



## REPORT ON REMUNERATION 2017



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# 2017 Report on Remuneration

pursuant to art. 123-ter CLF

(Report approved by the Board of Directors at its meeting of 29 March 2018)  
available on the website [www.telecomitalia.com](http://www.telecomitalia.com))

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# Letter from the Chair of the Nomination and Remuneration Committee



**Anna Jones**  
Chair of the Nomination and  
Remuneration Committee

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Dear Shareholders,

as Chair of the Remuneration Committee of Telecom Italia, constituted in june 2017 after the renewal of the Board of Directors, I am happy to present the 2017 Telecom Italia Remuneration Report.

In compliance with current legislation, the first section of the Remuneration Report contains a description of the remuneration policy for 2018 for Directors and Key Managers with Strategic Responsibilities, while the second provides the final remuneration figures for the 2017 financial year, including the shares in the Company and its Subsidiaries owned by Directors, Statutory Auditors and Key Managers with Strategic Responsibilities.

2017 was characterised by renewal of both the Board of Directors and of the Company's Executive Directors arrangements.

The European Commission's go-ahead for the Vivendi-TIM concentration, Consob qualifying the relationship between Vivendi and Tim as de facto control, the recourse by the Presidency of the Council of Ministers to its special powers meant that the context in which we operate - which was already continually evolving - is very different from the past.

So the Committee set itself the priority objective of working on the remuneration systems so that they can coherently support the business strategy, and the creation of value for the shareholders, while continuing to be constantly in alignment with international best practice.

The Committee has considered many topics. Firstly, the Committee considered the remuneration issues connected to the departure of the previous Chief Executive Officer, managed the procedures for the identification of the new CEO, and reviewed the remuneration packages of the new CEO and the new Chairman, submitting its recommendations in this regard to the Board of Directors.

After this, in the latter part of the year, it focussed its activities on consolidating the remuneration tools already in use, and on defining a new Long Term Plan, with the aim of supporting the engagement of the managers who had to face the challenges contained in the new 2018-2020 Strategic Plan.

**TIM's remuneration policy reflects its growth and economic results, contributing to align the actions of its management with the interests of its shareholders.**

I am confident that this Report testifies to the Committee's commitment to continuing the transparent approach required by the legislation and endorsed by the Company, and thank you for your acceptance and support for the policies adopted for 2018.

Anna Jones  
Chair of the Nomination and  
Remuneration Committee

# Executive Summary

The TIM remuneration policy is aimed at ensuring that the business has the necessary levels of competitiveness on the labour market, and achieving the aims considered strategic by the Company, pursuing results that are sustainable in the long term in line with the business risk management policy of TIM. The primary aim of the resulting remuneration architecture is to balance remuneration (both fixed and variable) and to enhance the system of benefits and welfare, with a Total Reward approach.

TIM's remuneration policy for the executive directors and Managers with Strategic Responsibilities is essentially made up of the following components:

- Fixed Remuneration
- Short term Variable Remuneration
- Long term Variable Remuneration
- Benefits and Welfare

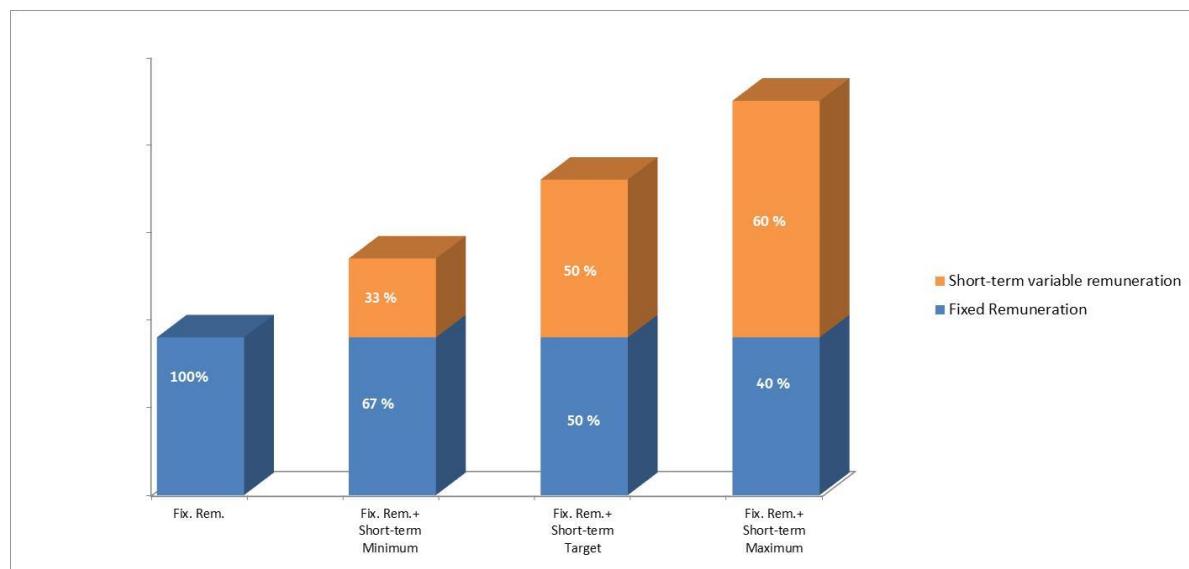
the key elements of which are summarised below.

Remuneration Element	Aims and features	Description	Economic Value
<b>Fixed Remuneration</b>	The fixed remuneration component is aimed at rewarding the breadth and strategic nature of the role held, and is anchored to the reference market.	For 2018 the Committee confirms the policy of gradually aligning individual positioning (commensurate with the assigned responsibilities and role held) with the market references, determined on the basis of periodic market benchmarking.	<b>Chairman:</b> 900,000 euros, gross <b>Chief Executive Officer:</b> 1,400,000 euros, gross, of which: <ul style="list-style-type: none"><li>• 400,000 euros gross as fee for the office</li><li>• 1,000,000 euros gross as employment salary</li></ul> <b>KMSRs:</b> Commensurate to the role held.
<b>Short Term Variable Remuneration (MBO)</b>	The short term variable component aims to support the achievement of the company's results, ensuring that the objectives are articulated coherently through the assignment of challenging targets across the entire organisation.  The target value of the bonuses is commensurate with the fixed component, according to proportions that vary according to the role covered.	The bonuses are paid according to the results achieved in the year of reference and according to a scale that, for the Executive Directors, varies from 50% - 150%, growing linearly from minimum to maximum, and for the remaining KMSRs, from 70% to 140%, with payout at 70% between the minimum level and the target level, and linear growth from target level to maximum level. The targets are set according to generally quantitative indicators that represent and are consistent with the strategic and business priorities, measured according to pre-established and objective criteria. The targets are: Group/Company, Departmental and Individual. The individual targets for all key managers (with the exception of the Executive Directors) are contained within the Performance Management system. A "gate" target is set, applied to all the beneficiaries. Any variable remuneration paid is subject to a clawback clause.	<b>Chairman:</b> gross value of 900,000 euros at target (100% of Fixed Remuneration). <b>Chief Executive Officer:</b> gross value of 1,400,000 euros at target (100% of Fixed Remuneration) <b>KMSRs:</b> gross value at target up to 50% of the Fixed Remuneration and commensurate with the role covered.

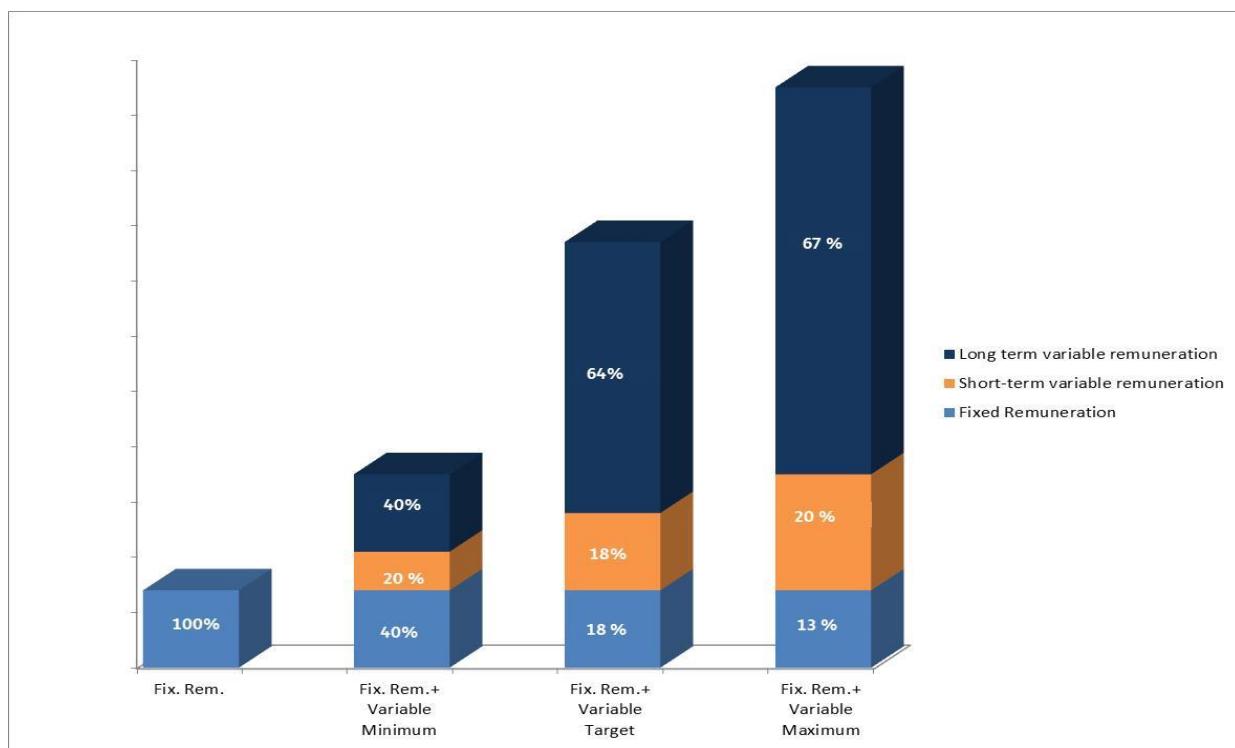
Remuneration Element	Aims and features	Description	Economic Value
<b>Long term Variable Remuneration</b>	The long-term variable component of the remuneration is aimed at promoting alignment between the interests of the management and those of shareholders, through participation in the business risk. The value of the incentives at targets is commensurate with the fixed component, according to proportions that vary according to the role covered.	For the three year period 2018-2020, there is a Share Performance Plan with a three year vesting period and a two year lock-up. This Plan is reserved to the Chief Executive Officer and the holders of managerial positions that have a strong impact on the business results. The Plan is subject to the achievement of performance conditions related to both the increase in the share price and the economic-financial indicators. The long term Plan is subject to a claw-back clause.	<b>Chief Executive Officer:</b> annual target is 3,5 times the Fixed Remuneration. <b>KMSRs and Other Managers:</b> annual target from 25% to 100% of Fixed Remuneration.
<b>Benefits and Welfare</b>	Services offered to all (welfare) or in relation to the role covered (benefits) that increase the well-being of the individual and his or her family in economic and social terms.	Defined along the lines of last year's policy.	

For the most senior roles in Telecom Italia (Executive Chairman, Chief Executive Officer and Managers with Strategic Responsibilities), the pay-mixes hypothesised for 2018 are as follows (the percentages include the Performance Share Plan, as per the long-term plan submitted to the Shareholders' approval):

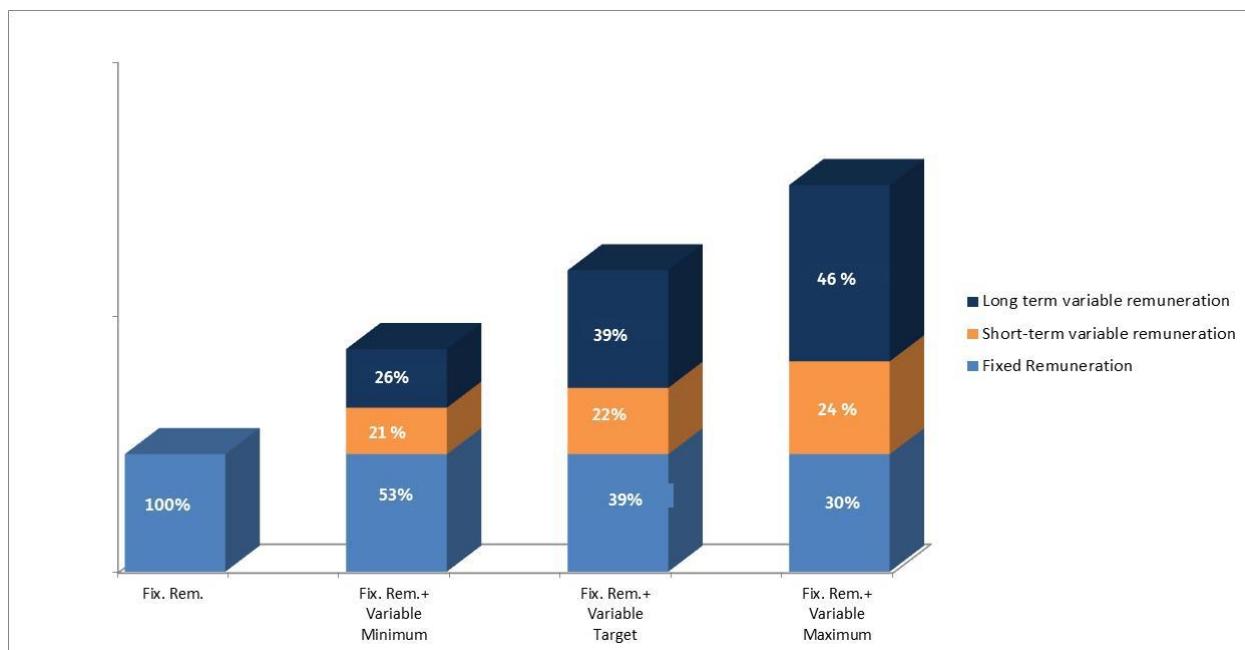
## EXECUTIVE CHAIRMAN



## CHIEF EXECUTIVE OFFICER



## KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES



It is essential that there is balance between the fixed and variable component and the strategic objectives of the Company; in this way the Company sets a pay model that effectively pushes and rewards performance and at the same time allows it to pursue the strategic aims it has set.

# INTRODUCTION

This Report, approved by the Board of Directors at the proposal of the Remuneration Committee, sets out:

- in the first section, the 2018 Policy adopted by Telecom Italia S.p.A. to remunerate its Directors and Key Managers with Strategic Responsibilities, specifying the bodies involved, the general guidelines, and the tools used to adopt and implement the Policy
- in the second section, the implementation of the remuneration policy and the remuneration paid to TIM's Directors, Auditors and Managers with Strategic Responsibilities in 2017.

The Policy described in the first section of the Report has been drawn up in accordance with the recommendations on remuneration contained in the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana (hereinafter, the "Corporate Governance Code"), which TIM adheres.



# SECTION I - 2018 REMUNERATION POLICY

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## PARTIES INVOLVED IN THE REMUNERATION PROCESS

The remuneration policy, meaning the set of principles and tools adopted to define the compensation packages of Directors and Managers with Strategic Responsibilities involves the bodies named below.

### Shareholder's Meeting

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- Determines the compensation of the Board of Directors as a whole, with the exception of the Directors holding specific offices
- Expresses a non-binding vote on the first section of the Report on Remuneration.
- Resolves on the remuneration plans based on the allocation of financial instruments.

### Board of Directors

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- Resolves on how the compensation determined by the Shareholders' Meeting for the Board of Directors is to be divided (when a total amount is established for the board as a whole)
- Defines the policy for remunerating the Executive Directors and Key Managers with Strategic Responsibilities
- Defines the performance targets and objectives of the Executive Directors and assesses whether or not they have been achieved, for the purposes of the short- and long-term incentive systems
- Determines the remuneration of Directors holding specific offices
- Defines the structure of the remuneration of those in charge of the control departments (Audit, Compliance and IT& Security Compliance)
- Makes proposals to the Shareholders' Meeting on the remuneration plans based on the allocation of financial instruments
- Prepares the Report on Remuneration.

In order to ensure that the decisions taken regarding remuneration are appropriately investigated, the Board of Directors avails itself of the support of the Nomination and Remuneration Committee.

### Nomination and Remuneration Committee

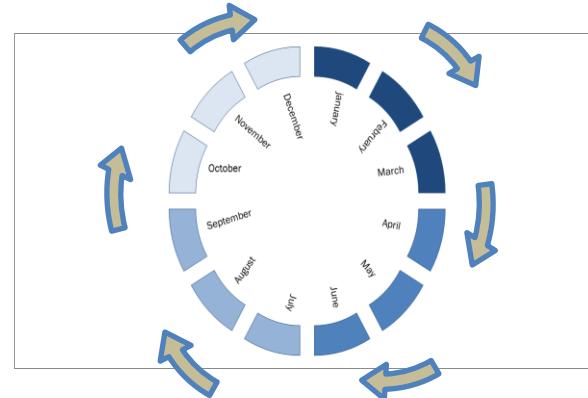
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- Proposes to the Board of Directors the criteria for allocating the total compensation established by the Shareholders' Meeting for the Board of Directors as a whole and the remuneration of Directors holding specific offices.
- With the support of the Human Resources and Organizational Development Department, reviews the remuneration policy for managers, particularly regarding the policy for Key Managers with Strategic Responsibilities
- Examines proposals made to the Board of Directors for compensation plans based on financial instruments;
- Assesses the appropriateness, practical application and consistency of the remuneration policy, also with reference to actual corporate performance, making suggestions and proposals for any corrective measures
- Ascertains the level of achievement of the variable short and long-term incentive targets by the Executive Directors, applying the measurement criteria determined when these targets were assigned, and establishes the architecture of the objectives and of the performance targets linked to the variable incentive system for the following year
- Reviews the structure of the remuneration for the heads of the control departments, as a rule in coordination with the Control and Risk Committee
- Monitors the development of the relevant regulatory framework and of market best practices in remuneration, seeking inspiration for the development of the Company's remuneration policy and identifying improvements that could be made to the Report on Remuneration
- Reports on its own activities to the Board of Directors, as a rule, at the first available meeting.

For the specific operating procedures of the Committee, reference should be made to the provisions of its Rules, available at [www.telecomitalia.com/tit/it/about-us/governance-system/regulations.html](http://www.telecomitalia.com/tit/it/about-us/governance-system/regulations.html).

For 2018, the Committee has planned its activities as follows:

- Finalising the results of the performance objectives for the previous year and determining the short-term variable incentive policies for the current year
- Preparing the Report on Remuneration
- Approval of a new 2018 - 2020 Long Term Incentive Plan
- Succession plan: updating and monitoring the process
- Determining the remuneration of the Chief Executive Officer of the Security Organisation
- Monitoring and operative implementation of the MBO system
- Start of examination and review for the remuneration policy for the following year
- Checking the state of progress of the indicators for the short and long-term
- Board Evaluation: identification of the advisor.



Since it was constituted (June 2017) and until the Report on Remuneration approval date, the Committee has met 16 times. The meetings were attended by the Head of the Human Resources and Organizational Development Department and the managers responsible for the areas being discussed were invited to provide support, from time to time. To perform its functions, the Committee avails itself of the collaboration of the competent Departments within the Company and the support of external consultants who are not in situations likely to compromise their independence of judgement. Since October 2017 the Committee has been assisted by Willis Towers Watson, which does not work for the companies of the Group, nor for the reference shareholder, Vivendi S.A. For more information on the activities carried out by the Committee, please refer to the description contained in the Report on Corporate Governance of TIM for the 2017 financial year.

The Remuneration Committee has since June 2017 been composed of the following Directors:

<u>First name</u>	<u>Title</u>
Anna Jones	Chair, independent non-executive director
Ferruccio Borsani	Independent non-executive member
Frédéric Crépin	Non executive member
Hervé Philippe	Non executive member
Danilo Vivarelli	Independent non-executive member

## Board of Statutory Auditors

The Board of Statutory Auditors expresses the opinions required by current legislation on the proposed remuneration of Executive Directors holding specific offices. As required by the Company's Corporate Governance Principles, the Board of Statutory Auditors expresses also on the remuneration of the heads of the control departments and supervises the correct implementation of the self-regulation rules regarding resolutions on remuneration and other benefits.

The Committee's meetings are attended by the Chair of the Board of Statutory Auditors or, if he is unavailable, by another Statutory Auditor designated by him.

# 2018 REMUNERATION POLICY TOOLS AND GUIDELINES

The remuneration policy of the Telecom Italia Group is aimed at ensuring the company's competitiveness in the labour market, as well as its capacity to attract, retain and motivate people.

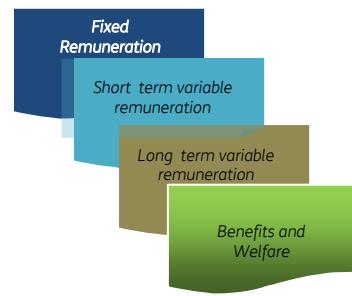
The guidelines and related remuneration tools are aimed at ensuring:

- the achievement of the Company's strategic targets
- the competitiveness of the company on the labour market
- the engagement of its people
- the safeguarding of the principles of internal fairness
- the alignment of the interests of the management with the creation of value for shareholders and also with the sustainability of the results in the long term;
- the safeguarding of consistency at Group level, while taking account of the diversity of the reference markets.

To better define the remuneration policies, the necessary comparisons are made with the external market, using a panel of international telecoms companies and Italian companies that have comparable scope or stock market capitalization.

The components of individual remuneration are:

- Fixed Remuneration
- Short term Variable Remuneration
- Long term Variable Remuneration
- Benefits and Welfare.



The integration of the various components will allow the company to appropriately balance the monetary and non-monetary tools, with the aim of increasing the satisfaction of recipients at a sustainable cost.

For 2018 the trend towards gradual alignment with market practices continues.

Given the need for selectivity, particularly regarding changes to the fixed components, the remuneration interventions will focus on cases where the individual is a high quality resource and there is a clear lack of alignment with the median of the reference market. In parallel with the remuneration interventions on the fixed component, there may be further interventions using the variable remuneration component, also in the form of one-off bonuses. Adjustments, both up and down, to the Variable Remuneration (MBO) in relation to positioning as regards Total Annual Remuneration (TAR) - sum of Gross Annual Remuneration (GAR) plus Variable Remuneration (MBO) - measured in comparison with practices found in the remuneration benchmark market may also be considered.

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The individual remuneration components are analysed below:

## FIXED REMUNERATION

The breadth and strategic nature of the role are measured through a system of evaluation of positions, using internationally recognised and certified methods. Every year TIM checks its remuneration positioning through market benchmarks which analyse both the national and international context. The trend towards aligning the fixed remuneration with the market references will be pursued adopting a necessarily gradual approach.

## SHORT TERM VARIABLE REMUNERATION

### • The Short Term Incentive System

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The 2018 MBO system includes a “gate” objective consisting of the corporate indicator (Group EBITDA) as the condition for access to the bonus linked to all the bonus objectives, applied without distinction to all the plan beneficiaries.

For those reporting directly to the Executive Directors, the target values for the bonus will be set in continuity with 2017 and at up to 50% of the fixed component. For the remaining personnel on incentive schemes, the target values will be set at up to 30% of the fixed component, according to the complexity of the role covered.

There will be Group, departmental and individual targets, with different weightings for different Departments.

For 2018, the weight of Performance Management is being reduced from 30% to 20%, to give more weight to the departmental targets.

The Performance Management target, provided for all the beneficiaries of MBOs (except for the Executive Directors), will continue to be based on the overall result of the assessment, that takes equal account of both individual targets and competencies.

This bonus is paid entirely in cash, when the results achieved have been ascertained.

Finally, during salary reviews, other variable remuneration tools (One-off Bonuses) may be adopted - potentially excluding the Managers with Strategic Responsibilities - to reward significant performance or particularly outstanding results relating to extraordinary initiatives that cannot be classified as ordinary activities.

## LONG TERM VARIABLE REMUNERATION

### • 2018 - 2020 Share Performance Plan

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In 2018, the company proposes to launch a Long Term Plan for the three year period 2018-2020 by assigning Performance Share.

The Plan pursues both the aim of growth in the share price and the aim of achieving the economic and financial objectives set out in the Business Plan. It also ensures retention and motivational effectiveness.

The Performance Share assigns a bonus in Telecom Italia shares upon achievement of the Performance Conditions stated below, defined in line with the principal objectives of the Strategic Plan for the same period:

#### • Share performance (weight 70%)

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The Performance of Telecom Italia ordinary shares against the average performance of a basket of peers composed of:

*Deutsche Telekom AG, Vodafone Group PLC, Telefonica SA, Orange SA, BT Group PLC, Telenor ASA, Swisscom AG, Telia Co AB, Koninklijke KPN NV, Proximus SADP, Elisa OYJ and TDC A/S*

- ✓ Max: if the performance of TIM ordinary shares equals the average performance of the basket of peers plus 20%, provided that the performance of the TIM ordinary shares has been positive in the period, in absolute terms;
- ✓ Target: if the performance of TIM ordinary shares equals the average performance of the basket of peers plus 10%
- ✓ Min: if the performance of TIM ordinary shares equals the average performance of the basket of peers.

For intermediate performance levels we will proceed to linear interpolation:

- between minimum and target
- between target and maximum, provided that the performance of the TIM ordinary share in the period is positive.

### • **Free Cash Flow (weight 30%)**

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The Performance Parameter linked to cash generation is represented by the cumulated equity free cash flow over the three-year period. This amount, defined as the net cash flow before dividend and investments in frequencies, as per the 2018-2020 business plan, is measured as follows:

- (+) Adjusted EBITDA, or reported EBITDA adjusted of non-recurring items, if any;
- (-) capital expenditures (capex, excluding investment in frequencies);
- (+/-) changes in the adjusted net working capital (reported amount adjusted of non-recurring items, if any), including changes in operating provisions;
- (-) total finance expenses;
- (-) taxes.

This amount represents the available free cash flow for the payment of dividends, the repayment of debt, the impact of IAS 17 (finance leases) and the investment in frequencies, and does not include the financial impact of acquisitions or disposals of investments (M&A), if any.

The target value will be recalculated excluding the impact of the changes, compared to the three-year plan, related to the scope of consolidation, the exchange rates and the accounting policies. The achievement values are set as follows:

- ✓ Min: if 90% of the target set is achieved.
- ✓ Target if 105% of the target set is achieved
- ✓ Max: if 115% of the target set is achieved

Where the Performance Parameter value of the cumulated Equity Free Cash Flow is found at intermediate levels with respect to those indicated above, the number of Performance Shares accrued will be calculated using a linear interpolation criterion.

The bonus is calculated for the whole three year period and pro-rata reportioning will be applied in the following cases:

- if the mandate of Chief Executive Officer is not renewed in 2020, due to the performances achieved during the first two years of the Plan
- if the beneficiary's employment is terminated in the period between 1 January 2020 and 31 December 2020 and he or she is a good leaver (in any case subject to the Beneficiary's entering into a non-compete agreement for a duration not below 12 months)

There will be no entitlement to pro-rata reportioning for termination for any reason between 1 January 2018 and 31 December 2019.

The vesting period will be three years, at the end of which a number of shares commensurate with the achievement of the performance conditions will be allocated (with clawback clause). After their allocation, all the shares will be subject to lock-up for two years.

For more details, please refer to the specific information document prepared in view of the Shareholders' Meeting of 24 April 2018, available on the internet page [www.telecomitalia.com](http://www.telecomitalia.com).

### • **Special Award**

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When the Chief Executive Officer, Flavio Cattaneo, was appointed (30 March 2016), it was decided to introduce an incentive instrument to support the company turnaround objective: the Special Award, submitted for the approval of the Shareholders' Meeting of 25 May 2016.

The recipients of the Special Award are the Chief Executive Officer and certain Company managers to be identified by the Chief Executive Officer himself.

This incentive scheme was a four year plan (2016-2019), based on the allocation for each of the financial years included of a percentage share of the overperformance achieved against the targets for the period, within an overall total that has a predefined absolute maximum amount (55,000,000 euros for the whole four year period of reference, and relative to 5.5% of the overperformance).

The indicators were EBITDA (weight 50%), Net Financial Position (weight 25%) and Opex Reduction (weight 25%). The bonus (subject to clawback), paid at the end of the cycle, 80% in equity and the remainder in cash.

A portion of each Annual Bonus, corresponding to 4% of the overperformance, was reserved for the bonus of the Chief Executive Officer, while the remaining part (corresponding to 1.5% of the overperformance matured) was discretionally settled as bonuses to the managers of the Company and/or its subsidiaries, as identified by the Chief Executive Officer, who defined the amount of the bonus attributed to each. The 2016-2019 Special Award was exceeded following the departure of the previous Chief Executive Officer. Managers who were beneficiaries of the Special Award in 2017 will receive the bonus accrued for 2016 - after the approval of the 2019 Financial Statements.

The information document on the Special Award is available on the website [www.telecomitalia.com](http://www.telecomitalia.com)

## **BENEFITS AND WELFARE**

Benefits and welfare constitute non-monetary elements of remuneration; for 2018 the Company again confirms its significant investment in terms of the economic resources dedicated to these elements.

In particular:

- **benefits** are goods and services made available to the beneficiaries, based on the role held, aimed at improving their well-being; these services generate an economic value distinct from both the fixed remuneration and from the other forms of variable remuneration
- **welfare** is the set of non-monetary services made available to the entire company population regardless of the role held, aimed at increasing the well-being of all employees and their families. In line with this approach, the beneficiaries of the Performance Bonus (a collective incentive system for the whole company population, apart from managers and those to whom individual incentive tools apply) may from 2018 choose to convert their cash bonus into welfare services, thus enjoying the applicable tax benefits.

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## **SEVERANCE**

In light of the best practices on “Termination Provisions” for the Executive Directors, it is company policy that severance pay, in the event of the early termination of the office as Director, should not exceed 24 months of remuneration.

For the remaining Key Managers with Strategic Responsibilities, the settlements applicable by virtue of legal provisions, national collective labour agreements and individual agreements will apply. Including any payment in lieu of notice, these payments may be equivalent to no more than 36 months of Total Remuneration (Gross Annual Remuneration + MBO).

## **CLAWBACK**

A contractual clawback mechanism which enables the variable remuneration allocated to Executive Directors and Key Managers with Strategic Responsibilities to be recovered has been in existence since 2016. The clawback clause may be activated in the three years following the payments when said disbursement occurred following wilful misconduct or gross negligence on the part of the executives concerned or in the case of an error in the formulation of data which resulted in a restatement correction to a Financial Statement.

# REMUNERATION OF THE BOARD OF DIRECTORS AND THE KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES

## REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration of the Board of Directors is set out below, as established by the Shareholders' Meeting of 4 May 2017, following renewal of said Board of Directors.

The overall annual remuneration of the Board of Directors pursuant to art. 2389, subsection 1, of the Italian Civil Code – until the expiry of the current term of office (approval of the financial statements as at 31 December 2019) – amounts to 2,200,000 euros gross.

The Board of Directors divided up the remuneration thus established, allocating 110,000 euros, gross per annum to each Director (excluding the Chair and the Chief Executive Officer); this sum is a fixed fee. The non-executive Directors are not entitled to any remuneration linked to the company results, nor to any severance pay.

The following additional remuneration will be also paid to the Directors who are members of Committees:

Strategic Committee	Control and Risk Committee	Nomination and Remuneration Committee
Giuseppe Recchi (C)	Lucia Calvosa (C)	Anna Jones (C)
Franco Bernabè	Camilla Antonini (*)	Ferruccio Borsani
Frédéric Crépin (*)	Francesca Cornelli	Frédéric Crépin
Dario Frigerio	Félicité Herzog	Hervé Philippe
Arnaud Roy de Puyfontaine (**)	Marella Moretti	Danilo Vivarelli
<b>Compensation:</b> € 25.000 + € 15.000 for the Chair	<b>Compensation:</b> € 45.000 + € 20.000 for the Chair	<b>Compensation:</b> € 40.000 + € 20.000 for the Chair
(*) The Director Frédéric Crépin was appointed member of the Strategic Committee on 27 July 2017 (**) Remuneration as Chairman and Member of the Strategic Committee was received until 4 May 2017.	(*) On July 27, 2017, the Board of Directors acquired the resignation of Director Frédéric Crépin (non-independent), replacing it with Director Camilla Antonini (independent) who becomes a member of the Control and Risk Committee.	The Board of Directors resolved to appoint the Chair of the Control and Risk Committee as the director who acts as the “link” between the full board and the Heads of the Internal Audit and Compliance departments, who report directly to the Board of Directors. For this role, an additional emolument of 45,000 euros per year is paid.

## CHAIRMAN'S REMUNERATION

Below is a description of the compensation package decided by the Board of Directors (at the proposal and with the approval of the Nomination and Remuneration Committee) on 27 July 2017, when conferring the role of Executive Chairman on Arnaud Roy de Puyfontaine.

- **Fixed component**  
The remuneration for acting as Chairman is set at the gross sum of 900,000 euros per annum. The Chairman does not receive any remuneration for the office of Director or his membership of the Strategy Committee (pursuant to Art. 2389, subsection I of the Italian Civil Code).
- **Short term variable component (MBO)**  
For each year of service, the short term variable component is correlated with the achievement of the targets set annually by the Board of Directors, in the target amount (100%) of 900,000 euros gross; a parametrised scale is applied that awards a bonus of 50% of the target amount if the minimum level is achieved, up to a bonus equal to 150% of the target amount if the maximum level is achieved.  
Each target is measured individually, so different combinations of the levels of achievement of the targets are possible; the linear interpolation mechanism will be used to assess these levels.

On 6 march 2018 the Board of Directors decided on the following incentive targets for the 2018 MBO, as proposed by the Nomination and Remuneration Committee and in line with the overall architecture of the plan:

	Objectives	Weight	Min vs Tgt	Tgt:	Max vs Tgt
A	TIM Group EBITDA (GATE)	40%	-5%	budget	+ 5%
B	TIM Group Service Revenues	20%	-2%	budget	+2%
C	TIM Group Adi. Net Financial Position	20%	+2%	budget	-2%
D	Assessment of efficiency in managing BoD The evaluation will be edited by the Board of Directors	20%	Partially acted	Completely acted	Acted beyond expectations

For 2018 the gate objective is confirmed. Achievement of this objective at the minimum level constitutes the condition to access all the bonus objectives, with the consequence that non-achievement would mean that the bonus could not be paid.

The clause to claw back the sums paid out may be activated in the three years following payment of the bonus, as set out in the policy.

- **Severance**  
No specific severance treatment has been agreed.
- **Benefits**  
The Chairman has the benefits prescribed for the senior management of the Company (work-related and non-work-related accident, life and sickness invalidity insurance cover, company car for mixed use, checkup). The Company is also covered by a "professional risks policy" for all Directors & Officers.

## CHIEF EXECUTIVE OFFICER'S REMUNERATION

The compensation package decided by the Board of Directors (at the proposal and with the approval of the Nomination and Remuneration Committee) on 28 September 2017, when conferring the role of Chief Executive Officer on Amos Genish is described below.

- **Fixed component**
  - ✓ **Gross annual fixed remuneration**  
An annual gross sum of €1,000,000 euros has been set for the management employment, with the duties of General Manager.
  - ✓ **Fixed remuneration (pursuant to article 2389 subsection I of the Italian Civil Code)**  
The remuneration for acting as Chief Executive Officer is set at the gross sum of 400,000 euros per annum. The Chief Executive Officer does not receive remuneration for the office of Director or for his membership of the Strategy Committee (pursuant to Art. 2389, subsection 1 of the Italian Civil Code).
- **Short term variable component**

For each year of service correlated with the achievement of the targets set annually by the Board of Directors, in the target amount (100%) of 1,400,000 euros gross; a parametrised scale will be applied that awards a bonus of 50% of the target amount if the minimum level is achieved, up to a bonus equal to 150% of the target amount if the maximum level is achieved.

Each target is measured individually, so different combinations of the levels of achievement of the targets are possible; the linear interpolation mechanism will be used to assess these levels.

On 6 march 2018 the Board of Directors decided on the following incentive targets for the 2018 MBO, as proposed by the Nomination and Remuneration Committee and in line with the overall architecture (of the plan):

	Objectives	Weight	Min vs Tgt	Tgt:	Max vs Tgt
A	TIM Group EBITDA GATE	30%	-5%	budget	+5%
B	Operating Free Cash Flow	30%	-5%	budget	+5%
C	TIM Group Service Revenues	15%	-2%	budget	+2%
D	TIM Group Adi. Net Financial Position	15%	+2%	budget	-2%
E	Customer Satisfaction Index 1.Consumer 2. Enterprise 3.Vertical Large&Med. Enterprise	60% 20% 20%	10% -2,4% -3,2% -1,7%	target of each segment	+1,5% +2,8% +0,9%

For 2018, the gate objective is confirmed. Achievement of this objective at the minimum level constitutes the condition to access all the bonus objectives, with the consequence that non-achievement would mean that the bonus could not be paid.

The clause to claw back the sums paid out may be activated in the three years following payment of the bonus, as set out in the policy.

In case of early termination, the company remuneration policies shall apply.

It remains understood that, for 2017, the Bonus will be temporarily reportioned pro-rata, based on the number of complete months worked.

- **Long term variable component**

At the Shareholders' Meeting held on 24 April 2018, it is proposed to reserve the First Tranche of the Long Term Incentive Plan 2018 to the Chief Executive Officer, for which service no. 30,000,000 ordinary TIM shares.

For more details, please refer to the informative document of the initiative that can be consulted on the Internet <http://www.telecomitalia.com/tit/it/investors/shareholders/agm.html>.

- **Severance**

As per policy, in the event of termination of the office of Director without just cause, compensation is provided equal to the remuneration due up to the natural expiry of the mandate, with a maximum of 24 months. The same limit applies to the termination from the employment contract.

In case of early termination of the employment and administration role, company policy prescribes a severance payment of up to a maximum of 24 months' salary, considering both the fixed gross annual remuneration and the average of the amounts received or accrued as MBO during the mandate.

- **Benefits**

In relation to the managerial role, the Chief Executive Officer enjoys the benefits specified for the management of the Company (health insurance cover through the Telecom Italia Group Executive supplementary healthcare assistance; supplementary pension cover through membership of the Telecom Italia Group Executive complementary pension fund; work-related and non-work-related accident, life and invalidity due to illness insurance cover; a company car for mixed use; check-ups, sustaining removal costs for transfer to Italy. The Company is also covered by a "professional risks policy" for all Directors & Officers. In relation to the office of Director, the Company has undertaken to pay the Chief Executive Officer with effect from the 1° August 2018 a gross annual amount of 400,000 euros as an 'expat' package to cover expenses for family's relocation (housing, school education for children, transport and travel) with settlement split over time.

## REMUNERATION OF THE DEPUTY CHAIRMAN

In addition to the remuneration as Member of the Board and Chair of the Strategic Committee, for the Vice Chairman Giuseppe Recchi are currently recognised:

- an additional fee of 45.000 euros gross per year for the office
- with effect from 28 September 2017, an additional fee of 10,000 euros gross per month

In relation to the assigned powers, the Deputy Chairman also accesses the standard benefits recognized by the company's Top Management.

## REMUNERATION OF KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES

Key Managers with Strategic Responsibilities, namely those persons having authority and responsibility for planning, directing and controlling the activities of the Telecom Italia Group, directly or indirectly, including directors, are at present identified as follows:

### **Directors:**

<b>Arnaud Roy de Puyfontaine</b>	Executive Chairman of Telecom Italia S.p.A. <sup>(1)</sup>
<b>Giuseppe Recchi</b>	Executive Chairman of Telecom Italia S.p.A. <sup>(2)</sup> Executive Deputy Chairman <sup>(3)</sup>
<b>Amos Genish</b>	Managing Director and Chief Executive Officer di Telecom Italia S.p.A. <sup>(3)</sup> General Manager <sup>(3)</sup>

### **Executives:**

<b>Stefano De Angelis</b>	<i>Chief Executive Officer TIM Brasil</i>
<b>Stefano Azzi</b>	Head of Consumer & Small Enterprise <sup>(4)</sup>
<b>Stefano Ciurli</b>	Head of Wholesale <sup>(4)</sup>
<b>Giovanni Ferigo</b>	Head of Technology <sup>(4)</sup>
<b>Lorenzo Forina</b>	Head of Business & Top Clients <sup>(4)</sup>
<b>Cristoforo Morandini</b>	Head of Regulatory Affairs and Equivalence <sup>(4)</sup>
<b>Mario Di Mauro</b>	Head of Strategy, Innovation & Quality <sup>(5)</sup>
<b>Michel Sibony</b>	Head of Procurement Unit & Real Estate <sup>(5)</sup> Head of Legal, Regulatory and Tax <sup>(6)</sup>
<b>Agostino Nuzzolo</b>	Head of Human Resources & Organizational Development <sup>(7)</sup>
<b>Riccardo Meloni</b>	Head of Human Resources & Organizational Development <sup>(8)</sup>
<b>Piergiorgio Peluso</b>	<i>Head of Administration, Finance and Control</i>
<b>Stefano Siragusa</b>	Chief TIM Infrastructures Office <sup>(9)</sup>

(1) from 01 June 2017;

(2) until 31 May 2017;

(3) from 28 September 2017;

(4) until 5 March 2018

(5) from 6 March 2018

(6) from 6 March 2018; until 5 March 2018 Head of Legal Affairs

(7) until 15 March 2018 the responsibility of Human Resources & Organizational Development department was assigned temporary to Mr. Nuzzolo

(8) from 16 March 2018

(9) from 12 March 2018

The structuring of the compensation package for 2018 for Key Managers with Strategic Responsibilities, excluding the Chairman and the Chief Executive Officer, is described below:

- **Fixed component**

The strategy for 2018 is basically to maintain remuneration in line with market practice, while providing for selective criteria for alignment of the fixed remuneration

- **Short Term Variable Component (MBO)**

The 2018 incentive plan is linked to the achievement of a combination of predefined targets:

- company targets generally of an economic and financial nature;
- departmental targets related to the specific activities of the Department;
- individual targets, contained in Performance Management.

The division of the corporate and departmental targets varies according to the organisational structure to which they belong, as described in the table:

Structures	Objectives	Weight
COMMERCIAL + OPERATIONS Structures	GROUP/COMPANY	40%
	DEPARTMENTAL	40%
	PERFORMANCE MANAGEMENT	20%
STAFF structures	GROUP/COMPANY	50%
	DEPARTMENTAL	30%
	PERFORMANCE MANAGEMENT	20%

For 2018 there will again be a gate objective that - at minimum level - constitutes the condition for accessing the entire bonus system.

The parametrised scale to reward the objectives, and the pay-out curve, are described below:

- bonus of 0 for achievement levels below the minimum
- bonus of 70% of the assigned target bonus for achievement values between the minimum and the target (70-100)
- bonus of 100% of the assigned target bonus for achievement values equal to the target
- bonus of between 100% and 140% of the assigned target for increasing achievement levels between the target and the maximum (linear scale)
- bonus of 140% of the assigned target for values at or greater than the maximum target level.



The MBO system for Key Managers with Strategic Responsibilities provides an annual target bonus of up to a maximum of 50% of fixed remuneration.

The clause to claw back the sums paid out may be activated in the three years following payment, as set out in the specific company Regulations.

- **Special Award**

The 2016-2019 Special Award launched last year has been superseded; some of the Key Managers with Strategic Responsibilities are beneficiaries of the Special Award, as identified by the preceding Chief Executive Officer, Mr Cattaneo; they will receive the bonus accrued for 2016 - after the approval of the 2019 Financial Statements.

The Special Award is subject to a clawback clause. See page 10 for more details.

- **Benefits**

Benefits are granted similar to those provided for all other company managers: company car for mixed use, insurance policies (workplace accidents, life and invalidity caused by illness), complementary health insurance cover, complementary pension fund and check-ups.

The Company is also covered by a "professional risks policy" for all Directors & Officers

- **Severance**

Settlements applicable by virtue of legal provisions, national collective labour agreements and supplementary individual agreements, are specified (always excluding cases of dismissal with just cause).

Including any payment in lieu of notice, these payments may be equivalent to no more than 36 months of Total Remuneration (Gross Annual Remuneration + MBO).

## SECTION II – IMPLEMENTATION OF REMUNERATION POLICIES AND AMOUNTS PAID IN 2017

This section describes the remuneration measures for the members of the Board of Directors and the Key Managers with Strategic Responsibilities in 2017.

### MEMBERS OF THE BOARD OF DIRECTORS

The Shareholders' Meeting held on 4 May 2017 appointed the new Board of Directors, determining the total annual remuneration of the body as 2,200,000 euros, to be divided between its members in accordance with the resolutions to be made by the Board itself.

On 27 July 2017, the Board of Directors divided the aforementioned total remuneration in the terms summarised in the corresponding chapter of Section One of this Report, all corresponding to the arrangements previously adopted by the Board of Directors in office in the three year period 2014-2016.

The detailed analysis of the remuneration received by the named Directors in office in the period is shown in Table 1 in the second part of this section.

The following additional remuneration will be also paid to the current Directors who are members of Committees:

Strategy Committee	Control and Risk Committee	Nomination and Remuneration Committee
<b>Giuseppe Recchi (P)</b>	<b>Lucia Calvosa (P)</b>	<b>Anna Jones (P)</b>
Franco Bernabè	Camilla Antonini (*)	Ferruccio Borsani
Frédéric Crépin (*)	Francesca Cornelli	Frédéric Crépin
Dario Frigerio	Félicité Herzog	Hervé Philippe
Arnaud Roy de Puyfontaine (**)	Marella Moretti	Danilo Vivarelli
<b>Remuneration:</b> € 25,000 + € 15,000 for the Chairman	<b>Remuneration:</b> € 45,000 + € 20,000 for the Chair	<b>Remuneration:</b> € 40,000 + € 20,000 for the Chair
(*) Director Frédéric Crépin was appointed a member of the Strategy Committee on 27 July 2017.	(*) The Board of Directors accepted the resignation of Frédéric Crépin (a non-independent Director) on 27 July 2017, replacing him with Camilla Antonini (an independent director), who became a member of the Control and Risk Committee on the same date.	Pursuant to the Company's Corporate Governance Principles, the Board of Directors also attributed the role of director to act as link between the full board and the Heads of the control departments reporting directly to the Board of Directors to the Chair of the Control and Risk Committee. For this role, an additional emolument of 45,000 euros per year is paid.

Finally, for completeness, it should be noted that on 1 June 2017 the Board of Directors also appointed Mr Franco Bernabé the Lead Independent Director for 2017.

## CHAIRMAN

### **1 January - 4 May 2017**

The office of Executive Chairman has been held by Giuseppe Recchi since the start of the year, and until renewal of the body (Shareholders' Meeting on 4 May 2017) by Giuseppe Recchi. In that period his remuneration was represented solely by a fixed emolument of 700,000 euros per year.

### **5 May 2017 - 1 June 2017**

After the renewal, on 5 May 2017, the office of Executive Chairman was assigned again to Giuseppe Recchi, who retained it until 1 June 2017, with a temporary remuneration based on a fixed gross annual remuneration of 900,000 euros (and exclusion from the remuneration payable to him as a Director and as a member of the Strategy Committee).

### **1 June - 31 December 2017**

From the date of his appointment (1 June 2017), the remuneration package of the new serving Executive Chairman, Arnaud Roy de Puyfontaine, has been represented by an emolument pursuant to art. 2389, subsection 3, of the Italian Civil Code, and is composed of a fixed part totalling 900,000 euros per annum, gross, and a variable part in the form of an MBO determined, at target, to be 900,000 euros per annum, gross, with exclusion of the remuneration payable to him as a member of the Board of Directors and a member of the Strategy Committee.

The table below presents, in detail, the objectives assigned by the Board of Directors on 27 July 2017 for the variable short term MBO component for the year 2017.

OBJECTIVE	WEIGHT	% achievement	Weighted Score
TIM Group EBITDA GATE (€Mln)	40%	101,1%	<b>40,44%</b>
TIM Group Adjusted Net Financial Position (€Mln)	20%	68,1%	<b>13,63%</b>
TIM Group Service Revenues (€Mln)	20%	130,6%	<b>26,12%</b>
Assessment of efficiency in managing BoD activities	20%	100%	<b>20,00%</b>
The assessment will be made by the Board of Directors			<b>100,19%</b>

According to the percentage achievement given above, after the *pro-rata temporis* reportioning based on the number of complete months in which he held the office, the Executive Chairman has accrued a bonus for the short-term variable component in the amount of 525,998 euros gross. The accrued bonus was waived by the interested party.

The detailed analysis of the remuneration received is shown in Table 1 of the second part of this section.

## CHIEF EXECUTIVE OFFICER

### **1 January - 28 July 2017**

From 1 January to 28 June 2017, the role of Chief Executive Officer was held by Flavio Cattaneo, confirmed by the Board of Directors on 5 May 2017 in the office he already held before the renewal of the board.

In that period, his remuneration as the chief executive officer of the Company was represented by gross annual remuneration of 1,400,000 euros, to which was added a variable component in the form of an MBO, as remuneration pursuant to art. 2389, subsection 3, of the Italian Civil Code, totalling, at target, 1,400,000 euros per annum, gross. Mr Cattaneo did not receive any remuneration in his capacity as Director and member of the Strategy Committee.

On 24 July 2017, the Board of Directors, by majority vote, approved an agreement for the termination of Flavio Cattaneo's appointment as Chief Executive Officer, with effect from 28 July 2017, and of his employment as General Manager, with effect from 31 July 2017.

The agreement prescribed that Mr Cattaneo would be paid the sum of 22.9 million euros, gross, as settlement for remuneration due to him based on his contract with the Company, considering, in particular, the "Special Award" and the MBO, in relation to the service he had already rendered as Chief Executive Officer and the value found to have been added, based on the information available at that time. The agreement also prescribed that he should be paid the sum of 2.1 million euros, gross, as fee for a non-competition, non-solicitation and non-reversal agreement for one year, applicable to TIM's principal competitors in Italy and in Brazil; the assignment to him of some company securities was also agreed.

For the termination of his employment, he also received the other accessory and severance payments due to him by law and pursuant to the applicable collective agreement (severance, holiday pay, thirteenth month bonus) and a lump sum to neutralise the costs deriving from the transfer of his company car.

At the time of his resignation, Mr Cattaneo held 1,500,000 ordinary shares of the Company and 893,617 stock options, assigned as a result of his achievement of the objectives of the 2014/2016 Stock Option Plan, maturing in 24/3/2020, with a strike price of 0.99 euros per share.

### **28 September – 31 December 2017**

In its meeting on 28 September 2017, the Board of Directors of the Company co-opted Amos Genish, appointing him "Amministratore Delegato" (Chief Executive Officer) and at the same time engaged him as a senior executive with a permanent contract of employment, assigning him the office of General Manager.

The gross remuneration for the employment was 1,000,000 per annum, gross, while a fixed remuneration of 400,000 euros per annum, gross, was awarded as remuneration pursuant to art. 2389, subsection 3, of the Italian Civil Code, with exclusion of remuneration for serving as a Director and for membership of the Strategy Committee. As further remuneration pursuant to art. 2389, subsection 3, of the Italian Civil Code, an MBO with a target amount of 1,400,000 euros gross was also paid, reportioned *pro-rata temporis*, based on the complete number of months worked.

The table below illustrates in detail the degree of achievement of the objectives assigned for the 2017 MBO short-term variable component.

OBJECTIVE	WEIGHT	% achievement	Weighted Score
TIM Group EBITDA GATE (€Mln)	50%	101,1%	50,55%
TIM Group Adjusted Net Financial Position (€Mln)	25%	68,1%	17,03%
TIM Group Service Revenues (€Mln)	25%	130,6%	32,66%
			100,24%

Based on the percentage achievement given above, after the *pro-rata temporis* reproportioning based on the number of complete months in which he held the office, the Chief Executive Officer has accrued a bonus for the short-term variable component in the amount of 350,840 euros gross. The accrued bonus was waived by the interested party.

The detailed analysis of the remuneration received is shown in Table 1 of the second part of this section.

## DEPUTY CHAIRMAN

### **1 January - 1 June 2017**

From 1 January to 28 June 2017, the role of Deputy Chairman of the Board of Directors was held by Arnaud Roy de Puyfontaine, confirmed by the Board of Directors on 5 May 2017 in the office he already held before the renewal of the board.

During that period, the remuneration (in addition to the remuneration for serving as a Director and/or membership of Committees) was 45,000 euros per annum, gross. No variable remuneration was payable.

### **1 June - 28 September 2017**

On 1 June 2017, Giuseppe Recchi took the role of Deputy Chairman of the Board of Directors, renouncing the role of Chairman.

The remuneration (in addition to the remuneration for serving as a Director and/or membership of Committees) was equal to 45,000 euros per annum, gross. No variable remuneration was payable for this role.

Since 28 July 2017, pending the appointment of the new Chief Executive Officer, he was temporarily assigned organisational responsibility for the Security Department and responsibility for the governance of the wholly owned subsidiary Telecom Italia Sparkle S.p.A.

### **28 September - 31 December 2017**

With effect from 28 September 2017, after the assignment to the Deputy Chairman to act as the deputy of the Executive Chairman, and confirmation of the powers he had been exercising on a temporary basis since 28 July, the Deputy Chairman, Giuseppe Recchi, was granted a further additional remuneration of 10,000 euros per month, gross, to apply until his pay package is comprehensively reviewed, which will be done as soon as the governance solution required to comply with the prescriptions imposed pursuant to the Golden Power law has been implemented.

The detailed analysis of the remuneration received is shown in Table 1 of the second part of this section.

## **KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES**

The fixed remuneration of the Key Managers with Strategic Responsibilities comprises the gross annual remuneration in respect of their employment.

The total remuneration received by Key Managers with Strategic Responsibilities is shown in Table 1 of the second part of this section.

Based on the ascertainment of the level to which the objectives of the Stock Option Plan 2014/2016 had been achieved, the Key Managers with Strategic Responsibilities were able to exercise 1,704,571 options until 24/3/2020.

It should also be noted that the beneficiaries of the Special Award relating to the 1.5% share of the 2016 over-performance were identified by the Chief Executive Officer at that time, Flavio Cattaneo, on 19 June 2017. The Key Managers with Strategic Responsibilities were allocated bonuses with a total of 1,450,000 euros (1,160,000 euros of which represented by 1,487,178 TIM ordinary shares) detailed in tables 3A and 3B.

Without prejudice to the provisions of the Plan Regulations, the bonus will be paid, in both cash and shares, after the board has approved the financial statements for 2019 (in 2020).

# REMUNERATION PAID IN 2017

**TABLE 1: REMUNERATION PAID TO MEMBERS OF THE MANAGEMENT AND CONTROL BODY AND TO KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES**

The remuneration due to all the individuals who, during the financial year 2017, or a part thereof, held the position of member of the Board of Directors, of member of the management and control body, or Manager with Strategic Responsibilities (for this last category the information is shown in aggregate form) are shown below.

## Board of Directors

(in thousands of euros)											Compensation for loss of office or termination of employment	
Notes	Name and surname	Position	Period of office (dd.mm)	Expiry of term of office (mm.yy)	Fixed remuneration	Variable remuneration non-equity			Other remuneration	TOTAL		
						1	2	3				
1	Giuseppe Recchi	Executive Chairman	01.01 31.05	12.19	376	10	36	32	<b>454</b>	Compensation for loss of office or termination of employment		
		Executive Deputy Chairman	28.09 31.12									
2	Arnaud Roy de Puyfontaine	Chairman Executive	01.06 31.12	12.19	525	-	-	-	<b>525</b>			
3	Amos Genish	Chief Executive Officer General Manager	28.09 31.12	12.19	360	-	-	1	<b>361</b>			
4	Arnaud Roy de Puyfontaine	Deputy Chairman	01.01 31.05	12.19	65	26	-	-	<b>91</b>			
5	Giuseppe Recchi	Deputy Chairman	01.06 27.09	12.19	52	8	-	-	<b>60</b>			
6	Camilla Antonini	Director	05.05 31.12	12.19	72	21	-	-	<b>93</b>			
7	Franco Bernabè	Director	05.05 31.12	12.19	72	15	-	-	<b>87</b>			
8	Ferruccio Borsani	Director	05.05 31.12	12.19	72	23	-	-	<b>95</b>			
9	Lucia Calvosa	Director	01.01 31.12	12.19	146	59	-	-	<b>205</b>			
10	Francesca Cornelli	Director	01.01 31.12	12.19	110	42	-	-	<b>152</b>			
11	Frédéric Crépin	Director	05.05 31.12	12.19	72	43	-	-	<b>115</b>			
12	Dario Frigerio	Director	05.05 31.12	12.19	72	15	-	-	<b>87</b>			
13	Félicité Herzog	Director	01.01 31.12	12.19	110	42	-	-	<b>152</b>			
14	Anna Kristina Jones	Director	05.05 31.12	12.19	72	34	-	-	<b>106</b>			
15	Marella Moretti	Director	05.05 31.12	12.19	72	26	-	-	<b>98</b>			
16	Hervé Philippe	Director	01.01 31.12	12.19	110	23	-	-	<b>133</b>			
17	Danilo Vivarelli	Director	05.05 31.12	12.19	72	23	-	-	<b>95</b>			
18	Flavio Cattaneo	Chief Executive Officer General Manager	01.01 27.07 01.01 31.07	12.19	910	53	48	<b>1,011</b>	Compensation for loss of office or termination of employment			
19	Tarak Ben Ammar	Director	01.01 04.05	12.16	38	-	-	-	<b>38</b>			
20	Davide Benello	Director	01.01 04.05	12.16	38	30	-	-	<b>68</b>			
21	Laura Cioli	Director	01.01 04.05	12.16	38	24	-	-	<b>62</b>			
22	Jean Paul Fitoussi	Director	01.01 04.05	12.16	38	-	-	-	<b>38</b>			
23	Giorgina Gallo	Director	01.01 04.05	12.16	38	15	-	-	<b>53</b>			
24	Denise Kingsmill	Director	01.01 04.05	12.16	38	-	-	-	<b>38</b>			
25	Luca Marzotto	Director	01.01 04.05	12.16	38	14	-	-	<b>52</b>			
26	Stephane Roussel	Director	01.01 04.05	12.16	38	14	-	-	<b>52</b>			
27	Giorgio Valerio	Director	01.01 04.05	12.16	38	29	-	-	<b>67</b>			
<b>Overall BoD (a)</b>					<b>3,682</b>	<b>536</b>	<b>53</b>	<b>85</b>	<b>32</b>	<b>4,388</b>	<b>25,000</b>	

## Board of Statutory Auditors

(in thousands of euros)

Note s	Name and surname	Position	Period of office (dd.mm)	Expiry of term of office (mm.yy)	Fixed remuneration	Variable remuneration non-equity				Fair Value of compensation equity	Compensation for loss of office or termination of employment
						1	2	3	4		
28	Roberto Capone	Chairman	01.01 31.12	12.17	135					135	
29	Vincenzo Cariello	Standing Auditor	01.01 31.12	12.17	95					95	
30	Gabriella Chersicla	Standing Auditor	12.09 31.12	12.17	29					29	
31	Gianluca Ponzellini	Standing Auditor	01.01 31.12	12.17	95					95	
32	Ugo Rock	Standing Auditor	01.01 31.12	12.17	95					95	
33	Paola Maria Maiorana	Standing Auditor	01.01 11.09	12.17	69					69	
<b>Overall Board of Statutory Auditors (b)</b>					<b>518</b>					<b>518</b>	

## Key Managers with Strategic Responsibilities\*

(in thousands of euros)

Note s	Name and surname	Position	Period of office (dd.mm)	Expiry of term of office (mm.yy)	Fixed remuneration	Variable remuneration non-equity				Fair Value of compensation equity	Compensation for loss of office or termination of employment
						1	2	3	4		
	Remuneration in the company drawing up the financial statements				3,301		1,619**	150	295	5,365	500
	Remuneration from subsidiaries ***				693		1,210			1,903	318
<b>Total Key Managers with Strategic Responsibilities (c)</b>					<b>3,994</b>		<b>2,829</b>	<b>150</b>	<b>295</b>	<b>7,268</b>	<b>318</b>
<b>TOTAL REMUNERATION PAID IN 2017 (a+b+c)</b>					<b>8,194</b>	<b>536</b>	<b>2,882</b>	<b>235</b>	<b>327</b>	<b>12,174</b>	<b>318</b>
											<b>25,500</b>

\* The remuneration refers to all the individuals who held the position of Key Managers with Strategic Responsibilities during the 2017 financial year, or any part thereof (13 managers);

The remuneration paid does not include amounts assigned as Special Award 2016 during 2017. The reference values assigned are set out in the paragraph entitled "Key Managers with Strategic Responsibilities" and detailed in tables 3A and 3B.

\*\* In absence of the final closing of bonuses for the year 2017, the value represented in the table refers to the provisioning estimates in the Financial Statements as at 31.12.2017

\*\*\* Amounts relating to local work contracts have been converted into euros at the average exchange rate in 2018, at 28/02/2018 (Reais/€3.96207).

- 1 **Giuseppe Recchi – Executive Chairman and Executive Deputy Chairman of the Board of Directors**
  - col. 1 This amount includes the fixed remuneration pursuant to article 2389, subsection 3, of the Italian Civil Code received for serving as Executive Chairman (242,000 euros) for the period 1/01 - 4/05/2017, and as *pro-tempore* Deputy Chairman (64,000 euros) for the period 5/5-31/5/2017, the fixed remuneration pursuant to art. 2389 subsection 3 of the Italian Civil Code, for serving as Deputy Executive Chairman (42,000 euros) and the remuneration pursuant to art. 2389 subsection 1 of the Italian Civil Code for serving as a member of the Board of Directors (28,000 euros), both for the period 28/09 - 31/12/2017;
  - col. 2 The amount refers to remuneration pursuant to art. 2389, subsection 1 of the Italian Civil Code for serving as Chairman and Member of the Strategy Committee for the period 28/09 - 31/12/2017.
  - col. 5 The amount refers to the remuneration pursuant to art. 2389, subsection 1 of the Italian Civil Code for serving as a Director of Inwit S.p.A. for the period 20/4 - 31/12/2017.
- 2 **Arnaud Roy de Puyfontaine - Executive Chairman of the Board of Directors**
  - col. 1 The amount refers to the remuneration pursuant to article 2389, subsection 3, of the Italian Civil Code received for serving as Executive Chairman for the period 1/06 - 31/12/2017;
  - col. 3 The bonus for the financial year 2017, for objectives achieved in the year itself, was waived by the Executive Chairman.
- 3 **Amos Genish - Chief Executive Officer and General Manager**
  - col. 1 The amount includes remuneration for employment (256,000 euros) for the period in which he served as General Manager 28/09 - 31/12/2017, as well as the remuneration pursuant to article 2389, subsection 3, of the Italian Civil Code (104,000 euros) received for serving as Chief Executive Officer 28/09 - 31/12/2017;
  - col. 3 The bonus for the financial year 2017, for objectives achieved in the year itself, was waived by the Chief Executive Officer. .
- 4 **Arnaud Roy de Puyfontaine - Deputy Chairman**
  - col. 1 This amount refers to the remuneration received as Deputy Chairman for the period 1/1 - 31/5/17 (19,000 euros) and as a member of the Board of Directors for the period 1/1 - 31/05/2017 (46,000 euros)
  - col. 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee for the period 1/1 - 04/05/2017 (14,000 euros), member of the Strategy Committee for the period 1/1 - 04/05/2017 (9,000 euros) and Chairman of the Strategy Committee for the period 1/1 - 04/05/2017 (3,000 euros)
- 5 **Giuseppe Recchi – Deputy Chairman**
  - col. 1 This amount refers to the remuneration received as Deputy Chairman (15,000 euros) and member of the Board of Directors (37,000 euros) for the period 1/6 - 27/09/2017.
  - col. 2 This amount refers to the remuneration received as a member of the Strategy Committee for the period 1/6 - 27/09/2017 (8,000 euros)
- 6 **Camilla Antonini – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Control and Risk Committee for the period 24/7 - 31/12/2017
- 7 **Franco Bernabè – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Strategy Committee for the period 1/6 - 31/12/2017.
- 8 **Ferruccio Borsani – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee for the period 1/6 - 31/12/2017.
- 9 **Lucia Calvosa – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors (110,000 euros) and as liaison director between the Board of Directors and the corporate control departments which report directly to the Board (36,000 euros)
  - col. 2 This amount refers to the remuneration received as a member of the Control and Risk Committee for the periods 1/1 - 4/5/2017 and 1/6 - 31/12/2017 (42,000 euros) and as Chair of the Control and Risk Committee for the periods 1/1 - 4/5/2017 and 22/6 - 31/12/2017 (17,000 euros)
- 10 **Francesca Cornelli – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Control and Risk Committee for the period 1/6 - 31/12/2017.
- 11 **Frédéric Crépin – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Control and Risk Committee (8,000 euros), member of the Nomination and Remuneration Committee for the period 1/6 - 31/12/2017 (23,000 euros) and member of the Strategy Committee for the period 24/7 - 31/12/2017 (12,000 euros)
- 12 **Dario Frigerio – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Strategy Committee for the period 1/6 - 31/12/2017.
- 13 **Félicité Herzog – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Control and Risk Committee for the period 1/6 - 31/12/2017.
- 14 **Anna Kristina Jones – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors
  - col. 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee for the period 1/6 - 31/12/2017 (23,000 euros) and Chair of the Nomination and Remuneration Committee for the period 15/6 - 31/12/2017 (11,000 euros).
- 15 **Marella Moretti – Director**
  - col. 1 This amount refers to the remuneration received as a member of the Board of Directors

**16 Hervé Philippe - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

col. 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee for the period 1/6 - 31/12/2017.

**17 Danilo Vivarelli - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

col. 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee for the period 1/6 - 31/12/2017.

**18 Flavio Cattaneo - Chief Executive Officer and General Manager**

col. 1 This amount includes remuneration for employment (813,000 euros), travel expenses (1,000 euros) and payment in lieu of holidays not taken (96,000 euros) as prescribed in the collective agreements for industrial company managers in the period in which he occupied the position of General Manager 1/01 - 31/7/2017;

col. 3 This amount refers to a *lump sum* paid to offset the tax effects due to the provision of a car by the company (51,000 euros) as well as reimbursement of club and association membership costs (2,000 euros).

col. 8 See the details set out in the paragraph entitled "Termination of the directorship/employment of Mr Flavio Cattaneo" described earlier in this section for details of the office/employment severance payment.

**19 Tarak Ben Ammar - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

**20 Davide Benello - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

col. 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee (14,000 euros), Chairman of the Nomination and Remuneration Committee (7,000 euros) and member of the Strategy Committee (9,000 euros)

**21 Laura Cioli - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

col. 2 This amount refers to the remuneration received as a member of the Control and Risk Committee (15,000 euros) and member of the Strategy Committee (9,000 euros)

**22 Jean Paul Fitoussi - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

**23 Giorgina Gallo - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

col. 2 This amount refers to the remuneration received as a member of the Control and Risk Committee

**24 Denise Kingsmill - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

**25 Luca Marzotto - Director**

Column 1 This amount refers to the remuneration received as a member of the Board of Directors

Column 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee

**26 Stephane Roussel - Director**

Column 1 This amount refers to the remuneration received as a member of the Board of Directors

Column 2 This amount refers to the remuneration received as a member of the Nomination and Remuneration Committee

**27 Giorgio Valerio - Director**

col. 1 This amount refers to the remuneration received as a member of the Board of Directors

Column This amount refers to the remuneration received as a member of the Control and Risk Committee (15,000 euros) and member of the Nomination and Remuneration Committee (14,000 euros)

**28 Roberto Capone - Standing Auditor**

col. 1 This amount refers to the remuneration received as Chairman of the Board of Statutory Auditors

**29 Vincenzo Cariello - Standing Auditor**

Column 1 This amount refers to the remuneration received as Standing Auditor

**30 Gabriella Chersicla - Standing Auditor**

Column 1 This amount refers to the remuneration received as Standing Auditor

**31 Gianluca Ponzellini - Standing Auditor**

Column 1 This amount refers to the remuneration received as Standing Auditor

**32 Ugo Rock - Standing Auditor**

Column 1 This amount refers to the remuneration received as Standing Auditor

**33 Paola Maria Maiorana - Standing Auditor**

Column 1 This amount refers to the remuneration received as Standing Auditor

**TABLE 2: STOCK OPTIONS ASSIGNED TO MEMBERS OF THE MANAGEMENT AND CONTROL BODIES AND TO OTHER KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES**

Date: 31/12/2017

		In the company drawing up the financial statements		In subsidiaries and associates		<b>TOTAL</b>
Name and surname	A	Flavio Cattaneo				
Position	B	Chief Executive Officer	Key Managers with Strategic Responsibilities	Key Managers with Strategic Responsibilities		
Plan and respective resolution	1	Plan 2014 Stock Option 16/04/2014	Plan Stock Option 2014 16/04/2014	Stock Option Plan 2016 08/11/2016		
Options held at the beginning of the financial year	2	Number of options	893,617	1,853,085	948,276	<b>3,694,978</b>
	3	Strike price	€0.99	€0.94 €1.01 €1.15	R\$ 8.0977 (3)	
	4	Possible exercise period (from/to)	2017/2020	2017/2020	2017-2022	
Options allocated during the financial year	5	Number of options				
	6	Strike price				
	7	Possible exercise period (from/to)				
	8	Fair value on allocation date				
	9	Allocation date				
	10	Market price of underlying options on allocation of options				
Options exercised during the financial year	11	Number of options			316,092	<b>316,092</b>
	12	Strike price			R\$ 7.6928	
	13	Market price of underlying options on exercise date			R\$ 11.80 (5)	
Options expired during the financial year	14	Number of options	148,514 (2)			<b>148,514</b>
Options held at the end of the financial year	15	(15)=(2)+(5)-(11)-(14)	893,617 (1)	1,704,571	632,184	<b>3,230,372</b>
Options for the year	16	Fair value			€318,054 (4)	<b>€318,054</b>

(1) Held upon ceasing to hold office 27/9/2017.

(2) Given up upon entry to the Stock Option Plans of foreign investee companies.

(3) The strike price can be corrected in relation to the conditions laid down in the plan.

(4) Amounts relating to local Stock Option Plans have been converted into euros at the average exchange rate in 2017, at 31/12/2017 (Reais/€3.60584). Fair Value on allocation date

(5) Value of the options on 30 November, when the shares could be traded by the beneficiary.

**TABLE 3A: INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS, OTHER THAN STOCK OPTIONS, FOR MEMBERS OF THE MANAGEMENT BODY AND KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES**

Date: 31/12/2017

		In the company drawing up the financial statements		In subsidiaries and associates	
Name and surname	A	Flavio Cattaneo			
Position	B	Chief Executive Officer	Key Managers with Strategic Responsibilities	Key Managers with Strategic Responsibilities	TOTAL
Plan and respective resolution	1	Special Award year 2016 component	Special Award year 2016 component		
Financial instruments assigned in previous financial years not vested during the financial year	2	Number and type of financial instruments	Right to the free allocation of TIM ordinary shares with a value amounting to 80% of the maximum bonus of 40,000,000 euros		
	3	Vesting Period	Financial year 2016		
	4	Number and type of financial instruments	Right to the free allocation of TIM ordinary shares with a value amounting to 80% of the maximum bonus of 15,000,000 euros		
Financial instruments assigned during the financial year	5	Fair value on allocation date	€1,572,024		€1,572,024
	6	Vesting Period	Financial year 2016		
	7	Allocation date	19 June 2017		
	8	Market price on allocation	€0.836		
Financial instruments vested during the financial year and not assigned	9	Number and type of financial instruments			
Financial instruments vested during the financial year and assigned	10	Number and type of financial instruments	1,487,178 (1)		1,487,178
	11	Value on vesting date	€1,160,000		€1,160,000
Financial instruments for the year	12	Fair value			(2)

(1) Corresponding to 80% of the accrued bonus, at the normal value of TIM ordinary shares (€ 0.78) on 23 March 2017, the day it was ascertained. The normal value of the shares is understood as the arithmetic mean of the official share price recorded from the dealing day prior to the reference date up until thirty calendar days prior, calculated using as a denominator only those days to which the prices used for the basis of the calculation apply, calculated to two decimal places.

(2) After the settlement agreements reached during 2017, assessment losses totalling 8,762,056 euros were written off in the accounts.

**TABLE 3B: MONETARY INCENTIVE PLANS FOR MEMBERS OF THE MANAGEMENT BODIES**

(in thousands of euros)

A Name and surname	B Position	1 Plan	2 Bonus for the year			3 Bonus for previous years			4 Other Bonuses
			(a) Payable/ Paid	(b) Deferred	(c) Deferral period	(a) No longer payable	(b) Payable/ Paid	(c) Still Deferred	
Arnaud Roy de Puyfontaine	Chairman Executive	MBO 2017 BoD Resolution 27/07/2017	-(1)						
Flavio Cattaneo	Chief Executive Officer	Special Award – year 2016 component AGM 25/05/2016				1,869 <sup>(2)</sup>			
Amos Genish	Chief Executive Officer	MBO 2017 BoD Resolution 28/09/2017	-(1)						53
Remuneration in the company drawing up the financial statements			-			1,869			53
Remuneration in subsidiaries and associates									
<b>TOTAL</b>			-			<b>1,869</b>			<b>53</b>

(1) The bonus for the financial year 2017, for objectives achieved in the year itself, was waived by the interested party.

(2) This amount refers to the Special Award, and is no longer payable as a result of the settlement agreement reached with the person in question during 2017.

**TABLE 3B: MONETARY INCENTIVE PLANS FOR KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES**

(in thousands of euros)

A Name and surname	B Position	1 Plan	2 Bonus for the year			3 Bonus for previous years			4 Other Bonuses
			(a) Payable/ Paid	(b) Deferred	(c) Deferral period	(a) No longer payable	(b) Payable/ Paid	(c) Still Deferred	
<b>Key Managers with Strategic Responsibilities</b>									
Remuneration in the company drawing up the financial statements		MBO 2017 29/05/2017 07/09/2017	1,461 <sup>(1)</sup>						
		Special Award 2016 19/06/2017						290	
Remuneration in subsidiaries and associates		MBO 2017 11/05/2017	531 <sup>(2)</sup>						
		Special Reward 19/07/2017	500						158
		Long Term Bonus 2017 13/12/2017	179 <sup>(2)</sup>						
		Over Performance TIM 2016 20/07/2017		73	2020				
<b>TOTAL</b>			<b>2,671</b>	<b>73</b>				<b>290</b>	<b>158</b>

(1) In absence of the final closing of bonuses for the year 2017, the value represented in the table refers to the provisioning estimates in the Financial Statements as at 31.12.2017.

(2) The amount refers to estimated local bonuses of 2,105,160 Reais and 710,233 Reais respectively, converted into euros at the average exchange rate for 2018 on 28/02/2018 (Real/€3.96207).

## CHART NO. 7-TER CHART CONTAINING INFORMATION ON THE SHAREHOLDINGS OF MEMBERS OF THE MANAGEMENT AND CONTROL BODIES AND KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES

The table below shows the shareholdings held by all the individuals who during the financial year 2017, or a part thereof, held the position of member of the Board of Directors, of member of the Board of Statutory Auditors, or key manager with strategic responsibilities (for this last category the information is shown in aggregate form).

Name and surname	Position	Investee Company	Category of shares	Number of shares owned at the end of the 2016 financial year (or on the date of appointment)	Number of shares bought during the 2017 financial year	Number of shares sold during the 2017 financial year	Number of shares owned at the end of the 2017 financial year (or on the date of termination of office if earlier)
<b>Board of Directors</b>							
Arnaud Roy de Puyfontaine	Chairman Executive						
Giuseppe Recchi	Deputy Chairman Executive	Telecom Italia S.p.A.	Ordinary Savings	1,000,000	1,200,000	1,000,000	1,200,000
Amos Genish	CEO and General Manager						
Camilla Antonini	Director						
Franco Bernabè	Director						
Ferruccio Borsani	Director						
Lucia Calvosa	Director						
Francesca Cornelli	Director						
Frédéric Crépin	Director						
Dario Frigerio	Director	Telecom Italia S.p.A.	Ordinary	600,000			600,000
Félicité Herzog	Director						
Anna Kristina Jones	Director						
Marella Moretti	Director						
Hervé Philippe	Director	Telecom Italia S.p.A.	Ordinary	12,500			12,500
Danilo Vivarelli	Director						
Flavio Cattaneo	CEO and General Manager	Telecom Italia S.p.A.	Ordinary	1,500,000			1,500,000
Tarak Ben Ammar	Director						
Davide Benello	Director						
Laura Cioli	Director						
Jean Paul Fitoussi	Director						
Giorgia Gallo	Director						
Denise Kingsmill	Director						
Luca Marzotto	Director	Telecom Italia S.p.A.	Savings	200,798			200,798
Stephane Roussel	Director						
Giorgio Valerio	Director						
<b>Board of Statutory Auditors</b>							
Roberto Capone	Chairman						
Vincenzo Cariello	Standing Auditor						
Gabriella Chersicla	Standing Auditor						
Gianluca Ponzellini	Standing Auditor						
Ugo Rock	Standing Auditor						
Paola Maiorana	Standing Auditor						
<b>Key Managers with Strategic Responsibilities</b>							
9		Telecom Italia S.p.A. Tim Participações	Ordinary Ordinary (*)	76,025	55,645		76,025 55,645

(\*) Shares listed on the NYSE and BOVESPA markets.

**APPENDIX – TABLE OF REMUNERATION PLANS**  
**REMUNERATION PLANS BASED ON FINANCIAL INSTRUMENTS**  
**TABLES NO.1 OF CHART 7 OF APPENDIX 3A OF THE REGULATIONS NO.11971/1999**

<b>FRAMEWORK 1</b>							
<b>Financial instruments other than stock options</b>							
<b>Section 1</b>							
<b>Instruments relating to currently valid plans, approved on the basis of previous resolutions of the Shareholders' Meeting</b>							
<b>Name or category</b>	<b>Position</b>	<b>Date of resolution by the Shareholders' Meeting</b>	<b>Description of instrument</b>	<b>Number of financial instruments allocated</b>	<b>Allocation date</b>	<b>Purchase price, if applicable, of the instruments</b>	<b>Purchase price, if applicable, of the instruments</b>
<b>Key Managers with Strategic Responsibilities</b>		Special Award year 2016 component 25/05/2016	Rights to the free allocation of TIM ordinary shares in a number reflecting the overperformance of the financial year	Countervalue equal to 80% of the maximum bonus of 15,000,000 euros	19/06/2017	N.A.	€ 0,836 Financial yr 2016 (1)

(1) The shares will be allocated in a lump sum in 2020.

Date: 31/12/2017							
<b>FRAMEWORK 2</b>							
<b>Stock Option</b>							
<b>Section 1</b>							
<b>Options relating to currently valid plans, approved on the basis of previous resolutions of the Shareholders' Meeting</b>							
<b>Name or category</b>	<b>Position</b>	<b>Date of resolution by the Shareholders' Meeting</b>	<b>Description of instrument</b>	<b>Options held</b>	<b>Options exercised</b>	<b>Date of Assignment</b>	<b>Strike price</b>
<b>Key Managers with Strategic Responsibilities</b>		SOP 2014/2016 16/04/14	Options to subscribe TIM ordinary shares are conditional upon achieving the three-year performance objectives	1,477,796 148,515 78,260	26/06/2014 02/03/2015 04/01/2016	€0.94 €1.01 €1.15	€ 0.93 €1.08 €1.127
<b>Other Executives of the Telecom Italia Group</b>		SOP 2014/2016 16/04/14	Options to subscribe TIM ordinary shares are conditional upon achieving the three-year performance objectives	12,077,855 194,554 54,782	26/06/2014 02/03/2015 04/01/2016	€0.94 €1.01 €1.15	€ 0.93 €1.08 € 1,127

Following the settlement agreement reached in 2017 with the previous Chief Executive Officer dott. Flavio Cattaneo, further exercisable n. 893,617 options for the period 2017-2020 (strike price € 0.99 per share).



