental impact. Research and development activities enable the Group to develop solutions based on cloud computing, the Internet of Things (IoT), cybersecurity, and artificial intelligence, contributing to the digital and environmental transition of businesses, government agencies, and citizens. These technologies promote a more efficient use of resources, a reduction in consumption and emissions, and the development of more sustainable models. In 2025, IoT solutions grew by 27%, reflecting the Group's role in developing solutions integrated with AI, big data, and 5G connectivity.
Operations	The measures introduced in 2025 and the new Climate Transition Plan approved in 2026 support the Group's efforts to reduce emissions and curb energy consumption, alongside the growth in data traffic and the development of digital infrastructure. In 2025, TIM achieved 100% electricity procurement from renewable sources, reducing Scope 2 emissions to zero according to the market-based approach, and continued to invest in the energy efficiency of its networks and data centers, strengthening its decarbonization efforts and the efficient use of resources.

Assessing resilience through climate scenarios and integrating the resulting outcomes into the Group's various areas of activity therefore enables the Group to factor climate considerations into the evolution of its strategy and business model, linking the decarbonization pathway to infrastructure resilience, operational efficiency, value chain management, and the development of digital solutions to support the transition.



4. Risk Management

The TIM Group integrates the identification, assessment, and management of risks related to climate change into its Enterprise Risk Management (ERM) process, considering short-term (0–3 years), medium-term (3–5 years), and long-term (more than 5 years) time horizons. The climate risk management process, conducted on a semi-annual basis, considers the possible correlations between climate risks and the various stages of the value chain, from direct activities to upstream and downstream activities.

Within the Chief Finance Office, **the Enterprise Risk Management & Insurance function** works with risk owners to update the risk register (Risk Universe), supporting the definition of mitigation measures and periodically monitoring their implementation status. Risks are assessed using a 3x3 matrix (Risk Heat Map), which combines impact and probability and also takes into account reputational, legal, and regulatory aspects.

The ERM process uses an ESG risk assessment methodology based on key risk indicators (KRIs). For strategic risks, probabilistic and econometric models are used to analyze the probability distribution and the interaction among individual risk factors.

As part of the climate risk assessment, the analysis focuses in particular on two categories: **transition risks**, related, among other things, to the introduction of new environmental regulations, the carbon tax, disclosure requirements, and changes in energy prices; and **physical risks**, attributable to both extreme weather events and chronic changes in environmental conditions, such as heat waves and rising average temperatures.

For the assessment of physical risks, the widespread distribution of assets across territory is a key factor in determining exposure. In particular, the intensification of extreme weather events, such as torrential rains and storms, is also analyzed using **CLIMADA**, a system employed to conduct desk-based assessments and assign risk levels to facilities. On-site inspections are also conducted for assets considered to be the most strategic or vulnerable. Probabilistic assessments also include low-probability extreme events—including those with return periods of up to 200 years—in order to estimate potential expected losses.

Based on the results of the identification and assessment process, the Group



defines its approach to managing climate risks by combining preventive measures, insurance instruments, and governance mechanisms. These measures are designed to reduce the physical exposure of assets, strengthen their resilience, and ensure service continuity.

The main preventive measures include:

- optimizing the placement of equipment at company sites;
- the use of hydrogeological risk maps to guide infrastructure development;
- the prioritized phase-out of the most energy-intensive and vulnerable technologies;
- the adoption of resilient construction standards;
- the establishment of operational agreements with suppliers for emergency management;
- the adoption of Business Continuity Plans.

These measures are complemented by an **All Risks Property insurance program**, designed to protect physical assets and structured to cover damages regardless of their cause. Since 2021, the Group has also launched a specific analysis aimed at estimating indirect damages resulting from service interruptions, taking into account the critical role that communication services play for customers, institutions, and the country.

Monitoring and reporting the results are an integral part of the management process. Risk analyses and assessments are documented and communicated to the respective Risk Owners, generally within the framework of ad hoc ERM Steering Committee meetings. The information is also made available periodically, or upon specific request, to the relevant corporate bodies, including the Control and Risk Committee, the Board of Directors, and the Board of Statutory Auditors.

The results of the climate risk assessment are integrated into business processes and contribute to business and financial planning, the setting of environmental targets, the determination of CapEx and OpEx investment priorities, and the development of sustainable products and services. Climate risk analyses are also used



to evaluate future scenarios, estimate potential economic impacts, and assess changes in the regulatory framework. Il climate risk assessment considera un insieme più ampio di fattori di rischio fisico e di transizione, la cui rilevanza per il Gruppo è sintetizzata nella tabella seguente.

Types of risk considered in climate risk assessment		
Type	Relevance	Description
Current regulation	Relevant	Regulatory requirements for sustainability reporting require the Group to provide comprehensive and reliable information on ESG issues, including information on environmental impacts and greenhouse gas emissions. The reporting also includes information on the Group's strategy, objectives, and action plans related to climate change.
Emerging regulation	Relevant	Among the risks associated with changes in the regulatory framework, the Group considers the possible introduction of carbon pricing mechanisms, including a carbon tax, which could lead to an increase in costs associated with fuels and electricity. This risk is also assessed in relation to possible changes in the ETS system and is taken into account in the analysis of transition risks. Initiatives to reduce consumption and emissions, together with energy efficiency measures and the use of renewable energy sources, help mitigate the Group's exposure to this risk.
Technology	Relevant	ICT technologies consume significant amounts of energy, but their environmental impact can be mitigated through greater efficiency and the use of renewable energy. According to GeSI's "Digital With Purpose" report, the ICT sector's carbon footprint is expected to remain virtually stable between 2017 and 2030 (ranging from 1.6% to 1.7%), while digitalization's contribution to reducing emissions is estimated to be about seven times greater than its own impact. For the TIM Group, innovation and technological efficiency are therefore key drivers for limiting the impact of ICT technologies and contributing to the transition to a low-emission economy.
Legal	Not Relevant	The Group monitors developments in the regulatory framework and potential legal risks associated with climate change. Based on the assessments conducted, the risk of litigation attributable to the climate impacts of TIM's operations is not currently considered significant, particularly in light of the initiatives taken to improve energy efficiency and reduce emissions.
Market	Relevant	The growing focus of households, businesses, and institutions on energy consumption, costs, and environmental impacts can influence demand and steer preferences toward products and services that are more efficient and have a lower environmental impact. In response to this trend, the Group is focusing its offerings on solutions that combine economic and environmental efficiency.
Reputation	Relevant	Climate change is one of the Group's ESG priorities, and perceptions of TIM's performance on these issues can affect the confidence of customers and investors. Any damage to the Group's reputation could have an impact on its business, leading to higher customer acquisition and retention costs, a reduction in operating margins, and a loss of competitiveness.
Acute physical	Relevant	The increase in the frequency and intensity of extreme weather events can affect business continuity and the resilience of assets and is therefore a factor taken into account in the Group's Enterprise Risk Management process. Prolonged periods of drought can also affect the availability and cost of hydroelectric power, particularly in Brazil. To assess changes in exposure to physical risks, the Group conducted a specific analysis of hydrogeological risk, considering a time horizon extending through 2050.
Chronic physical	Relevant	Rising average temperatures may lead to increased use of cooling systems, with consequent effects on energy consumption and operating costs. To mitigate these impacts, the Business Plan calls for targeted investments in energy efficiency. Rising temperatures may also affect labor productivity, as highlighted by specific risk analyses conducted by the Group.

5. Climate metrics and targets

To monitor climate performance trends and assess progress toward decarbonization goals,



the TIM Group uses a set of metrics and targets that allow it to measure changes over time in emissions, energy consumption, and the use of renewable energy sources. These indicators are used as part of the ESG monitoring and reporting processes and support the assessment of risks and opportunities related to climate change.

The key metrics monitored include Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions; greenhouse gas emissions intensity (carbon intensity), which allows for the assessment of emissions performance in relation to economic activity; and the percentage of electricity from renewable sources out of total electricity consumed.

Monitoring greenhouse gas emissions is a central element of the Group's decarbonization strategy. In line with European regulatory requirements and, in particular, with the ESRS E1-6 disclosure requirement regarding gross GHG emissions under Scope 1, Scope 2, and Scope 3, as well as total emissions, TIM systematically collects emissions data, which is integrated into its ESG reporting processes and environmental management system. In particolare, il monitoraggio riguarda:

- Scope 1 emissions, related to direct emission sources, including fuel combustion and refrigerant gas leaks;
- Scope 2 emissions, related to purchased and consumed energy and calculated using location-based and market-based approaches;
- Scope 3 emissions, relating to indirect emissions along the value chain and accounting for the largest share of the Group's overall carbon footprint.

For Scope 3, the reporting scope includes the Group's material categories: purchased goods and services (Cat. 1); capital assets (Cat. 2); fuel and energy-related activities (Cat. 3); upstream transportation and distribution (Cat. 4); waste generated from operations (Cat. 5); business travel (Cat. 6); commuting (Cat. 7); downstream transportation and distribution (Cat. 9); use and end-of-life of products sold (Cat. 11 and Cat. 12); leased assets (Cat. 13); franchisees (Cat. 14); and equity investments (Cat. 15). Within these categories, particular attention is given to purchased goods and services, capital assets, and the use of products sold, which represent the most significant components.

The TIM Group's emissions reporting for 2025 is included in the 2025 Sustainability Report,



which provides absolute values, changes compared to previous fiscal years, and related methodological information

The metrics system enables the linking of climate performance monitoring to the management of the Group's risks and opportunities. Trends in emissions and energy consumption allow for the monitoring of key factors related to exposure to changes in environmental regulations, the costs of energy and high-carbon materials, and indirect impacts linked to the supply chain, reputation, and access to ESG-based credit.

Specific climate targets are associated with these metrics, through which the Group defines and monitors its decarbonization path over time. The targets published in the Climate Transition Plan were defined in accordance with the criteria of the Science Based Targets initiative (SBTi), aligning the emissions reduction trajectory with a scenario compatible with limiting the global temperature increase to 1.5 °C above pre-industrial levels. The targets cover Scope 1, Scope 2, and Scope 3 emissions and identify the key milestones on the path to Net Zero.

The Group's main climate targets are:

- Net Zero for Scope 1, Scope 2, and Scope 3 emissions by 2050, through a reduction of at least 90% in gross emissions and the offsetting of residual emissions, up to a maximum of 10%, using carbon removal solutions;
- 83% reduction in Scope 1 and Scope 2 emissions by 2030;
- 15% reduction in Scope 3 emissions by 2030;
- 55% reduction in Scope 3 emissions by 2040;
- continued 100% sourcing of electricity for the Group's needs from renewable sources.

Progress toward these goals is monitored through the Group's system of environmental indicators. The data collected feeds into periodic ESG reporting and makes it possible to track performance against targets and identify any deviations or delays. These goals also support initiatives focused on energy efficiency, technological innovation, and engaging the supply chain in reducing indirect emissions.

Quantitative information on Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, along with methodological information and performance trends compared to previous fiscal years,



is reported in the TIM Group's 2025 Sustainability Report, under ESRS E1 "Climate Change" (pages 188 and following).

This information completes the picture of the metrics used by the Group to monitor its decarbonization journey and assess progress over time against the climate targets defined in the Climate Transition Plan.