



STAKEHOLDER ENGAGEMENT INSIGHTS

July 2024

In TIM we think that being sustainable entails taking into account the expectations of all those people and parties who have a stake in our business, our "stakeholders", whose opinions and requests we carefully listen to. This standing is based on the belief that strong and satisfactory relations with our stakeholders are the only way to ensure a long lasting success of our business. The policies, commitment, and strategies of the TIM Group concerning Stakeholder Engagement are under supervision and approval of the Sustainability Committee, which operates at the Board of Directors level. At the executive level, they are under the responsibility and approval of the Chief of the Corporate Communication & Sustainability department. The stakeholder engagement policies and strategies we deploy cover not only our direct operations, but also the value chain, such as suppliers.

Guidelines and Framework for stakeholder engagement

The stakeholder engagement process in TIM follows the guidelines set in the AccountAbility 1000 relevant standards: AA1000 AccountAbility Principles Standard (AA1000APS) and AA1000 Stakeholder Engagement Standard (AA1000 SES). The AA1000 Stakeholder Engagement Standard (AA1000SES) ensures that all relevant parts of operations, corporate processes, and the supply chain are covered by our stakeholder engagement policies including the identification and involvement of all pertinent stakeholder groups, such as suppliers, TIM Group partners, local communities, authorities, media, associations, and NGOs. Additionally, we continuously enhance our stakeholder engagement process to ensure greater operational efficiency and to act responsibly, ethically, and sustainably.

In particular, wherever feasible, TIM

- integrates stakeholder engagement within its Governance, Strategies and Operations;
- plans and prepares engagement process through:
 - Identification of Purpose, Scope, Ownership, Mandate and Stakeholders
 - Profiling of stakeholders
 - Settling of Engagement Levels and methods
 - Definition and Communication of Boundaries of disclosure
 - Drawing up an Engagement Plan
 - Choosing Indicators for measuring engagement activities
 - Providing adequate Resources and Capacities
 - Identification and Mitigation of Engagement risks
- implements engagement through:
 - Inviting, informing and briefing the stakeholders
 - Carefully listening to the stakeholders during the engagement
 - Documenting the engagement
 - Developing action plans
 - Communicating the engagement
- monitors and evaluates the engagements

- strives to improve its engagement activities
- reviews the outcomes of the engagement action plans
- reports on engagement.

Features of TIM's Stakeholder Engagement process

The kind of business we run in TIM lets us come in touch with very many stakeholders. For this reason, in order to have a systematic approach with them as well to report on our relations with them, we need to group our stakeholders into homogeneous categories. We believe that the categories best serve our purposes: TIM People, Customers, Suppliers, Business Community, Institutions, Financial community, Civil society and Media.

The stakeholder identification process is based on the following phases:

1. Analysis of business processes.
2. For each process, identification of all the interested parties (shareholders, employees, local and affected communities, competitors, customers, suppliers, local authorities, government and regulatory bodies, financial institutions, unions, consumer associations, media, NGOs and civil society) including vulnerable groups (e.g. minors, elderly, disabled and minorities, both outside and within the local range of our own activities).
3. Grouping parties in homogenous categories (according to relevance to the company or to the stake they hold company-wise).
4. Identification of priority groups within each category.

Priorities are assigned according to either the relevance of the stakeholders to the core business of the company, or because the company decides to target specific issues for, e.g., supporting the economical or cultural growth of the Country.

The identification process is followed by an analysis of the strategies best suited in order to build relations, as well as the attribution of responsibilities, within the company, to hold such relations. These strategies take in consideration local stakeholders, such as communities, authorities, media and associations.

For each group of stakeholders (including internal and external, local and global stakeholders) the most appropriate engagement tools are identified, ranging from one-to-one meetings, one-to-many meetings (the company meets with a number of stakeholders at the same time), information sessions, joint projects, surveys, focus groups, etc. To address concerns TIM engage and listen the perception of its stakeholder, included local stakeholder., for example with periodic survey. Through the feedback stakeholders provide the Company evaluates the risks and opportunities arising from each perspective solution, the gaps to be filled in order to implement the solution, the effort required in order to implement such solutions. According to the relevance of the stakeholder for TIM's core business, these considerations enter either the Company's strategies and operations at the topmost level or the strategies and operations of a particular business unit or line.

Thus, TIM can decide which solutions to offer, which projects and initiatives to start, the particular groups to run the project with and, together with those stakeholders, each party's roles and the rules to be followed in

the development of the project. In particular, measurement instruments are settled in order to check the efficacy of the project throughout its life.

To ensure the effective implementation of stakeholder engagement programs (implemented at all local sites) TIM supports the building capacity of local stakeholders to ensure that they can communicate with the Company (for example, providing clear information about the channels and processes through which they can reach us and submit complaints, requests and feedback).

At any time, every stakeholder (also local) can provide additional considerations to TIM and/or to a particular department through dedicated contacts. In this way TIM provides each stakeholder full capacity to engage the Company, through ordinary or specific channels created for the engagement activity.

Among the elements of stakeholder engagement, in order to recognize concerns or potential conflicts, grievance mechanisms available for communities are put in place and given wide publicity.

In 2023, 152 reports were received in Italy and 1,447 in Brazil. As for Italy, the 152 reports, of which 33 were anonymous and 119 not anonymous, are grouped as follows:

- 53 within the scope of application of the whistleblowing procedure;
- 99 outside the scope of the procedure (complaints, requests for information and clarification), sent in any case to the competent functions for the relevant verifications with communication to the Audit Department of their outcome.

In addition to the above numbers, i.e., those related to whistleblowing, during fiscal year 2023, the Board of Auditors received 14 reports directly, in which they complained, mostly, about technical inefficiencies and deficiencies of a commercial and administrative, as well as 4 complaints pursuant to Art. 2408 civil code. On all these reports and complaints, the Board of Statutory Auditors carried out, with the support of the competent offices of the Company, the appropriate in-depth investigations.

Moreover, impact assessments are conducted, which identify potential negative impacts and help mitigate possible conflicts also ensuring a correlation between local stakeholders and the strategy of the Company.

Finally, accounting on engagement activities and particular projects/events is done both through the company's Sustainability Reporting and through feedback sessions with the stakeholders involved. On selected topics, reports are provided to the Company's Top Management.