

REPORT ON THE REMUNERATION POLICY AND COMPENSATION PAID 2024

Pursuant to art. 123-ter of legislative decree no. 58 of 24 February 1998 (CLF)

Approved by the Board of Directors on 6 March 2024 and available on the Company's website gruppotim.it

CONTENTS

1	LETTER FROM THE CHAIRWOMAN OF THE NOMINATION AND REMUNERATION COMMITTEE
3	INTRODUCTION
4	EXECUTIVE SUMMARY
7	ALIGNMENT OF REMUNERATION POLICY AND CORPORATE STRATEGY
8	OUTCOME OF THE VOTES ON THE REMUNERATION REPORT
8	ENGAGEMENT PROCESS
9	SECTION I - 2024 REMUNERATION POLICY
9	Parties involved and procedures used in the Remuneration Process
9	Shareholders' Meeting
9	Board of Directors
10	Nomination and Remuneration Committee
10	Board of Statutory Auditors
11	2024 Policy derogation procedure
12	2024 REMUNERATION POLICY TOOLS AND GUIDELINES
13	Fixed Remuneration
14	Short term Variable Remuneration
15	Long term Variable Remuneration
15	Standardization of variable incentive scheme objectives
16	Severance and Non-competition Packages
16	Clawback
16	Benefits and welfare
17	REMUNERATION OF THE CHAIRMAN, THE CHIEF EXECUTIVE OFFICER, KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES
17	Remuneration of the Non-Executive Chairman
18	Remuneration of the Chief Executive Officer
20	Remuneration of Key Managers with Strategic Responsibilities
23	Executive responsible for preparing the corporate accounting documents
24	SECTION II - IMPLEMENTATION OF REMUNERATION POLICIES AND COMPENSATION PAID IN 2023
25	Remuneration of the members of the BoD
25	Remuneration of the Lead Independent Director
25	Remuneration of the Board of Statutory Auditors
26	Chairman
26	Chief Executive Officer and General Manager
28	Key Managers with Strategic Responsibilities
30	Application of the waiver procedure to the Remuneration Policy
31	Annual change in remuneration and performance
32	Overall return to shareholders
33	REMUNERATION PAID IN 2023
33	Table 1: Remuneration paid to members of the Management and Control Body and to Key Managers with Strategic Responsibilities
38	Table 3A: Incentive plans based on financial instruments, other than Stock Options, for Members of the Management Body and Key Managers with Strategic Responsibilities
39	Table 3B: Monetary incentive plans for members of Management Bodies/Monetary incentive plans for Key Managers with Strategic Responsibilities
40	7-ter: Chart containing information on the shareholdings of members of the Management and Control Bodies and Key Managers with Strategic Responsibilities
41	Appendix - Table of Remuneration Plans

Letter from the Chairwoman of the Nomination and Remuneration Committee



Paola Bonomo

Chairwoman of the Nomination and Remuneration Committee

Dear Shareholders,

I am pleased to present, on behalf of the Nomination and Remuneration Committee of TIM, the Report on the remuneration policy for the year 2024 and on the compensation paid in 2023 to Directors, Statutory Auditors and Key Managers with Strategic Responsibilities (hereinafter also the “Report”), approved on March 6, 2024, by the Board of Directors.

The purpose of the document is to explain the elements of the remuneration policy for the year 2024 and the results of its implementation for the year 2023 in a transparent manner to all stakeholders.

Dialogue with shareholders

Throughout 2023 and into the early months of 2024, following the results of the 2023 Shareholders' Meeting, the Board of Directors resolved to significantly step-up engagement efforts with principal shareholders, the market, and leading proxy advisors. The Committee's willingness to gather and evaluate feedback and insights from the market on remuneration policy demonstrates a commitment to constructive and open dialogue. This approach is marked by principles of symmetrical information, transparency, timeliness, integrity, and fairness.

2023 results

The year 2023 represented a decisive turning point for the TIM Group, which met or exceeded the ambitious targets set for the year, meeting all the guidance communicated to the market for the second year running. Organic EBITDA at Group level grew by 5.7% year-on-year. In the Domestic business, service revenues recorded a positive growth rate in the last quarter of the year, reversing a five-year negative trend for the first time, and EBITDA was up for three consecutive quarters.

At the same time, significant negotiation work was carried out in parallel for the extraordinary delayering transaction, culminating on November 6, 2023, in the signing of the transaction agreement with KKR for the sale of the NetCo perimeter, and the work to separate the assets to be sold was started, without impacting the operations of the business and without the use of additional incentive instruments.

The Committee believes that the MBO achievement for 2023 appropriately compensates the CEO and management team for their performance in market leadership, enhanced operational efficiency, robust financial discipline, and prudent risk management. The alignment with “shareholder experience” throughout 2023 is further confirmed given that the performance of TIM shares surpassed that of the benchmarks.¹

Once again this year, the Board of Directors did not make use of the option to depart from the current remuneration policy.

Among the medium-term outcomes of the Board and Committee's focus on social sustainability goals in recent years, which includes the use of remuneration policy as a tool, it is important to note that in September 2023 the Company achieved the Uni/PdR 125:2022 certification for equal opportunities.

¹ Ordinary TIM: +36%; TIM savings: +45.4%; FTSE MIB: +28%; STOXX EU TLC: +3.8%.

The policy for 2024

The preparation for the 2024 policy, conducted as usual with support from the independent consultancy Mercer, considered benchmarks from national and international market practices, suggestions from proxy advisors, and, most importantly, feedback gathered during the engagement stages. Considering these factors, even with the current market value of the share, which may not permit the accumulation of a payout for the existing long-term incentive plan (Stock Option Plan 2022-24, also referred to as “SOP 2022-24”), the Committee and the Board have resolved that the appropriate course of action is the natural conclusion of the SOP. Vesting will occur upon the approval of the 2024 financial statements, and no further or additional long-term incentive schemes on top of the existing SOP are proposed.

In addition, with a separate resolution and with a view to complying with the most common market practices, the Committee and the Board propose the amendment of elements of the 2022-24 SOP that, in the opinion of some of the investors, may generate a payout risk deemed excessive in favour of the CEO and Key Managers with Strategic Responsibilities.

It will then be up to the Board to be elected by the Shareholders' Meeting of April 23, 2024 to assess, for the three-year period beginning in 2025, the most appropriate long-term incentive measures to be proposed to the Shareholders' Meeting, as part of an overall review of the remuneration policy that takes into account the Group's new perimeter, following the closing of the extraordinary transaction as per the agreement signed on November 6, 2023, a transaction that is expected to be completed in the summer of 2024.

In connection with the 2024-26 strategic plan, the short-term incentive (MBO) for the year 2024, which in its structure and articulation is substantially unchanged from the existing one, already incorporates as its contents and economic-financial objectives those of the first year of that plan, i.e. the first year of the “new TIM” focused on the three business areas Consumer, Enterprise and Brazil, and consequently directs management's efforts towards the sustainable success of the Group's new perimeter.

Exceptions to this are the targets for managers who will transfer to the new NetCo entity, which incorporate the targets for the development of the fixed network wholesale business and the roll-out of the fibre network, consistent with the commitments made in the National Recovery and Resilience Plan (NRRP).

The sustainability targets, which carry a 22% weight in the short-term incentive plan, have been reiterated for all managers.

Conclusions

In conclusion, the Committee believes that the annual remuneration policy proposed for 2024 is aligned with the interests of the Shareholders and adequately takes into consideration the results of the benchmark analyses performed, the policies of the main proxy advisors and the indications gathered during the engagement phase, while contributing to the pursuit of the business and sustainability objectives of the 2024-26 strategic plan.

I would like to express my sincere gratitude to Directors Paola Camagni, Maurizio Carli, and Paola Sapienza for their unwavering commitment and for bringing to the Committee their wealth of professionalism and experience. I trust in your understanding and support of the choices we have made. Additionally, on behalf of the Board, I thank you in advance for the endorsement you will give to the remuneration policy for 2024.

March 6, 2024

Paola Bonomo

Chairwoman of the Nomination and Remuneration Committee

Introduction

This 2024 Report on the Remuneration Policy and Compensation Paid (the “Report”), approved by the Board of Directors at the proposal of the Committee, illustrates:

- in the first section, the Remuneration Policy adopted for 2024 by TIM S.p.A. for the remuneration of Directors, Statutory Auditors and Key Managers with Strategic Responsibilities, and also the procedures used for the adoption and implementation of this policy;
- in the second section, the implementation of remuneration policies and remuneration paid in 2023.

The Policy described in the first section refers to an annual period and has been prepared in line with the remuneration recommendations of the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana.

It is important to note that the current Board of Directors' term will conclude at the forthcoming Shareholders' Meeting, set for April 23, 2024. Subsequently, the newly appointed Board of Directors will have the duty of distributing the overall remuneration, as determined by the shareholders, among its members. This includes payment for participation in the internal committees. Additionally, the new Board will be charged with establishing the salaries for those directors appointed to the positions of Chairman and Chief Executive Officer.

The report is introduced by an Executive Summary which briefly outlines the pillars of the 2024 Remuneration Policy, the alignment of the Remuneration Policy with the corporate strategy and, finally, the trend of the shareholders' meeting voting results on Section I of the Remuneration Report over the last 5 years.

This Report is made available to the public so that the Shareholders' Meeting, called to approve the financial statements for FY 2023, may express its opinion on the first and second section, in accordance with the provisions of current legislation.

Executive Summary

Below is a summary of the remuneration policy for 2024, formulated in accordance with the resolutions of shareholders from previous years and following the initial review by the Nomination and Remuneration Committee.

The process of formulating the Board of Directors' proposal for the 2024 policy featured a significant enhancement in the dialogue with long-term shareholders, institutional investors, and proxy advisors. The dialogue was deemed essential to fully comprehend the reasons behind the shareholders' dissent noted in 2023 and to formulate a proposal that aligns with the market's expectations of the Company.

This does not affect the rights of the incoming Board of Directors, which will assume its role at the forthcoming Shareholders' Meeting scheduled to approve the Financial Statements dated December 31, 2023. They will have the authority to set the pay for Directors in special positions and to distribute the overall remuneration approved by the shareholders for the entire board, subject to the endorsement of this policy by the Shareholders' Meeting.

TIM's Remuneration Policy supports the achievement of the objectives set out in the 2024-2026 Strategic Plan ("the Plan") and a focus on the different business sectors, promoting the alignment of management interests with the goals of creating value for shareholders and a sustainable success for the company in the long term. The remuneration structure provides for a balance between the monetary component of remuneration (fixed and variable remuneration) and the enhancement of the non-monetary component (benefits and welfare), with a view to pursuing sustainable results over time.

New compared to 2022

In 2023, the proposed policy was not approved by the Shareholders' Meeting; the Company therefore applied the remuneration policy approved at the previous Shareholders' Meeting in 2022.

The 2024 policy proposal is for the most part in continuity with that approved in 2022 and, as a result of listening to the requests expressed by shareholders, does not provide for any additional or supplementary instruments. The proposed changes relate exclusively to:

- 2024 short-term incentives:
 - ❖ possibility to suspend/cancel the accrued bonus (with the exception of the CEO) in the event of serious shortcomings arising from audits, financial reporting controls and the organizational model pursuant to Legislative Decree no. 231/2001.
- 2024 long-term incentive:
 - ❖ proposed amendments to the 2022-2024 Stock Option Plan, submitted for approval to the Shareholders' Meeting convened for April 23, 2024, aimed at
 - i. significantly reducing the maximum payout achievable by beneficiaries, by amending the definition of "Maximum Benefit" contained in the Plan's Information Document and Regulations
 - ii. elimination of the possibility for the Board of Directors to resolve on the acceleration of the vesting (and immediate exercisability) of options granted to targets, in the event of a public offering of the Company's shares.

The TIM remuneration policy is essentially divided into the following components:

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

the key elements of which are summarized below.

Remuneration Element	Aims and features	Description	Economic Value
Fixed Remuneration	Appreciate the breadth and strategic nature of the role held, attract and retain resources of high managerial ability, anchoring value to the reference market.	<p>For 2024, the intention is confirmed of progressively aligning individual positions (commensurate with the responsibilities assigned, the role covered and the managerial ability) with market references, determined on the basis of periodic benchmarks, carried out with Peer Groups differentiated according to the role covered:</p> <ul style="list-style-type: none"> • for the CEO, with a TLC Industry Peer Group and a FTSE MIB Peer Group • for the Chairman, the Board of Directors, the Board Committees and the Board of Statutory Auditors, with a FTSE MIB Peer Group that, in addition to that used for the CEO, also includes some financial companies • for Key Managers with Strategic Responsibilities, reference is made to the Korn Ferry remuneration surveys. 	<p>Chairman: Chairman: €600,000 gross per year.</p> <p>CEO / General Manager: €1,400,000 gross per year.</p> <p>Key Managers with Strategic Responsibilities (KMSRs): commensurate with the role performed, with reference to the market median.</p>
Short Term Variable Remuneration (MBO)	<p>Support achievement of annual company results, through the articulation of challenging, cross-organizational objectives, ensuring medium to long-term sustainability and greater alignment between the interests of management and creating value for shareholders.</p> <p>The target value of the bonuses is commensurate with the fixed component, according to proportions that vary according to the role covered.</p>	<p>Performance GATE: the EBITDA target is reaffirmed for the CEO, First Line (which includes Key Managers with Strategic Responsibility), and the rest of the management team. This target will serve as a 'Gate', applicable across the entire goal-setting framework.</p> <p>CEO/General Manager objectives</p> <ul style="list-style-type: none"> • TIM ServCo Group pro-forma EBITDA (Gate) • TIM Group Equity Free Cash Flow • TIM Group Net Financial Position • TIM ServCo Services Revenues • ESG targets (Customer Satisfaction Index, Young Employee Engagement, Gender Pay Gap Middle Managers) <p>KMSR Objectives:</p> <p>In addition to the economic-financial objectives consistent with the managed perimeter, there are specific objectives as well as the ESG (Customer Satisfaction Index, Young Employee Engagement, Gender Pay Gap Managers or Professionals) objective.</p>	<p>Chairman: not specified.</p> <p>CEO / General Manager: gross value at target equal to 100% of Fixed Remuneration.</p> <p>DRS: gross value at target equal to 50% of Fixed Remuneration.</p> <p>Payout levels:</p> <ul style="list-style-type: none"> • Minimum: 50% of target • Target: 100% of target • Maximum: 150% of target <p>Audit and Compliance: overcoming the previously envisaged payout demultiplier mechanism and introduction of a procedure to assess significant shortcomings resulting from audits, from the control system on financial reporting (Law 262/2005) and from the organizational and management model pursuant to Legislative Decree 231/2001. The shortcomings detected may result in the suspension/cancellation of the MBO bonus for the individuals involved. The procedure does not apply to the CEO.</p>

Remuneration Element	Aims and features	Description	Economic Value
Long term variable remuneration	The long-term variable component of the remuneration is aimed at achieving alignment between the management's interests and those of shareholders in the long term, through participation in the business risk.	For 2024, the Stock Option Plan 2022-2024 is active (see Remuneration Report 2022).	<p>Chairman: not provided for</p> <p>CEO: options assigned to target 24,000,000</p> <p>DRS: options allocated to target up to a maximum of 6,250,000</p>
Severance and Non-Competition	It regulates the indemnity to be paid in the event of early termination of the directorship or termination of employment, in the absence of just cause for dismissal.	The severance clause may be accompanied by a non-competition clause, depending on the importance and strategic nature of the role held, for a maximum period of one year calculated on the fixed remuneration.	<p>Chairman: not provided for</p> <p>Executive Directors: not exceeding 24 months' remuneration.</p> <p>DRS: treatments envisaged by the law and the national collective employment agreement.</p>
Clawback	Contractual mechanism allowing for the recovery of variable remuneration in the event of wilful or grossly negligent conduct or in the event of an error in the formulation of the figure which has led to a restatement of the financial statements. It can be activated within 3 years of disbursements.		It applies to all executive that qualify as beneficiaries of variable incentives.
Benefits and Welfare	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.	Benefits and welfare services are defined in substantial continuity with last year's policy.	<p>Chairman: not provided for</p> <p>Chief Executive Officer/General Manager and KMSRs: beneficiaries, in the same way as the rest of management.</p>

Directors (with the exception of the CEO and including the President) and Statutory Auditors receive only fixed remuneration for their office, in addition to the reimbursement of expenses incurred in the performance of their duties. The Company is also covered by an occupational risk policy extended to all its Directors & Officers (including Statutory Auditors).

What we do

- Salary Review rolling during the year as a means of attracting and retaining high-ability managerial resources, while ensuring economically sustainable company management
- Variable incentive plans with predetermined and measurable financial and non-financial objectives, consistent with the Strategic Plan
- Long-term incentive performance periods of no less than 3 years
- Clawback clauses in case of error, wilful misconduct or gross negligence

What we don't do

- Salary levels above market benchmarks
- Variable remuneration for non-executive directors
- One-off or discretionary bonuses for key managers with strategic responsibilities
- Variable remuneration not linked to performance
- Benefits of excessive value.

Alignment of remuneration policy and corporate strategy

The Strategic Plan targets stabilization and a return to growth in revenue and margins, despite an uncertain macroeconomic context showing a downturn in macroeconomic trends and an extremely competitive domestic telecommunications market, with one of the most stringent regulatory frameworks in Europe.

The 2024-2026 Plan evolves in line with its predecessor, charting the next stages of a journey towards creating value. It aims to capitalize on the accomplishments of the past two years, which include realigning priorities across each business unit, overhauling processes, and reclaiming a position of leadership.

The Plan outlines actions and strategic choices aimed at reducing debt in a sustainable way, by optimizing resource use and enforcing financial discipline, as well as by continuing the “deferment” strategy initiated at the Capital Market Day on July 7, 2022.

The objective is to establish a revitalized TIM, underpinned by robust industrial and technological bases, and capable of sustainably generating cash flow and value through the growth contribution from the Enterprise sector and TIM Brasil, which are the Group’s development engines, and the transformation and efficiency enhancement initiatives within operational processes.

The strategy also recognizes fresh opportunities within the consumer sector, aiming for the company’s expansion into neighbouring markets. This will capitalize on innovative partnerships, offering advantages to customers and opening up new avenues for revenue generation.

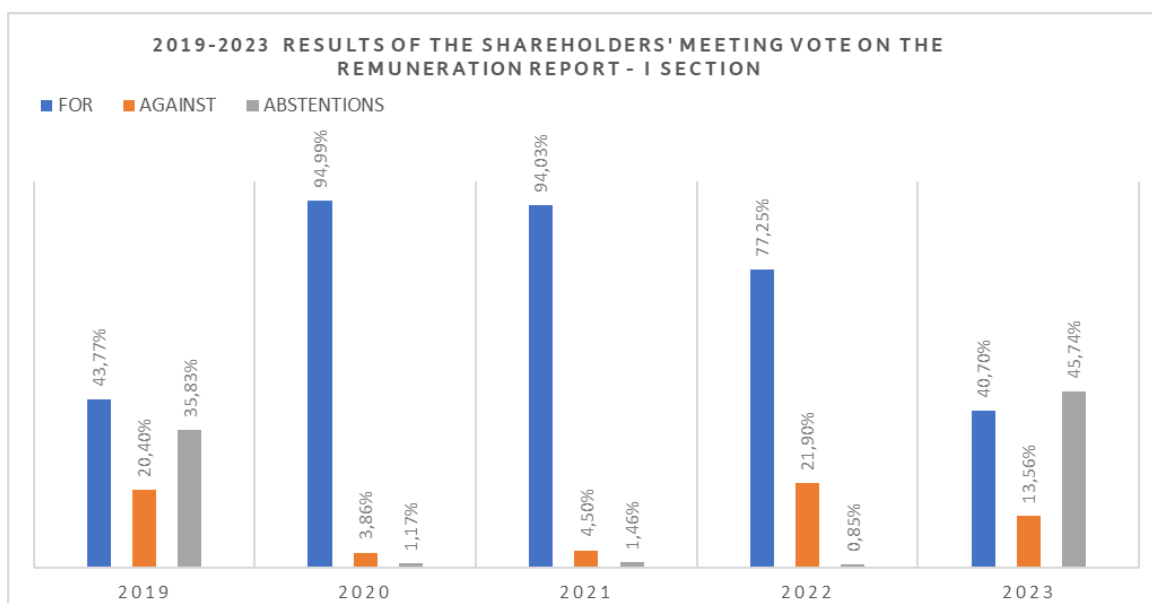
In this context, the remuneration policy supports the achievement of the guidelines defined in the Corporate Strategic Plan, promoting, through the balancing and selection of performance parameters of the incentive systems, the alignment of management’s interests with the goals of creating value for the shareholders and ensuring sustainable business success from a medium/long-term perspective.

The Committee assures that the objectives assigned to the CEO and management correctly record the medium/long-term priorities defined by the Board of Directors and contained in the Strategic Plan, in particular with regards to the delayering model. In relation to the annual timeframe, the Committee has envisaged maintaining an articulated, balanced framework of complementary objectives, aiming on the one hand to guarantee business profitability and the implementation of the country’s digitization and, on the other, to optimize the strategic nature of customers and employees.

The Company’s growing commitment to sustainability issues has been consistently applied in the remuneration policy of the last few years: the presence of targets linked to the impact of the company’s activities on the environment, customer satisfaction and employee engagement in the incentive systems has been confirmed for 2024, together with the goal of reducing the gender pay gap.

Outcome of the votes on the Remuneration Report

Below are the results of the votes on the Remuneration Report – Section I, in 2019 - 2023, calculated on the shares for which a vote was cast.



Shares for which a vote was cast

2019	2020	2021	2022	2023
67,01%	65,09%	58,84%	57,76%	53,39%

In 2023, the proposed policy was not approved by the Shareholders' Meeting. In 2023, the Company therefore applied the remuneration policy approved at the previous Shareholders' Meeting in 2022.

The outcome of the 2023 shareholders' meeting vote prompted the convening of an extraordinary board meeting on May 4, 2023, to examine the shareholders' meeting results. The Appointments and Remuneration Committee convened meetings to facilitate this analysis and to enact the recommendations provided by the Board on 26 April and May 8, 2023.

Engagement process

TIM has always considered dialogue with the main recipients of the Remuneration Policy to be extremely important in order to achieve constant improvement through the adoption of market best practices and the incorporation of indications from its shareholders and proxy advisors.

In relation to this last point, a series of post-meeting engagement meetings with the market was undertaken in May-June 2023, aimed at listening to the reasons for the dissent expressed on both Section I and Section II of the 2023 Report.

A second series of consultation meetings with shareholders, encompassing key stakeholders and proxy advisors, occurred from January to February 2024. The purpose was to ensure a precise interpretation of the feedback obtained and to integrate any additional recommendations and directives necessary for finalizing the Remuneration Policy for the year 2024.

The eleven meetings held in the two phases made it possible to listen to a total of 43.4% of TIM's shareholder structure as of January 2024, plus the main proxy advisors.

The feedback received is primarily reflected in the fact that no additional or supplementary long-term incentive measures were proposed to the existing ones. In addition, again based on the comments and suggestions gathered, the rationale behind the remuneration benchmarks used was better highlighted, and the information on remuneration paid was even better detailed.

SECTION I - 2024 REMUNERATION POLICY

PARTIES INVOLVED AND PROCEDURES USED IN THE REMUNERATION PROCESS

Introduction

The Policy on the remuneration of the members of the Board of Directors, the members of the control body (Board of Statutory Auditors) as well as the General Manager and other Key Managers with Strategic Responsibilities, is defined in accordance with the provisions of the law and the Articles of Association.

The remuneration Policy is approved by the Board, at the proposal of the nomination and remuneration Committee, and is submitted to the Shareholders' Meeting, which, as of 2020, is required to express its opinion on the matter with a binding vote, at the intervals required by its duration and in any case at least every three years, or in the event of changes.

To this end, the remuneration Policy is illustrated in the first section of the "Report on remuneration policy and remuneration paid", which must be made available to the public for the 21 days preceding the date of the annual shareholders' meeting called to approve the financial statements for the year (Article 123-ter, subsection 1, of Legislative Decree no. 58/1998, Consolidated Law on Finance or "CLF").

TIM values dialogue with its shareholders and institutional investors on remuneration issues, aware of the importance of involving shareholders both in defining and verifying the implementation of the Policy for the Remuneration of Directors and Key Managers with Strategic Responsibilities.

TIM's engagement policy, adopted on December 16, 2020, includes the following guiding principles:

1. TIM recognizes communication and transparency in dealings with all stakeholders as two core values that inform its activities and guide the behaviour of its governing bodies and employees.
2. TIM ensures that information is structured and flows effectively to qualified stakeholder groups, particularly financial analysts and investors.
3. Communication and dialogue occur in accordance with relevant regulations and are characterized by an equal exchange of information, transparency, promptness, fairness, and integrity. This is without compromising the needs for orderly business practices, cost-efficiency, and the confidentiality mandated by responsible and sustainable corporate behaviour.

The analysis of the vote at the shareholders' meeting is of particular importance. As previously mentioned, this has resulted in the arrangement of meetings to discuss remuneration policy as soon as the second quarter of 2023.

Subjects involved

The remuneration policy involves the following bodies.

SHAREHOLDERS' MEETING

- It determines the remuneration of the Board of Directors as a whole, with the exception of Directors holding special offices, Statutory Auditors and the Chairman of the Board of Statutory Auditors
- It has the right to a binding vote on the first section and non-binding vote on the second section of the Report on the remuneration policy and compensation paid
- Resolves on the remuneration plans based on the allocation of financial instruments.

BOARD OF DIRECTORS

- Defines and updates the remuneration policy over time, also approving derogations from the same when exceptional circumstances arise
- Resolves on how the remuneration 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)
- Determines the remuneration of Directors holding specific offices
- 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
- It defines the remuneration of the heads of control departments (Audit and Compliance)
- Makes proposals to the Shareholders' Meeting on the remuneration plans based on the allocation of financial instruments
- It prepares the Report on remuneration policy and remuneration paid.

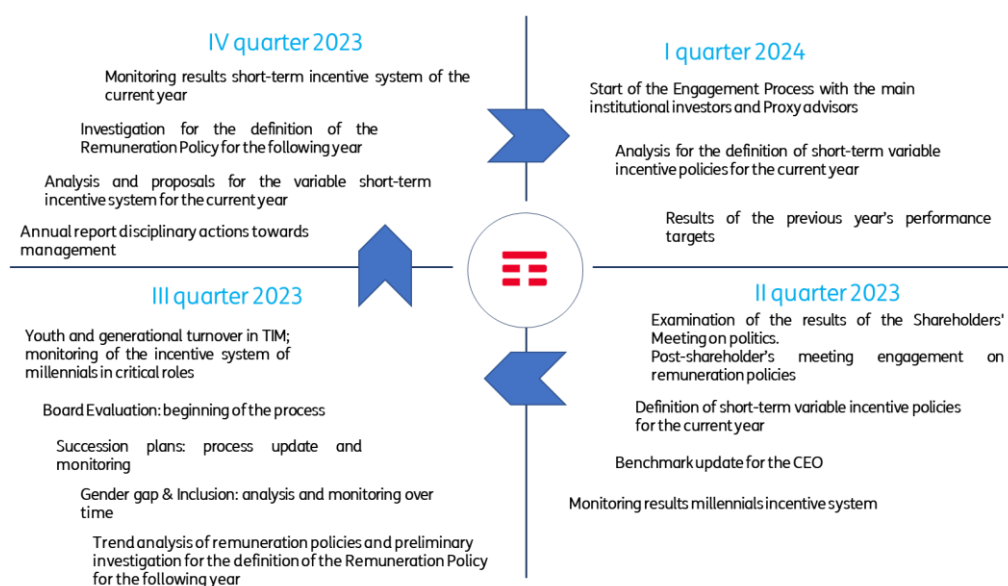
In order to ensure that the decisions taken regarding remuneration are appropriately investigated, the Board of Directors avails itself of the support of the nomination and remuneration Committee.

NOMINATION AND REMUNERATION COMMITTEE

- Proposes to the Board of Directors the criteria for allocating the total remuneration 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 Chief Human Resources and Organization 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 remuneration 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
- Establishes the architecture of the performance objectives and targets linked to the variable incentive system and 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
- Issues proposals concerning temporary derogations from the remuneration policy when exceptional circumstances arise
- It follows the evolution of the reference regulatory framework and market best practices in the field of remuneration, collecting insights for the design and improvement of the remuneration policy.

For the composition, specific activities and operating procedures of the Committee, please refer to the provisions of its Rules of Procedure, available at www.gruppotim.it About Us section, Governance Tools-Regulations channel.

Below is the cycle of activities that have characterized the Committee's work during 2023 and during the first months of 2024:



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. In accordance with the Company's Corporate Governance Principles, it also expresses its opinion on the remuneration of the Heads of Control Departments, which is determined by the Board of Directors based on the opinion of the Control and Risk Committee.

2024 POLICY DEROGATION PROCEDURE

Introduction

In accordance with the provisions of Article 123-ter, subsection 3-bis of the CLF, in the presence of exceptional circumstances that may compromise the long-term interests of Company sustainability as a whole or to ensure its ability to stay on the market, TIM reserves the right to temporarily derogate from the remuneration Policy last approved by shareholders as described below.

Scope of application

The elements of the remuneration Policy subject to possible waiver are the short and long-term variable components.

Mechanisms

It is possible to provide for:

- the review of the short-term variable incentive systems (MBO) and long-term variable incentive systems (LTI). This variation may concern the performance objectives, including the Gate, where applicable, exclusively in the presence of factors that are exogenous to the Company that were unforeseeable at the launch of the respective incentive systems. In the case of review, the final bonus must always be at the minimum level of each of the other objectives, if achieved. The sterilizations of performance indicators, as per the criteria for measuring the different indicators established ex ante by the Board of Directors, do not pertain to this case.
- the provision of an additional extraordinary incentive system for key roles and people. This provision is linked to external market conditions not envisaged when the Company's remuneration Policy was approved, in order to ensure attraction, retention and recognition.

Process

The nomination and remuneration Committee, in cases where it deems it necessary to start the derogation procedure, shall launch an investigation in order to provide the Board of Directors with in-depth indications on the reasons for starting this process and on the consequent impacts.

Any deviations will be approved by the Board of Directors, on the proposal of the Committee, by means of a reasoned resolution and in accordance with TIM's Procedure on performing related party transactions. In particular, the investigation must demonstrate that the waiver procedure is based on the principles of fairness and the Company's interest.

2024 REMUNERATION POLICY TOOLS AND GUIDELINES

The TIM Group's remuneration Policy is designed to support the achievement of the objectives set out in the Company's Strategic Plan, while ensuring the company's competitiveness on the labour market and its ability to attract, retain and motivate personnel.

It is important to note that the current Board of Directors will conclude their term at the Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023. The incoming Board of Directors will be tasked with setting the pay for Directors occupying particular roles, as well as distributing the total remuneration determined by the Shareholders' Meeting for the entire Board of Directors.

In this scenario, it is anticipated that the CEO will use the remuneration policy for 2022 as a reference point for their pay. This can be modified in accordance with the strategic challenges and the skills and experience profile of the individual appointed to the role, while also considering remuneration benchmarks. Similarly, we will likely carry on the same for the Chairman of the Board of Directors.

The remuneration structure for both the CEO and the Key Managers with Strategic Responsibilities ensures a suitable balance between fixed and variable components.

The 2024 remuneration policy aims to:

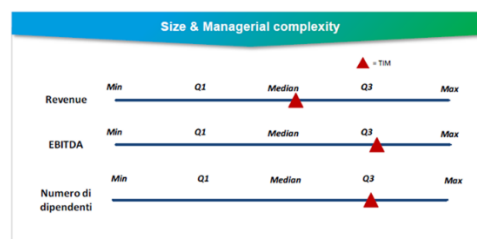
- **adopt an appropriate balance between the performance parameters** of the short-term and long-term incentive schemes to **achieve the Company's strategic objectives**
- **make the company attractive** in the labour market, with particular reference to young people
- **supporting people's engagement**
- **protect the principles of internal equality**, including gender equality
- **safeguard coherence at Group level**, while taking into account the diversity of the reference markets.

Definition of the policy is supported by the analysis of market practices in terms of both remuneration levels and the composition of remuneration packages, taking as reference both companies in the Telco sector at an international level (peer Group Industry TLC) and Italian companies comparable in terms of size and/or stock market capitalization (peer Group FTSE MIB).

More specifically, the peer groups defined at the beginning of the Board's term of office represent a panel of companies against which TIM has been positioned on the basis of multiple dimensions, so as to take into account the impact of six parameters expressing both dimensional and managerial complexity, and strategic and stakeholder relationship management complexity. TIM fell significantly below the median only with regard to one of the six parameters, market capitalization.

• Dimensional and managerial complexity

- Revenues
- EBITDA
- Number of employees



Tim's positioning by dimensional and managerial complexity
Source: advisor Mercer

• Strategic and stakeholder relationship management complexity:

- Enterprise Value (EV)
- Total assets
- Market capitalization



Tim's positioning by Strategic Complexity and Stakeholder Relations
Source: advisor Mercer

Below is the list of companies preselected to form the peer groups, which has been carried over from previous years with the exception of removing companies that are no longer listed.

CEO PEER GROUP INDUSTRY TLC		CEO PEER GROUP FTSE MIB	
BT Group	Telefonica	CNH Industrial	Prysmian
Deutsche Telekom	Telekom Austria	Enel	Snam
Koninklijke KPN	Telenor	Eni	STMicroelectronics
Orange	Telia Company	Leonardo	Terna
Swisscom	Vodafone Group	Nexi	

CHAIRMAN PEER GROUP FTSE MIB *	
Banco BPM	Nexi
BPER Banca	Poste Italiane
CNH Industrial	Prysmian
Enel	Snam
Eni	STMicroelectronics
Generali	Terna
Intesa San Paolo	Unicredit
Leonardo	Unipol

*For the Board of Directors, the Endoconsiliar Committees and the Board of Statutory Auditors, the same panel is used for the role of Chairman

For the future, following the expected closing in the summer of 2024 of the extraordinary transaction involving the TIM Group perimeter, the Committee recommends the redefinition of the peer groups to be taken as reference for the remuneration policy.

With regard to the **role of CEO**, the FTSE MIB peer group represents a benchmark for the value and structure of the remuneration package offered; the Industry TLC peer group qualitatively supplements the comparisons with regard to both the structure and characteristics of the short- and long-term remuneration systems and the evaluation of pay for performance.

With regard to the role of **Chairman of the Board of Directors**, the comparability of the governance systems adopted by the different companies was the main criterion used to define the peer group; the focus, therefore, was on the Italian market. The analysis carried out has also led to considering financial companies – whose Chairman's remuneration is not subject to sectoral constraints – which are comparable to TIM in terms of governance complexity.

For **Key Managers with Strategic Responsibilities**, reference is made to the Korn Ferry remuneration surveys, taking into account in particular the market for Top Executives in Europe, reviewing and updating the data annually on the basis of new information.

After illustrating the mechanisms for implementation of market remuneration benchmarks, the components of individual remuneration are analysed below:

- Fixed Remuneration (the only form of remuneration provided for Directors without specific powers and for the Chairman of the Board of Directors and the Statutory Auditors)
- Short term Variable Remuneration
- Long term Variable Remuneration
- Benefits and Welfare.

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

FIXED REMUNERATION

With respect to management, the breadth and strategic nature of the role is measured through internationally recognized and certified position evaluation systems. TIM verifies its remuneration positioning annually through market benchmarks that analyse the national and international context.

The need to ensure economically sustainable business management determines the selectivity of salary increases, which – in continuity with the previous year – will concern cases of high-quality resources and misalignment with the reference market.

For 2024, orientation to gradually align individual positioning to market practices is confirmed in different ways, focusing – in the cases of high seniority resources, strong market exposure, relevance of the position held and strategic know-how – also concerning Key Managers with Strategic Responsibilities – on the average values of the reference market.

In line with the company's current orientations, a special focus on Millennials and the gender pay gap is confirmed.

SHORT TERM VARIABLE REMUNERATION

The 2024 Short-Term Variable Incentive System is in substantial continuity with previous years, with some refinements described below:

- the presence of an incentive gate target, consisting of the EBITDA indicator, is confirmed;
- the possibility to suspend/reduce/cancel payment of the MBO bonus (with the exception of the CEO) in certain cases is envisaged: In fact, the demultiplier mechanism of the payout linked to failure to implement corrective actions/remediation plans defined with the Control Functions, which provided for a penalty equal to 2% of the incentive for each deficiency found and not remedied (with a maximum of 10%), is superseded. At the same time, a procedure is implemented for assessing significant deficiencies resulting from audits, the internal control system on financial reporting pursuant to Law 262/200 and the organizational and management model pursuant to Legislative Decree 231/2001, which provides for, upon the occurrence of significant deficiencies, the suspension of the MBO bonus of the persons involved, the assessment of the implementation of remedial actions within the deadlines indicated by the Control Functions, and following this finding, the total or partial disbursement or definitive cancellation of the amount previously suspended.

ARCHITECTURE

The set of objectives breaks down as follow:

- Business objectives of an economic-financial nature
- Department/Company objectives
- Environmental, Social & Governance objective, consisting of sub-objectives.

OBJECTIVES

For the CEO and First line, including Key Managers with Strategic Responsibilities, TIM ServCo Group’s proforma EBITDA objective is the Gate objective.

The other macro-economic objectives are Equity Free Cash Flow, Group Net Financial Position and TIM ServCo Service Revenues. The set of department objectives is consistent with the perimeters managed.

For the head of Chief Network Operations & Wholesale Office, there are both an EBITDA (Gate) objective and economic and functional objectives specific to the perimeter of reference.

Finally, three sustainability objectives are confirmed with an overall weight of 22%.

PAYOUT SCALE

The payout scale used to determine the accrual of the target-related bonus has been confirmed and is uniform for all recipients:



Each target is measured individually, so different combinations of target achievement levels are possible.

CLAWBACK

The clawback clause will also apply to all executives who are beneficiaries of the short-term management incentive (MBO) scheme.

SUSPENSION/REDUCTION OR CANCELLATION OF MBO

In order to strengthen Management culture and sensitivity for the Company's internal control and risk management issues, a procedure had already been introduced for assessing significant shortcomings resulting from audits, the control system on financial reporting pursuant to Law 262/2005 and the organizational and management model pursuant to Legislative Decree 231/2001.

Following approval of the 2024 remuneration policy, upon the occurrence of significant shortcomings, this procedure will establish the partial or total suspension of the MBO bonus for those involved (with the exception of the CEO), assessment of the implementation of remedial actions within the deadlines indicated by the Control Departments, and following this, total or partial disbursement or final cancellation of the amount previously suspended. Within the scope of auditing, significant deficiencies are characterized as those pertaining to design and/or operational shortcomings that have a substantial effect on the performance of TIM's SCIGR, denoted by an impact rating of R3 (significant) or R4 (severe) (within a four-tier scale that extends from R1 – marginal impact, to R4 – severe impact). This applies to Key Managers with Strategic Responsibilities, with the exception of the Chief Executive Officer, and to all other managers covered by the incentive scheme.

OPTION TO PAY THE PREMIUM TO FONTEDIR

Also in 2024, the possibility is envisaged for executives to opt between paying the accrued bonus on a payroll and paying the amount – all or part of it – to the Fontedir supplementary pension fund, thereby benefiting from more favourable contribution treatment, at no additional cost to the Company.

OTHER FORMS OF SHORT-TERM VARIABLE REMUNERATION

Additionally, the Company retains the right to award one-time bonuses to managers, excluding Key Managers with Strategic Responsibilities, for exceptional effort and outstanding performance not previously compensated by the MBO system.

LONG TERM VARIABLE REMUNERATION

For 2024, the long-term variable remuneration consists of the 2022-2024 Stock Option Plan.

With a view to continuous improvement and listening to the suggestions that have emerged from the dialogue with stakeholders, the Company's Board of Directors has seen fit to propose to the Shareholders' Meeting convened for April 23, 2024

- to amend the definition of "Maximum Benefit" contained in the Information Document and in the Plan Regulations, currently represented by "The gain that can be realized in the event of the sale of a number of Shares corresponding to the quantity of Options at target for CEO and Beneficiaries of each band, at the conventional price of Euro 1.50 per Share, against purchase at the Strike Price" (unchanged) of Euro 0.424, significantly reducing the "conventional price" (so called "cap") from Euro 1.50 to Euro 0.80 per Share;
- to eliminate the possibility – indicated in the Information Document and in the Plan Regulations – "for the Board of Directors to resolve on the acceleration of the Vesting (and the immediate exercisability) of the Options at target, in the event of a public offer on the Shares", providing instead, as per market practice, only the mechanism according to which if "as a result of a public offer, a party were to acquire legal control of the Company, the acceleration of the Vesting (with immediate exercisability of the Options at target) would be automatically determined" (the so-called "double trigger").

For further details, including on the impact of these changes, please refer to the appropriate explanatory report available at www.gruppotim.it/assemblea.

Below is the link to the duly amended [2022-2024 Stock Option Plan Information Document](#).

STANDARDIZATION OF THE OBJECTIVES OF VARIABLE INCENTIVE SCHEMES

With the involvement of the Chief Financial Office, the Committee defined the qualifying criteria for the identification of non-recurring events to be taken into account in the standardization of the objectives set under the short- and long-term incentive schemes.

In the final accounting phase, the value objectives are restated pro-forma due to the impacts linked to changes in the consolidation area, changes to accounting standards and rates of exchange in order to pursue the managerial significance of the comparison between the target and the final balance. In addition, the non-recurring items identified in the Group's Financial Statements are assessed by the NRC according to the following qualifying criteria:

- uniqueness of the event
- economic importance of the event
- unpredictability of the event when setting the objective
- no responsibility on the part of management for the event that occurred.

SEVERANCE AND NON-COMPETITION PACKAGES

In the light of best practices regarding “Termination Provisions” for the office as Director of Executive Directors, it is company policy that the severance indemnity, in the event of early termination without just cause, is equal to the compensation that would have been paid at the end of the mandate, with a maximum of 24 months of remuneration. For the whole of the company management team, including Key Managers with Strategic Responsibilities, severance payment packages established by law and the National Collective Employment Agreement are provided for, with a maximum of 24 additional monthly payments.

It will also be the responsibility of the Chief Executive Officer to identify the resources that – due to the relevance and strategic nature of the role covered – may be subject to a non-competition agreement, for a maximum period of one year calculated on the fixed remuneration.

CLAWBACK

Since 2016, a contractual clawback mechanism has been in place which allows the recovery of variable remuneration. The clawback clause may be activated in the three years after the disbursement of payments in cases where said disbursement occurs following wilful misconduct or gross negligence on the part of the executives concerned or in the case of an error in the formulation of the data, which resulted in the restatement of the Financial Statements.

The clawback clause will also apply to all executives who are beneficiaries of the short- and long-term management incentive (MBO) scheme.

BENEFITS AND WELFARE

The benefits and welfare area are the non-monetary element of remuneration. In particular:

- **benefits** are non-monetary assets and services made available to beneficiaries, depending on the role they hold, and aim to improve their well-being (check-ups, loans, mixed-use cars, mobile phones).
- **welfare** is the set of non-monetary goods and services made available to the entire company population regardless of the position held, aimed at increasing the individual and family well-being of employees (personal services, coverage of health expenses, supplementary pensions, insurance policies).

REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS, THE CHIEF EXECUTIVE OFFICER AND KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES

REMUNERATION OF THE NON-EXECUTIVE CHAIRMAN

The remuneration package for the Chairman consists of only the fixed component; below is a description of the remuneration package assigned to the Chairman, as determined by the Board of Directors on April 28, 2021, on the proposal and with the approval of the nomination and remuneration Committee.

Subject to the powers of the new Board of Directors to be appointed at the Shareholders' Meeting on April 23, 2024, which will set the salaries for Directors in special roles, the plan is to maintain a consistent approach to remuneration. This will be based on the framework established in the 2022 remuneration policy, which may be modified in relation to the skills/experience profile of the person who will be called upon to take the position, taking into account remuneration benchmarks.

- **Fixed component**

The fixed remuneration for the duties of Chairman is set at the gross sum of 600,000 euros per annum. The Chairman does not receive any remuneration for the office of Director or his membership of the Sustainability Committee (pursuant to Art. 2389, subsection 1 of the Italian Civil Code).

- **Variable component**

The Chairman is not entitled to any form of variable remuneration, either short or long term.

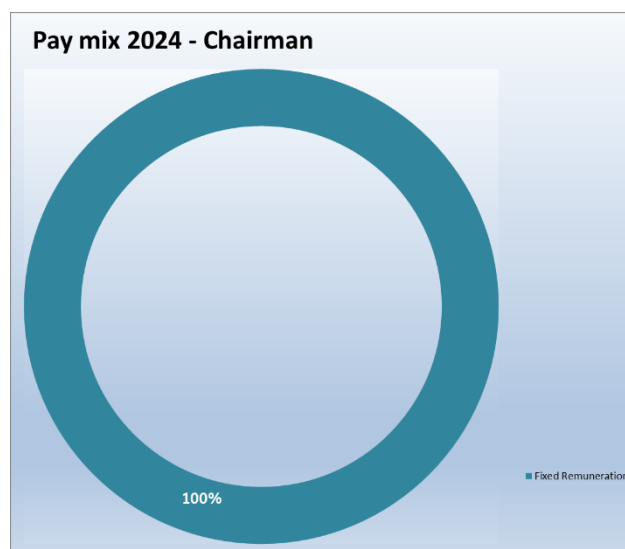
- **Severance**

There is no severance payment planned.

- **Benefits**

The Chairman is not a recipient of benefits but receives reimbursement of expenses incurred in the performance of his duties, in accordance with the Bylaws.

The pay mix for 2024 is shown below:



REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

A description of the remuneration package of the Chief Executive Officer and General Manager in office on the date of approval of this report, whose structure was established by the Board of Directors on January 21, 2022 (on the proposal and approval of the nomination and remuneration Committee) with reference to the position of General Manager and office of Chief Executive Officer, is provided below.

Notwithstanding the powers of the new Board of Directors, set to be appointed at the Shareholders' Meeting on April 23, 2024, which include setting the remuneration for Directors with specific roles, the Chief Executive Officer is expected to receive a consistent salary. This will be based on the remuneration framework established by the 2022 remuneration policy, subject to adjustments in line with the strategic challenges and the skills/experience profile of the appointee, while also considering remuneration benchmarks.

- Fixed component**

The fixed remuneration for the Chief Executive Officer is set at a gross annual amount of 1,400,000 euros, divided between the remuneration for the executive position (1,300,000 euros) and the remuneration for the office of Chief Executive Officer (100,000 euros).

The Chief Executive Officer does not receive remuneration for the office of Board Director, nor as a member of Committees, if any (art. 2389 subsection 1 of the Italian Civil Code).

- Short term variable component**

For each financial year, the Chief Executive Officer is assigned a short-term variable component (MBO), linked to the achievement of objectives set annually by the Board of Directors, corresponding to a target of 100% of his fixed remuneration (1,400,000 euros); each objective is measured individually, with a parametric scale as described in the paragraph "Short-term Incentive System".

The Board of Directors decided on the following incentive objectives for the 2024 MBO, as proposed by the Nomination and Remuneration Committee and in line with the overall architecture of the plan:

Objectives	Weight	Min vs Tgt	Target	Max vs Tgt
TIM ServCo Group pro-forma EBITDA (GATE)	30%	-5%	Budget	+5%
TIM Group Equity Free Cash Flow	23%	-359%	Budget	+359%
Tim Group Net Financial Position	15%	+10%	Budget	-10%
TIM ServCo Group Service Revenues	10%	-2%	Budget	+2%
ESG KPI's:				
o Customer Satisfaction Index (10%)	22%	-1%	Target	+1.9%
o Young Employee Engagement Domestic Servco (6%)		-1pp	Target	+2pp
o Gender Pay Gap - Middle Managers Domestic Servco (6%)		-0.5pp	Target	+0.5pp

With respect to the architecture of previous years, the EBITDA indicator remains the gate to the entire incentive system. Each target is measured individually, so different combinations of target achievement levels are possible. The 2024/2026 budget and plan were prepared considering a pro forma estimate of Revenues, Opex and Capex, taking into account the current perimeter split agreement between the two entities.

The 2024 Equity Free Cash Flow indicator considers the cumulative effects of the current structure of the TIM Group until the Closing and the ServCo New TIM from the Closing until December 31, 2024.

The Net Financial Position represents the situation as of December 31 and, in 2024, assumes that the Closing has precisely occurred on June 30.

- Long term variable component**

SOP 2022-2024

The Chief Executive Officer is a beneficiary of the 2022-2024 Stock Option Plan described within the 2022 Report on Remuneration. Despite the strike price set for these stock options being an especially ambitious target given the prevailing market conditions, the 2024 policy does not propose any additional long-term incentive schemes.

With a view to continuous improvement and listening to the suggestions that have emerged from the dialogue with stakeholders, the Company's Board of Directors has seen fit to propose to the Shareholders' Meeting convened for April 23, 2024

- to amend the definition of "Maximum Benefit" contained in the Information Document and in the Plan Regulations, currently represented by "The gain that can be realized in the event of the sale of a number of Shares corresponding to the quantity of Options at target for CEO and Beneficiaries of each band, at the conventional price of Euro 1.50 per Share, against purchase at the Strike Price" (unchanged) of Euro 0.424, significantly reducing the "conventional price" (so called "cap") from Euro 1.50 to Euro 0.80 per Share;
- to eliminate the possibility – indicated in the Information Document and in the Plan Regulations – "for the Board of Directors to resolve on the acceleration of the Vesting (and the immediate exercisability) of the Options at target, in the event of a public offer on the Shares", providing instead, as per market practice, only the mechanism according to which if "as a result of a public offer, a party were to acquire legal control of the Company, the acceleration of the Vesting (with immediate exercisability of the Options at target) would be automatically determined" (the so-called "double trigger").

For further details, including on the impact of these changes, please refer to the appropriate explanatory report available at www.gruppotim.it/assemblee.

Below is the link to the duly amended [2022-2024 Stock Option Plan Information Document](#).

• Severance

In accordance with the policy, if Directorship should terminate without just cause or resignation for just cause prior to its natural expiry, or in the event of a change of control (i.e. any extraordinary transaction that entails a change in the control of the Company pursuant to Article 2359 of the Italian Civil Code), an indemnity equal to the remuneration due for the office until the mandate's natural expiry, with a maximum of 24 months' salary (calculated as the sum of the fixed component and the MBO) is payable.

With respect to termination of the employment contract by the Company in the absence of just cause or resignation for just cause or in a change of control (i.e. any extraordinary operation that entails a change in control of the Company pursuant to Article 2359 of the Italian Civil Code), severance indemnity established by law and by the Collective Employment Agreement, with recognition of an additional 24 months' pay is established.

• Clawback

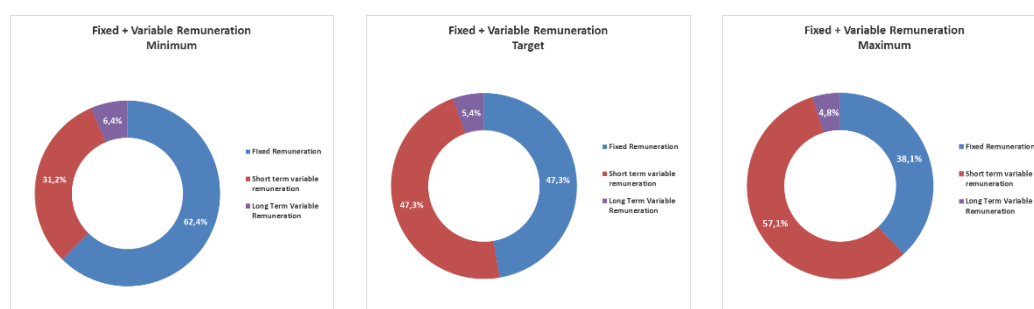
A clawback clause shall apply to the variable component of remuneration, as per policy.

• Benefits and Welfare

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 TIM Group Executive supplementary healthcare assistance; supplementary pension cover through membership of the TIM Group Executive complementary pension fund; insurance cover for work-related and non-work-related accidents, life and invalidity benefit due to illness; a company car for mixed use; check-up). The "professional risk policy" taken out by the Company and covering all Directors & Officers also applies to the Chief Executive Officer. In addition, housing costs at the place of work will be covered for the entire duration of the contract.

• Pay Mix

The pay mix for 2024 is shown below. The percentages indicated alternatively assume the disbursement of the minimum, target and maximum value for both the short-term incentive scheme – MBO – and the long-term incentive scheme. For the Stock Option Plan, the option rights were valued annually based on the fair value of the share on May 4, 2022¹.



¹ Fair value of €0.02 as at May 4, 2022, the date on which TIM's Board of Directors resolved to launch the plan, following approval by the Shareholders' Meeting of April 7, 2022.

REMUNERATION OF MANAGERS WITH STRATEGIC RESPONSIBILITIES

The following are the names of Key Managers with Strategic Responsibilities in the period 2023-2024:

Directors:	
Pietro Labriola	Managing Director and Chief Executive Officer of TIM S.p.A. General Manager
Managers:	
Adrian Calaza Noia	Chief Financial Office ¹
Paolo Chiriotti	Chief Human Resources & Organization Office ²
Simone De Rose	Procurement & Logistics ³
Alberto Mario Griselli	Diretor Presidente of TIM S.A.
Massimo Mancini	Chief Enterprise Market Office ⁴
Giovanni Gionata Massimiliano Moglia	Chief Regulatory Affairs Office ⁵
Agostino Nuzzolo	Legal & Tax ⁶
Claudio Ongaro	Chief Strategy, Business Development & Wholebuy Office ⁷
Elisabetta Romano	Chief Network, Operations & Wholesale Office
Andrea Rossini	Chief Consumer, Small & Medium and Mobile Wholesale Market Office
Eugenio Santagata	Chief Public Affairs & Security Office ⁸
Elio Schiavo	Chief Enterprise and Innovative Solutions Office

The structure of the compensation package for Key Managers with Strategic Responsibilities, excluding the Chief Executive Officer, for 2024, is as follows:

- **Fixed component**
The guideline for 2024 is to keep remuneration in line with market median, with selective criteria for adjusting fixed remuneration.
- **Short Term Variable Component (MBO)**
The annual incentive plan for 2024, with a target pay opportunity equal to 50% of fixed remuneration, is in line with those of past years, save a few changes outline below:
 - The EBITDA metric remains the Gate target for the entire incentive scheme
 - the distribution of objectives is differentiated based on the perimeter managed
 - a gender pay gap objective continues to be included in the overarching ESG metric
 - the procedure for assessment of the significant shortcomings described above is applicable; it establishes the possibility to partially or totally suspend and possibly cancel the MBO bonus of the persons concerned

¹ Interim Head of Administration, Finance & Control of the Chief Network, Operations & Wholesale Office Division from November 24, 2023

² Interim Head of Human Resources & Organization of the Chief Network, Operations & Wholesale Office Division from November 24, 2023

³ Interim Head of Procurement of the Chief Network, Operations & Wholesale Office Division from November 24, 2023

⁴ To March 6, 2024

⁵ Interim Head of Regulatory Affairs of the Chief Network, Operations & Wholesale Office Division from November 24, 2023

⁶ Interim Head of Legal & Tax of the Chief Network, Operations & Wholesale Office Division from November 24, 2023

⁷ Interim Head of Strategy & Business Development of the Chief Network, Operations & Wholesale Office Division from November 24, 2023

⁸ Interim Head of Public Affairs & Security of the Chief Network, Operations & Wholesale Office Division from November 24, 2023

Below are the reference objectives diagrams:

Chief Enterprise & Innovative Solutions Office

Objectives	Weight
TIM ServCo Group EBITDA proforma (GATE)	25%
TIM Group Equity Free Cash Flow	23%
Segment EBITDA	15%
Segment Total Revenues	15%
ESG KPI's: -Customer Satisfaction Index (10%) -Young Employee Engagement Domestic ServCo (6%) Gender Pay Gap - Middle Managers Domestic ServCo (6%)	22%

Chief Network, Operations & Wholesale

Objectives	Weight
TIM NETCO EBITDA proforma (GATE)	25%
PNRR 1G - # of household	23%
Wholesale Total Revenues	15%
FTTH Roll out - # of UIT	15%
ESG KPI's: -Customer Satisfaction Index (10%) -Young Employee Engagement Domestic NetCo (6%) -Gender Pay Gap - Professional Middle Managers Domestic NetCo (6%)	22%

Chief Consumer, Small & Medium and Mobile Wholesale Market Office

Objectives	Weight
TIM ServCo Group EBITDA proforma (GATE)	25%
TIM Group Equity Free Cash Flow	23%
Segment EBITDA	15%
Segment Service Revenues	15%
ESG KPI's: -Customer Satisfaction Index (10%) -Young Employee Engagement Domestic ServCo (6%) -Gender Pay Gap - Middle Managers Domestic ServCo (6%)	22%

Other departments reporting directly to the CEO

Objectives	Weight
TIM ServCo Group EBITDA proforma (GATE)	25%
TIM Group Equity Free Cash Flow	33%
Function specific targets	20%
ESG KPI's: -Customer Satisfaction Index (10%) -Young Employee Engagement Domestic ServCo (6%) -Gender Pay Gap - Middle Managers Domestic ServCo (6%)	22%

Each objective is measured individually, with a parametric scale as described in the section "Short-term Incentive System".

- Long-Term Variable Component**

Key Managers with Strategic Responsibilities are beneficiaries of the Stock Option Plan for 2022-2024, as detailed in the Remuneration Report for 2022. Despite the strike price set for these stock options being an especially ambitious target given the prevailing market conditions, the 2024 policy does not propose any additional long-term incentive schemes.

With a view to continuous improvement and listening to the suggestions that have emerged from the dialogue with stakeholders, the Company's Board of Directors has seen fit to propose to the Shareholders' Meeting convened for April 23, 2024

- to amend the definition of "Maximum Benefit" contained in the Information Document and in the Plan Regulations, currently represented by "The gain that can be realized in the event of the sale of a number of Shares corresponding to the quantity of Options at target for CEO and Beneficiaries of each band, at the conventional price of Euro 1.50 per Share, against purchase at the Strike Price" (unchanged) of Euro 0.424, significantly reducing the "conventional price" (so called "cap") from Euro 1.50 to Euro 0.80 per Share;
- to eliminate the possibility – indicated in the Information Document and in the Plan Regulations – " for the Board of Directors to resolve on the acceleration of the Vesting (and the immediate exercisability) of the Options at target, in the event of a public offer on the Shares", providing instead, as per market practice, only the mechanism according to which if "as a result of a public offer, a party were to acquire legal control of the Company, the acceleration of the Vesting (with immediate exercisability of the Options at target) would be automatically determined" (the so-called "double trigger").

For further details, including on the impact of these changes, please refer to the appropriate explanatory report available at www.gruppottim.it/assemblea.

Below is the link to the duly amended [2022-2024 Stock Option Plan Information Document](#).

- **Severance and Non-Competition Package**

The treatments applicable under the law and the Collective Employment Agreement are provided for. The additional allowances provided may not exceed 24 months' salary (calculated as the sum of the gross annual pay and MBO).

If employment should terminate without a just cause for dismissal or – for certain resources – in a change of control (i.e. any extraordinary operation entailing a change in the control of the Company pursuant to Article 2359 of the Italian Civil Code), the Chief Executive Officer shall be responsible for identifying the resources that – due to their importance and strategic nature – may receive severance pay, which may be associated with a non-competition agreement, depending on the importance and strategic nature of the role held, for a maximum period of one year calculated on the fixed remuneration.

- **Benefits & Welfare**

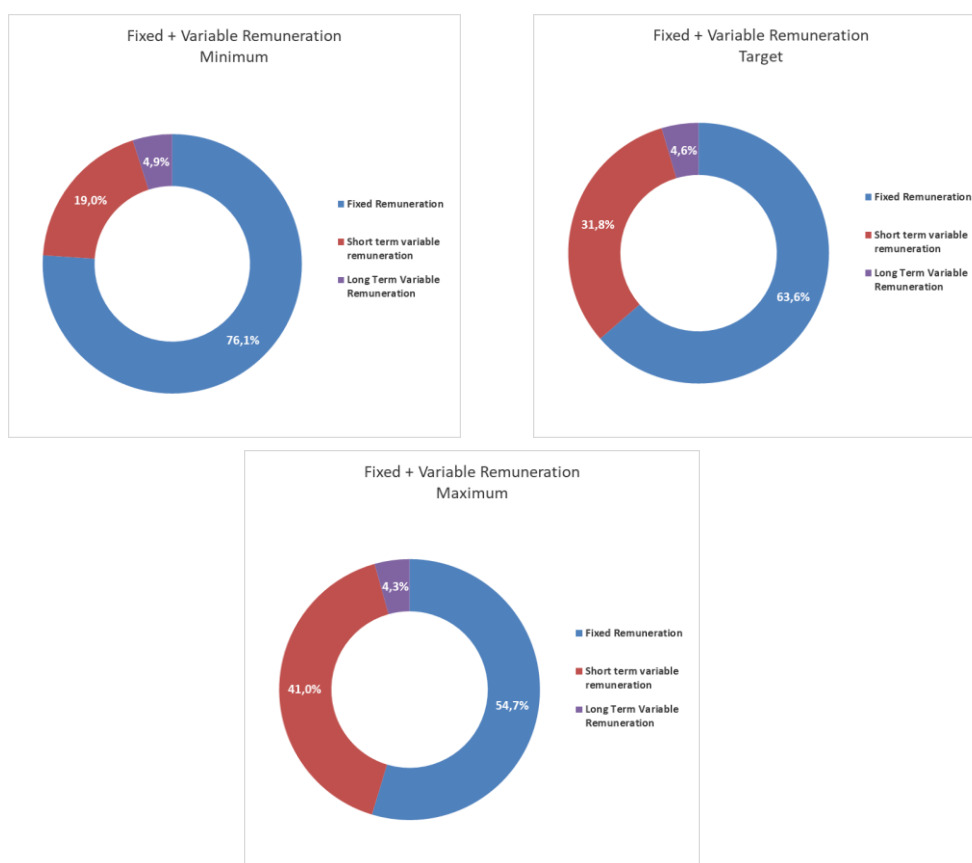
Benefits are granted similar to those provided for all other company managers: company car for mixed use, insurance policies (workplace/non workplace accidents, life and invalidity caused by illness), complementary health insurance cover, complementary pension fund and check-up. Where envisaged, the rental service is activated directly by the Company. The “professional risk policy” taken out by the Company and applicable to Directors & Officers also applies to Key Managers with Strategic Responsibilities.

- **Bonuses**

Awarding bonuses that are not linked to performance conditions (short-term or long-term incentive scheme) is excluded.

- **Pay Mix**

The percentages indicated for 2024 alternatively assume the disbursement of the minimum, target and maximum value for both the short-term incentive scheme – MBO – and the long-term incentive schemes. For the Stock Option Plan, the option rights were valued annually based on the fair value of the share on May 4, 2022¹



¹ Fair value of €0.02 as at May 4, 2022, the date on which TIM's Board of Directors resolved to launch the plan, following approval by the Shareholders' Meeting of April 7, 2022.

EXECUTIVE RESPONSIBLE FOR PREPARING THE CORPORATE ACCOUNTING DOCUMENTS

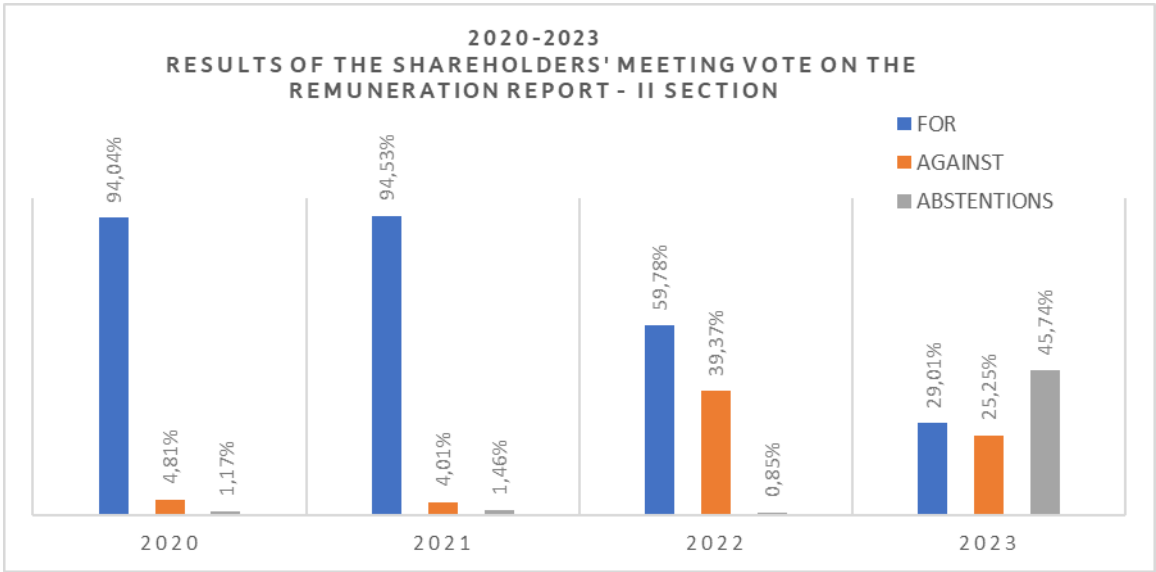
With regard to the executive responsible for preparing the corporate accounting documents, the incentive mechanisms are those adopted for all Key Managers with Strategic Responsibilities, as illustrated above.

SECTION II - IMPLEMENTATION OF REMUNERATION POLICIES AND COMPENSATION PAID IN 2023

This section describes the remuneration measures for the members of the Board of Directors, the Board of Statutory Auditors and the Key Managers with Strategic Responsibilities in 2023.

It is confirmed that in 2023 compensation was paid in line with the 2023 Remuneration Policy.

Below are the results of the votes on the Remuneration Report – Section II, in 2020 - 2023, calculated on the shares for which a vote was cast.



The work of the Nomination and Remuneration Committee, as well as the Board of Directors, in reviewing the findings of the Shareholders' Meeting, as outlined in the Executive Summary, also encompassed the results of the non-binding vote on Section II. Furthermore, in the engagement sessions conducted in May-June 2023 and January-February 2024, the committee delved into stakeholder expectations concerning the methods and granularity of reporting on remuneration paid.

REMUNERATION OF THE MEMBERS OF THE BOD

The overall annual remuneration of the Board of Directors pursuant to art. 2389 subsection 1 of the Italian Civil Code was established by the Shareholders' Meeting on March 31, 2021, as a maximum of 2,200,000 euros gross.

The Board of Directors' meeting of April 28, 2021, allocated this total remuneration by assigning a fixed amount of 100,000 euros gross per annum to each Director. There is no remuneration linked to the company results, nor any severance pay. Except for the Chairman and Chief Executive Officer, whose remuneration is structured differently, as detailed in the following paragraphs.

The additional remuneration for directors who are members of board committees is shown below:

Sustainability Committee

Salvatore Rossi (C)
Paola Camagni
Cristiana Falcone
Federico Ferro Luzzi
Paola Sapienza

Remuneration: 30,000 euros per each member (the Chairman of the Board of Directors does not receive remuneration)

Control and Risk Committee

Federico Ferro Luzzi (C)
Paolo Boccardelli
Paola Bonomo
Marella Moretti
Ilaria Romagnoli

Remuneration:
Chairman: € 65,000
Members: € 45,000

Nomination and Remuneration Committee

Paola Bonomo (C)
Paola Camagni
Maurizio Carli
Paola Sapienza

Remuneration:
Chairwoman: € 40,000
Members: € 30,000

Related Party Committee

Paolo Boccardelli (C)
Maurizio Carli
Cristiana Falcone
Marella Moretti
Ilaria Romagnoli

Remuneration:
Chairman: € 40,000
Members: € 30,000

Directors who do not hold specific offices are not entitled to receive variable remuneration or the allocation of benefits, without prejudice to reimbursement of expenses incurred in the performance of their office.

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

REMUNERATION OF THE LEAD INDEPENDENT DIRECTOR (PAOLA SAPIENZA)

At its meeting on November 26, 2021, the Company's Board of Directors resolved to appoint a Lead Independent Director, with the powers set out in Corporate Governance Code of Borsa Italiana, calling upon Paola Sapienza to take on this role.

In the subsequent meeting of December 17, 2021, the Board of Directors resolved to grant the Lead Independent Director an additional remuneration of 45,000 euros gross per annum. Following the communication by Sapienza of her wish to waive this remuneration, on November 9, 2022, the Board of Directors revoked the resolution granting it.

REMUNERATION OF THE BOARD OF STATUTORY AUDITORS

The remuneration of Statutory Auditors valid for the full term of office (until approval of the financial statements for the year 2023) was established by the Shareholders' Meeting of March 31, 2021, as 135,000 euros gross per year for the Chairman of the Board of Statutory Auditors and 95,000 euros gross per year for each standing Auditor. Moreover, the Statutory Auditor Anna Doro receives – as a member of the Supervisory Body – additional remuneration of 15,000 euros gross per year.

Board of Statutory Auditors

Francesco Fallacara (C)

Angelo Rocco Bonissoni

Francesca di Donato

Anna Doro

Massimo Gambini

Statutory auditors do not receive variable remuneration or benefits but receive reimbursement of expenses incurred in the performance of their duties.

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

CHAIRMAN (SALVATORE ROSSI)

On April 1, 2021, the Board of Directors appointed Salvatore Rossi as Chairman of the Board of Directors. As at the date of publication of this Report, the only powers attributed to the Chairman are those resulting from law, the Bylaws and the Company's corporate governance documents. In this period, his compensation package was as follows:

- annual fixed fee of 600,000 euros gross. The Chairman did not receive remuneration pursuant to Article 2389 subsection 1 of the Italian Civil Code for the office of Director or for his membership in the Sustainability Committee;
- no form of variable incentive;
- no end-of-mandate component, no benefits (only reimbursement of expenses incurred in the office as per the Bylaws), no clawback, no severance pay.

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

CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER (PIETRO LABRIOLA)

The position of Chief Executive Officer and General Manager was held, for the entire year, by Pietro Labriola. The composition of the compensation package resolved by the Board of Directors on January 21, 2022 in continuity with what has already been paid to the former CEO, provide for a total annual fixed gross amount of 1,400,000 euros, divided into 1,300,000 euros as Gross Annual Remuneration for the employment salary and 100,000 euros as gross remuneration for the office of Chief Executive Officer pursuant to Article 2389, subsection 3, of the Italian Civil Code.

Moreover, as further remuneration pursuant to Art. 2389 subsection 3 of the Italian Civil Code, Pietro Labriola was the beneficiary of an MBO with a target amount of 1,400,000 euros gross.

The table below illustrates in detail the degree of achievement of the objectives for the 2023 MBO short-term variable component compared with the references assigned.

Values in € millions		2023 RESTATED OBJECTIVE LEVELS			FINAL FIGURES		
OBJECTIVE	WEIGHT	Min Payout 50%	Target Payout 100%	Max Payout 150%	Result 2023	% achievement	Weighted Score
TIM Group Ebitda GATE ⁽¹⁾	30%	5,488	5,777	6,066	5,710	88%	27%
TIM Group Equity Free Cash Flow	23%	190	216	242	763	150%	35%
TIM Group Net Financial Position	15%	26,947	26,290	25,633	25,656	148%	22%
TIM Group Service Revenues	10%	14,652	14,951	15,250	14,953	100%	10%
ESG indicators: a) Customer Satisfaction Index (10%) b) Young Employee Engagement (6%) c) Gender Pay Gap - Middle managers domestic core (6%)	22%	(a) 75.29 b) 76 c) -4%	(a) 76.03 b) 77 c) -3.5%	(a) 77.51 b) 78 c) -3%	(a) 74.19 b) 77 c) -1.6%	a) 0% b) 100% c) 150%	15%
(1) The Gate represents a condition for accessing the bonus linked to all the objectives rewarded.							108%

The guidance provided to the market on Revenues and EBITDA for the year, consistent with the budget targets, was not changed during the year. In particular, it should be noted that the communicated guidance for EBITDA (mid-single digit growth) reflected a more challenging target than the guidance for the same parameter adopted by major European Telco incumbents. Thus, the actual MBO appears to be consistent with the expected results and the contents of the guidance.

Business-related targets were met, in some cases slightly exceeded, despite the additional managerial effort required by the negotiation activities with counterparties for the extraordinary delayering operation and for the worksites initiated for the Separation.

The value objectives were determined based on the impacts linked to changes in the consolidation area, rates of exchange in order to pursue the managerial significance of the comparison between the target and the final balance. Following an evaluation by the Appointments and Remuneration Committee, in accordance with the current remuneration policy, a single adjustment was made, pertaining to the fine levied by the AGCM. This adjustment was based on the judgement delivered on July 25, 2023, by the Council of State, which overturned a prior ruling of the Regional Administrative Court that had favoured the telecommunications operators. The Council of State upheld the legitimacy of the original sanction imposed by the AGCM in January 2020 during the I820 investigation.

According to the percentage of achievement stated above, the Chief Executive Officer accrued a bonus for the 2023 short-term variable component in the amount of Euro 1,512,000 gross, corresponding to 108% of the target value.

With respect to the 2022-2024 SOP Plan, Pietro Labriola was granted the right to receive 24,000,000 options at target level as at December 31, 2023. Based on the level of achievement of the three-year performance indicators, this number may decrease or increase up to a maximum of 26,400,000 shares. The strike price for the year of option rights was set at €0.4240 (for the proposed amendments to the Plan at the April 23, 2024 Shareholders' Meeting, please refer to the appropriate explanatory report, available on the Company's website at www.gruppotim.it/assemblea).

Concerning the TIM S.A. ("TIM Brasil") Long Term Incentive Plans, in July 2022, Pietro Labriola received 1,326,374 shares of TIM Brasil (as detailed in Table 3, Section II of the 2023 Remuneration Report, which covers the Long Term Incentive 2018-2020 with grants from 2019 and 2020, and the Long Term Incentive 2021-2023 with the grant from 2021 – the "Brazilian LTIs"). These shares had a market value of R\$ 22,950,160.89 (equivalent to €4,275,922.88), from which TIM Brasil, acting as the tax withholding agent, deducted taxes amounting to R\$ 5,737,540.22 (€1,068,980.72).

The above shares were vested in 2022 based on TIM Brasil performance. The Board of Directors of TIM Brasil held on January 31, 2022, approved the remuneration for relinquishing the term of office of *Diretor Presidente* of TIM Brasil by Pietro Labriola, with early termination of the employment contract with TIM Brasil.

The contractual and economic benefits granted to Pietro Labriola are consistent with the Group's remuneration policies.

Taking into account Pietro Labriola's tax residency in Italy as of February 2022, regarding the taxable value of TIM Brasil shares received (to which no tax relief has been applied), it became essential to settle Italian tax liabilities. These, after deducting the taxes already paid in Brazil, totalled €881,358.36. In accordance with the contractual agreement between Pietro Labriola and Tim Brasil, consistent with the tax protection principle envisaged by Group policies, the Brazilian company was obligated to reimburse all due Italian taxes.

Consequently, in July 2023, Pietro Labriola received a transfer in Italy from TIM Brasil totalling €1,213,546.48. This sum corresponds to the gross amount of €1,618,061.97, calculated to offset the impact of Italian taxes and guarantee a net amount of €881,358.36. From this, Brazilian taxes at 25%, amounting to €404,515.49, were subtracted.

Furthermore, in December 2023, Pietro Labriola was reimbursed for tax assistance services, totalling €12,688. This covered tax advice for the 2023 income declaration relating to the year 2022, as well as matters concerning the reimbursement of excess taxes paid in Italy.

All of the above amounts were processed and certified by the Italian tax consultancy firm that assisted Pietro Labriola and, on the TIM Brasil side, by a tax consultancy firm specialising in the Brazilian market.

Regarding the 'non-monetary benefits' entry (column 4 of Table 1), it should be noted that these figures represent supplementary pension contributions, healthcare benefits, company car and mobile phone provisions, and reimbursements for travel expenses, amounting to an annual total of €50,473.56. Of this sum, the majority – 43,328 – pertains to pension contributions and welfare assistance.

In the 2023 financial year, the proportion between fixed and variable remuneration, within the total remuneration of the Chief Executive Officer – net of the amount recognized by the subsidiary TIM Brasil for the different Italian tax treatment of the Brazilian LTIs payment – was 46% (fixed/total) and 54% (variable/total) as shown in Table 1 (column 8) of the second part of this section.

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 comprised the gross annual remuneration in relation to the employment contract. The actions taken in 2023 were consistent with those set out in the remuneration policy for the year.

In line with the provisions of the 2023 remuneration policy, the Key Managers with Strategic Responsibilities were the beneficiaries of an MBO short-term variable component, the first three objectives of which were the same as those assigned to the Chief Executive Officer but with different weights.

OBJECTIVE	WEIGHT Commercial First Line ⁽¹⁾	WEIGHT Operations First Line	WEIGHT Other Departments First Line	Min Payout 50%	Target Payout 100%	Max Payout 150%
TIM Group Ebitda GATE ⁽¹⁾	25%	25%	25%	5,488	5,777	6,066
TIM Group Equity Free Cash Flow	23%	23%	33%	190	216	242
ESG indicators: a) Customer Satisfaction Index (10%) ⁽¹⁾ b) Young Employee Engagement (6%) c) Gender Pay Gap - Middle managers domestic core (6%)	22%	22%	22%	(a) 75.29 b) 76 c) -4%	(a) 76.03 b) 77 c) -3.5%	(a) 77.51 b) 78 c) -3%
Segment Ebitda CC EC	15%	-	-	3,536 1185	3,722 1247	3,909 1,310
Segment Service Revenues CC CE ⁽¹⁾	15%	-	-	5,027 2,747	5,129 2,803	5,232 2,859
Department objectives ⁽¹⁾	-	30%	20%			

(1) For Level II Reports concerning Key Managers with Strategic Responsibilities, the TIM Group Ebitda (Gate) target carries a weight of 20%. Additionally, the ESG Indicator encompasses the CSI Enterprise with a minimum target of 78.17, a set target of 78.72, and a maximum of 81.05. Meanwhile, the Service Revenue target for the segment holds a weight of 20%.

The table below sets out the average payout for the 2023 MBO short-term variable component for those who qualified as Key Managers with Strategic Responsibilities in 2023, compared with the average values for those who qualified as such in previous financial years.

	2023	2022	2021	2020	2019	2018	2017	2016
Average Payout	107%	142%	*	91%	102%	*	107%	95%

(*) In view of the failure to reach the TIM Group EBITDA objective at the minimum level (95% of the budget target), as a condition of access to all other objectives, the entire MBO measure has been cancelled.

The business-related targets were achieved, in some cases slightly exceeded, despite the additional managerial effort required by the negotiation activities with counterparties for the extraordinary delayering transaction and for the sites started for the Separation, and without the use of additional incentive instruments.

An analytical breakdown of the remuneration received by Key Managers with Strategic Responsibilities in 2023 is provided in Table 1 in the second part of this section.

* * *

It is confirmed that, in 2023, there was compliance with the remuneration policy in force with regard to the one-off bonus, benefits and severance agreements, with reference to contractual compensation such as indemnities paid in the period.

Throughout the year, bonuses totalling EUR 500,000.00 were disbursed solely for recruitment obligations (as detailed in column 4 of Table 3B), and since there were no mutual terminations, no recognized severance payments are to be reported in Table 1.

* * *

Regarding the First Incentive Cycle 2020-2022 of the Long-Term Incentive Plan 2020-2022, the 2,943,350 shares for attraction/retention that accrued to the benefit of Key Managers with Strategic Responsibilities (as detailed in Section II of the 2023 Remuneration Report) were allocated in March 2023. The corresponding taxable value was then calculated and included in their respective payslips for April 2023.

Regarding the Second Incentive Cycle for 2021-2023, which is part of the Long Term Incentive Plan for 2020-2022, it is important to note that the determination of the performance indicators related to this cycle will be contingent upon approval by the Board of Directors of TIM S.p.A. on March 6, 2024.

Valuation at December 31, 2023 of the gate to accessing maturity of the performance shares is below the value of the share at the Plan start-up: The inability to meet the Gate condition results in the loss of 6,534,265 Performance Shares at target. However, for Key Managers with Strategic Responsibilities who are still employed by TIM as of December 31, 2023, the right to receive 2,108,480 Attraction/Retention Shares is preserved. This is contingent upon meeting the bonus/malus factor associated with two ESG objectives: the percentage growth in renewable energy and the increase in female managers.

It is important to highlight that the existing long-term incentive scheme, the 2022-2024 SOP Plan (which is elaborated upon further below), does not include the allocation of any instruments unrelated to performance. Consequently, the Attraction/Retention Share allocation associated with the second phase of the 2020-2022 Long-Term Incentive Plan represents the final distribution of financial benefits of the “restricted” variety to recipients—those benefits being solely contingent upon the duration of service. No vesting of non-performance-related shares or stock options is planned for the coming years.

To replace the third cycle of the 2020-2022 Long Term Incentive Plan, the TIM Board of Directors of May 4, 2022, launched the 2022-2024 SOP Plan, approved by the Shareholders' Meeting of April 7, 2022.

With regard to the 2022-2024 SOP Plan, Key Managers with Strategic Responsibilities were granted a total of 62,500,000 options at target level as at December 31, 2023. Based on the level of achievement of the three-year performance indicators, this number may decrease or increase up to a maximum of 68,750,000 shares. The strike price for the exercise of the option rights was set at €0.4240, which continues to be a challenging target.

The detailed analysis of the plans is shown in the tables of the incentive plans in the second part of this section. In the 2023 financial year, the percentage of fixed compensation out of the total remuneration of Key Managers with Strategic Responsibilities was 51% as shown in Table 1 (column 8) of the second part of this section.

APPLICATION OF THE WAIVER PROCEDURE TO THE REMUNERATION POLICY

In 2023, for the second year running, the Company chose not to utilise the option to initiate the waiver procedure as outlined in the existing Remuneration Policy.

ANNUAL CHANGE IN REMUNERATION AND PERFORMANCE

The table below compares, for the last five financial years, the annual change in the remuneration of the Chairman, the Chief Executive Officer, and the average remuneration, calculated on a full-time equivalent basis, of employees (excluding the Chief Executive Officer). The amounts also include variable remuneration (if any).

TIM S.p.A.	2023	% Change	2022	% Change	2021	% Change	2020	% Change	2019
Amounts expressed in thousands of euros									
Chairman's Remuneration ⁽¹⁾	600	0%	600	0%	600	0%	600	0%	600
Chief Executive Officer's Remuneration	2,915	-10%	3,355	161%	1,284	-53%	2,759	-7%	2,972
Average remuneration of employees	41.7	-0.10%	41.8	1.50%	41.2	2.00%	40.4	1.00%	40.2
Ratio of CEO remuneration to average employee remuneration	70x		80x		31x		68x		74x

(1) In 2019 the Chairman Salvatore Rossi held the office for the period 21.10 – 31.12.

PERFORMANCE TIM Group (IFRS 16)	2023	% Change	2022	% Change	2021
EBITDA Organic After Lease	5,304	+6.1%	4,995	-10.6%	
Equity Free Cash Flow After Lease	(64)		(26)		62
Adjusted Net Debt AL variation (% YoY)	+1.7%		+14%		-5.5%
Adjusted Net Debt AL / Organic EBITDA AL	3.8x		4.0x		3.3x

As of December 31, 2023, the TIM Group's organic EBITDA after lease costs rose by 6.1% compared to the previous year, due to stronger revenue performance in the domestic market, which saw a 0.6% year-on-year increase, marking a 6.1 percentage point enhancement in the trend from the prior year. This was also supported by a significant containment and transformation of the cost base, which remained stable despite the challenging inflationary context. Equity free cash flow stood at 0.8 billion euros (0.6 billion euros in 2022).

Equity free cash flow on an after-lease basis was almost nil, at -64 million euros (cash reduction), in line with the previous year (-26 million euros).

Net debt after Lease (net of leases) amounted to 20,349 million euros at December 31, 2023, an increase of 334 million euros compared to December 31, 2022 (20,015 million euros), as a result net of the positive operational dynamics which were counteracted by the needs of financial and fiscal management and the payment of dividends in Brazil.

As a result, the leverage ratio (Net Debt AL / Organic EBITDA AL ratio) stood at 3.8 x.

OVERALL RETURN TO SHAREHOLDERS

for every 100€ invested on January 1, 2023



REMUNERATION PAID IN 2023

TABLE 1: REMUNERATION PAID TO MEMBERS OF THE MANAGEMENT AND CONTROL BODY, GENERAL MANAGER AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

The remuneration due to all the individuals who, in FY 2023 or a part thereof, held the position of member of the management and control body, General Manager or Executive with Strategic Responsibilities (for this last category the information is shown in aggregate form) are shown below.

In particular:

- The 'Fixed Remuneration' column displays the fixed allowances and salaries paid to the employee before deductions for social security and taxes.
- The column "Fees for Participation in Committees" reflects, on an accrual basis and possibly as a total sum, the remuneration awarded to Directors for their involvement in Committees. The note specifies the committees that the director belongs to and, should they participate in multiple committees, details the remuneration received for each.
- The "Non-equity Variable Compensation" column, listed under "Bonuses and Other Incentives", encompasses the accrued portions of compensation for the year – pertaining to objectives met within that year – even if these amounts have not yet been disbursed, in relation to cash incentive schemes. This value corresponds to the sum of the amounts shown in Table 3B. No figures are shown for 'Profit-sharing', as there are no profit-sharing arrangements.
- The 'Non-cash Benefits' column displays the value of taxable fringe benefits, which encompasses any insurance policies and supplementary pension funds.
- The column "Other remuneration" shows, on an accrual basis, any further remuneration arising from other services provided or due; the "Total" column indicates the sum of the amounts of the previous entries.
- The column titled "Fair Value of Equity Compensation" displays the fair value at the grant date for the year's equity compensation related to equity-based incentive plans, estimated in compliance with international accounting standards.
- The column "Indemnities for termination of office or termination of employment" displays the accrued severance payments, whether paid or not, to directors for the cessation of their duties during the financial year under review, pertaining to the financial year in which the actual cessation of duties took place. The estimated value of any non-monetary benefit payments, the sums of any consultancy agreements, and compensation related to the acceptance of non-compete obligations must also be disclosed.

Board of Directors

(in thousands of euros)

A		B	C	D	1	2	3	4	5	6	7	8	9	
							Variable remuneration non-equity							
No tes	Name and surname	Position	Period of office (dd.mm)	Expiry of term of office (mm.yy)	Fixed comp ensati on	Compen sation for involvem ent in committ ees	Bonuses and other incentive s	Profit sharing	Non-mone tary benefi ts	Other compensa tion	Fair Value of compensa tion equity	TOTAL	Proporti on between fixed and variable remuneration (1)	Compen sation for loss of office or termina ti on of employ ment
1	Salvatore Rossi	Chairman	01.01 31.12	12.23	600							600		
2	Pietro Labriola	Chief Executive Officer Manager General	01.01 31.12	12.23	1,403		1,512		50	1,631 ⁽²⁾	180	4,776	46% - 54%	
3	Paolo Boccardelli	Director	01.01 31.12	12.23	100	85						185		
4	Paola Bonomo	Director	01.01 31.12	12.23	100	85						185		
5	Paola Camagni	Director	01.01 31.12	12.23	100	60						160		
6	Maurizio Carli	Director	01.01 31.12	12.23	100	60						160		
7	Arnaud Roy de Puyfontaine	Director	01.01 16.01	12.23	4							4		
8	Cristiana Falcone	Director	01.01 31.12	12.23	100	60						160		
9	Federico Ferro Luzzi	Director	01.01 31.12	12.23	100	95						195		
10	Giulio Gallazzi	Director	01.01 31.12	12.23	100	=						100		
11	Giovanni Gorno Tempini	Director	01.01 31.12	12.23	100	=						100		
12	Marella Moretti	Director	01.01 31.12	12.23	100	75						175		
13	Ilaria Romagnoli	Director	01.01 31.12	12.23	100	75						175		
14	Alessandro Pansa	Director	14.06 31.12	12.23	55							55		
15	Paola Sapienza	Director	01.01 31.12	12.23	100	60						160		
16	Massimo Sarmi	Director	01.01 31.12	12.23	100	=				180		280		
Overall BoD (a)					3,262	655	1,512		50	1,811	180	7,470		

- (1) Remuneration proportion: fixed out of total = columns (1+2+4+5)/7; variables on total = columns (3+6)/7. The percentage shown for Pietro Labriola does not take into account the amount referring to the refund recognized by the subsidiary TIM Brasil for the different Italian tax treatment of the Brazilian LTIs payment.
- (2) As already described in this Section under the paragraph "Chief Executive Officer and General Manager (Pietro Labriola)", the amount of Euro 1,630,749.97 corresponds to the reimbursement paid by TIM Brasil to Pietro Labriola following the application of the tax protection principle envisaged by Group policies (Euro 1,618,061.97) and the tax advice received (Euro 12,688) with respect to the remuneration received by the same for the allocation of the vested shares of the Brazilian LTI Plan (2019, 2020 and 2021 grants)

Board of Statutory Auditors

(in thousands of euros)

A	B	C	D	1	2	3	4	5	6	7	8	9
						Variable remuneration non-equity					Proportion between fixed and variable remuneration	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 compensation	Compensation for involvement in committees	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Fair Value of compensation equity	TOTAL
17	Francesco Fallacara	Chairman	01.01 31.12	12.23	135					48		183
18	Rocco Angelo Bonissoni	Statutory Auditor Actual	01.01 31.12	12.23	95							95
19	Francesca di Donato	Statutory Auditor Actual	01.01 31.12	12.23	95					32		127
20	Anna Doro	Standing Auditor	01.01 31.12	12.23	95					15		110
21	Massimo Gambini	Statutory Auditor Actual	01.01 31.12	12.23	95							95
Overall Board of Statutory Auditors (b)					515					95		610

Key Managers with Strategic Responsibilities ⁽¹⁾

(in thousands of euros)

A	B	C	D	1	2	3	4	5	6	7	8	9	
						Variable remuneration non-equity						Compensation for loss of office or termination of employment	
					Compensation for involvement in committees	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Fair Value of compensation equity	Proportion between fixed and variable remuneration ⁽²⁾		
Notes	Name and surname	Position	Period of office (dd.mm)	Expiry of term of office (mm.yy)	Fixed compensation						TOTAL		
Remuneration in the company drawing up the financial statements					5,511	3,384		268	-	2,058	11,221	51% - 49%	
Remuneration from subsidiaries ⁽³⁾					640 ⁽⁴⁾	717 ⁽⁵⁾			187	300 ⁽⁶⁾	1,844	45% - 55%	
Total Key Managers with Strategic Responsibilities (c)					6,151	4,101		268	187	2,358	13,065	50% -50%	

TOTAL REMUNERATION PAID (a+b+c) **9,928** **655** **5,613** **318** **2,093** **2,538** **21,145**

- (1) The remuneration refers to all the individuals who held the position of Key Managers with Strategic Responsibilities during the 2023 financial year (12 managers).
- (2) Remuneration proportion: fixed out of total = columns (1+2+4+5)/7; variable out of total = columns (3+6)/7.
- (3) The column "Other compensation" shows the remuneration received as members of the corporate bodies of Group companies.
- (4) The amount referring to the local work contract has been converted at the average exchange rate for 2023 at 12/31/2023 (Real/€ 5.40158).
- (5) This amount refers to MBO (pre-closing March 8, 2024), converted into euros at the exchange rate at 03/07/2024 (Real/ € 5.4).
- (6) This amount refers to the equity compensation of local incentive plans based on financial instruments converted at the average exchange rate for 2023 at 12/31/2023 (Real/€ 5.40158).

1 Salvatore Rossi – Chairman

col. 1 The amount refers to the remuneration pursuant to article 2389 subsection 3 of the Italian Civil Code received for serving as Chairman for the period 01/01 - 31/12/2023. The Chairman does not receive remuneration for the office of Director or for his membership of the Sustainability Committee (pursuant to Article 2389 subsection 1 of the Italian Civil Code).

2 Pietro Labriola - Chief Executive Officer and General Manager

col. 2 This amount includes remuneration for employment (€/000 1,303) for the office of General Manager as well as fixed remuneration pursuant to article 2389(3) of the Italian Civil Code. (€/000 100) for the office of Chief Executive Officer for the period 01/01 12/31/2023. The Chief Executive Officer does not receive any remuneration for the office of Director.

col. 3 This amount, paid pursuant to article 2389(3) of the Italian Civil Code, refers to the bonus relating to the financial year for objectives achieved in the year itself for the period 01/01 12/31/2022.

col. 4 The amount refers to the reimbursement paid by TIM Brasil to Pietro Labriola in relation to the payment of Italian taxes (Euro 1,618,061.97) and tax advice received (Euro 12,688) with respect to the remuneration received by the same for the allocation of the vested shares of the Brazilian LTIs.

col. 5 This amount refers to the equity compensation of incentive plan based on financial instruments, posted in the financial statements and estimated in application of international accounting standards.

3 Paolo Boccardelli – Director

col. 6 This amount refers to the remuneration received as a member of the Board of Directors.

col. 7 The amount refers to remuneration received as member of the Control and Risk Committee (€/000 45), Chairman of the Related Parties Committee (€/000 10) and member of the Related Parties Committee (€/000 30).

4 Paola Bonomo – 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 Chairwoman of the Nomination and Remuneration Committee (€/000 10), member of the Nomination and Remuneration Committee (€/000 30) and member of the Control and Risk Committee (€/000 45).

5 Paola Camagni – Director

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

col. 2 The amount refers to remuneration received as a member of the Nomination and Remuneration Committee (€/000 30) and as a member of the Sustainability Committee (€/000 30).

6 Maurizio Carli – Director

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

col. 2 The amount refers to remuneration received as a member of the Nomination and Remuneration Committee (€/000 30) and of the Related Parties Committee (€/000 30).

7 Arnaud Roy de Puyfontaine – Director

col. 1 The amount refers to the remuneration (€3,846.15) received as a member of the Board of Directors from 1.1.2023 to 1.16.2023.

8 Falcone Cristiana - Director

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

col. 2 The amount refers to remuneration received as a member of the Related Parties Committee (€/000 30) and as a member of the Sustainability Committee (€/000 30).

9 Federico Ferro Luzzi - Director

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

col. 2 The amount refers to remuneration received as Chairman of the Control and Risk Committee (€/000 20), member of the Control and Risk Committee (€/000 45) and member of the Sustainability Committee (€/000 30).

10 Giulio Gallazzi - Director

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

11 Giovanni Gorno Tempini - Director

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

12 Marella Moretti – 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 compensation received as a member of the Control and Risk Committee (€/000 45) and member of the Related Parties Committee (€/000 30).

13 Ilaria Romagnoli – 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 compensation received as a member of the Control and Risk Committee (€/000 45) and member of the Related Parties Committee (€/000 30).

14 Alessandro Pansa – Director

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

col. 2 The figure pertains to the remuneration accrued in the capacity of Chairman of the subsidiary TI Sparkle S.p.A., from January 1 to June 15, 2023, amounting to €50,000; as Chairman of the subsidiary Telsy S.p.A. for the equivalent duration, amounting to €23,000; and as a director of the associated company QTI S.r.l., from the January 1 to December 31, 2023, totalling €12,000.

15 Paola Sapienza - Director

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

col. 2 The amount refers to remuneration received as a member of the Nomination and Remuneration Committee (€/000 30) and as a member of the Sustainability Committee (€/000 30).

16 Massimo Sarmi – Director

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

- col. 5 The amount refers to remuneration received as Chairman (€000 150) and member of the Related Party Committee (€000 30) of the subsidiary FiberCop S.p.A.
- 17 **Francesco Fallacara – Chairman**
 col. 1 This amount refers to the remuneration received as Chairman of the Board of Statutory Auditors.
 col. 5 The figure pertains to the compensation earned in the role of Chairman of the Board of Statutory Auditors at the subsidiary Tim Retail S.r.l., covering the period from January 1 to December 31, 2023. This is in addition to the remuneration accrued as a Permanent Auditor at TI Sparkle S.p.A., from June 23 to December 31, 2023.
- 18 **Rocco Angelo Bonisconi – Standing Auditor**
 col. 1 This amount refers to the remuneration received as Standing Auditor.
- 19 **Francesca di Donato – Standing Auditor**
 col. 1 This amount refers to the remuneration received as Standing Auditor.
 col. 5 The amount refers to remuneration received as Chairwoman of the Board of Statutory Auditors in the subsidiary Telsy S.p.A. for the period 01/01 – 12/31/2023 – (€/000 12) and as Standing Auditor in the subsidiary Noovle S.p.A. for the same period (€/000 12).
- 20 **Anna Doro – Standing Auditor**
 col. 1 This amount refers to the remuneration received as Standing Auditor.
 col. 5 This amount refers to the compensation received as member of the Supervisory Body of TIM S.p.A.
- 21 **Massimo Gambini – Standing Auditor**
 col. 1 This amount refers to the remuneration received as Standing Auditor.

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

The table below presents the Long-Term Incentive Plans, detailing the aggregate number of shares granted or assignable to Key Managers with Strategic Responsibilities. This includes all individuals who occupied the aforementioned roles during the year, even if only for part of the year. The Chief Executive Officer and General Manager has not been assigned any share-based Long-Term Incentive Plans.

In particular:

- The column “Financial instruments granted in previous years and not vested during the year” shows the number of shares granted in previous years and not vested during the year, with an indication of the vesting period.
- The column titled “Financial instruments granted during the year” displays the quantity of shares allocated within the year, detailing their fair value at the time of issuance, the vesting schedule, the date of issuance, and the market price at the time of the grant.
- The column titled “Financial instruments vested during the year and not assigned” displays the number of shares, if any, for which the vesting period concluded within the year but were not allocated to the beneficiary because the conditions required for the assignment of the instrument were not met.
- The column titled “Financial instruments vested during the year and assignable” displays both the number and the value of shares granted and vested within the year that are assignable, contingent upon the performance conditions set for the vesting period. This is in accordance with the pro-rata provision stipulated by the Plan Rules. Should performance data be unavailable at the time the Report is approved, the table will present estimated actions corresponding to the target level for performance that is not yet accessible as of the Report's publication date.
- the column “Financial instruments attributable to the year” shows the fair value of the shares allocated, still outstanding, for the portion attributable to the year only.

DATE 12/31/2023

			Strumenti finanziari attribuiti negli esercizi precedenti non vested nel corso dell'esercizio		Strumenti finanziari attribuiti nel corso dell'esercizio				Strumenti finanziari vested nel corso dell'esercizio e non attribuiti	Strumenti finanziari vested nel corso dell'esercizio e attribuibili		Strumenti finanziari di competenza dell'esercizio	
Nome e Cognome	Carica	Piano	Numero Azioni	Periodo di vesting	Numero Azioni	Fair value alla data di attribuzione	Periodo di vesting	Data di attribuzione	Prezzo di mercato all'attribuzione (euro)	Numero Azioni	Numero Azioni	Valore alla data di maturazione	Fair value
Dirigenti con responsabilità strategiche (nelle società che redige il bilancio)	Long Term Incentive 2021-2023	Non sono presenti azioni precedentemente assegnate per le quali il periodo di vesting risulta concluso prima del 2023											
		6.534.265 ⁽¹⁾ 2.108.480 ⁽²⁾ 1.661.939 664.776											
Totale										6.534.265	2.108.480	1.661.939	
Dirigenti con responsabilità strategiche (nelle società controllate e collegate)	Long Term Incentive 2021-2023 Grant 2022	226.751 ⁽³⁾	3 anni								112.223 ⁽⁴⁾	RS 13,47 (26/04/2023)	RS 1.621.146
	Long Term Incentive 2021-2023 Grant 2023			323.969	RS 4.083.333,52	3 anni	31/07/2023	RS 12,6041					RS 1.115.274
Totale		226.751		323.969						6.534.265	2.108.480	1.661.939	
Totale complessivo		226.751		323.969						6.534.265	2.108.480	1.661.939	

(1) Performance Shares with target forfeited due to non-achievement of the Gate condition of the 2021-2023 LTI Plan.

(2) Attraction Shares have accrued and are attributable to ongoing employment with TIM, as well as to the attainment of a bonus/malus factor associated with two ESG objectives: the percentage growth in renewable energy and the increase in female management presence.

(3) Of the 226,751 shares granted in 2022, 75,583 became vested during the financial year 2023 and 151,168 will become exercisable during the years 2024 and 2025.

(4) Of the total of 112,223 shares transferred, 75,583 correspond to the original volume that became vested, 31,716 additional shares are due to achievement of the performance level and 4,924 to dividends paid in additional shares.

TABLE 3B: MONETARY INCENTIVE PLANS FOR MEMBERS OF THE MANAGEMENT BODY, FOR THE GENERAL MANAGER AND FOR KEY MANAGERS WITH STRATEGIC RESPONSIBILITIES

The table below presents the variable monetary incentives planned for the Chief Executive Officer and General Manager, as well as, collectively, for other Key Managers with Strategic Responsibilities (encompassing all individuals who, at any point during the year, occupied the aforementioned roles, even if only for part of the year).

In 2023, only disbursement bonuses and no deferred bonuses were planned. The Short-Term Variable Incentive accrued over the course of the year is recorded based on the achievement of the objectives set for the financial year. Should the performance result be unavailable on the date the Report is approved, the table will display the estimated incentives accrued, assuming the unachieved performance is at the target level.

The column “Other Bonuses” shows bonuses pertaining to the financial year that are not explicitly included in the other items. For 2023, these are exclusively bonuses linked to recruitment commitments.

The sum of the figures in the “Payable” column under “Annual Bonus” and the “Other Bonuses” column matches the figures in the “Bonuses and Other Incentives” column of Table 1.

(in thousands of euros)

A	B	1	2			3			4
Name and surname	Position	Plan	Bonus for the year			Bonus for previous years			Other Bonuses
			(a)	(b)	(c)	(a)	(b)	(c)	
			Payable/ Paid	Deferred	Deferral period	No longer payable	Payable/ Paid	Still Deferred	
	Pietro Labriola Chief Executive Officer and General Manager	MBO 2023 BoD Resolution 08/02/2023	1,512						
Key Managers with Strategic Responsibilities									
Remuneration in the company drawing up the financial statements		MBO 2023 08/03/2023	2,884						
									500 (1)
Remuneration in subsidiaries and associates		MBO 2023 06/12/2023	717 (2)						
TOTAL			5,113						500

(1) Bonuses linked to recruitment commitments.

(2) The sum pertains to the amount acknowledged for the MBO (pre-closing March 8, 2024), converted into euros at the exchange rate at 03/07/2024 (Real/€ 5.4).

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

The table below shows the shareholdings held by all the individuals who during the financial year 2023, or a part thereof, held the position of member of the Board of Directors, of member of the Board of Statutory Auditors, General Manager or Executive 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 previous financial year (or on the date of appointment)	Number of shares bought during the financial year	Number of shares sold during the financial year	Number of shares owned at the end of the financial year (or on the date of termination of office if earlier)
Board of Directors							
Salvatore Rossi	Chairman	=	=	=	=	=	=
Pietro Labriola	CEO	TIM S.p.A.	Ordinary	1,770,000	200,000	=	1,970,000
	General Manager	TIM S.A.	Ordinary*	1.604.210**	=	=	1,604,210
Paolo Boccardelli	Director	=	=	=	=	=	=
Paola Bonomo	Director	=	=	=	=	=	=
Paola Camagni	Director	=	=	=	=	=	=
Maurizio Carli	Director	TIM S.p.A.	Ordinary	252,525	=	=	252,525
Arnaud Roy de Puyfontaine ⁽¹⁾	Director	=	=	=	=	=	=
Cristiana Falcone	Director	TIM S.p.A.	Ordinary	62,500	=	=	62,500
Federico Ferro Luzzi	Director	=	=	=	=	=	=
Giulio Gallazzi	Director	=	=	=	=	=	=
Giovanni Gorno Tempini	Director	=	=	=	=	=	=
Marella Moretti	Director	=	=	=	=	=	=
Alessandro Pansa	Director	=	=	=	=	=	=
Ilaria Romagnoli	Director	=	=	=	=	=	=
Paola Sapienza	Director	=	=	=	=	=	=
Massimo Sarmi	Director	TIM S.p.A.	Ordinary	1,815	=	=	1,815
Board of Statutory Auditors							
Francesco Fallacara	Chairman	=	=	=	=	=	=
Angelo Rocco Bonisconi	Standing Auditor	=	=	=	=	=	=
Francesca di Donato	Standing Auditor	=	=	=	=	=	=
Anna Doro	Standing Auditor	=	=	=	=	=	=
Massimo Gambini	Standing Auditor	=	=	=	=	=	=
Key Managers with Strategic Responsibilities							
12		TIM S.p.A.	Ordinary	1,763,409	2,328,146	941,253	3.150.302***
			Savings	1.650****	=	1,650***	=
		TIM S.A.	Ordinary*	167,151	445,216	457,151	155.290*****

* Shares listed on the NYSE and BOVESPA markets.

** Shares obtained through the conversion of stock options received from the company TIM S.A.

*** Of which 7,153 held by spouse not legally separated

**** held by spouse not legally separated

***** of which 74 held by spouses who are not legally separated

(1) Director resigned and is no longer on the Board of Directors at the date of publication of this report

APPENDIX – TABLE OF REMUNERATION PLANS

REMUNERATION PLANS BASED ON FINANCIAL INSTRUMENTS

TABLE NO.1 OF CHART 7 OF APPENDIX 3A OF THE REGULATIONS NO.11971/1999

With reference to the 2022-2024 SOP Plan approved by the Ordinary Shareholders' Meeting on April 7, 2022, under the conditions and purposes illustrated in the Information Document available on the website, the following table shows the details of the 2022 allocation of the Plan.

SOP 2022-2024

Date: 12/31/2023

Name or category	Position	FRAMEWORK 2						
		Stock Option						
		Section 1						
		Options relating to currently valid plans, approved on the basis of previous resolutions of the Shareholders' Meeting						
		Date of resolution by the Shareholders' Meeting	Description instrument	Number of options	Allocation date	Strike price	Market price of underlying shares on date of allocation	Period of the possible exercise
Pietro Labriola	CEO and General Manager	04/07/2022	Stock options	24,000,000	05/10/2022	€ 0.424	€ 0.260	2025/2027
Key Managers with Strategic Responsibilities		04/07/2022	Stock options	62,500,000	05/10/2022	€ 0.424	€ 0.260	2025/2027