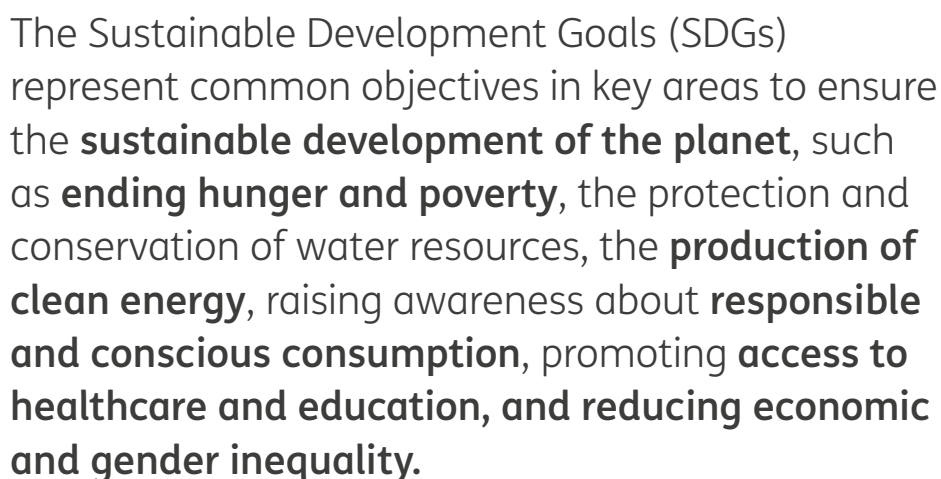


SUSTAINABLE DEVELOPMENT GOALS AND THE MATERIAL ISSUES OF TIM

On 25 September 2015, in New York, the government leaders of the 193 UN Member States approved the “Transforming our world: the 2030 Agenda for Sustainable Development” resolution, a policy document that identifies 17 global objectives (Sustainable Development Goals), broken down into 169 detailed targets to be achieved by 2030.



The Sustainable Development Goals (SDGs) represent common objectives in key areas to ensure the **sustainable development of the planet**, such as **ending hunger and poverty**, the protection and conservation of water resources, the **production of clean energy**, raising awareness about **responsible and conscious consumption**, promoting **access to healthcare and education**, and **reducing economic and gender inequality**.

“Common objectives” means that all the countries and all individuals are called on to contribute, joining forces with a view to collaboration and partnership. Companies are therefore asked to play an active role; with their resources and skills they can have a fundamental impact on the achievement of the global objectives.

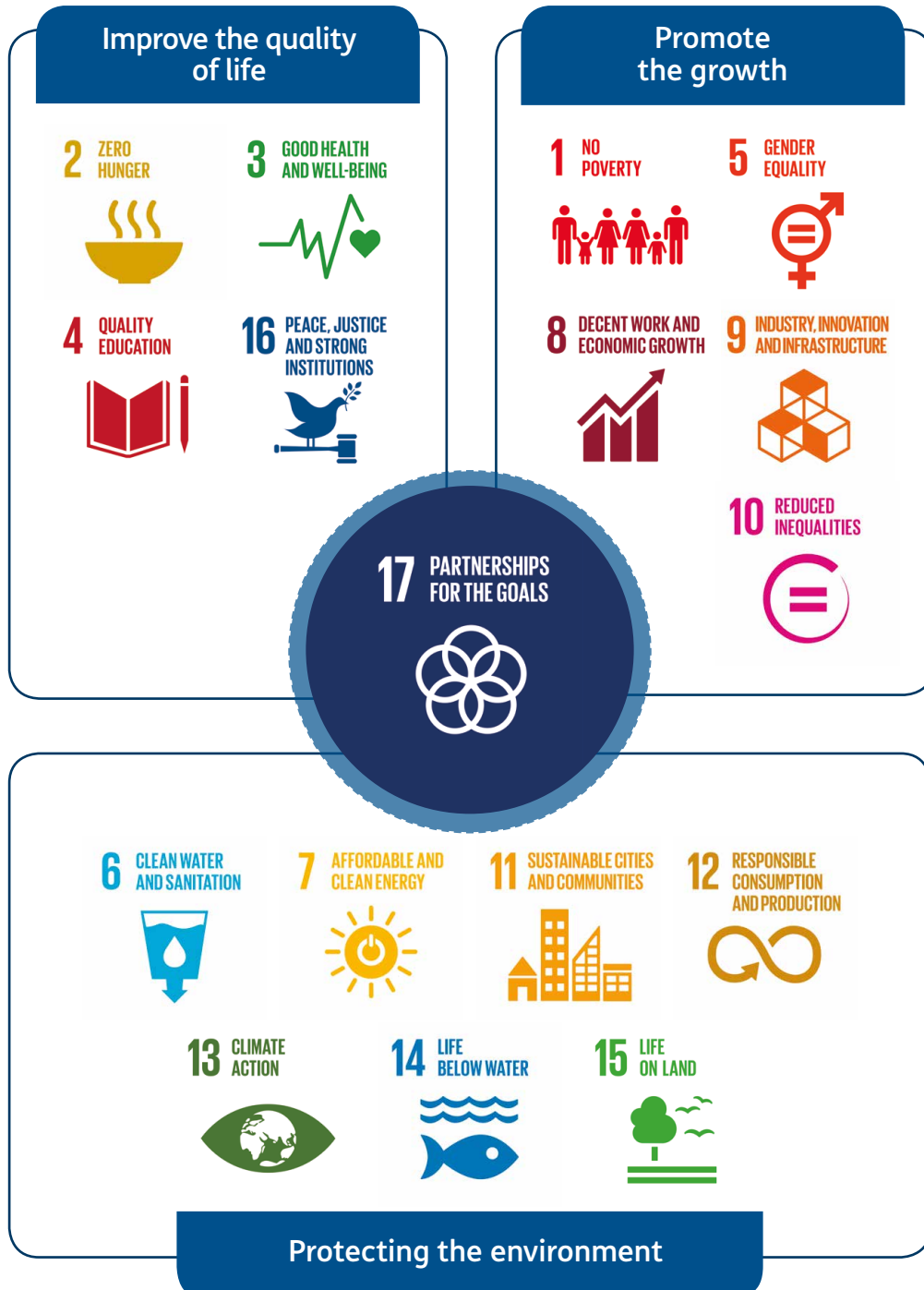
The 2030 Agenda for sustainable development recognizes that “the dissemination of information and communication technologies and global interconnections have great potential to speed up the progress, to overcome the ‘digital divide’ and to develop a knowledge society.” This is what emerged from the “#SystemTransformation” study published in 2016 by Global e-Sustainability Initiative (GeSI) in partnership with Accenture.

The analysis revealed that at global level all the countries have significant gaps in the achievement of the SDGs and the progress obtained with the current business models will not allow the world to achieve them in the 15 years envisaged. Urgent changes are required, with exponential development rates and people-centred development.

This is why the ICT sector and digital solutions are critical: the rate of the dissemination and penetration of digital solutions is up to 23 times faster than traditional approaches.

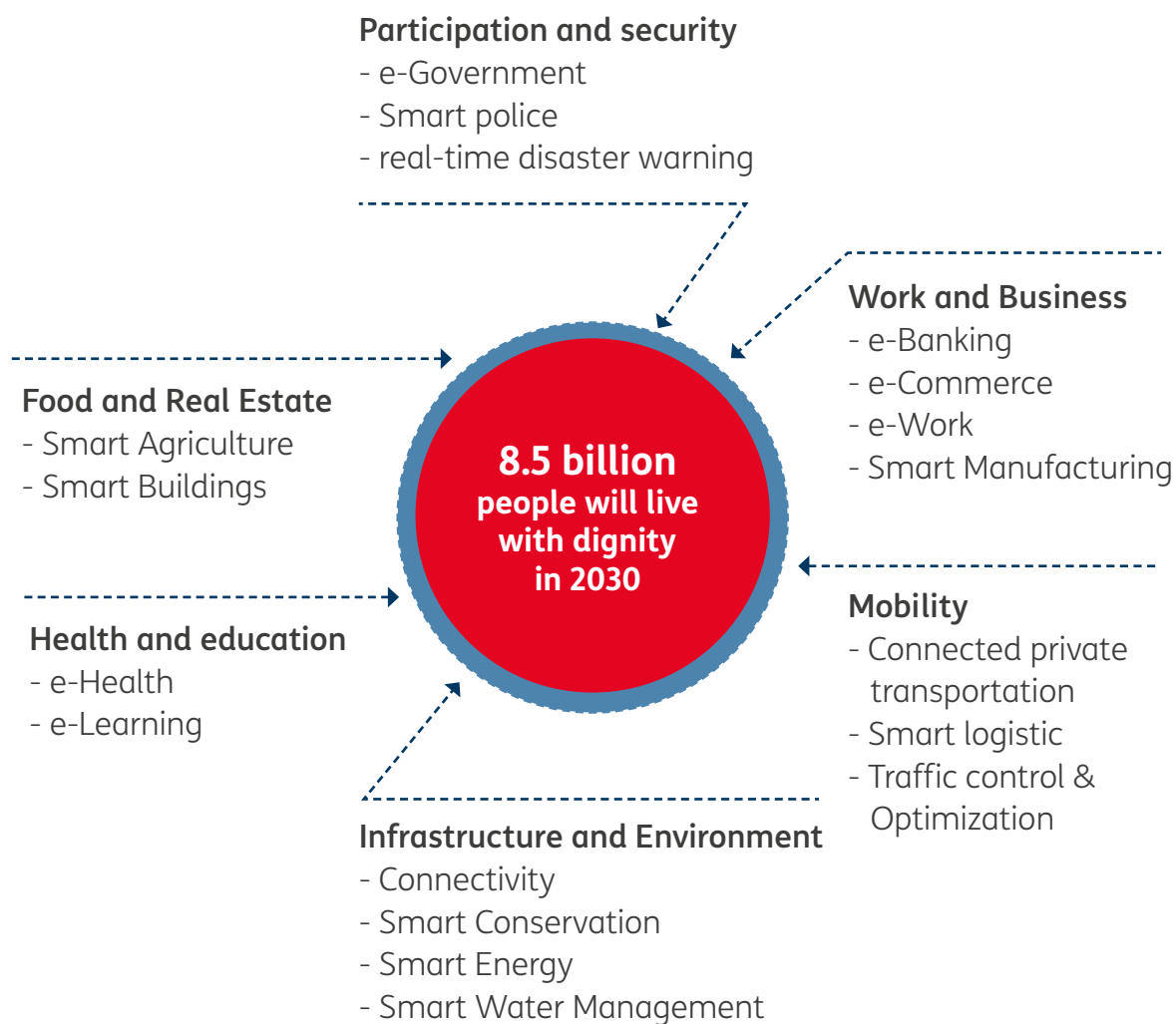
The research has in fact shown that digital solutions can have a measurable positive impact, both directly and indirectly, in all three dimensions of the development covered by the SDGs, among which there is strong correlation: improve people’s quality of life, promote equitable growth and protect the environment.

DEVELOPMENT DIMENSIONS AND SDGs



The study has highlighted that the ICT sector is capable of contributing to the achievement of all 17 SDGs and more than half of the 169 detailed targets, and that only in partnership with institutions and other sectors of the economy can the potential detected be fully achieved.

SOME DIGITAL SOLUTIONS USEFUL FOR THE ACHIEVEMENT OF SDGs



TIM, aware of the ICT sector's role in the achievement of the goals set for 2030, has responded to the 'call to action' launched by the United Nations. In 2016, the Corporate Shared Value department began an analysis of the contribution the Company can make in the achievement of the sustainable development goals.

Following this analysis, the material issues for the Company and the stakeholders of reference were redefined, based on the most important SDGs for TIM.

As a result, the Group's materiality matrix, in addition to highlighting TIM's priority areas of commitment, also reflects the SDGs to which the Company believes it can make the biggest contribution.

Specifically, the important Goals for TIM are:

- n.4: Education and quality
- n.5: Gender equality
- n.8: Decent work and economic growth
- n.9: Industry, innovation and infrastructure
- n.11: Sustainable cities and communities
- n.12: Responsible consumption and production
- n.16: Peace, Justice and strong Institutions

in addition to no. 3 "Good health" for positive impacts of e-health solutions and no. 13 "Combat climate change and its impacts", for the inevitability and importance of the topic at global level.

On the basis of this evidence, TIM has launched a series of initiatives concentrated on the creation of shared value, focusing on three strategic areas of intervention identified as priorities as part of its Corporate Shared Value model: Social Innovation, Environmental Protection and the Digital Culture. Through these projects TIM creates shared value among the Company and its stakeholders and makes a solid contribution to the achievement of the reference SDGs.

In the infographic below, the 22 projects that create shared value can be attributed to SDGs that are important for the Group. A description of the individual projects is given in the corresponding chapters.



SDGs objectives	TIM's commitment	Projects	strategic area
3 GOOD HEALTH AND WELL-BEING 	TIM, together with external partners and research activities, such as JOL WHITE, offers innovative e-health solutions (e.g. Nuvola IT Home Doctor, Cassiel 2.0) designed to improve the Italian health service and the effectiveness of healthcare.	<ul style="list-style-type: none"> Digital healthcare Digital Security - NUE Solution 	
4 QUALITY EDUCATION 	TIM promotes various digital literacy and inclusion initiatives in schools supporting innovation in education, an important lever for the social and technological development of the country. The two-year project "Using ICT in schools, with TIM" in collaboration with the Ministry of Education (MIUR) involves teachers from schools of all types and levels in 18 Italian regions.	<ul style="list-style-type: none"> TIM College Partnerships with the world of education and academia Programme the Future TIM ACADEMY Using ICT in schools, with TIM 	
5 GENDER EQUALITY 	TIM believes that economic and social sustainability is based on actions that promote gender inclusiveness and as such it has set up 20 company daycare centres and 1 nursery school for a social value of over 1.3 million euros ; #TIMgirlsHackathon to help bridge the gender gap under the scope of scientific culture, for a social value of 260,000 euros .	<ul style="list-style-type: none"> TIMGIRSLHACKATHON Nurseries 	
8 DECENT WORK AND ECONOMIC GROWTH 	TIM contributes to producing approximately 1% of the added value of Italian GDP with an employment impact of around 106,000 direct and indirect jobs, with a social value of 8,311 million euros. TIM supports economic growth through TIM #WCAP Accelerator with more than 9,000 projects involved in digital innovation and 294 start-ups supported, and through TIM Venture with 2.4 million euros invested in the best start-ups which have produced 2.5 million euros in turnover and collected 7 million euros in risk capital .	<ul style="list-style-type: none"> Employment impact TIM #Wcap and TIM Ventures 	
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Through the Digitisation of the Country , in 2016 TIM generated approximately 4.1 billion euros in Business Value and almost 2.8 billion euros of social value , with over 26,000 jobs provided thanks to the construction and deployment of the UltraBB network. With the JOLs it creates a profitable collaborative model of Open Innovation between universities and industry generating almost 700,000 euros of Social Value.	<ul style="list-style-type: none"> Digitisation of the Country Patents JOL WithYouWeDo 	
11 SUSTAINABLE CITIES AND COMMUNITIES 	TIM integrates the fixed and mobile BB and UBB connectivity offer with innovative solutions for more sustainable, secure and efficient cities and communities, ensuring business continuity in emergencies. With smartworking TIM has involved 9,000 employees with a saving of 250,000 euros for social costs avoided, 7.5 million km not travelled (amounting to 1,000 Tons of emissions saved).	<ul style="list-style-type: none"> SMARTWORKING (TIM people) Smart Services Infomobility and Smart Cities 	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Through energy efficiency TIM reduces its environmental impacts and proposes technological solutions to optimize consumption by private entities, businesses and the PA. In 2016, 80 million euros of shared value were measured for the environment.	<ul style="list-style-type: none"> Energy efficiency 	
13 CLIMATE ACTION 	GeSI studies demonstrate that ICT solutions can reduce global emissions by 20% by 2030. With the Digital Life Programme , a set of solutions for security, the environment and optimal energy management, TIM promotes a low environmental impact Smart City model, enabling energy savings of over 50%.	<ul style="list-style-type: none"> TIM's Digital Life Programme Olivetti solutions 	
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Through the Joint Audit Cooperation (JAC) initiative, of which TIM has been a promoter partner since 2009, 69 audits were performed in 2016 in the manufacturing sites of suppliers and sub-contractors in Asia, Central and South America, North Africa and Eastern Europe to verify the level of sustainability and respect for human rights.	<ul style="list-style-type: none"> www.jac-initiative.com 	