

# GOVERNANCE

Insight

**TIM Group** 

June 2025



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### 1. Effective Governance: Focus on Board Accountability

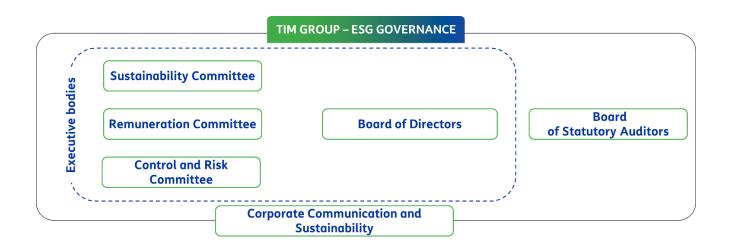
For FY 2024, the TIM Group has implemented procedures and practices aimed at strengthening the accountability of the Board of Directors and ensuring full alignment with shareholders' interests. TIM provides the following information:

- The average attendance rate at Board of Directors meetings was around 97% (the minimum attendance required by the Group for Board meetings is 75%);
- The Shareholders' Meeting approves amendments to the By-Laws and extraordinary transactions, such as capital increases, mergers, or demergers;
- The Company has 6 Board members with 4 or fewer additional positions. For further information, please refer to the "Board of Directors" section on the Group's website;
- The Board of Directors has adopted a succession planning procedure for top positions (Chairman and Chief Executive Officer), assigning the definition, updating, and monitoring of the succession plan to the Nomination and Remuneration Committee, which is supported by the company's Human Resources function, with the option to use external consultants. This is a recurring activity, subject to regular reporting by the Committee to the full Board;
- For FY 2024, as in every year since 2005, the Board of Directors and its Committees carried out a self-assessment ("Board Review") with reference to size, composition, and functioning;
- No limitations to directors' liability are provided for.



#### 2. Governance in the ESG context

Below is a summary of the bodies that make up the sustainability governance system adopted by the TIM Group; further details on roles and responsibilities are provided below.



#### **TIM GROUP - ESG GOVERNANCE**

## **Board of Directors**

The Board of Directors plays a

role of strategic guidance and supervision, pursuing the main objective of creating value for shareholders in the medium-long term, also taking into account the legitimate interests of the other stakeholders, with a view to the sustainability of the business.

## Control and Risk Committee

The Control and Risk Committee is a board-level committee that is responsible for: monitoring compliance with corporate governance rules, tracking developments in controls and governance best practices, and propose updates to the Company's and Group's internal rules; reviewing financial and non-financial disclosures for the fiscal year, preparing them for examination by the full board.

## Remuneration Committee

The Remuneration Committee is a board-level committee that is responsible for monitoring updates to management replacement lists prepared by the CEO; collaborating with the CEO on decisions or regarding appointments of direct reports and key subsidiary CEOs; overseeing gender equality measures within the organization; proposing criteria for allocating annual compensation for the Board of Directors as approved by the Shareholders' Meeting.

#### Sustainability Committee

The Sustainability Committee is a board-level committee that performs advisory, propositional, monitoring, and preparatory tasks, supporting and guiding the activities of the Board of Directors and management environmental, social, and governance (ESG) sustainability issues, in terms of positioning, objectives, processes, and specific initiatives of the Group. The committee is responsible for the oversight of the sustainability issues related to the company's operations, stakeholder interaction dynamics, and reviewing themanagement processes of

#### Corporate Communication and Sustainability

The Head of the Corporate Communication and Sustainability function, acting as Chief Sustainability Officer and directly reporting to the CEO and General Manager, is the designated figure responsible for overseeing sustainability issues. This role includes defining the sustainable development strategy to be submitted for evaluation by the Executive Board, identifying relevant strategic, managerial, and reporting issues. The CCS function defines, in collaboration with the competent business functions, the governance and coordination of the Group's ESG Plan and related targets, social and environmental sustainability initiatives, draws up the Sustainability Reporting and oversees the sustainability indices/ratings.

#### Board of Statutory Auditors

The Board of Statutory Auditors exchanges relevant information with the Risk Committee and the Sustainability Committee in the performance of its duties. This interaction is also functional to the activity of verifying the consistency of Sustainability Reporting with the relevant regulatory requirements, strategic objectives and corporate policies set out in the business plans. The Board of Statutory Auditors ensures that Sustainability Reporting contains information regarding the impact of the company's activities on the environment, people and governance, and how risks and opportunities arising from sustainability issues may affect the company's offect the company's activities arising from sustainability issues may affect the company's



## 3. Management owernship

Key manager (executive commitee) <sup>(1)</sup>	FY 2024 individual index <sup>(2)</sup> (shares value / fixed compensation)
1	0,048
2	0,186
3	0,146
4	0,074
5	0,137
6	0,068
Total index average <sup>(3)</sup>	0,110

<sup>&</sup>lt;sup>(1)</sup>Key managers (executive committee) holding TIM shares deposited in the company (7 people). For privacy issues, names are not given for individual key managers.

<sup>(2)</sup> For each key manager, the index was calculated as follows: (share price as of December 31, 2024 \* number of shares held by the key manager) / key manager's base salary.

<sup>(3)</sup> Average of the indices of individual key managers, calculated as follows: (share price on December 31, 2024 \* number of shares held by key manager 1 /base salary of key manager 1) + (share price on December 31, 2024 \* number of shares held by key manager 2 / base salary of key manager 2) + (share price on December 31, 2024 \* number of shares held by key manager 3 / base salary of key manager 3) + (share price on December 31, 2024 \* number of shares held by key manager 5 / base salary of key manager 5 / base salary of key manager 5 / 6.