GOVERNANCE

Insight

TIM Group

July 2026

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1. Board of Directors composition and characteristics

The Board of Directors of TIM S.p.A., appointed by the Shareholders' Meeting of 23 April 2024 for the 2024-2026 three-year term, comprises nine members: one executive Director (the Chief Executive Officer, who also serves as General Manager) and **eight non-executive Directors**, including the Chair.

With reference to financial year 2025, the composition of the Board reflects the Group's commitment to ensuring an appropriate balance between skills, independence, diversity and governance continuity. The average tenure of Board members is 2.67 years, supporting a balance between the continuity of the body and the progressive renewal of its skills.

As of 31 December 2025, the composition of the Board remained unchanged with respect to its appointment, apart from the co-option of Alessandra Perrazzelli, resolved on 25 September 2025 to replace the resigning Director Domitilla Benigni. Subsequently, with effect from 1 January 2026, the resignation of Director Umberto Paolucci took effect, together with the co-option of Prof. Lorenzo Cavalaglio, resolved on 21 December 2025 and subsequently confirmed by the Shareholders' Meeting of 28 January 2026.

As at the same date, **six Directors, equal to 67% of the total, qualify as independent** pursuant to Article 148 of the Italian Consolidated Law on Finance and to the Corporate Governance Code. **As from 28 January 2026, independent Directors account for 78%**.

The Group's governance model is designed to ensure adequate representation of the different skills and characteristics of Board members, promoting independence, diversity and balance in the composition of the administrative body.

In 2025 female representation stands at 44% (four female Directors out of nine), in line with Article 9.1 of the By-laws, which requires the less represented gender to account for at least two fifths of Board members.

2. Board of Directors' industry experience

The Board of Directors of TIM Group brings together professional skills that support the Group's strategic direction and oversight activities, ensuring adequate knowledge of the competitive, regulatory and technological dynamics of the industry in which it operates. The Group operates in the Communication Services sector (GICS Level 1) and three non-executive Directors have significant professional experience gained in areas related to telecommunications, digital infrastructure and communication services. In particular:

- **Alessandra Perrazzelli** has gained extensive experience in the telecommunications industry, holding legal, regulatory and strategic roles. She advised on telecommunications regulation and competition law at international law firms, headed regulatory and competition affairs at Olivetti during the company's transition into the telecommunications industry, supported Omnitel and Infostrada throughout the liberalization of the Italian market and advised leading European operators in the sector at O'Connor & Company in Brussels.
- **Stefano Siragusa** has consolidated managerial experience in the telecommunications industry, gained through roles of increasing responsibility within TIM Group. Having joined the Group in 2018 as Chief Infrastructure Officer, he subsequently served as Chief Network, Operations & Wholesale Officer and as Deputy General Manager, taking responsibility for telecommunications networks, operations, the wholesale business and digital infrastructure. He has also held the positions of Chairman and Director in

companies operating in the sector, including Sparkle, INWIT, Persidera and Noovle.

- **Paola Camagni** has developed expertise in the media and telecommunications sectors through directorships in companies operating in areas adjacent to the Group's business. She served as Independent Director of CellularLine S.p.A., a company active in the mobile device accessories market, and as Chair of AGI – Agenzia Giornalistica Italia S.p.A., gaining relevant experience in the communication, media and digital technology sectors.

3. Board of Directors accountability

TIM Group has adopted a governance system designed to ensure the effective exercise of the Board of Directors' accountability towards shareholders, through mechanisms that strengthen its effectiveness, independence, operational continuity and the transparency of decision-making processes.

With reference to financial year 2025, these safeguards are applied through the following elements:

- average attendance at Board of Directors meetings was approximately 94% (the minimum attendance required by the Group is 75%);
- the Shareholders' Meeting approves amendments to the By-laws and extraordinary transactions, such as capital increases, mergers and demergers;
- independent Board members comply with the maximum limit of four additional appointments, confirming that they have adequate time available to perform their duties. Further information is available in the "Board of Directors Members" section of the Group's website;
- the Board of Directors has adopted a succession planning procedure for top positions (Chair and Chief Executive Officer), assigning to the Nomination and

Remuneration Committee the design, updating and monitoring of the succession plan, with the support of the corporate function responsible for human resources and, where necessary, of external advisors. The process is conducted on a periodic basis and is reported to the Board of Directors;

- for financial year 2025, as in every year since 2005, the self-assessment of the Board of Directors and of its Committees (Board Review) was conducted with reference to the size, composition and functioning of the body;
- no limitations on the liability of Directors are envisaged.

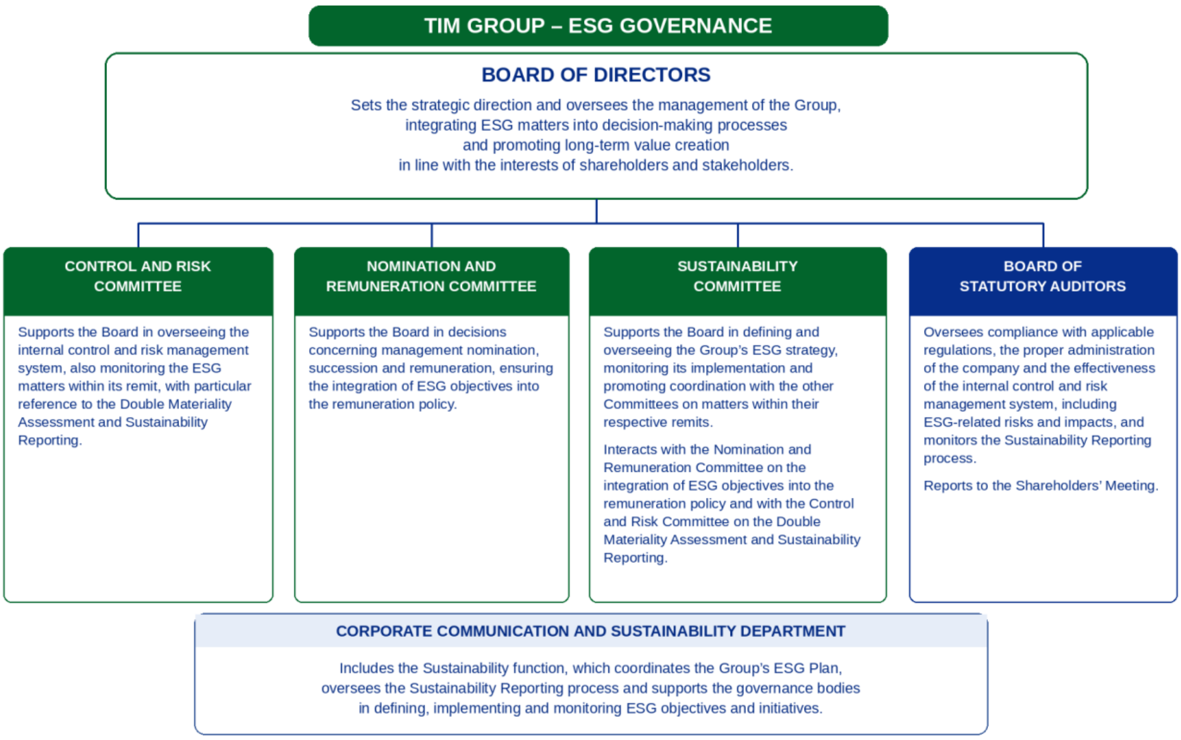
4. ESG governance

TIM Group has adopted a sustainability governance model integrated into its corporate governance, which assigns specific roles and responsibilities to the Board of Directors, the Board Committees, the Board of Statutory Auditors and the relevant corporate functions. This model ensures the integration of environmental, social and governance (ESG) matters into the Group's decision-making, control and management processes.

Within this system, the Board of Directors sets the strategic direction and oversees the integration of ESG matters into the Group's activities, with the support of the Board Committees, which perform preliminary investigation, advisory, proposal and monitoring functions within their respective areas of competence. In particular, the Sustainability Committee operates in close coordination with the Nomination and Remuneration Committee on the integration of ESG objectives into the remuneration policy, and with the Control and Risk Committee in relation to the Double Materiality Assessment and Sustainability Reporting. The Board of Statutory Auditors oversees compliance with applicable regulations and the effectiveness of the internal control and risk management system, including sustainability aspects.

The operational implementation of the ESG strategy is entrusted to the Sustainability function within the Corporate Communication and Sustainability Department. This function coordinates the Group's ESG Plan, oversees the Sustainability Reporting process and supports the governance bodies in defining, implementing and monitoring ESG objectives and initiatives. The Head of the Corporate Communication and Sustainability Department also serves as Sustainability Reporting Officer pursuant to applicable regulations.

The figure below summarizes the main roles and functional relationships between the bodies and functions involved in the Group's sustainability governance.



5. Remuneration policy

The Group's Remuneration Policy is defined in line with the guidelines of the Strategic Plan and aims to support medium- to long-term value creation, while ensuring competitiveness in the labor market, the ability to attract and retain key skills, employee engagement and pay equity.

In particular, the Remuneration Policy is designed to:

- balance performance parameters within short-term and long-term incentive systems;
- strengthen the Group's attractiveness, particularly among young talent;
- support employee engagement;
- promote internal equity, including in terms of gender equality;
- ensure consistency at Group level, while respecting the specific features of the relevant markets.

The remuneration structure is articulated into integrated components, defined according to the role held and designed to ensure an appropriate balance between fixed remuneration, variable incentives and welfare instruments. Specifically, it comprises:

- fixed remuneration, the only component envisaged for non-executive Directors, the Chair and the Statutory Auditors;
- short-term variable remuneration;
- long-term variable remuneration;
- benefits and welfare instruments.

The integration of these components makes it possible to align remuneration with individual and corporate performance, fostering sustainable long-term value creation while contributing to the overall balance of the Group's remuneration system.

4.1 Short-term incentive system (MBO)

The short-term incentive system (MBO) is addressed to the Chief Executive Officer and to Key Management Personnel and is defined in line with the priorities of the Strategic Plan. The system is based on a set of performance objectives structured as follows:

- economic and financial objectives, including a gate objective which constitutes the condition for access to the incentive;
- functional objectives, linked to the specific areas of responsibility;
- ESG objectives, designed to ensure alignment between the sustainability strategy and the Group's business objectives.

With reference to the Domestic Business Unit, in 2025 ESG objectives account for 22% of the overall short-term incentive structure and are organized around the three Environment, Social and Governance pillars, as set out in the table below.

ESG objectives		Weight
E	Number of Data Centers certified under the EU Code of Conduct (Taxonomy)	6%
S	Female hires[1]	6%
G	Percentage of detractors recorded in the fourth quarter of 2025	10%

For 2026 the ESG component, again structured around environment, social and governance indicators, accounts for 18% of the overall short-term incentive structure.

ESG objectives		Weight
E	Launch of the Group environmental transition plan	6%
S	Female hires as a percentage of total TIM Domestic hires	6%
G	Percentage of detractors recorded in the fourth quarter of 2026	6%

4.2 Long-term variable remuneration

Long-term variable remuneration is governed by the Performance Share LTI Plan,

[1] Ratio between total female hires and total hires (permanent and fixed-term contracts, net of agency workers).

addressed to the Chief Executive Officer, Top Management and a selected group of employees[2] holding key roles for the achievement of the Group's strategic objectives. Overall, the program involves approximately 75 managers within the Domestic perimeter.

The Plan combines economic-financial and ESG indicators, with the aim of aligning medium- to long-term value creation with the Group's strategic and sustainability priorities.

With reference to the 2025-2027 Performance Share LTI Plan, ESG indicators account for 30% of the overall long-term incentive structure, while the remaining 70% consists of economic-financial indicators: **EBITDA-CapEx Reported** cumulated over the three-year period (50%) and **Total Shareholder Return** (TSR) (20%), which measures the overall return for shareholders taking into account share price performance and dividends distributed.

These are complemented by two ESG indicators, with an overall weight of 30%: **mobile network eco-efficiency** (15%, Domestic BU), aimed at promoting greater energy efficiency of the network through the reduction of consumption and emissions, and **percentage of women in positions of responsibility** (15%, Domestic BU), an indicator designed to foster greater female representation in managerial roles, measured on the basis of the positions of responsibility formally identified according to the criteria defined by the Plan.

	ESG objectives	Weight
E	**Mobile network eco-efficiency *(percentage of mobile traffic on 5G technology)*[3]**	**15%**
S	**Percentage of women in positions of responsibility[4]**	**15%**

[2] At least two levels below the Chief Executive Officer (n-2)
[3] Ratio between 5G traffic (Bytes) and total traffic (Bytes).
[4] Ratio between the total number of women in positions of responsibility (managerial and non-managerial) and the total number of positions of responsibility.

About the 2026-2028 Performance Share LTI Plan, the economic-financial indicators remain unchanged, while the ESG indicators change as follows:

ESG objectives		Weight
E	5G traffic penetration (mobile network eco-efficiency lever) at the end of 2028	15%
S	Increase in the average AI Literacy value in TIM S.p.A. at the end of 2028	15%

4.3 Chief Executive Officer remuneration and alignment with long-term performance

The 2026 Remuneration Policy, approved by the Shareholders' Meeting on 15 April 2026, provides that the Chief Executive Officer's short-term variable incentive (Short-Term Incentive – STI) is paid exclusively in cash. Accordingly, no portion of the annual short-term incentive is granted in the form of shares or stock options.

The alignment of the Chief Executive Officer's interests with those of shareholders is ensured through the long-term variable incentive Plan (Long-Term Incentive – LTI), based on the award of performance shares and subject to the achievement of multi-year economic-financial and ESG objectives.

4.4 Ratio of Chief Executive Officer remuneration to median employee remuneration

As part of its pay transparency and good governance practices, TIM Group publicly discloses the ratio between the total remuneration of the Chief Executive Officer and the median annual remuneration of Group employees (CEO-to-Employee Pay Ratio).

With reference to 2025, this ratio is 90.197. The median annual remuneration of Group employees, calculated excluding the Chief Executive Officer, is €31,043.

4.5 Share ownership of Key Management Personnel

As of 31 December 2025, seven members of Key Management Personnel (members of the Executive Committee) held TIM shares. For confidentiality reasons, the names of the individual executives are not disclosed.

The indicator is calculated, for each executive, as the ratio between the value of the TIM shares held as of 31 December 2025 and the related annual fixed remuneration.

The table below sets out the individual indices and the overall average.

Key Management Personnel[5] (Executive Committee)	Individual indices FY 2025[6] (Share value/fixed remuneration)
1	1.065
2	0.571
3	0.423
4	0.305
5	0.159
6	0.286
7	0.400
Total average index[7]	**0.458**

(1) Key Management Personnel (Executive Committee) holding TIM shares (7 individuals).
(2) For each member of Key Management Personnel, the indicator was calculated as follows: TIM share price as of 31 December 2025 × number of shares held by the member of Key Management Personnel) / individual fixed remuneration of the member of Key Management Personnel
(7) Average of the individual indicators of Key Management Personnel, calculated as follows: (share price as at 31 December 2025 * number of shares held by key manager 1 / base salary of key manager 1) + (share price as at 31 December 2025 * number of shares held by key manager 2 / base salary of key manager 2) + (share price as at 31 December 2025 * number of shares held by key manager 3 / base salary of key manager 3) + (share price as at 31 December 2025 * number of shares held by key manager 4 / base salary of key manager 4) + (share price as at 31 December 2025 * number of shares held by key manager 5 / base salary of key manager 5) + (share price as at 31 December 2025 * number of shares held by key manager 6 / base salary of key manager 6) / 6 + (share price as at 31 December 2025 * number of shares held by key manager 7 / base salary of key manager 7) / 7.