



TAX STRATEGY

Insight

TIM Group

June 2025



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1. Our tax strategy

The TIM Group Tax Strategy, approved by the Board of Directors, defines principles and guidelines for managing tax matters. It is based on the principles of honesty, fairness, and compliance, and is characterized by a collaborative and transparent approach towards Tax Authorities and third parties, with the aim of minimizing tax and reputational risks.

Within this framework, we are committed to:

- Disseminating, from Top Management to all relevant employees, the values and codes of conduct regarding taxation, promoting virtuous behavior, sanctioning any confirmed violations, and ensuring a constant flow of information to Top Management, in line with the Tone at the Top principle;
- Developing and maintaining ongoing relationships with Tax Authorities based on professionalism, transparency, and timeliness;
- Acting, in accordance with the principle of Corporate Responsibility, with honesty and integrity in managing tax matters, safeguarding the interests of all stakeholders and recognizing that tax revenues represent a key lever for the economic and social development of the countries in which the Group operates;
- Defining our tax risk appetite to enable timely management of potential disputes, while maintaining the possibility of not agreeing with Tax Authorities' positions when the Company's reasons are properly substantiated (agree to disagree);
- Adopting appropriate control and monitoring tools to ensure compliance with established levels of tax risk;
- Operating in full compliance with the tax laws and regulations of the countries in which the Group is present, respecting not only their letter but also their spirit and purpose, through: (i) constant monitoring of legislative developments, (ii) proper management of their application, and (iii) regular information and training activities to disseminate knowledge at all levels through periodic and systematic deployment actions;



- Ensuring continuous monitoring of business activities and processes to guarantee compliance with applicable tax standards, involving all bodies and functions responsible for internal and external controls.

2. Our Approach to Tax Risk

The Group, with the aim of minimizing tax risk:

- does not carry out transactions solely aimed at obtaining tax benefits without valid business reasons, nor “artificial” transactions designed exclusively to reduce the tax burden;
- does not make acquisitions or investments in countries or jurisdictions with preferential tax regimes, unless they are strictly functional to commercial objectives and the development of business activities;
- conducts cross-border intra-group transactions in compliance with the arm’s length principle, in accordance with the OECD Transfer Pricing Guidelines;
- in the presence of interpretative doubts or difficulties in applying tax legislation, adopts solutions based on criteria of reasonableness and in full compliance with the principle of legality;
- maintains a constant dialogue with the Italian Revenue Agency regarding potentially controversial or complex matters related to significant business, financial, or commercial transactions, regardless of possible issues of tax avoidance or the application of anti-avoidance rules;
- ensures transparency and fairness in its dealings with Tax Authorities, based on principles of cooperation and good faith.



3. Tax governance

The TIM Board of Directors, relying on the investigative work carried out by the Control and Risk Committee, is responsible for the periodic verification of the adequacy and effective functioning of the internal control and risk management system, of which the tax control system is an essential component. In this context, the Board reviews at least once a year a dedicated report containing the results of the periodic review of the tax risk management and control system.

In particular, based on the assumption that tax risk is inherent both in the company's ordinary and extraordinary activities and in the related internal processes, TIM has adopted a tax risk management and control system founded on a governance model designed to ensure that:

- Top Management is constantly informed of the tax impacts of strategic and operational transactions, both in the planning and implementation phases, to ensure full alignment of business decisions with the defined tax strategy;
- The Tax Function is promptly involved in the execution of ordinary and extraordinary activities, in order to allow a proactive assessment of the related tax implications and ensure proper and informed management of tax matters.

4. Tax conduct

The governance and functioning of our tax risk management and control system—including delegations of authority, roles, and responsibilities in the processes of identification, management, and monitoring—are defined within a specific Tax Policy.

The incentive system for the Tax Function does not include objectives linked to reducing the tax rate. All of us, TIM employees and management at every level, are required to comply with the general principles established in our Code of Ethics: honesty, accuracy, transparency, confidentiality, impartiality, diligence, integrity, and mutual respect. Failure to



observe these principles may result in legal actions or other measures, as provided by the Code of Ethics.

We clearly communicate to managers and employees the importance of these values and the codes of conduct applicable to the tax context, promote virtuous behavior through appropriate recognition, and sanction any confirmed violations, in line with the Tone at the Top principle.

5. Training

The TIM Group trains and supports all employees involved in tax-related activities, not just those specifically assigned to the Tax Department, to ensure that all staff acquire the skills and experience necessary to fulfill their responsibilities. To achieve this goal, TIM invests in employees' professional development, including through specific training programs.

6. Relationship with Tax Authorities

TIM is committed to establishing relationships with Tax Authorities based on full transparency and cooperation. In particular, the Group strives to:

- Clearly and transparently communicate to the Italian Revenue Agency any changes in tax strategy and risks associated with significant transactions;
- Provide correct, accurate, and complete information, responding promptly to requests from the Italian Revenue Agency;
- Promptly manage any uncertain tax positions before the submission of tax returns and, should disagreements arise later, work with the Italian Revenue Agency to reach reasonable and mutually agreed solutions.

7. Reporting



To ensure maximum transparency towards all stakeholders, we report our tax data according to the ‘Country-by-Country Reporting (CbCR)’ standard, which provides a detailed breakdown of key economic and tax data for each country in which we operate.

The indicators presented refer to the 2023 financial year and correspond to those included in the official reporting. The taxes reported in the CbCR—and reproduced here—are calculated net of certain adjustments provided by the applicable regulations. The scope of the disclosure covers all TIM Group companies operating in the various countries.

Country	Description of the main activities of the organization	Employees (no.)	Revenues from sales to third parties (€/000)	Revenues from intragroup transactions (€/000)	Profit/loss (€/000)	Asset (€/000)	Share capital (€/000)	Reserves (€/000)	Income taxes paid (€/000) *	Accrued income taxes (€/000)
Argentina	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	7	7,130	-	-5,945	4,881	3,340	-	-3	6



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Austria	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	1	1	1,517	78	276	2,735	416	12	21
Belgium	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	36	909	98	182	2,200	471	21	21

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Brazil	Fixed and mobile telephone services.	9,729	4,775,786	94,185	513,548	2,361,736	4,117,083	715,330	42,588 The amount indicated is net of the compensation made with withholding taxes suffered, for a total amount equal to €/mln 8.2	14,882 The amount indicated takes into account a correction made in September 2023 on the income tax credit balance (IRPJ and CSLL), previously recorded in 2021 (for an amount equal to €/mln 2.3)



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Bulgaria	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	2	536	-63	759	51	-	3	-
Chile	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	1	2,939	-	-48	3,909	9,375	-	-	-

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Colombia	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	• -	137	1,883	-159	1,410	3,465	-	35	18
France	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	21	817	13,162	727	4,982	18,295	1,359	194	194



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Germany	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	6	22	11,713	-193	7,954	25,625	13,600	592	227
Greece	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	31	8,566	5,581	-4,229	25,357	369	363	147	-

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Israel	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	14	28,219	10,717	4,413	7,327	1,869	27,758	2,382	1,056



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Italy	In Italy, the TIM Group operates in the entire chain of advanced communication services including: fixed, mobile and Internet telecommunications, multimedia and television, products and services for Information Technology and research and development. Furthermore, coordination functions are exercised from Italy with respect to non-resident controlled companies - direct and indirect.	37,670	12,251,233	4,816,314	-1,641,795	12,202,836	11,917,525	-139,128	51,932	36,703

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Luxembourg	Financial and subholding activities.	12	786,793	379,248	98,229	14	1,821,028	1,257,694	187	1,173
Malta	Provision of administrative, management and support services; sale of IT solutions.	2	670	-	-176	5	10	-	-	-
Nigeria	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	308	-	-39	408	30	-	-	-



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Netherlands	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	2	17	4,019	208	2,895	18	1,450	41	43
Panama	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	8	1,368	1,447	-912	15,385	3,916	-	4	-

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Perù	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	3,308	350	-975	1,845	16,579	-	30	45
Puerto Rico	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	559	1,987	57	2,589	2,760	345	-1	-



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Portugal (Permanent Establishment of TI SPARKLE UK LIMITED)	Support in the technical management of the equipment relating to the local network, for the provision of international telecommunication services.	-	547	-	413	772	-	-	100	91
United Kingdom of Great Britain and Northern Ireland	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	8	859	9,002	-40	7,766	11,228	-4,562	81	-

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Czech Republic	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	15	1	-34	-	272	52	-	-
Republic of San Marino	Fixed and mobile telephone services	39	10,572	1,112	2,542	1,233	1,886	2,142	315	433
Romania	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	2	109	276	11	4	607	-	4	4



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Russia	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	4	64	480	50	32	86	87	5	10
Singapore	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	10	49,884	20,081	1,305	265	4,634	-	-	-

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Slovakia	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	-	-	-54	-	300	-	9	-
Spain	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	3	17	1,151	60	121	1,687	651	-	-



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United States of America	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	39	149,583	55,878	3,739	27,003	14,081	42,431	885	1,269
Switzerland	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	1	733	821	-42	259	1,379	606	11	10

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Turkey	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	20	20,191	35	-1,085	8,241	16,245	-	-	-
Venezuela	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	-	206	-1,775	-	429	-	-4	-

**Le imposte rendicontate nel CbCR - e che qui vengono indicate nuovamente - sono al netto di talune rettifiche rese*

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Virgin Island US	Provision of administrative services and support in the technical management of equipment related to the local network, for the provision of international telecommunications services.	-	7	1,118	18	1,271	1	5,393	-1	-



Note: the scope of the information and the data reported refer to “country by country” reporting for the 2023 tax period. Companies resident in Argentina: TI Sparkle Argentina S.A.; companies resident in Austria: TI Sparkle Austria GmbH; companies resident in Belgium: TI Sparkle Belgium S.P.R.L. - B.V.B.A.; companies resident in Brazil: I-Systems S.A., TI Latam Participacoes e Gestao Administrativa LTD, TI Sparkle Brasil Participacoes LTDA, TI Sparkle Brasil Telecomunicacoes LTDA, TIAudit Compliance Latam S.A., TIM Brasil Servicios e Participacoes, TIM S.A., Cozani RJ Infraestrutura e Rede De Telecomunicacoes S.A.; companies resident in Bulgaria: TI Sparkle Bulgaria EOOD; companies resident in Chile: TI Sparkle Chile SPA; companies resident in Colombia: TI Sparkle Colombia LTDA; companies resident in France: Noovle France SASU, TI Sparkle France SAS; companies resident in Germany: Olivetti Deutschland GmbH, TI Sparkle Germany GmbH; companies resident in Greece: TI Sparkle Greece S.A.; companies resident in Israel: MED 1 Submarine Cables LTD, TI Sparkle Israel LTD; companies resident in Italy: Telecom Italia S.p.A. (also TIM S.p.A.), CD Fiber S.r.l., Daphne 3 S.p.A., Fibercop S.p.A., Global Space Tre S.r.l., Noovle AI S.r.l., Noovle S.p.A. società benefit, Noovle Sicilia - società consortile a r.l., Olivetti Payment Solutions S.p.A., Olivetti S.p.A. società benefit, Staer Sistemi S.r.l., Telecom Italia Sparkle S.p.A., Telecom Italia Trust Technologies S.r.l., Telecom Italia Ventures S.r.l., Telecontact Center S.p.A., Telenergia S.r.l., Telsy Elettronica e Telecomunicazioni S.p.A., Tiesse S.C.P.A., TIM My Broker S.r.l., TIM Retail S.r.l., TIM Servizi Digitali S.p.A., Mindicity S.r.l. società benefit; companies resident in Luxembourg: Telecom Italia Capital S.A., Telecom Italia Finance S.A.; companies resident in Malta: Noovle Malta LTD; companies resident in Nigeria: TIS Lagos Limited; companies resident in Netherlands: TI Sparkle Netherlands B.V.; companies resident in Panama: Panama Digital Gateway S.A., TI Sparkle Panama S.A.; companies resident in Perù: TI Sparkle Peru S.A.; companies resident in Puerto Rico: TI Sparkle Puerto Rico LLC; companies resident in United Kingdom of Great Britain and Northern Ireland: Olivetti UK LTD, TI Sparkle UK LTD; companies resident in Romania: TI Sparkle Romania SRL; companies resident in Russia: TI Sparkle Russia LLC; companies resident in Czech Republic: TI Sparkle Czech S.R.O. V Likidaci; companies resident in Republic of San Marino: Telecom Italia San Marino S.p.A., Telefonía Mobile Sammarinese S.p.A.; companies resident in Singapore: TI Sparkle Singapore PTE/LTD; companies resident in Slovakia: Noovle Slovakia S.R.O., TI Sparkle Slovakia S.R.O.; companies resident in Spain: TI Sparkle Spain Telecommunications S.L.; companies resident in United States of America: TI Sparkle Americas Inc., TI Sparkle North America Inc.; companies resident in Switzerland: Noovle International SAGL, TI Sparkle Switzerland GmbH; companies resident in Turkey: TI Sparkle Turkey Telekomunikasyon Hizmetleri Anonim Sirketi; companies resident in Venezuela: TI Sparkle Venezuela C.A.; companies resident in Virgin Island US: TI Sparkle St. Croix LLC; companies resident in Portugal: permanent establishment of TI Sparkle UK LTD.