



KEY ASPECTS ON TIM PEOPLE DEVELOPMENT PLANS

We believe in the value of our people and in the wealth of experience and skills that represent a unique competitive lever for our company.

This is why we focus special attention on performance management and development, defining and implementing plans dedicated to the growth of TIM people and carrying out development initiatives.

Management by objectives (MBO). Evaluation process for managers in the MBO process that takes place on an annual basis. The objectives, which are precise and measurable, are defined annually together with the relevant managers.

Some objectives are defined using **team-based performance appraisal** method and then later broken down for individual appraisals.

Multidimensional performance appraisal. Employees are assessed annually on the basis of the TIM competency model. This is a five-stage process (assignment of objectives, mid-year review, choice of assessors, evaluation, feedback) that also includes an assessment of how well the employee meets the values and objectives of the department or company. The employee can receive feedback from peers, direct reports and other employees to provide a '360 degree' view of performance. Every two years, an extensive campaign called the 'Work Drivers Map' is also usually carried out to measure the motivation and employability of all people. For specific job families, Skill Assessment campaigns are also carried out at variable intervals to measure transversal and technical skills. Finally, potential assessments are carried out for resources undergoing succession plans or role changes.

Team-based performance appraisal In some areas, the assessment of individual performance is based primarily on the objectives and results achieved by the entire group and aims to assess individual performance by considering the wider context of teamwork.

Agile conversations. Agile performance management is an unstructured approach to managing employee performance and development throughout the year, rather than on an annual or biannual basis. It is a collaborative approach, involving regular conversations and continuous feedback. Agile performance management does not focus solely on the destination (e.g. an outcome or an annual performance appraisal), but rather focuses on the process of achieving that goal, which involves the regular review of targets and barriers to effective performance. TIM started testing continuous feedback on a pilot population in 2022, and continued into 2023, expanding the affected business population.

Job rotation. Job rotation was also of significant importance in our TIM development paths in 2023. In the year with the program "Enhance Skill & Insourcing" more than 3,000 job rotation occurred, involving about 8.5% (FTE) of the company population, and with an increase of about 1,000 compared to '22. The main target trades were those of Network, also in the perspective of rightsizing between SERVCO and NETCO. The final balance also includes almost 200 passages from/to the TIM Group Subsidiaries.

Part of the job rotation has fed the insourcing project, with the objective to internalize activities previously entrusted to the outside and considered strategic for the company. Over 450 employees

have had the opportunity to acquire new skills and knowledge through training courses, also based on training on the job. The program has made employees fully operational in their new functions and improved the operational efficiency of the functions involved, resulting in a decrease in external costs. The total saving is estimated at 20M of EUR at full capacity, once the training courses have ended, which for a part of the resources have extended to 1H 2024.

In addition to the insourcing projects, the job rotation has also strengthened business processes and met additional needs determined by early retirement or other exits from the company.

Development programmes. We defined a '**Youth Development Programme**', dedicated to the under-37s (about 2,600 people TIM Domestic, which is the 7% (FTE) of company population) to enable them to participate and express their ideational and generative potential to develop their career path. The plan includes a highly educational path and mentoring initiatives, aimed at enhancing their leadership and soft skills.

In general, the programme leads to the empowerment of the participants' skills, leading to a competitive advantage for the company in the market, and is linked to broader business benefits in terms of engagement, motivation and a sense of belonging of the resource to the company, as shown by the result of the engagement survey that in 2023 recorded + 9pp on the target segment compared to the population average.

The increased motivation and sense of belonging of the young target translates into higher performance and productivity, generating a virtuous circle of growth and success for the business.