

2021 ESG REPORT



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Message from the CEO

GRI 102-14

Assuming the position of CEO of TIM in Brazil is a source of great pride. My relationship with the company goes back many years and I actively participated in the journey that consolidated the company as a leading player in telecommunications in the country. In this journey, the ESG theme played a fundamental role. And it will be even more essential in the continuity of this path for TIM to be the best company in the sector.

In 2021, we are still living with the impacts and uncertainties arising from the Covid-19 pandemic. Despite the challenging scenario, we maintained a robust trajectory of growth and achievements, including in our ESG Plan, with unprecedented actions and recognition.

For the first time, TIM was included in the Sustainability Yearbook (2022), the yearbook prepared by S&P Global, responsible for the Dow Jones Sustainability Index (DJSI), which presents the world's leading sustainability companies and is considered a reference for investors.

Aware of our role in the scenario of combating climate change, we remain firm with the objective of making TIM a carbon neutral company by 2030. In 2021, we assumed a commitment, along with the TIM Group, with the Science Based Target initiative (SBTi), to establish Greenhouse Gas (GHG) reduction targets in line with the ambition of the Paris Agreement and defined by scientific method. Among the results

already achieved in 2021, the reduction of direct and indirect GHG emissions by 94%, compared to 2019, stands out.

In the Social pillar, in addition to the actions of Instituto TIM, we work continuously to strengthen diversity and inclusion in the corporate strategy. Several internal and external initiatives - such as the Positive Women project, which already has more than 50 partner companies - combined with voluntary commitments made on this front, contributed to TIM becoming the first and only Brazilian operator to integrate the Refinitiv Diversity & Inclusion Index, with world leadership among all companies in the sector. We also entered the Bloomberg Gender Equality Index, which brings together more than 400 global companies.

TIM leads the 4G coverage that reached 85% of Brazil and, by 2023, will be in all municipalities, also being a reference in quality, as we were elected as the operator that offers the best video and video-calling experience. We are protagonists in the consolidation of the sector through the acquisition of Oi Móvel, an operation approved a few months ago by the regulatory and antitrust authorities, which will bring even more benefits to all telephony customers in the country. The 5G Auction established us as one of the winners of this important milestone for the economy and society. We are ready to drive the positive revolution of new technology.

Our maturity in the ESG agenda and solid operational and financial performance allowed us to complete, in June 2021, the first issuance of debentures linked to ESG objectives and targets in Brazil. The total funding of R\$ 1.6 billion will boost the achievement of strategic objectives with benefits for society and the environment.

It's an important commitment, which could only be

"On the ESG agenda, the year 2021 was marked by the achievement of 100% of energy consumption from renewable sources, by the recognition we obtained from the market in the diversity theme and by our first issuance of debentures linked to social, environmental and governance aspects and criteria."



assumed by the operator that has been listed for the longest time in Novo Mercado and in the Corporate Sustainability Index, both of B3, and which is also included in the list of Pro-Ethics Companies of the Comptroller General's Office (CGU). As signatories of the UN Global Compact, since 2008, we have reinforced our commitment to contribute to the achievement of the Sustainable Development Goals (SDGs), in line with the themes that are material to our business.

All our actions, achievements and movements are the result of well-structured projects and challenging goals, as in the case of energy consumption. The distributed generation plan - which ended 2021 with 46 solar, hydro and biogas plants - joins the acquisition of clean energy in the free market and certificates of renewable energy origin (I-RECs). Through these coordinated actions, we reached the goal of 100% renewable energy in our operation.

It's this positive energy that will fuel the years to come. Our TIM team will continue to transform possibilities into reality, strengthening our core business, accelerating growth beyond connectivity, and working to make TIM a reference in the environmental, social and governance agenda.

Alberto Mario Griselli

CEO of TIM Brazil

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ESG Strategy

- ESG Journey at TIM
- ESG 2022-24 Plan
- 2021 ESG Highlights
- Materiality
- Commitments and acknowledgements
- About this report



ESG Journey at TIM

Climate change, diversity, transparency, human rights, ethical conduct. Topics like these are increasingly in evidence in the social debate, but they are not new at TIM. The Company has a long history of integrating aspects now known as ESG – acronym for the Environmental, Social and Governance spheres – into corporate culture and decision-making. TIM's pioneering spirit and leadership in these areas has been publicly recognized

for over a decade. For 14 years, the Company has been part of the B3 Corporate Sustainability Index Portfolio (ISE-B3), being the company in the sector that has been included in the Index for the longest time. In 2022, TIM was considered one of the most sustainable companies in the world by S&P Global ESG, the organization responsible for the Dow Jones Sustainability Index (DJSI). The Company was included in

the **Sustainability Yearbook 2022** for the evolution of its performance in the DJSI submission process, with a growth of 24.2%. TIM was also chosen as one of the most sustainable companies in Latin America in the Latin Trade IndexAmericas Sustainability Award, by the Inter-American Development Bank and the specialized magazine Latin Trade. The recognition was in the Social category for the Company's performance in creating value

Transparency and excellence trajectory



for all of Brazil, through inclusion and diversity actions and Instituto TIM projects.

TIM has become a reference in promoting diversity and inclusion at a national and international level, with goals, commitments, and implementation of various initiatives in the areas of gender, race, LGBTI+ people, generations, people with disabilities, among others. In 2021, the Company became the first Brazilian operator to integrate the Refinitiv

Diversity & Inclusion Index - occupying the 1st position in Telecom globally - and also the first operator to win the GSMA's Diversity in Tech international award, which recognizes worldwide organizations with practices in favor of equality, diversity, and human rights in the technology sector. In early 2022, TIM joined the Bloomberg Gender Equality Index, which brings together 418 companies from 45 countries, only 13 of which are from Brazil.

The experience accumulated along this journey culminated in significant advances in governance, with the creation of the ESG Committee, within the scope of the Board of Directors, in 2020. This instance's main focus of action is to define and monitor TIM's ESG Plan, which covers short, medium, and long-term goals for key corporate sustainability topics and is updated annually.

Another recent evolution is the consolidation of the ESG Indicator System, which enables continuous performance monitoring and contributes to improving the quarterly disclosure of information of this nature. More than 40 areas of the Company participate in the management and collection of more than 500 ESG data, with the involvement of around 200 employees.

Transparency and excellence trajectory



ESG 2022-24 Plan

Pillar	Enablers	Commitments	Goals	2021-23 Plan	2021 Results	
Environmental We want to be green	<ul style="list-style-type: none"> Mitigating GHG emissions, in line with scientific goals (SBTi – Science Based Targets initiative) <i>*new*</i> Increasing the efficiency and use of green energy through Distributed Generation and acquisition in the Free Market Developing cloud data centers to deliver more to our customers with less impact from operations Demobilizing obsolete technologies through innovation and infrastructure sharing Promoting efficient and responsible solid waste management 	Carbon neutral ¹ (tCO ₂ e, scopes 1 and 2)	-100%	2030	-100%	-94%
		Indirect emissions ¹ (tCO ₂ e, scope 2) ↑	0	2025	-70%	-153% ²
		Renewable energy ↑	100%		≥90%	100%
		Eco-efficiency in data traffic ¹ (bit/Joule)	+80%		+80%	+96%
		Solid waste recycling	≥95%	2023	≥95%	98%
Social New features are a key factor in keeping the lead	<ul style="list-style-type: none"> Promoting an inclusive environment, with equal opportunities, valuing talent and caring for the health and integrity of employees Developing digital education to support connectivity demand Keeping Instituto TIM as a reference in education and ST&I (Science, Technology, and Innovation) projects Extending access to 4G connectivity to all municipalities in Brazil 	Engagement (per year)	≥80%	2023	≥80%	83%
		Black employees	≥40%		≥40%	36%
		Women in leadership	≥35%		≥35%	34%
		Employees trained in the ESG culture	≥99%		≥99%	95%
		Employees trained in digital capabilities	+5,000		+5,000	1,861
		4G presence	100%		100%	85%
Governance Efficient mechanisms to fairly balance the interests of all stakeholders	<ul style="list-style-type: none"> Maintaining the recognition of a company with the highest level of commitment to transparency and corporate governance Disseminating ESG principles to high-risk suppliers, developing co-participation in GHG reduction (Scope 3) ↑ Adopting best practices related to compliance, information security, data protection and privacy Driving customer empowerment through digital transformation 	Customer complaints (regulatory body)	-50% ³	2023	-50%	-44%
		ISE, Novo Mercado, and Pro-Ethics	Maintain		Maintain	Maintained
		ISO 14001, ISO 9001 and ISO 37001	Maintain		Maintain	Maintained
		ISO 27001	Obtain		Obtain	-

1. Base year 2019.

2. TIM exceeded the goal of 100% reduction of GHG emissions compared to 2019, reaching the percentage of -153% through distributed generation projects, contracting energy in the free market and the compensation of the portion acquired from the National Interconnected System, with the acquisition of renewable energy certificates.

3. Reduce customer complaints at Anatel for personal mobile service by 50% by 2023, compared to 2019, without considering customer complaints from the Oi Móvel base.

new New commitment/enabler

↑ Increment of the 2021-23 goal

2021 ESG Highlights

Environmental

 **100%**
of energy consumption from renewable sources (with purchase of I-RECs)

96% Increase in energy efficiency in data traffic

94% Reduction in Scopes 1 and 2 GHG emissions (carbon neutral target)

 Improved CDP score, with increased performance from B- (2020) to B (2021)

 Adherence to the SBTi initiative, along with the TIM Group, with GHG reduction targets aligned with the ambition of the Paris Agreement and defined by scientific method

Social

83% favorability in the Climate Survey

1,861 employees trained in digital capabilities

REFINITIV®  **1° st** place among Brazilian companies in the Refinitiv Diversity & Inclusion Index 2021, which measures the performance of companies in diversity, inclusion, and career development initiatives (19th place globally)

TOP 100 COMPANY 2021
Diversity and Inclusion Index

 Member of the Bloomberg Gender Equality Index (GEI Bloomberg)

Governance

R\$1.6 billion
raised through the issuance of infrastructure debentures linked to ESG commitments (1st operation in the country's sector classified as sustainability-linked debenture)

44% reduction in customer complaints sent via the regulatory body

14 years
consecutive years in the B3 Corporate Sustainability Index (ISE)

Sustainability Yearbook
Member 2022
S&P Global

Sustainability Yearbook Member 2022, recognition for performance evolution in the CSA questionnaire, by S&P Global, which selects companies to be included in the Dow Jones Sustainability Index

Materiality

TIM's ESG strategy and the content of this report are guided by TIM's materiality matrix. Conducted periodically, on average every two years, the materiality process encompasses the evaluation of references, benchmarking, internal documents and consultations with external stakeholders and Company executives. [GRI 102-46](#)

In 2020 and 2021, due to the Covid-19 pandemic and its reflexes on the demands, expectations and concerns of civil society, TIM promoted, in the last two years, the review of its materiality matrix. In both cycles, audiences were heard through individual interviews with representatives of customers, suppliers, investors, government, and the press appointed by the Company's areas. [GRI 102-42](#) | [102-43](#) | [102-46](#)

In 2021, the review process resulted in the maintenance of material topics with the respective limits and scopes identified in the previous year. The analysis revealed the expectations of stakeholders with the transparent disclosure of the challenges and opportunities associated with the implementation of the 5G network and Oi's integration. These two subjects were incorporated into the existing themes. In the first case, there is a direct relationship with the themes "Investment in infrastructure and network reliability" and "Customer experience and service quality." In the second, the connection is with the themes "Investment in infrastructure and network reliability," "Energy management" and "Waste management in operation and post-consumption." [GRI 102-44](#) | [102-46](#)



Topics identified as priorities in the materiality process GRI 102-47

Material topic	Indicators	Impact limit <small>GRI 103-1</small>				SDG
		TIM	Supply chain	Consumption chain	Post-consumption chain	
Investment in network infrastructure and reliability	GRI 203-1 Own indicators	●	●			9 11 15
Innovation applied to products and services	Own indicators	●	●	●		9
Digital inclusion and access to connectivity	GRI 203-2 Own indicators	●		●		1 9
Customer experience and service quality	GRI 417-1 Own indicators	●	●	●		12 16
Data protection, customer privacy and cybersecurity	GRI 418-1 Own indicators	●	●			16
Business ethics and governance	GRI 205-2, 206-1	●	●	●		16
Employee health, well-being, and management	GRI 401-1, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-10 Own indicators	●	●			4 8
Promotion of diversity and equal opportunities	GRI 405-1, 405-2, 406-1	●	●	●		5 8
Energy management	GRI 302-1, 302-3 Own indicators	●	●			7 13
Waste management in operation and post-consumption	GRI 306-1 306-2 306-4 306-5 Own indicators	●	●	●	●	12
Strategic and responsible supplier management	GRI 308-1, 414-1		●		●	8 12

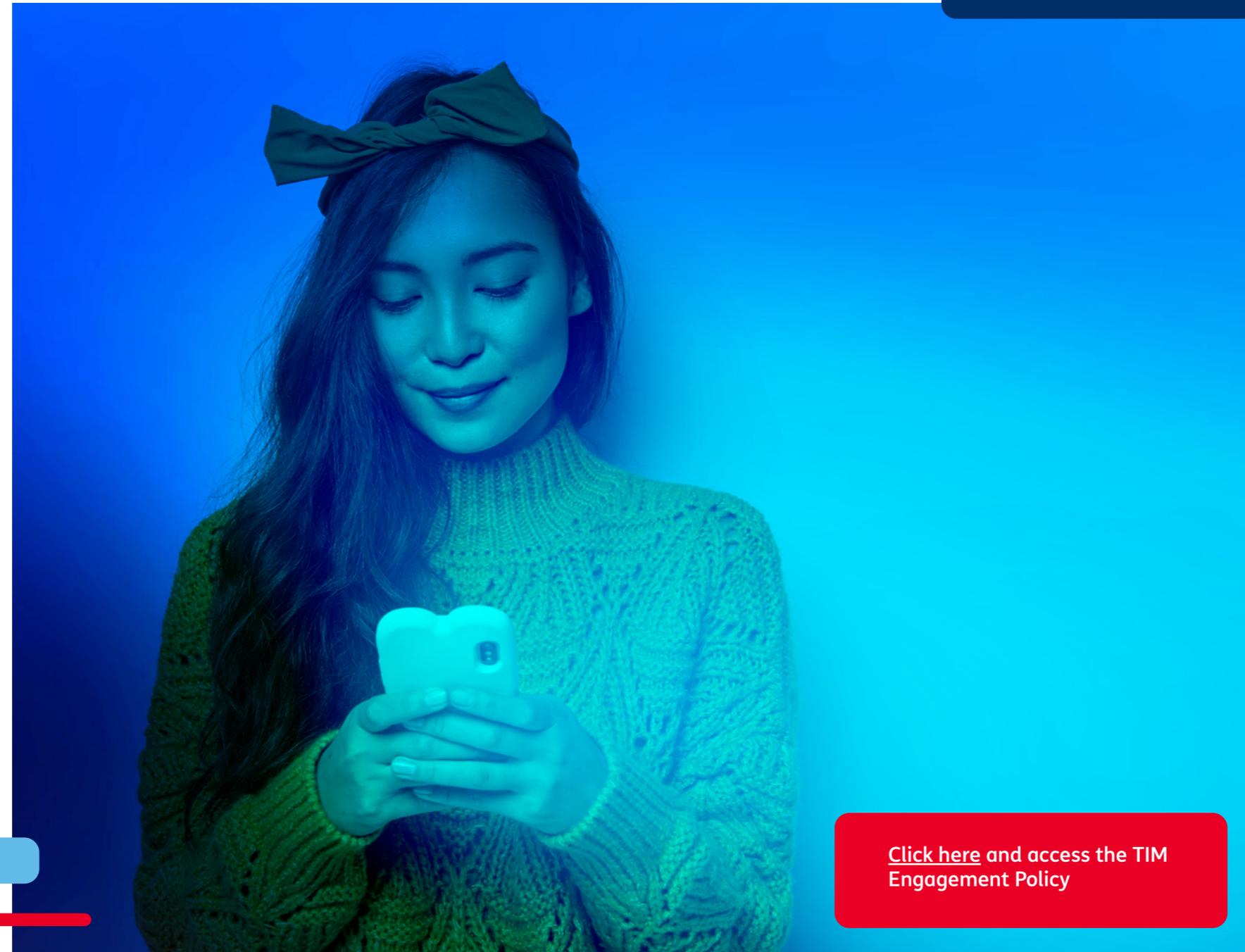
● Direct impact, caused by TIM's operation.

● Indirect impact, resulting from TIM's relationships with its value chain (downstream and upstream).

Stakeholder engagement

GRI 102-42 | 102-43

TIM's stakeholder engagement and relationship actions are guided by its Engagement Policy. This set of principles has, among its main objectives, the promotion of a dialogue culture with the Company's internal and external audiences, the search for the construction of ethical and transparent relationships and the mobilization of strategic stakeholders in the ESG agenda. Discover the main engagement actions for each audience.



[Click here](#) and access the TIM Engagement Policy

TIM's main stakeholders

- Shareholders
- Its own employees
- Local communities
- Competitors
- Customers/consumers
- Suppliers
- Government
- Financial institutions
- Consumer protection and defense bodies
- NGOs
- Regulatory bodies
- Service providers
- Unions
- Society as a whole
- Startups

GRI 102-40

Engagement actions

Employees

- Management Meeting with the main leaders to facilitate the deployment of strategic objectives and strengthen the face-to-face communication culture
- Periodic meetings of managers to talk about people management topics
- Strengthening the culture of innovation, accountability, collaboration, and sustainability
- Communication actions, training, workshops, and conversation circles that promote reflections on important topics for the business
- Performance evaluation, career plans and succession
- Intranet and active corporate social network with content of interest to employees, combined with the use of digital systems and tools on a daily basis
- Endbranding and endomarketing actions to align employees with brand positioning and new offers and services
- Organizational Climate Research

Government GRI 102-44

- Monitoring the agenda of strategic public and regulatory policies for the telecommunications sector, changes in legislation and enactment of new laws
- Participation in discussions on strategic topics, such as the implementation of 5G, the feasibility of telecommunications infrastructure, greater access to connectivity, regulation of the use of new technologies (IoT) and energy efficiency. These are debates that demand the effective participation of governmental and regulatory entities, operators in the sector and, in some cases, actors from other value chains, such as financial institutions and players in the electricity sector

Financial assistance received from the government (R\$ thousand) <small>GRI 201-4</small>	2019	2020	2021
Reduction of taxes and fees	194,161	169,540	176,741
Investment, research and development grants and other relevant types of grants	21,572	17,427	13,548
Total	215,733	186,967	190,289

Shareholders and investors

- Disclosure of quarterly results and notices to the market and holding of events
- Availability of the “Fale com RI” channel for requesting information and sharing suggestions addressed to the Board of Directors
- Publication of information to investors and analysts through disclosure on the Investor Relations website, sending the Investor Relations mailing by registering on the website and requesting information and clarifying doubts through the e-mail ri@timbrasil.com.br

Customers

- Service multichannels: Meu TIM application; Virtual assistant; Social media; Whatsapp; Online chat; Call center; 144* and 1056* Services; Meu TIM website
- Ombudsman: second instance channel for complaints and requests
- Specialized service for the hearing impaired
- User Council with the participation of customers and representatives of consumer protection entities
- Satisfaction Surveys

Suppliers

- Engagement in good practices related to ethics and social and environmental aspects, via the procurement process, due diligence and socio-environmental questionnaires, promotion of workshops and training and awareness campaigns

Commitments and acknowledgements

GRI 102-12 | 103-3

Topics such as human rights, diversity, sustainable development, and good governance practices are some of the cornerstones for the contemporary transformations of society. TIM incorporates these themes in the development of its strategy and operations, sharing advances and experiences to drive improvement and continuous enhancement in a broad way in the business context. Engagement in forums and entities is essential for this exchange of practices, and the recognition obtained publicly contributes to strengthening the corporate reputation.

SDGs Global Compact

A signatory to the United Nations (UN) Global Compact since 2008, the Company adopts the SDGs as a guideline for formulating integrated strategies

FGVces Business Initiatives

For more than a decade, TIM has been part of the Entrepreneurial Initiatives network coordinated by the Center for Sustainability Studies of Fundação Getulio Vargas (FGVces), a center for the production of knowledge aimed at exchanging experiences and encouraging the advancement of the sustainability agenda in companies

B3 Corporate Sustainability Index (ISE)

Present for 14 consecutive years in the index, which brings together Brazilian companies with the best corporate sustainability practices, reflects the Company's maturity and pursuit of continuous advancement

S&P/B3 Brazil ESG

TIM is a member, for the second year, in the B3 index created in 2020 and which measures the performance of securities that meet sustainability criteria, weighted by S&P DJI ESG scores

Morgan Stanley Capital International (MSCI) Environmental, Social and Governance Research (ESG)

Integrates index portfolios linked to the MSCI ESG Leaders Index, which carries out governance assessments and analyzes of social and environmental indexes of more than 6,000 publicly traded companies worldwide

FTSE4Good

The Company is part of the FTSE4Good Index Series (Emerging Markets Index, Latin America Index)

Teva ESG Women in Leadership Index ®

TIM recognized among the B3 companies with the highest proportion of women on the Board of Directors and Committees

Refinitiv D&I Index

After evaluating more than 11,000 companies in terms of diversity and inclusion, TIM ranks 19th globally and 1st nationally in the Refinitiv D&I Index, being the only Brazilian company in the index that assesses diverse and inclusive work environments

Bloomberg's Gender Equality Index (GEI)

TIM is one of the 13 Brazilian companies included in the portfolio composed of companies committed to internal policies of inclusion and gender equity

Top Employers Award

TIM has consolidated itself as one of the companies with the best HR practices. The certification is the result of an independent audit by the Top Employer Institute, with 30 years of experience in 120 countries

CDP

TIM voluntarily responds to the Carbon Disclosure Project (CDP) and is part of the CDPR Climate Resilience Index, created by the entity

GHG Protocol

Since 2010, TIM has published its GHG emissions inventory in the Brazilian GHG Protocol Program

Anatel Telecommunications Accessibility Award 2021

First operator to receive the award and once again recognized in 2021 in the first place of the ranking that recognizes companies that provide accessible physical and virtual environments for people with disabilities or that encourage, disseminate, and ensure accessibility rights

Pro-Ethical Company

For the second consecutive time, TIM integrates the list of Pro-Ethics Companies of the Comptroller General of the Union (CGU), an initiative that promotes a more honest, ethical, and transparent corporate environment. The operator is the only Telecom company in the country to achieve this recognition

Open Signal

The independent and global institution, which analyzes experiences in mobile networks, recognized TIM in 2021 with the "Best Video Experience" and highest "4G Availability" awards

Customer S/A Award

TIM won gold in the award for best practices in customer culture management, competing with other companies throughout Latin America

ICO2

The Company is part of B3's Carbon Efficient Index (ICO2), which brings together companies committed to transparently reporting their GHG emissions

GSMA

The Company's efforts were recognized with GSMA's 2021 Diversity in Tech Award, a group that brings together telecom companies from around the world and honors organizations that defend and promote equality, diversity, and human rights in the technology sector

Novo Mercado

Since 2011, TIM has been part of Novo Mercado, the level with B3's highest corporate governance requirements

Participation in the main external organizations GRI 102-13

Diversity: commitments made in 2021

- Women's Empowerment Principles (WEP) by UN Women
- Business Coalition for Racial and Gender Equity
- Business and LGBTI+ Rights Forum
- Generations and Future of Work Forum
- Business Network for Social Inclusion (REIS)
- Business Coalition to End Violence Against Women and Girls
- WoB (Women on Board)

Entity	Purpose	TIM's Role
National Union of Telephone and Cellular and Personal Service Companies (Conexis Brasil Digital)	The organization, with no economic purpose, institutionally represents the fixed and mobile service providers authorized by the National Telecommunications Agency (Anatel) to operate in Brazil	Integrates the Board
Brazilian Telecommunications Association (Telebrasil)	Civil, private, and non-economic entity that represents and works for the development of operators and suppliers of products in the communications and information sector	Integrates the Board of Directors
GSM Association (GSMA)	Organization that globally and institutionally represents mobile telephony providers and contributes to the development of technology in the mobile communication industry in the world	Associate
Brazilian Association of Telecommunications Resources (ABR Telecom)	The organization's mission is to promote, operate and manage integrated technical solutions among its associates for the provision of telecommunications services and compliance with regulatory obligations	Integrates the Board of Directors
ConectarAGRO	The association aims to promote connectivity in the countryside, in an accessible way to rural producers from all over Brazil, to leverage agribusiness	Integrates the Board of Directors
Brasscom	The organization institutionally represents the Information and Communication Technology (ICT) sector before the government with the aim of proposing public policies that promote market growth	Associate

About this report

TIM's 2021 ESG Report gathers the Company's practices and performance over the period from January 1st to December 31st, 2021 in the Environmental, Social and Governance pillars. This is the second year that the publication has adopted the ESG vision in its structure. Published annually since 2004, TIM's reports contribute to accountability and corporate transparency, in addition to driving management's continuous improvement. The last issue was published on May 12, 2021, referring to the 2020 performance. [GRI 102-49](#) | [102-50](#) | [102-51](#) | [102-52](#)

The socio-environmental information reflects the material topics defined in a multistakeholder process updated annually. After the sale of the 51% equity interest in I-Systems (formerly FiberCo), the consolidated financial results refer only to the operations of TIM S.A. This report has been prepared in accordance with the GRI Standards: Essential option. In addition, the document brings the SASB indicators of the Telecommunications sector and underwent limited assurance by EY (Ernst & Young). The publication is available in Portuguese and English. [GRI 102-45](#) | [102-54](#) | [102-56](#)

Comments, questions, and suggestions can be sent to resocialcorp@timbrasil.com.br

[GRI 102-53](#)



[Click here to access reports from previous years](#)

Governance

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- Innovation
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- Privacy and data protection

Imagine the possibilities

GRI 102-16

Purpose

To evolve together with courage, transforming technology into freedom

Brand values

Courage

to innovate and always think differently

Respect

is taking care of everyone and valuing each person

Freedom

to access what matters

Strategic pillars

Innovation

Customer experience

Agility

Goals

To reinforce our innovation pillar, increasing preference and decreasing rejection, being perceived as the most loved/remembered operator by 2023



Profile

TIM S.A. is a telecommunications company that provides mobile and fixed telephony, data transmission and ultra-broadband services. These services serve people and companies throughout the Brazilian territory. [GRI 102-1](#) | [102-2](#) | [102-4](#) | [102-6](#)

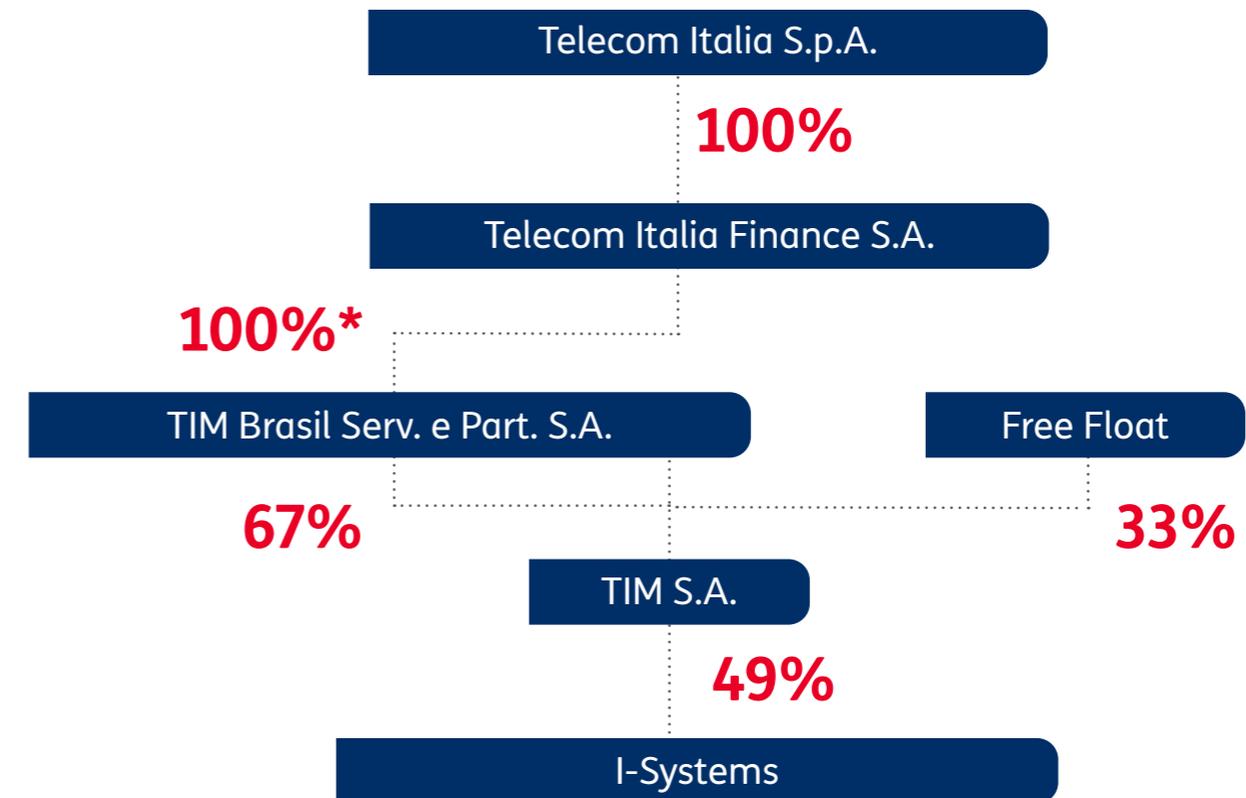
The Company is currently listed on B3's Novo Mercado and has American Depositary Receipts (ADRs) listed on the New York Stock Exchange (NYSE) and, therefore, is subject to the rules of the Brazilian Securities and Exchange Commission (CVM) and the Securities and Exchange Commission (SEC). As a result, it must meet the requirements of the Sarbanes-Oxley Act (SOx) (learn more about SOx on page 31). Headquartered in Rio de Janeiro (RJ), the Company is controlled by TIM Brasil Serviços e Participações S.A., a company of the Telecom Italia Group. [GRI 102-3](#) | [102-5](#)

In February 2022, the Administrative Court of the Administrative Council for Economic Defense (CADE) approved the acquisition of the assets of Oi Móvel by TIM, along with operators Vivo and Claro. The

effective conclusion of the transaction, which will define an infrastructure balance between the three main competitors in the sector, still depends on the fulfillment of certain steps provided for in the purchase and sale agreement signed in January 2021. The operation will benefit customers and improve the experience of use and quality of the service provided, it will also be an advantage to shareholders, due to operational synergies. [GRI 102-10](#)

In November 2021, the Company acquired 11 lots from the 5G Auction promoted by Anatel, totaling an offer of R\$ 1.05 billion (learn more on page 34). In the same month, the transaction with IHS Fiber Brasil was concluded for the sale of 51% of the equity interest of I-Systems (formerly FiberCo), with a total value of R\$ 1.68 billion, of which R\$ 1.1 billion was paid to TIM. FiberCo changed its name to I-Systems and began its trajectory with the mission of implementing, operating, and maintaining last-mile infrastructure for broadband accesses to be offered in the wholesale market, with TIM as its main customer. [GRI 102-10](#)

Shareholding composition



*Telecom Italia S.p.A. holds one share of TIM Brasil Serv. e Part. S.A.

Governance structure

GRI 102-18 | 103-1 | 103-2 | 103-3

Board of Directors (CdA)

Comprised of ten members, four of them independent and 33% women, the CdA is responsible for strategic deliberations in order to ensure the continuity of the business and to conduct management with good governance and transparency practices. Its members are elected by the General Shareholders' Meeting, with a term of office of two years and the possibility of reelection for the same period. Four Advisory Committees, made up of advisors, advise and qualify the discussions within the scope of the CdA (learn more in the table on the next page).

In 2021, the Board of Directors met 15 times, with 85% attendance. The evaluation of its members is carried out annually through a self-assessment questionnaire, answered individually, with the result submitted to the governance body itself. Analyzed responses are compared with data from the previous year's assessment to identify opportunities for improvement. The remuneration of directors is fixed and approved by the General Shareholders' Meeting. [GRI 102-28](#)

Statutory Board

TIM's management is also conducted by the Statutory Board, made up of a CEO and another seven statutory directors. All are elected by the Board of Directors for a term of office of two years and with the possibility of re-election for an equal period, with the same possibility of dismissal at any time. The collegiate decision-making body has the mission of protecting and valuing TIM's assets and maximizing the return on investments in the long term, in line with CdA's mission. The compensation of these executives comprises fixed and variable installments and is approved by the General Shareholders' Meeting.

Fiscal Council

The Fiscal Council is composed of three effective independent members and an equal number of alternates, elected by the General Shareholders' Meeting. It acts in the supervision of TIM's management and in the rendering of accounts to the shareholders.

Compliance Executive Board

Linked to the Board of Directors, it periodically reports progress to CAE/CCR. Responsible for the management and monitoring processes of the internal control environment, Integrity Program, Anti-Bribery/ Anti-Corruption Management, Compliance Technology and Information Security and SOx Certification.

Internal Audit Executive Board

Linked to the Board of Directors, it periodically reports progress to CAE. Responsible for complementing the assessment of the effectiveness of internal controls and compliance with policies, rules, and procedures to prevent or detect the possibility of errors, fraud and/or losses in the business.

CdA Advisory Committees

Statutory Audit Committee (CAE)

- Members: 3 members, all independent
- Performance: in compliance with the rules of capital market regulatory bodies, such as the Brazilian Securities and Exchange Commission (CVM) and the Securities and Exchange Commission (SEC), oversees the quality and integrity of financial reports and compliance with legislation and regulatory and statutory standards. It also monitors the adequacy of risk management processes, internal controls and SOx and the activities of internal and independent auditors, it also supervises and evaluates the execution of contracts of any nature between the Company or its subsidiaries, on the one hand, and the controller shareholder or its subsidiaries, affiliates, subject to common control or controlling companies of the latter, or which otherwise constitute related parties to the Company

Compensation Committee (CC)

- Members: 3 members, 1 of them independent
- Performance: evaluates criteria and other topics of compensation for directors and senior executives

Control and Risks Committee (CRC)

- Members: 5 members, 2 of them independent
- Activities: monitors compliance with corporate governance rules, oversees risk management, internal controls and SOx, and corporate social responsibility actions and initiatives

ESG Committee

- Members: 5 members, 2 of them independent
- Performance: assists in the development and implementation of the ESG strategy and principles. Among its attributions, the following stand out: annually defining, reviewing goals, and monitoring the ESG Plan, evaluating TIM's participation in voluntary initiatives and commitments and overseeing the management of risks and opportunities associated with ESG topics.

[Click here and learn more about the composition of TIM's governance bodies on the Investor Relations website](#)

2021 Highlights

GRI 102-7

Financial

Net Revenues

R\$ 18 billion

↑ 4.6% (Y/Y)

Net Service Revenues

R\$ 17.5 billion

↑ 5% (Y/Y)

TIM Live's Net Revenues

R\$ 720 million

↑ 14.7% (Y/Y)

Normalized Net Income

R\$ 2.2 billion

↑ 17.5% (Y/Y)

Normalized EBITDA

R\$ 8.7 billion

↑ 4.4% (Y/Y)

(EBITDA margin of **48.4%**)

Operating Free Cash Flow

> R\$ 6 billion

↑ 32% (Y/Y)

Bad Debt

2.1%

of gross revenue (maintains balance)

Infrastructure

Leadership in 4G coverage, covering

4,715 cities

↑ 22% and

98%

of the Brazilian urban population

→ target by **2023** is to reach

5,570 municipalities

Expanding 4.5G coverage to

1,712 new cities

FTTH and FTTC fiber optic

coverage growth, with

6.7 million homes passed

↑ 5%

in **37** cities

5G is already here

In the 5G Auction, in November 2021, TIM won 11 lots (3 national and 8 regional) for the offer of **R\$ 1.05 billion**. Operations include 100 MHz capacity on 5G's most important frequency, 3.5 GHz.

Another highlight is the acquisition of lots at higher frequencies, called millimeter waves, whose main characteristic is the increase in internet speed.

TIM reinforced its pioneering spirit in technology by carrying out, in October, the first standalone 5G pilot in large markets (SP and RJ).

Products and Services

Mobile telephony and internet
in 3G, 4G, 4.5G and 5G DSS SASB TC-TL-000.A

29 million

prepaid customers, **24.5%** market share

23 million

on postpaid,
market share of **16.8%**

+ 46.3 million

accesses on 4G,
↑ 10.2%

Mobile ARPU of

R\$ 26.4/month

↑ 5.9%

Fixed telephony SASB TC-TL-000.B

811 thousand

fixed telephony customers
↓ 13.2% compared to 2020

TIM Live SASB TC-TL-000.C

691 thousand

TIM Live fixed ultra
broadband customers

TIM Live's Ultra Broadband customer
base grew **6.1%** Y/Y

Penetration of high value offers (more than **100Mbps**)
at TIM Live's base reached 62%

Launch of the 1 Giga residential plan, with the highest
upload speed on the market (**500 Mega**)

Pioneering in agribusiness

6.2 million

hectares in the
field covered by TIM's 4G at the end of 2021

4G Internet in the countryside with a frequency o
700MHz, the same available in large cities in Brazil

Added value services

Exclusive offers in partnership with C6 bank
and Cogna Educação

[Click here](#) and learn more about the
highlights of TIM's products and services

Financial results GRI 201-1

Economic impact: direct economic value generated and distributed (R\$ thousand)

	2019	2020	2021
(A) Net revenue ¹	23,363,883	21,249,577	24,902,358
(B) Goods and services purchased from third parties	-5,922,030	-5,591,596	-7,702,345
Costs of services provided and goods sold	-2,575,465	-2,641,923	-2,676,158
Materials, energy, third-party services, and others	-3,346,565	-2,949,673	5,026,187
(C) Gross added value (A - B)	17,441,853	15,657,981	17,200,013
(D) Retentions (depreciation and amortization)	-5,128,981	-5,527,012	-5,691,696
(E) Net added value (C - D)	12,312,872	10,130,969	11,508,317
(F) Transfers	1,518,362	796,406	1,601,104
(G) Added value to be distributed (E + F)	13,831,234	10,927,375	13,109,421

Added value distribution

Salary	427,795	422,336	477,746
Social security charges	165,586	97,375	104,735
Private pension	18,292	21,451	22,105
Benefits	158,395	162,308	167,051
Profit sharing	101,128	148,623	151,749
Taxes, fees, and contributions, excluding subsidies (exemptions)	7,069,473	5,811,993	6,014,887
Interest and rent	2,264,231	2,414,770	3,204,827
Interest on equity and dividends	995,438	1,083,000	1,047,500
Profits/losses for the year	2,626,689	760,690	1,909,674
Private social investment	4,207	4,829	9,147

1. It does not consider losses from bad debts and discounts granted, returns and others

Economic goals

In February 2022, TIM presented its Strategic Plan for the 2022-24 triennium, which covers the main initiatives to face the major changes in the telecommunications sector. The generation of value for customers, adding solutions and contributing to the evolution of the business, remains as the main driver. Another important lever for the business is the preparation of the infrastructure for integration with Oi's mobile assets.

Goals	Short-term goals (2022)	Long-term goals
Revenue sustainability	Service Revenue Growth + Double digit Y/Y	Service Revenue Growth: + Double digit CAGR 21-24
Profitability	EBITDA growth: + Double digit Y/Y	EBITDA growth: + Double digit CAGR 21-24
Infrastructure development	Capex: ~ R\$ 4.8 billion	Capex: ~ R\$ 14 billion Σ 22-24 Capex on Revenue: < 20% in 2024
Cash flow	EBITDA-Capex over Revenue: > 24%	EBITDA-Capex on Revenue: ≥ 29% in 2024

[Click here to learn more about TIM's Tax Policy](#) GRI 207-1

Anti-corruption

GRI 103-1 | 103-2 | 103-3

TIM's Integrity Program (Anti-Bribery and Anti-Corruption Management System - SGAA) is conducted by the Compliance Department and aims to prevent, identify, and mitigate bribery and corruption practices, through internal controls, testing, and monitoring of sensitive activities to that kind of risk.

Guided by a set of regulatory instruments, the Program establishes a set of rules and processes to ensure compliance with anti-corruption legislation and the parameters of conduct established by the Company. Among these procedures are, for example, the due diligence of suppliers, business partners, among others, together with the definition of contractual clauses to promote the fight against corruption throughout the Company's value chain.

The Program also covers the continuous monitoring of 20 activities considered to be sensitive*, with greater exposure to the risk of corruption. The process involves evaluating internal controls, monitoring an annual risk matrix for sensitive activities, action plans and identifying opportunities for improvement in these processes and defense mechanisms. In particular, to carry out the risk assessment of bribery and corruption, specific factors are taken into account such as location and sectors of activity, nature and complexity of activities, type of third party and the relationships that are maintained. [GRI 205-1](#)

Material topic: Ethics and Business Governance

16

TIM recognizes that unethical behavior, such as corrupt practices, fraud, among others, have the potential to cause significant financial and reputational impacts to the Company. In the telecommunications sector, the need for large-scale infrastructure can create barriers for the entry of new actors and contribute to the creation of monopolies in the market by a small group of players, for example.

Goal of the ESG Plan

Maintain ISO 37001 certification until 2023

Result

Obtained **ISO 37001** 1 year ahead of target

Institutional documents of the TIM Integrity Program

- Code of Ethics and Conduct (updated in 2021)
- Anti-Corruption Policy
- Organizational Model (updated in 2021)
- Conflict of Interest Policy
- Contracting Policy with Related Parties
- Anti-Bribery and Anti-Corruption Management System Manual (updated in 2021)

*1) Agreements; 2) Judicial, administrative and arbitration proceedings; 3) Authorizations and licenses; 4) Relationship with public agents, institutions, authorities, unions and associations; 5) Receipt and/or free offering of goods, services and/or invitations to events; 6) Representation expenses; 7) Events; 8) Commercial and institutional sponsorship; 9) Donations to non-profit entities; 10) Subsidized financing and loans; 11) Purchases of goods and services; 12) Sales of goods and services; 13) Hiring of employees; 14) Management of employee variable remuneration incentives; 15) Health, safety and environment; 16) Investments; 17) Business partners; 18) Payments; 19) Acquisition and disposal of shares and/or assets and/or formation of companies; 20) Operations carried out directly by the Company's CEO.

Whistleblowing Channel

TIM makes available to the internal and external public the Whistleblowing Channel, in bilingual format (Portuguese and English), with internet and telephone access.

The service is a tool for recording reports of actions or behaviors of corruption, fraud, conflict of interest, discrimination, moral harassment, sexual harassment, violation of Human Rights and Consumer Defense Code, or any other behavior that does not comply with legislation and TIM's Code of Ethics and Conduct.

The Whistleblower Channel is managed by an external and independent company. The service operates every day, 24 hours a day. Whistleblowers can keep their personal information confidential, if they wish, and follow the progress of the complaint through a protocol, with guaranteed anonymity.

Updated in January 2022, the Whistleblowing Channel Policy regulates the process of receiving, analyzing, and handling complaints sent or transmitted by any person, anonymously or identified. This process is developed by the Audit Function in full respect of the principles established by the International Standards, by the professional practice

of Internal Auditing, by the Code of Ethics issued by the Institute of Internal Auditors (IIA), as well as by the Code of Ethics and Conduct of TIM S.A.

For employees, an orientation course on the topic is available on the TIM training platform.

In 2021, there was no confirmed record of situations related to cases of corruption involving public bodies or agents. [GRI 205-3](#)

For complaints, go to:
Corporate website
0800 900 8007

- Service available 24 hours a day, seven days a week
- Confidential reporting and guaranteed anonymity

ISO 37001 certification

In 2021, TIM's Integrity Program was certified in accordance with the ISO 37001 standard, an international standard for anti-bribery and anti-corruption management systems. This certification demonstrates to the various stakeholders the organization's commitment to adopting effective controls to combat bribery in all its forms. The Company, the first in the telecommunications sector in Brazil to be recognized, achieved this goal established in its ESG Plan one year in advance.

Engagement of leaders and employees GRI 205-2

All the Company's leaders and employees are trained and express their commitment to the TIM Integrity Program. The members of the Board of Directors do so when they take office, when they sign the Declaration of Inauguration of the Directors and declare their knowledge of and respect for the Code of Ethics and Conduct.

To engage directors and employees, the Company provides mandatory training for new hires and reinforcement throughout the year. In 2021, 98.4% (9,280) of employees were trained in the Code of Ethics and Conduct and 98.3% (9,266) in anti-corruption policies and practices. In the same period, the course on the Integrity Program was applied to 89% (8,402) of the staff.

Senior leadership engagement in the fight against corruption: GRI 205-2

97% of directors and management members
99% of managers

Communication and training in anti-corruption policies and procedures <small>GRI 205-2</small>	2019		2020		2021	
	Trained audience	%	Trained audience	%	Trained audience	%
Directors	56	95%	64	100%	68	97%
Managers	684	99%	726	99%	717	99%
Other employees	8,906	98%	8,575	99%	8,543	99%
Total	9,646	98%	9,365	99%	9,328	99%¹

1. Based on active employees in December 2021.

Marketing and labeling

In managing marketing actions and labeling standards, TIM has measures to adapt or correct advertisements with the objective of conveying honest, transparent, ethical messages, in compliance with Brazilian legislation and the principle of fair competition.

In 2021, TIM received three representations from Conar, a non-governmental advertising self-regulation organization that assesses non-compliance with the Brazilian Advertising Code of Conduct (CBAP). Four warnings were reported to TIM and there were seven ad suspensions. In addition, the Company filed some representations with Conar against other competing companies. GRI 417-3

Within Anatel, there were no cases of non-compliance in marketing communication or in relation to information and labeling of products and services. GRI 417-2 | 417-3

Cases of non-compliance with the consumer

Considering fines above R\$ 500,000 for non-compliance with the Consumer Protection Code, TIM paid a fine in 2021, which totaled around R\$ 1 million. GRI 419-1

Equipment and infrastructure

All telecommunications equipment sold in Brazil must be previously approved by Anatel. The sector's regulatory agency is responsible for verifying, in its laboratories, compliance with the electrical and electromagnetic safety parameters established by Brazilian legislation.

TIM asks its suppliers to guarantee that the devices have the approval certificate from the competent body. In this way, the Company ensures that the packages and manuals contain adequate instructions for the correct and safe assembly and use of the products and the connection sockets. GRI 417-1

Anti-competitive behavior and non-contribution to political parties

In 2021, TIM was involved in 12 legal proceedings for alleged infringements of competition. Of these, there is one new case and among the other 11, which are still pending, one case was successfully closed in the period. There were no monetary losses as a result of lawsuits associated with anti-competitive behavior. GRI 206-1 | SASB TC-TL-520A.1

Regarding party political activities, TIM's Code of Ethics and Conduct prohibits contributions to politicians, political parties, or related institutions. Therefore, there are no direct or indirect political contributions by the Company. GRI 415-1

Anti-Corruption Program

The Anti-Corruption Program, an integral part of the TIM Integrity Program, follows the guidelines of the Anti-Corruption Policy and continuously monitors 20 sensitive processes and activities, with greater exposure to the risk of corruption. Monitoring involves evaluating internal controls, annually updating a risk matrix for sensitive activities, action plans and identifying opportunities for improvement in these processes and defense mechanisms.

TIM's Anti-Corruption Policy addresses important points in the preservation of ethical relationships

Anti-corruption/anti-bribery due diligence

Its purpose is to support the decision-making processes for hiring and/or associating any third party, by conducting analyzes in relation to the extent of the risks of bribery and corruption.

Sensitive relationships

The principle establishes behaviors and actions to be taken in relations with Public Administration bodies, with customers and suppliers, in addition to guiding service providers and relations with other private legal entities.

Sensitive third parties

TIM defines as “sensitive” some types of third parties with which the company relates, especially due to the greater risk of bribery and corruption due to specific characteristics or activities. Sensitive types include business partners and recipients of sponsorships and donations.

Sensitive positions

Topic responsible for identifying positions with high, medium, and low levels of exposure to the risk of bribery and corruption. To monitor the risk level, job criteria are used that include employees with management positions and employees responsible for decision-making and functions considered sensitive, such as those responsible for the qualification of third parties.

Sensitive activities

TIM directs attention to the continuous monitoring of certain activities considered to be sensitive.

1 Agreements

2 Judicial, administrative and arbitration procedures

3 Authorizations and licenses

4 Relationship with public agents, institutions, and authorities

5 Gifts

6 Representation expenses

7 Events

8 Commercial and institutional sponsorship

9 Donations and contributions to non-profit organizations

10 Subsidized financing and loans

11 Purchases of goods and services

12 Sales of goods and services

13 Hiring of employees

14 Management of employee variable remuneration incentives

15 Health, safety, and environment

16 Investments

17 Business partners

18 Payments

19 Acquisition and disposal of shares and/or formation of companies

20 Operations carried out directly by the CEO of TIM

[Click here](#) and learn more about TIM's Anti-Corruption Policy

Risk management

GRI 102-11

TIM's risk management is guided by TIM Group's Risk Management Policy and was structured based on the best market practices and international standards, such as those of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The processes established for this governance identify, prioritize, and define action plans to mitigate corporate and operational, financial, ethics and compliance, environmental, health and safety and reputation risks.

Through this structure and management mechanisms, in addition to short-term risks, TIM also monitors emerging long-term risks that have the potential to negatively impact the business.

What TIM does to avoid the risk of cyber attacks

- Since 2017, TIM has implemented protection tools and mechanisms to prevent cyber attacks
- TIM continuously improves Network Access Filtering
- The Company adopts Anti-DDOS, a threat intelligence service
- Scans ongoing vulnerabilities at scale
- TIM uses a Responsible Disclosure Platform (Bug Bounty)
- Adoption of new control procedures and investments in prevention, incident handling, and monitoring teams
- Conducts activities based on ISO 27001, an international standard that describes best practices in information security management
- Use of the NIST (Cyber Security Framework), guidelines to support cybersecurity risk management and reduction
- Use of CIS Controls to organize and distribute cybersecurity measures
- Independent tests by function of 2nd level of control (Technological Compliance)

Business continuity

TIM has a Business Continuity Management Policy (GCN), which establishes guidelines to ensure effectiveness in addressing the topic. The Company uses the following criteria to identify and establish the level of criticality of the activities:

- Evaluation parameters that take into account legal, regulatory, reputational, operational, and financial aspects, as well as the relevance of the product or service to the business
- For more critical activities, continuity plans are prepared to ensure the shortest response and recovery time in the event of incidents, crises, and disasters
- TIM has an Operational Crisis Team, which meets quarterly to analyze incidents that have occurred and the respective responses, reporting their activities to a 1st level Executive Group

Interruptions in 2021

In 2021, TIM recorded around 250 thousand service interruptions lasting at least 30 minutes. The frequency of outage events was 0.005 per client and each affected individual had an average outage of 0.11 hours. [SASB TC-TL-550A.1](#)

In December 2021, TIM had insurance contracts in place to cover operational risks, cyber risks, among others. The company understands that the policies represent sufficient amounts to cover possible losses from the aforementioned risks, in the amount of more than R\$ 36 billion. [SASB TC-TL-550A.2](#)

Information security

Cyber-attacks can expose the Company and compromise the network infrastructure, in addition to providing third parties with access to confidential information and the introduction of new technologies (mobile cloud, big data, among others).

As a consequence, the risk in question can result in business losses, compromise networks and systems, cause equipment failure, and also result in the loss of customer and employee data. Cyber-attacks can also cause various damages to systems, such as unavailability of services and allow the infiltration

of malware – software designed to cause damage to a computer, server, client, or to a network – in the Company's management systems.

TIM has been making progress towards obtaining ISO 27001 certification (information security management) by 2022, as established in the ESG Plan. In 2020, an assessment of the certification requirements was carried out, identifying a level of compliance greater than 90% of the requirements, and the necessary adjustments to obtain certification will be made until 2022.

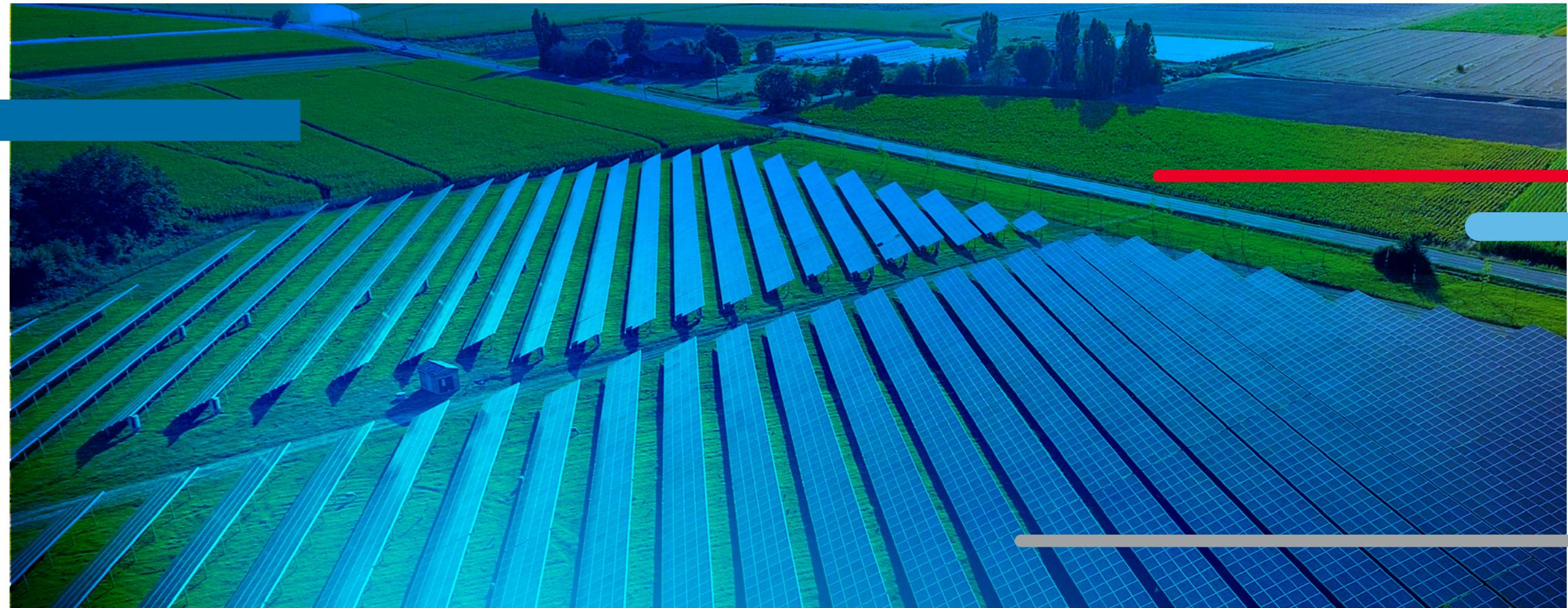
Highlights of the Operational Continuity Plans

Expected scenarios

- Unavailability of systems and IT/Network infrastructure due to the total or partial destruction of the website that hosts them, typically caused by natural phenomena, natural wear and tear, operational error, third-party action, attacks (including cyber) and vandalism
- Total or partial unavailability of administrative or industrial building
- Total or partial unavailability of people
- Critical supplier unavailability

Mitigation Mechanisms

- TIM Network Monitoring by ISOC (Intelligent Service Operation Center), with remote or local action to recover the detected event
- Risk Map and Resilience Plan Routines, annual survey that consolidates risks, failure probabilities and criticality of services
- For situations outside the scenarios established in the plans, TIM adopts the Business Continuity Management System (BCMS) – based on the ISO 22301 standard – to deal with any problems



Climate risks, financial implications, and opportunities

GRI 103-1 | 103-2 | 103-3 | 201-2

Climate change and the occurrence of extreme weather events pose risks to TIM's facilities and infrastructure, and may directly impact business continuity and generate financial implications. Therefore, the Company evaluates the topic in its risk management in studies to propose adaptation actions to anticipate and avoid adverse effects.

The continuous monitoring of this topic also guides the Company's search for solutions that lead to the reduction of its own and its customers' greenhouse gas emissions, through digitalization and the strengthening of the telecommunications infrastructure.

Risks and opportunities associated with climate change

- In 2019, TIM prepared a Monitoring Plan that includes the main measures for monitoring climate risk, as well as adaptation actions.
- The Company mapped the occurrence frequency of extreme weather events, in the long term, focusing on equipment with greater vulnerability and greater exposure to risk.
- TIM, based on the risk study, carried out an adaptation survey for each of the financial implications and other risks and opportunities in the face of the evaluated climate changes and events.
- TIM adopts initiatives to reduce energy consumption and invests in increasing renewable sources to supply its energy matrix.
- The Company understands that telecommunications are an important tool to enable the reduction of greenhouse gas emissions, insofar as it enables remote communication and reduces the need for displacements that cause the burning of fossil fuels.
- Offering solutions based on new technologies encourages more efficient production models and logistics processes in different sectors.



Internal Control Systems & SOx

TIM has a Compliance Department, with independent reporting to the CAE and CCR, responsible for preventively mitigating risks, through the management of the Company's Internal Control System. This system follows the best market practices and international frameworks, such as those of COSO 2013 (Committee of Sponsoring Organizations of the Treadway Commission). Currently, TIM has more than 800 controls mapped, evaluated, and monitored. In 2021, more than 500 employees were involved and trained in training actions and educational campaigns.

The Internal Control System also contributes to meeting and obtaining various certifications and compliance with national and international capital market legislation, including the Sarbanes-Oxley Act (SOx). TIM has been certified in compliance with the Sarbanes-Oxley Act (SOx) since 2006, when this requirement was created for companies listed on the New York Stock Exchange (NYSE).

To receive certification, the Internal Control System is audited annually by an independent company. Under SOx, the Company is required to assess the effectiveness of its internal control over financial reporting at the end of each year. This procedure aims to provide greater reliability and transparency to the information disclosed.



Importance of the Internal Control System

- Protects the assets
- Ensures the accuracy of data used for external and internal, financial, and non-financial reporting
- Promotes operational efficiency
- Encourages adherence to policies, rules, regulations, and laws
- Minimizes losses with penalties
- Gives CEO and CFO security to make decisions
- Conveys more trust and credibility to the market and all stakeholders

Operation GRI 103-1 | 103-2 | 103-3

Implementation of Telecom infrastructure is fundamental for society's development. This is because connectivity and access to telephony and the internet is a basic condition of contemporary social dynamics, whether for business, studies, leisure, or any other daily activity. In the pandemic, this relevance has become even more evident, with the migration of companies to the virtual environment and the need to connect people while maintaining physical distance. These investments in infrastructure and network coverage enable user connectivity and, therefore, access to information, considering the main indirect economic impacts generated by TIM.

TIM reinforces its commitment to the evolution of its services and continuous quality improvement to ensure a better user experience for its customers. The focus on expanding and improving the network infrastructure remains a fundamental factor in its business plan.

One of the projects for the expansion of 4G coverage is Sky Coverage, started in the first half of 2021 in partnership with Highline and later with IHS and Winity. The initiative covers the installation of antennas powered by self-generated solar energy in places of difficult access and without availability of the electrical network, connected via satellite. TIM ended the year with 36 active off-grid sites, enabling cellular coverage in unserved regions and contributing to digital inclusion. One example was the tower installed in Acre, in partnership with

Energisa, connecting 200 families in Vila Restauração (490 km from the capital Rio Branco) with 4G technology. The expectation is to expand the project to other locations in the country, benefiting more than 6 million people.



+ 4 thousand cities with 4G coverage, being the market leader in coverage
1,766 active biosites on the network (antennas/towers with low visual impact)
4.2 million homes passed with FTTH

Material topic: Investment in Network Infrastructure and Reliability

9 11 15

TIM is committed to providing the best user experience and ensuring customer service quality. Therefore, it continually invests in expanding and improving its network infrastructure and coverage area. That way, it guarantees the quality of services and their competitiveness in the sector, in compliance with the legislation. The user's perception that this is an essential service has increased the demand for network reliability.

ESG Plan Goal

Bring 4G connectivity to 100% of cities in Brazil by 2023

Results

Municipalities covered by TIM's 4G



Investments in infrastructure and services support

GRI 203-1

Investments in the telecommunications sector depend on the Brazilian regulatory body and determination by law. The main regulations to stimulate the development of national infrastructure and their respective advances throughout the year are discussed below.

In addition to these themes, monitored and followed by TIM in 2021, it's worth mentioning the continuity of the TIM Plan within the scope of the Conduct Adjustment Agreement (TAC) entered into with Anatel in 2020. In this TAC, the Company committed to taking 4G to 350 municipalities with a low Human Development Index (HDI) and expand its infrastructure in another 1,388 cities. More information about Anatel TAC on page 58.

Repeal of mandatory tower sharing

Law No. 14.173/21 revoked art. 10 of Law No. 11.934/09, which required sharing between towers installed less than 500 meters apart. The enacted law also promotes other changes, such as: reduction of Fistel, Condecine and CFRP fees for small stations and satellite communication terminals (V-SATs); the public power's duty to create conditions for the expansion of connectivity and digital inclusion, prioritizing the coverage of public educational establishments; and changes in the Fust Law, among others.

General Plan for Universalization Goals - PGMU V (Decree no. 10.610/2021)

The new plan prioritizes locations without access to fiber networks. The infrastructure to be implemented must have a minimum capacity of 10 GB from the beginning to the end of the stretch used to serve municipalities, villages, isolated urban areas, and rural agglomerations that do not have the infrastructure, indicated by Anatel in regulatory regulations. For this, the plan indicates the balance resulting from the changes in the goals promoted by the previous PGMU for the realization of the new policy. According to the text, the backhaul resulting from meeting the goal, as well as the ERBs and the transport networks implemented, must be part of the reversible goods' list.

Brazil-Chile Agreement

The Free Trade Agreement (FTA) between Brazil and Chile, signed in Santiago on November 21, 2018, was approved by the Brazilian Congress. The aforementioned FTA has 24 chapters, covering 17 topics of a non-tariff nature, including the commitment to elimination of international roaming for data and mobile telephony between the two countries one year after its entry into force. The agreement has the potential to facilitate bilateral trade and tourism flows.

Personal data protection as a constitutional right

The National Congress approved PEC 17/19, which includes personal data protection in the list of the citizen's fundamental rights and guarantees. The text also provides for the exclusive competence of the Union to legislate on the subject.

In Brazil, the Brazilian Civil Rights Framework for the Internet (Law nº 12.965/2014) and, later, its regulation through Decree nº 8.771/2016 established principles, guarantees, rights and duties for the use of the Internet. Among the regulated devices, the principle of net neutrality stands out, which, in short, determines that "the person responsible for transmission, switching or routing has the duty to treat any data packets in an isonomic way, without distinction by content, source and destination, service, terminal or application."

Committed to ensuring compliance with these principles, TIM adopts measures that ensure transparency and isonomy in its offers on "zero rating" application rules. The Company believes that, through "zero rating" applications, it can make offers that are more in line with user interests. [SASB TC-TL-520A.3](#)

Regional legislations

In 2021, at least 25 new laws in seven Brazilian states set parameters to stimulate the development and expansion of telecommunications infrastructure coverage:

- Rio de Janeiro: 15
- São Paulo: 4
- Espírito Santo: 2
- Minas Gerais: 1
- Paraná: 1
- Pernambuco: 1
- Santa Catarina: 1

5G

GRI 203-1

The realization of the 5G Auction in November 2021 marked the arrival of the technology in Brazil and allowed the targeting of investments for the implementation of this network. TIM effectively concluded its participation strategy in the Auction, with the acquisition of 11 lots, three national and eight regional. Part of these lots is on the 3.5 GHz frequency, the most important in 5G. In addition, the Company acquired higher frequencies, with the so-called millimeter waves, in which the potential for speed and connection quality is even greater.

The applications of 5G are multiple and making them a reality will depend on the joint and coordinated effort of different sectors. Industrial automation, remote healthcare, smart vehicles and connected homes are just some of the possibilities envisioned for this technology. TIM will follow its leadership profile in the development of this network, aware of its role in articulating customers and potential partners to continue making this hyperconnected future a reality.

The Company is a pioneer in 5G tests in the country, starting these experiments in 2019. Last year, it carried out the first standalone 5G pilot (a network that does not depend on 4G, also known as “pure 5G”) in large markets (São Paulo and Rio de Janeiro), as well as demonstrations of the 5G potential applied to different contexts, from public security to agribusiness.

Acquisitions by TIM in the 5G Auction

Lot	Region	Block track	Proposal value (R\$ million)	Validity
B3	National	3.5 GHz - 80 MHz	351	20 years
D34		3.5 GHz - 20 MHz	80.3	
F6	South (PR, SC, RS)	2.3 GHz - 40 MHz	94.5	
F7	Southeast (RJ, ES, MG)		450	
H19	South (PR, SC, RS)	26 GHz - 200 MHz	8	
H25	Southeast (RJ, ES, MG)		11	
H31	Southeast (SP except sector 3 of the PGO)		12	
I6	National		27	
J20	South (PR, SC, RS)	10 years	4	
J26	Southeast (RJ, ES, MG)		6	
J33	Southeast (SP except sector 3 of the PGO)		6	

5G Characteristics

- Higher data transfer speed (can achieve download peaks of up to 20 gigabits per second on millimeter waves)
- 10 to 100 times higher data rates compared to 4G
- Lower latency (connection response, which can reach 1ms)

- Ecosystem generation for the Internet of Things (IoT) and new use cases in both B2B and B2C markets
- Higher number of simultaneous IoT connections (up to 1 million per Kmq)
- Improved connection stability and reliability (99.999% availability perception)

5G Applications

- Industry 4.0 (technologies for automation of industrial production chains)
- Fixed Wireless Access (FWA), a great opportunity for the provision of residential broadband through the mobile network
- Precision agriculture

- Telemedicine and remote surgery
- Digital transformation in the financial sector
- Automotive sector
- Augmented and Virtual Reality (AR/VR)
- Public safety, among others

5G Perspectives

- New system architectures, with improved communication between machines
- Cloud computing model with gains in terms of scale, flexibility, and security
- New generation networks, enabling the convergence of disruptive technologies such as Edge Computing, Artificial Intelligence, Machine Learning, Blockchain, among others

- Network Slicing, enabling an end-to-end isolated 5G network architecture tailored to meet the diverse requirements required by a specific application
- Open systems for creating solutions and applications
- To be an enabler of digital transformation in the various segments of the industry, increasing the country's efficiency, productivity, and competitiveness
- Positive environmental and social impacts
- Open lab initiatives

Innovation

GRI 103-1 | 103-2 | 103-3

In a sector in constant transformation, innovation is an ally and a strategic intangible asset for solving business challenges. At TIM, investment in this topic encompasses several initiatives and focuses on the development of the network infrastructure, aiming to increase the delivery quality to customers and sustainable expansion. All this effort is also premised on engagement and co-creation with stakeholders, such as customers, universities, consumers, and the government.

To coordinate these initiatives, a specialist area in Architecture and Technological Innovation brings together telecommunication professionals, electrical and electronic engineers, computer scientists and other technologists with different backgrounds and experiences.

Material topic: Innovation applied to products and service

9

TIM recognizes its role as a reference in technology in the country's telecommunications sector and as a leader in innovation. The Company seeks to proactively meet new consumption and market standards, following the change in the profile and behavior of its customers and new technologies to develop and offer products and services.

TIM Lab

TIM Lab is a multidisciplinary environment that plays a strategic role in supporting the validation of Credibility Tests and Proofs of Concept services, collaborating with the main suppliers and technology partners. With investments of more than 10 million reais foreseen for the period from 2020 to 2022, the laboratory works as an open space for innovation in the Brazilian telecommunications market and seeks to strengthen the ability to validate new software, features, solutions, technologies, services, and devices.

A member of the Telecom Infra (TIP) project, which brings together several companies, such as Facebook, SK Telecom, Deutsche Telekom, Nokia and Intel, TIM Lab was chosen in 2017 to become the first TIP Community Lab in Latin America. The initiative aims to create a new approach to the construction and implementation of telecommunications network infrastructure. Since 2018, TIM has also participated in several working groups within TIP, working along other technology partners and operators in defining requirements and executing testing campaigns for open and disaggregated solutions, such as the Disaggregated Cell Site Gateway (DCSG), Open RAN, OpenCore and Open Optical & Packet Transport. On these fronts, participants seek to define the common requirements of operators and coordinate the development and testing of solutions.

4G coverage expansion

The reuse of frequency bands previously allocated to 2G and 3G technologies for 4G – 1,800 MHz, 850 MHz, and 2,100 MHz –, a technique called frequency refarming, with a multilayer distribution configuration, offers TIM important competitive advantages:

- cost reduction for LTE implementation;
- increase in LTE coverage area, improving customer experience through greater reach;
- better indoor coverage – in addition to expanded coverage. The use of these frequencies can expand coverage capacity in cities that already have access to the 2.6 GHz LTE band, with low additional cost.

Currently, more than 99% of LTE terminals support LTE bands in 1,800 MHz, 2,600 MHz, and other available bands. Implementing frequency refarming for multilayer LTE is still an excellent strategy that benefits from device spread. In addition to refarming in the 700 MHz band, TIM consolidated its 4G leadership, with coverage in 3,975 municipalities, corresponding to 94% of the urban population. The goal of the Strategic Plan 2022-24 is to reach, by the end of 2022, more than 4,900 cities with coverage at low frequencies (700 and 850 MHz).

RAN Sharing

Radio Access Network Sharing (RAN Sharing) is a smart alternative to optimize resource consumption, reduce deployment costs, and accelerate customer service improvement. RAN Sharing allows TIM to promote the evolution of LTE implementation in the countryside of Brazil, taking access to telecommunication services to more regions of the country. Since 2013, TIM has adopted the RAN Sharing strategy, an innovative, economic approach with less environmental impact by sharing infrastructure with other operators, starting the operation of TIM's 4G in the country.

More recently, as of 2019, TIM and Vivo have 3G and 4G network sharing agreements in cities with less than 30 thousand inhabitants, where both operators provide services. The objective is to have only one shared telecommunications infrastructure, providing energy, rent and maintenance savings. For the 2G network, the operators also defined the national sharing using the GWCN technology, which makes it possible to disconnect about 50% of each company's network, also resulting in a reduction in energy consumption and maintenance costs.

Connected House Experience

TIM inaugurated a technological environment in São Paulo with the aim of offering users the experience of a smart home. Through a tablet, visitors can activate and control exhibited products, such as cameras, sensors, and modern lamps. The initiative takes the concept of Internet of Things (IoT) closer to users and signals another investment by TIM in resources that tend to become increasingly stronger with the 5G reality.

Internet of Things (IoT)

Aware of the numerous possibilities for business transformation, especially in the telecommunications area, with the development of the Internet of Things (IoT), TIM launched, in 2018, the first NB-IoT (Narrow Band in IoT) commercial network in South America. Since then, the Company has been expanding this service and is already the leader in this segment, with more than 3,700 cities with NB-IoT coverage, in addition to 11.5 million hectares covered.

TIM was the first operator to implement an IoT Marketplace, with digitalization solutions for several segments, such as agribusiness, smart cities, electric utilities, and industry 4.0.

[Learn about the platform.](#)

Connected Platform | In partnership with Agrosmart, it monitors crops, precipitation, temperature and relative humidity, wind direction and speed, in addition to solar radiation. With this, it allows rural producers to make the best decisions in irrigation, pest and disease management, planting, and harvesting.

TIM Pronto! | It makes the communication of companies even more efficient, quickly, and economically. It enables conferencing between two or more users over 4G and has push-to-talk and push-to-video services.

First Mile Digital Logistics | Real-time tracking of goods from the manufacturer to logistics centers. The service has predictability algorithms, records steps in the delivery process, and allows, via a web platform, each manager to forward information to drivers. Last Mile Digital Logistics, with the same functionalities, serves the monitoring of goods from logistics centers to the final consumer.

New store concept

At the beginning of 2022, TIM launched a new store concept, which integrates the real and virtual worlds. The "MetaLoja", opened in a mall in Rio de Janeiro, creates a space where the store experience and the possibilities of the Metaverse mingle, in a pioneering way within Cryptovoxels. The initiative will not only have an aesthetic similar to the concept store, but also a gamer space, with a portfolio of products from TIM and its partners.

Education

The Company entered into a strategic partnership with Kroton, an education group, for the combined offer of 100% digital courses (DL). The union's objective is to expand access to education in Brazil and make it possible to increase the country's employability rate.

Open RAN in Brazil

TIM has been engaged in initiatives in favor of the development of Open RAN technology, which brings a series of opportunities for the disaggregation of hardware and software, which will allow a movement in the traditional industry in favor of scalability, flexibility, and efficiency in the domain of access networks. Through open and standardized interfaces, it will be possible to enable another level of multi-vendor interoperability, avoiding the reality of the current vendor lock in. Thus, TIM, in partnership with the Telecom Infra Project (TIP) and the National Institute of Telecommunications (INATEL), has been working in the Open Field Program, whose objective is to establish a testing environment at the INATEL campus, in Santa Rita do Sapucaí (MG), to promote the study and development of Open RAN in 4G and 5G technologies.

Still in the implementation phase, the project aims to promote the development of the regional Open RAN ecosystem and address the diversity of solutions and deployment scenarios. Sharing references, case studies and test results can directly contribute to building the strategy and directing the challenges and scenarios to be explored.

TIM 5G Challenge

From the partnership with Agtech Garage, the largest startup hub in Agro LATAM, TIM launched a call for startups that want to evolve and pivot their solutions on the 5G network, enabling unprecedented opportunities. Of the 45 applicants, eight qualified for the final and were able to present themselves to a TIM evaluation panel, with solutions for fire detection, irrigation, intelligent fertilization, robotics, image monitoring, pest control, among others. The four startups selected to test their solutions on the 5G network were Iponia, Auros Robotics, Quickium and Um grau e meio.

ConectarAGRO

TIM is the only telephone operator to be part of the ConectarAGRO association with seven other large companies, references in their field of activity. The entity's mission is to bring connectivity to the entire Brazilian field, supporting Brazil's development.

[Learn more here.](#)

Connected Car

TIM developed for FCA (Fiat Chrysler Automotive) the Connected Car Telemetry and User Service-Connected solution, to offer advanced telemetry services, assistance, and other value-added services for FCA car owners. This is the first fully digital connection service for automobiles to be available in Brazil.

Journey to Cloud

A pioneer in the process of migrating 100% of its data centers to the cloud, TIM continued the Journey to Cloud project in 2021, with 44% of the project's workload already migrated. In partnership with Oracle and Microsoft, the digitization of all processes, including service and relationship platforms, enables the improvement of customer service processes, internal operations, billing, collection, and management of digital platforms with speed, scalability, and safety.

Customer

GRI 103-1 | 103-2 | 103-3

Customer experience and satisfaction are the focus of TIM's operating strategy. In 2021, the Company made progress in investing to improve infrastructure, the offer of products and services and the excellence in service to its more than 52 million customers. In the period, we highlight the expansion of 4.5G coverage and FTTH optical fiber and the beginning of studies, tests, and evaluations for the implementation of the 5G network.

Initiatives that add value to the customer were also relevant. In the context of diversity, TIM became a partner of the Mulheres Positivas app, which provides content and promotes female employability. TIM customers browse the application without consuming the data allowance. In the field of education, the Company entered into a strategic partnership with Cogna Educação to promote distance education through the Ampli platform. The initiative involved exclusive offers to TIM customers, in addition to special discounts on selected courses.

The market's recognition of the effectiveness of the Company's strategy and actions that place customer experience and satisfaction at the center of the strategy was evidenced by the awards won in the year:

- Customer S/A Award, in the “Leader in customer management project” category, with a case created to manage customer expectations in the service channels, increase satisfaction and reduce the deadlines for handling demands
- Anatel Telecommunication Accessibility Award 2021, for standing out as the best among the major operators in providing accessible physical and virtual environments for people with disabilities and for encouraging, disseminating, and ensuring accessibility rights
- Preferred Brands, with 1st place in the “Cellphone operator” category in the ranking prepared by Diário de Pernambuco
- ABT Award (highest customer relationship award in the country), as the biggest winner with five gold medals in the award categories. Among them, we highlight the recognition of the best project among all those enrolled with TIM X, a tool developed in partnership with Google to operate the call center in the cloud environment
- First place in the Demands Satisfaction Ranking at Anatel 2021, which analyzes the service of companies to customers in the reception and solution of demands, reinforcing TIM's strategy to improve the customer experience

Material topic: Customer experience and service quality

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For TIM, the customer experience is related to the quality of services and attendance. The Company understands that the customer's experience influences the construction of its image, loyalty, market presence and competitiveness. Therefore, it is the central point of its strategic direction.

ESG Plan Goal

Reduce customer complaints at Anatel for personal mobile service by **50%** by 2023, compared to 2019, without considering customer complaints from the Oi Mobile base.

Accessibility and inclusion

The Company has developed a space on its website so that people with visual, hearing and speech disabilities can use accessibility resources and gain autonomy in requesting services and other information. The tools available for download follow the recommendations of the Web Content Accessibility Guidelines (WCAG) and the World Wide Web Consortium (W3C), a set of guidelines for internet accessibility.

[Click here and check out TIM's accessibility resources](#)

Results

Anatel complaints reduction



Relationship and digitization

The Company offers a 24-hour multichannel service model and solutions for performing self-service in an agile and practical way on digital platforms. Through computer, application or telephone, TIM customers can request services, forward complaints, doubts, and suggestions.

One of the main digital channels for customer relationships is the Meu TIM application and the Meu TIM Website. In 2021, the Meu TIM app received the best rating among the service applications of Brazilian operators (grade 4.4 at the Play Store).

The Company also makes available, as service channels, SAC *144, SAC 1056 and 10341 service. Customers can also interact through social networks, via Twitter, Facebook, Instagram, WhatsApp, and RSC (Rich Communications Service). To achieve even more efficiency in the development of new functionalities and improvements in digital channels, TIM has been using the Agile Methodology, which brings together tools to increase the agility and flexibility of processes.

Another benefit of the continuous investments in the digitalization of services is the continuous reduction of paper consumption (FSC) for issuing invoices and collections, which in 2021 represented 75% of the total of 387 tons of paper (FSC) consumed by the Company, a decrease of 21% compared to the previous year. [GRI 301-1](#)

Taís from TIM

The Company continues to develop intelligence solutions to offer customers increasingly efficient and inclusive mechanisms. Taís, TIM's URA, is the virtual assistant developed by the company that has tools for automatic detection of possible problems in the services. It also suggests corrective measures focused on resolving the reported error. Via voice and text, naturally and in real time, Taís is a partner for customers.

The tool uses neutral language so as not to promote sexist bias during consultations; instead of “our attendant,” it is now possible to refer to employees as “our team,” for example. The change reflects TIM's mentality of increasingly promoting equity in everything within its reach.

Ease of payment

TIM was the first operator to offer PIX on all its bills. The payment method enables transactions at any time, in an easy and practical way. In addition, the Company offers several payment methods compatible with the main digital wallets in the Brazilian market, which are available for download and allow customers to pay invoices directly through the Meu TIM application.

In 2021, around 15 million invoices were paid via PIX, which represented 15.9% of the total payments collected.

TIM recharge with PIX

- Meu TIM App
- WhatsApp
- TIM website

[Click here](#) and check out all of TIM's customer services

Full attention to customers

TIM has a Users Council, whose purpose is to bring together the operator, mobile telephony customers and members of consumer protection entities. The Council seeks to promote greater social participation in the provision of services by operators, in which the ultimate objective is to equally contribute to the construction of a more engaged and participatory society in the telecommunications agenda.

- The Council is formed by users and entities whose objective is to defend consumer interests
- The organization has a consultative nature, aimed at evaluating the services and the quality of service provided by the provider
- It is the competence of the Council to present proposals for the improvement of telecommunication services
- It has no legal personality, administrative, financial, and patrimonial autonomy
- Constituted for each Region of the country,

the Councils have their respective Presidents, Vice-Presidents and ten counselors

- The terms are triennial and the most recent election took place in 2019 (composition term from 2020 to 2022)

[Click here](#) to learn more about the User Council

Customer experience

TIM guides its quality management based on customer experience. This is possible because the Company maintains open communication with its users through satisfaction level surveys and carefully monitors manifestations in consumer protection bodies. This monitoring covers complaints registered at Procon, at Consumidor.gov.br and at Anatel. In addition, TIM provides information on the sector regulation on its institutional website that directly influences tariffs, plans, promotions, and services offered to customers, valuing transparency, and facilitating access to this type of content.

TIM also develops a Transactional Survey, carried out from the call centers, and through it captures the immediate evaluation of the user after contacting the attendant. The Company's customers can periodically evaluate TIM's services via another assessment, the National Mobile Telephony Satisfaction Survey. In 2021, the Company recorded an average overall satisfaction of 7.46.



Ombudsman

TIM has made available to users, since August 2020, an Ombudsman channel. The service is available to customers who have already activated other service channels by the Company and have not had their demands resolved within the deadline or were not satisfied with the solution presented. The objective of this channel, which is the Company's last internal instance of customer service, is to establish a respectful and transparent relationship with customers, seeking an effective solution and high resolution of demands.

The Ombudsman reports directly to the Company's President and has a relevant role in reducing the volume of demands registered in the Ombudsman's Office itself, as well as in Anatel, in consumer protection bodies and Special Civil Courts (JEC), acting on the root causes of the main contact reasons, directing the continuous improvement of the quality of the services provided and making the governance of multidisciplinary groups. The Ombudsman also works with the objective of guaranteeing the high resolution of the demands registered in the consumer defense bodies and Anatel.

Customer service	2019	2020	2021
Total calls answered by SAC	101,158,130	74,344,021	57,836,544 ¹
Total Ombudsman calls	5,445 ²	49,361	338,961 ³

1. 22% reduction in customer service, driven by the evolution of the Cognitive URA and the better stability of the IT platforms and the network.

2. In 2019, the data presented refer to an internal TIM channel not disclosed to the public.

3. Significant increase due to the creation of the Ombudsman's 0800 channel in August 2020, in addition to the dissemination actions for consumers.

Complaints received	2019	2020	2021
At the Company	13,635,181	11,274,525	7,798,822
At Anatel	663,043	553,358	372,959 ¹
In Court	111,423	52,661	43,731

1. 33% reduction in complaints at Anatel compared to 2020, thanks to the effectiveness of the solution in the internal channels (SAC and Ombudsman).

Complaints resolved	2019	2020	2021¹
At the Company	101.79%	100%	99.32%
At Anatel	99.63%	90.95% ²	93.6%
In Court	79%	182.58%	163.08%

1. Percentages above 100 consider cases opened in previous periods and closed throughout the year.

2. Adjusted data as the resolved complaints indicator was implemented by Anatel in December 2019 (with the replacement of the FOCUS system with Anatel Consumer). Until 2019, the number of complaints answered were analyzed.

Contact the Ombudsman

- 0800 882 0041
 - From Monday to Friday, from 8 am to 6 pm, except weekends and national holidays
- [Click here](#) and access online

Suppliers

GRI 103-1 | 103-2 | 103-3

Directed by the Supplier Relationship Policy, TIM establishes commitments to be followed by its suppliers, including subcontractors for the provision of services, for the formation of partnerships. The requirements focus on competitiveness, quality, safety, respect for human rights and socio-environmental responsibility.

In the formalization of contracts, suppliers undertake to conduct their operations in accordance with legal obligations and good compliance practices. The agreements also require companies to adhere to the TIM Integrity Program (learn more on page 24) and the Global Compact Principles, and expressly mention the repudiation of child labor or slave-like labor.

Actual or potential TIM suppliers are evaluated based on current labor laws, by consulting the databases of the Business Pact for Integrity and Against Corruption and the Brazilian National Pact for the Eradication of Slave Labor. If violations of labor legislation are recorded, the company is disqualified from providing services or products to the Company.

Based on these processes, in 2021 no suppliers were identified with significant risk for the occurrence of child, forced or slave-like labor. [GRI 408-1 | 409-1](#)

Material topic: Strategic and responsible supplier management

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TIM understands that the strategic and responsible supplier management is related to the importance of the supply chain to guarantee the provision of quality services to customers. It is essential for the continuity of supply of products and services by business partners, inhibiting the risk of shortages, and for the joint creation of innovations and differentials in products and services. At the same time, it is fundamental for the creation of positive value in the TIM chain, engaging suppliers in good management practices of social, environmental, and economic aspects.

2021 Results

GRI 308-1 | 414-1

- **96%** of suppliers that went through the qualification process answered the Due Diligence questionnaire on ethics and conflict of interest
- The target for the Company's suppliers that go through the Due Diligence process was set at 85% for 2022
- In 2021, 1,037 suppliers (83% of the total) responded to the socio-environmental questionnaire (assessment of risks such as child and forced labor, health and safety of workers, environmental management, etc.)

TIM' supply chain GRI 102-9

- Comprised of more than 700 national and foreign suppliers with which TIM carried out transactions during 2021. Of this total, 97% are local suppliers
- Provide network infrastructure equipment, telecommunications products, technology services and electrical energy
- Chain also composed of service providers, such as consultancies, audits, and communication agencies

Suppliers

Risk monitoring

- TIM applies ethics and conflict of interest questionnaires
- Conducts socio-environmental tests, even before hiring

Proportion of expenses with local suppliers¹ (R\$ million) <small>GRI 204-1</small>	2019	2020	2021
Local suppliers			
Network infrastructure	2,886	2,431	2,715
Commercial products	1,233	934	1,026
Information technology	800	720	913
Professional technical services	980	663	1,150
Real Estate	134	107	119
Others	0	195	130
Subtotal	6,023	5,050	6,053
Foreign suppliers			
Network infrastructure	5	6	7
Information technology	31	64	21
Professional technical services	60	78	65
Subtotal	96	149	93
Total	6,119	5,198	6,116
Percentage of budget spent on local suppliers	98%	97%	98%

1. Local suppliers are those that are in the same country where TIM is headquartered (Brazil). TIM's purchasing process, whenever possible, prioritizes national suppliers.

Privacy and data protection

GRI 103-1 | 103-2 | 103-3

Customer privacy and data protection is one of the most important issues for TIM's business management. The Company conducts its activities in complete alignment with the General Law for the Protection of Personal Data (LGPD), 13.709/2018, and based on ISO 27001, an international standard that describes best practices for information security management and NIST (Cyber Security Framework), a structure that supports the management and reduction of cybersecurity risk. [SASB TC-TL-230A.2](#)

Since the LGPD was sanctioned in 2018, the Company has prepared itself in several ways to fully comply with legal requirements. Among the main actions, it trained employees to be aware of the impacts and changes brought about by the law and guided them to follow the guidelines in the collection, use and protection of personal data of customers, employees, suppliers, and other publics. [SASB TC-TL-220A.1](#)

Among other aspects, the LGPD determines that each individual has the right to know how their data is being treated by the company, and may also request rectifications, deletions from the database and anonymization, which is called Owners' Rights. Since the LGPD came into force, TIM has received more than 700 requests from holders demanding Owners' Rights, all of which have been met. The most frequent requests are: right and access to processed data,

request for data deletion and request for suspension of advertising messages. [GRI 418-1](#)

TIM has not received any substantiated complaint regarding breach of privacy and/or loss of customer data. Regarding the use of its customers' data, TIM continued to use location information (without any PII - Personally Identifiable Information - or the possibility of reverse engineering to access individual data), in a pro bono joint effort with other main mobile phone operators in Brazil, to measure the social isolation index in order to provide information to governments (more than 50 states and cities) and help in the fight against the covid-19 pandemic. Mobile customer base in 2021: 52,065,959. [GRI 418-1](#) | [SASB TC-TL-220A.2](#)

In addition, TIM has collected express consent from more than 27 million users (until December 2021), in line with the LGPD, to impact customers with mobile advertising, thus being able to segment, reach and engage partner campaigns for the right customer, in the right communication channel and at the right time.

The person responsible for managing the topic at the Company, as required by law, is the Data Protection Officer (DPO), appointed in 2018. The professional reports directly to the Board of Directors and coordinates practical actions for maturing and improving governance over personal data.

Material topic: Data protection, customer privacy and cybersecurity

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TIM understands that data protection and customer privacy is a topic directly related to business continuity and that it has a direct impact on the Company's image and reputation, on customer satisfaction and retention. Failure to comply with legal requirements can generate fines and loss of market confidence. In the pandemic context, cybersecurity has gained even more relevance to keep customer information safe and protect against damage and possible interruptions in the operation.

ESG Plan Goal

Obtain ISO 27001 certification by 2022

Result

Goal in progress

TIM management with LGPD

- Creation of the Privacy Committee, coordinated by the CEO and composed of the Company's directors
- Appointment of the Data Protection Officer (DPO) position
- Updating and making available the Privacy and Cookies Policies
- Compliance with Owners' Rights requests (the law provides various rights for the holders of personal data, such as correction, anonymization, and review of automated decisions)
- Hiring of a digital tool to service and manage the Owners' Rights, providing a better experience for customers to exercise their rights
- Designation of the Compliance team to lead the actions necessary to comply with the LGPD and manage requests for Owners' Rights
- Obtaining ISO 27001 certification, standard for the information security management system, by 2022
- Adequacy of new contracts in relation to the processing of personal data
- Review and adequacy of existing contracts that were classified as impacting personal data
- Review and update of internal normative documents to regulate and guide the processing of personal data by employees
- Creation of the Privacy Center on the TIM website
- Creation of an internal security flow for incidents or cases of leaks involving personal data

The responsibilities of TIM's Data Protection Officer (DPO)

- Maintain an integrated view of TIM's strategic plan for data protection, throughout the Company's value chain, in order to ensure the implementation of the Program
- Report to the Data Protection Committee on the progress of TIM's different key activities involving personal data
- Implement the standardization of policies, methodologies, and tools, developing indicators for monitoring data protection processes in different areas
- Develop training and guide data protection awareness projects
- Accept complaints and communications from the holders, provide clarifications and adopt measures
- Receive communications from the National Data Protection Authority and adopt measures
- Establish and adjust, together with the different TIM areas, data protection policies and other data governance processes
- Support the implementation of improvements in privacy and data protection processes and controls
- Keep TIM's data protection policies up to date
- Review TIM's privacy and data protection processes and activities, ensuring compliance with the laws applicable to the matter

[Click here](#) and access TIM's Privacy Policy

Judicial actions

In 2021, 718 lawsuits related to data privacy were initiated; 718 were closed (including cases opened in previous years), 59% of them with decisions favorable to the Company. In the 294 cases with unfavorable decisions, payments totaling approximately R\$ 2.1 million were made. In the same period, the Company received 130 lawsuits related to the breach of telephone or telematic confidentiality; 135 cases were closed. [SASB TC-TL-220A.3](#)

More than 1.5 million requests were made by Justice to TIM for breach of privacy. [SASB TC-TL-220A.4](#)

• In Anatel and Senacon lawsuits, there was no assessment of privacy violations and loss of customer data

• No data leakage incidents in the period [GRI 418-1](#) | [SASB TC-TL-230A.1](#)

Legal requests for breach of privacy by type (thousands) ¹	2019	2020	2021
Telephone interceptions	381	367	325
Registration data	513	391	397
Telephone statements	596	660	839

1. Currently, it is not possible to accurately determine the number of customers affected by requests for information, since different authorities may request the same data on different occasions.

Information security governance

TIM has a board dedicated to meeting security controls in internal and external audits of its operations. The main responsibilities of this team are:

- Ensure the analysis from a security perspective of the company's ICT projects and the management of profiles and logical access to the systems;
- Ensure vulnerability management, information leakage prevention, cyber-attack simulations, digital investigation and monitoring of evolution and detection of new cyber threats and risks;

- Ensure the monitoring and treatment of cyber risks and security events, the mitigation of attacks, as well as the management and response to the respective incidents;
- Define architectural standards for security solutions for the company, analyze and test new security options and strengthen the strategy for selling value-added services and products in this area to customer segments, in line with the competent functions;
- Ensure governance activities of the risk prevention process that may affect business continuity, as well as supporting functions in the implementation of security initiatives.

Environmental

- Climate change
- Energy
- Waste
- Water



Environmental Management System

TIM has a set of policies and processes that guide its practices and actions on socio-environmental issues and that reinforce its commitment to environmental management. Fundamental for the competitiveness of companies, sustainability is a priority issue for TIM Group.

The Company's guideline is to always stay ahead of the demands of society and legislation, contributing as a protagonist to the advancement of the telecommunications sector. TIM's Environmental Policy covers all of the Company's operations and is based on three pillars: environmental protection, compliance with corporate legal and regulatory

requirements and promotion of continuous improvement of its Environmental Management System (EMS). The document also strengthens TIM's commitment to other environmental principles, such as adequate waste management, efficient consumption of natural resources and pollution prevention.

To ensure performance in accordance with legal requirements and Environmental Policy guidelines, TIM has teams to license and monitor the compliance of the Company's sites, such as Radio Base Stations (ERBs), technical buildings and data centers.

ERBs generate impacts at the time of their construction, due to the local movement of workers and works. In the operational phase, the main impact is associated with non-ionizing radiation emissions, which are the subject of theoretical and practical reports in order to guarantee the safety of structures for society, in compliance with the limits established by the World Health Organization (WHO). In 2021, the level of electromagnetic emissions at 3,938 sites was measured, as requested by Anatel. The Company also measures the noise level of the network structures, upon demand. In 2021, 15 requests of this nature were answered. [GRI 304-2](#)

TIM's asset park comprises more than 23 thousand ERBs, all licensed by Anatel, in accordance with local regulations, such as urban and environmental licenses, when applicable. Of this total, 149 are located in sensitive areas for biodiversity (Environmental Protection Areas – APAs or Permanent Protection Areas – APPs). The Company periodically monitors these locations in order to avoid any negative impact. [GRI 304-2](#)

In 2021, TIM did not receive any significant environmental fine. The Company follows the evolution of the administrative defense presented regarding the fine of R\$ 500 thousand applied in 2016, reported in previous years and for which the possibility of statute of limitations is being raised. [GRI 307-1](#)

More connectivity with renewable energy

Applying technology to minimize the impact of antennas on its network, TIM has 1,766 active biosites. These structures, similar to a common pole, accommodate all the telecommunications equipment inside, in addition to housing other urban furniture, such as street lighting and security cameras. As a result, they have a low visual impact on the landscape, in addition to requiring smaller physical spaces for their installation.

In February 2022, TIM activated the first wind-powered biosite in Brazil. The place chosen to receive the novelty was the Pipa beach, in Rio Grande do Norte. Unlike traditional wind towers, the blades are positioned vertically, on top of the metal pole, allowing for a quieter and more efficient movement with less visual impact. [GRI 304-2](#)

Focus on environmental management

The Environmental Management System (SGA) aims to provide TIM with a structure to protect the environment, enabling a response to changes in environmental conditions, in balance with socioeconomic needs. In addition, it aims at the continuous improvement of the organization's environmental performance and the compliance of the activities carried out in accordance with the Environmental Policy.

In line with the Company's strategic planning, the SGA follows the requirements of the ISO 14001 Standard. Since 2010, TIM has been certified in this environmental standard within the scope of Network Management and Operation in the states of Espírito Santo, Rio de Janeiro, and São Paulo.

Climate change

GRI 103-1 | 103-2 | 103-3 | 305-1 | 305-2 | 305-3 | 305-4 | 305-5

The mitigation of greenhouse gas (GHG) emissions and the adaptation of operations to the already irreversible effects of climate change are strategic for TIM's value creation. These two perspectives are managed under the guidelines of the Company's Climate Change Management Policy, which determines cornerstones for the theme's management, considering national and international legislation, determinations of regulators and guidelines of the TIM Group.

In 2021, the TIM Group joined the Science Based Target initiative (SBTi) with TIM Group, created by the coalition among CDP, Global Compact, World Resources Institute (WRI) and World Wildlife Fund for Nature (WWF). The objective of the SBTi is to promote best practices for reducing and neutralizing GHG emissions, in line with climate science, engaging companies through a public commitment to submit their emission reduction targets so that they are validated through a scientific method.

[Click here](#) and access TIM's Climate Change Management Policy

ESG Plan Goal

Achieve carbon neutrality (scopes 1 and 2) by 2030

Results

Scopes 1 and 2 reduction



Scope 2 reduction



As part of this commitment, TIM's GHG inventory is prepared annually, in accordance with the premises of the Brazilian GHG Protocol Program (including optional Scope 3 reporting) and is audited by a third party¹. Emissions data and practices for governance, strategy and risk and opportunity management in this area are also widely disclosed on a voluntary basis within the scope of CDP, a global initiative for transparency in emissions. In 2021, TIM evolved its score from B- to B.

Additionally, companies that responded to the full version of the CDP Questionnaire for Climate Change also had their supplier engagement performance evaluated. The result is demonstrated in the Supplier Engagement Rating (SER), which considers companies' responses to governance issues, targets, Scope 3 emissions and value chain engagement. In 2021, TIM was classified as A-, an evolution of the 2020 result (B-).

Direct GHG emissions from TIM's operational activities (Scope 1) are mainly associated with stationary emissions from machinery and equipment, such as generators, fugitive emissions from refrigeration systems, extinguishing gases from fire-fighting systems and fuels of the vehicle fleet controlled by TIM. Currently, most of the indirect emissions accounted for by TIM come from the consumption of electricity (Scope 2), while the others, related to the Company's value chain operations (Scope 3) come from the transport of goods and the displacement of sales teams that demand the use of fuels.

To map the impacts of emissions throughout the life cycle of its products, TIM calculated its Carbon Footprint. The study concluded that for every 1 Mb of data transmitted over 4G technology, 1.47 grams of CO₂e is emitted. The main factors for this emission are the burning of diesel in the generators and the electricity consumption of the operations.

1. TIM is not among the Gold Seal companies for the Qualification Policy of the GHG Protocol Program because the Verification Body (OV) responsible for auditing the Company's GHG inventory is not accredited by Inmetro in Brazil.

TIM's GHG emissions inventory

Scope 1

Direct emissions associated with the operation, especially from the burning of fuels and maintenance of air conditioning and firefighting systems. [GRI 305-1](#)

The trend of reducing emissions from TIM's vehicle fleet continued in 2021, largely due to the effects of the pandemic. The increase of about 80% in stationary emissions was due to the accounting of emissions from machines and equipment from the plants of the GD Project. Emissions from these activities, mostly methane (CH₄), totaled 595 tCO₂e in the period. In addition, the effluents in the CHGs of the CD Project were mapped for the first time, due to a license condition.

Scope 2

Indirect emissions from the purchase of electricity. For the location approach, emissions are calculated using the average emission factor of the National Interconnected System (SIN), that is, it does not account for the traceability of renewable energy acquired in the free market and through distributed generation. For the purchase choice approach, renewable energy purchased with proven traceability (via renewable energy certificate, I-RECs) is considered. [GRI 305-2](#)

Scope 3

Indirect emissions in TIM's value chain, including the commuting of employees to work, air travel for work, waste treatment and logistical activities, among other emitting sources. [GRI 305-3](#)

In 2021, TIM revised the Scope 3 category, starting to disregard the losses scenario due to transmission and distribution of electricity. For this reason, the values for 2019 and 2020 were recalculated considering this same criterion. In addition, the reduction in GHG emissions observed in the last two years was mainly due to the Covid-19 pandemic, which affected business travel (air travel and travel by taxi) and the commuting of employees, that is, commuting from home to work, due to the adoption of home office.

TIM showed a reduction in indirect Scope 2 and Scope 3 emissions due to energy compensation through the acquisition of renewable energy certificates. In the case of Scope 3, one of the categories of indirect emissions reported by TIM considers emissions resulting from the acquisition of fuel used in extraction, production, and transport.

Scope 1 GHG emissions (tCO₂e) [GRI 305-1](#)

	2019	2020	2021
Emissions from the TIM operational control vehicle fleet	510	348	335
Stationary Emissions (Generators, Machine and Other Equipment)	661	815	1,474 ¹
Fugitive emissions (refrigerant gases and fire extinguishers) ²	3,962	4,309	2,584 ³
Effluents	-	-	2
Total	5,132	5,473	4,395

1. Value considers the biogas plant and the natural gas plant that are now accounted for in scope 1 instead of scope 2, previously reported as electricity acquisition.
2. TIM Brasil and TIM Group use the same database that originates GHG emissions, however, the results presented in tons of carbon equivalent differ between the two companies due to the use of different methodologies. TIM also separately monitors its Non-Kyoto fugitive emissions, which correspond to chemical substances with emissions that are not included in the final accounting of the GHG Inventory, prepared in accordance with the methodology of the Brazilian GHG Protocol Program. However, aware of its environmental commitments, TIM identified the equivalent of 2,122 tCO₂e of non-Kyoto fugitive emissions in 2021.
3. Reduction of fugitive emissions due to improved preventive maintenance for leaks and accidental trips.

Scope 2 GHG emissions (tCO₂e) [GRI 305-2](#)

	2019	2020	2021
Location-based ²	53,806	38,717	51,355 ¹
Market-based ²	-	-	0

1. In 2021, emissions related to the distributed energy generation project (self-generation) were not accounted for, they began to be accounted for in scope 1 (emissions from the operational activities of the plants). In the same year, TIM reached the percentage of -153% in its indirect emissions (compared to the 2019 baseline), also as a result of the actions aimed at expanding the use of renewable energy and the acquisition of renewable energy certificates (I-RECs), which "offset" the equivalent of 51,355 tCO₂e. [GRI 305-5](#)
2. Location-based approach: calculation of emissions considering as an emission factor the average of emissions for the generation of electricity from the National Interconnected System. Market-based approach: quantification of emissions considering the specific emission factor associated with the proven origin of each source generating electricity that the inventory organization has purchased.

Scope 3 GHG emissions (tCO₂e) [GRI 305-3](#)

	2019	2020	2021
	16,687	9,668	8,199

[Click here](#) and access TIM's GHG Inventory in the Public Emissions Registry of the Brazilian GHG Protocol Program

Emission intensity <small>GRI 305-4</small>	2019	2020	2021
For every 1,000 customers			
Scope 1	0.095	0.106	0.082
Scope 2	0.980	0.753	0.000
Scope 3	0.360	0.187	0.153
For every R\$ 1 million of net operating revenue			
Scope 1	0.300	0.317	0.243
Scope 2	3.100	2.242	0.000
Scope 3	0.960	0.559	0.454
For each employee			
Scope 1	0.489	0.563	0.454
Scope 2	5.068	3.982	0.000
Scope 3	1.641	0.994	0.846



Preserving the Amazon Rainforest

Since 2014, TIM has acquired carbon credits to offset part of its emissions. These resources support renewable energy generation projects and Reducing Emissions from Deforestation and Degradation (REED) initiatives.

In 2021, TIM invested in the neutralization of part of GHG emissions through the acquisition of 592 carbon credits from the forestry project

REDD+ (Reducing Emissions from Deforestation and Degradation) in partnership with Carbonext. The Envira Amazônia Project, located in the municipality of Feijó, in Acre, was created with the aim of helping to protect and conserve 200,000 hectares over 30 years. The main activities of the project are concentrated in an area of 39,300 hectares of Amazon forest, avoiding the emission

of 12,596,462 tCO₂e by 2022. The initiative has also contributed to protecting 45 species of birds, 18 of which are endemic, in addition to four tree species and two threatened with extinction.

Supporting the preservation of biodiversity and contributing to the reduction of deforestation in Brazil were TIM's guidelines in choosing the Envira Amazônia project. [Click here](#) to learn more.

Energy GRI 103-1 | 103-2 | 103-3

TIM depends on the constant supply of electricity to supply the physical structure of its telecommunications network, operations, data centers, stores, and administrative headquarters. Due to the strategic importance and impacts associated with energy consumption, the topic is material and is part of the ESG Plan's commitments. A specialized team is responsible for energy management, focused on two priority fronts: expanding the presence of renewable sources in the Company's matrix and improving energy efficiency in the grid.

One of the main initiatives in this context is the Geração Distribuída project, which promotes the supply of the grid using small power plants. At the end of 2021, TIM had 46 active plants, which together with the purchase of energy in the Free Market made it possible to reach, in December, the level of 83% of renewable energy from total direct consumption (79% in the annual average). With the acquisition of origin certificates for renewable energy (I-RECs), TIM reached the mark of 100% renewable energy in its operation.

Thus, in 2021, 100% of electricity consumption (652,052 MWh) came directly or indirectly from renewable sources. The goal of the ESG Plan is to maintain this achievement until 2025. [SASB TC-TL-130A.1](#)

Material topic: Energy management

7 13

The telecommunications sector is highly dependent on the continuous supply of electrical energy to guarantee the functioning of its operations. For this reason, TIM understands that energy shortages are a significant operational risk, directly related to the Company's costs. Any interruptions in this supply impact the provision of services and the customer experience. It also understands that investing in renewable energy sources contributes to a lower environmental impact and mitigation of risks related to the continuity of its operations.

ESG Plan Goal

Maintain **100%** of energy consumption from renewable sources by 2025

Maintain the **80%** increase in energy efficiency in data traffic through 2025 compared to 2019

Results

Renewable energy consumption		
2021		100%
2020		64%
Eco-efficiency increase		
2021		96%
2020		64%

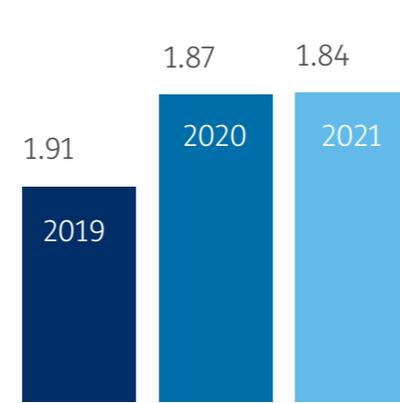
- **23%** increase in total traffic of the Fixed and Mobile Networks (bit), due to the increase in the average BOU (Byte Of User) of customers, driven by the attractiveness of the offers made by TIM

Improve network energy efficiency GRI 302-3

Compared to 2019, TIM improved its energy efficiency (bit/Joule) in data traffic by 96%. The factors that contributed to boosting this performance in 2021 were:

- improvement in the performance of TIM processes, such as the Decommissioning project, which promotes the reduction of energy consumption with the gradual shutdown of the 2G network, removal of obsolete or unused equipment and replacement with more efficient ones, and the automation of the cooling system in the TIM building in São Cristovão, in Rio de Janeiro (see more in the [Water section](#)). These initiatives contributed to the increase in TIM's total energy consumption (Joule) in 2021 of only **3%** GRI 302-4

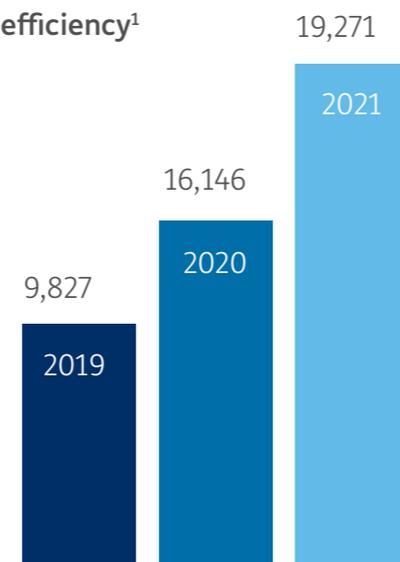
Average PUE¹



Improved efficiency is due to network virtualization

1. The average Power Usage Efficiency (PUE) indicator is used in the industry to measure the efficiency of data centers, considering the relationship between the total energy of the facilities and the energy of the IT equipment. For more information on the methodology proposed by The Green Grid, [click here](#)

Eco-efficiency¹



1. Indicator measured in bits traveled per Joule consumed, reflecting the Company's efficiency in increasing voice and data traffic from fixed and mobile networks compared to energy consumption (the higher the better). TIM's network traffic in 2021 was 5,683 PB. SASB TC-TL-000.D

Energy consumption within the Company by source (GJ) <small>GRI 302-1</small>	2019	2020	2021
Fuels			
Gasoline ¹	8,578	5,989	5,945
Hydrated ethanol ¹	445	349	582
Diesel - Vehicles	870	525	353
Diesel - Generators, Machines, and other equipment	9,846	12,263	13,226
Electricity	2,581,713	2,259,822	2,339,113
Total	2,601,452	2,278,948	2,359,219

1. The 2019 and 2020 gasoline and ethanol data have been recalculated to be in line with the volume reported in the Scope 1 GHG Inventory because the fuel from vehicles not owned by the Company corresponds to indirect Scope 3 emissions.

Total energy consumed by source <small>TC-TL-130A.1</small>	Consumption (MWh)	(%) Renewable
Self-generation from renewable sources¹	245,802.87	38%
Energy acquired from mixed sources	406,250.06	62%
Renewable sources in the Free Market	136,020.45	21%
Renewable portion of the National Energy Matrix	130,791.13	20%
Non-renewable portion of the National Energy Matrix	139,438.48	21%
Energy consumed from renewable sources	512,614.45	79%
Total Energy Consumed	652,052.93	100%²

1. Self-generation of energy from renewable sources, such as hydro, solar and biogas.
 2. With the acquisition of certificates of origin for renewable energy (I-RECs), TIM reached the mark of 100% renewable energy. The I-RECs certificates have an origin guarantee of the renewable environmental attribute to offset all electricity acquired by TIM from the captive and free markets.

Waste

GRI 103-1 | 103-2 | 103-3 | 306-1 | 306-2

The efficient and responsible management of solid waste is one of the objectives assumed by TIM in the ESG Plan and is provided for in the Company's Environmental Policy. In addition, in compliance with the National Solid Waste Policy (Law n° 12.305/2010), TIM shares with business partners the responsibility for receiving and properly disposing of post-consumer electronic equipment (such as smartphones, modems, batteries and accessories). Another vector to reduce the generation of waste is the digitization of services, which reduces the amount of paper needed for issuing invoices and collections.

In the search for constant improvement of its processes, TIM started to report the disposal of waste called CPE (Customer Premises Equipment)¹ from customers (individual or legal entity) who requested cancellation or stopped paying for the service. All material collected goes through the refurbishing

process, which evaluates the reuse conditions of the equipment. About 96% of modems returned from customers were recovered and reused and only 4% were discarded, in accordance with the Company's legislation and standards.

Encouraging and promoting the reverse logistics of electrical and electronic products and their components for domestic use is another front of the Company's operations. In this sense, TIM has a goal for 2022 to collect 3% of this waste, based on the volume sold in its stores in 2018. In 2021, the result achieved was 0.30 ton. Of this total, 97.5% were recycled. The initiative complies with Federal Decree 10.240/20, which determines how mobile phone companies must operate the reverse logistics system to ensure the environmentally appropriate final destination of post-consumer products. [SASB TC-TL-440A.1](#)

¹ Technical term used to designate the equipment used by customers, whether individuals (cell phones, batteries, modems, and other electronic accessories collected in stores) or legal entities (modems, sources, cables, and other accessories).

Material topic: Waste and post-consumption management

12

The Company is aware that the operation generates hazardous and non-hazardous waste, both in administrative processes and in the installation and maintenance of infrastructure. Waste is disposed of correctly, in accordance with the requirements of the legislation, so as not to cause contamination to the environment, nor generate sanctions and fines. In addition, it recognizes its direct and shared responsibility in the management of electronic waste (such as cell phones, batteries, accessories, modems, etc.) and assumes commitments to avoid and/or eliminate waste and reuse and/or recover materials.

ESG Plan Goal

Recycle at least **95%** of solid waste by 2023

Results

Recycled solid waste

2021		98%
2020		96%

TIM Smart Exchange

TIM customers can exchange used smartphones or smartwatches for a discount on the purchase of new products. With Trocafone's partnership, the Company encourages the circular economy and reverse logistics of post-consumer electronics

Recycled or recovered

GRI 301-3

6.5

tons of electronic waste (cell phones, batteries, accessories, etc.) and corporate modems (CPE)



87

tons of consumer electronics equipment (modems, repeaters, and accessories)



Waste destined by method (t)	2019	2020	2021
Recycled and Recovered <small>GRI 102-48 102-49 306-4</small>			
Main Batteries (hazardous)	559	485	550
Electronic scraps, cables, and metals (non-hazardous)	90	1,431	885 ¹
Cell phones, batteries and accessories collected in stores (hazardous)	0.6	0	0.3
Corporate CPEs (hazardous)	– ³	– ³	6.2 ²
Lightbulbs (hazardous)	0.1	0	0
Paper and plastic (non-hazardous)	43	24	36
Other Hazardous (e.g.: waste contaminated with oil, paint, varnishes etc.)	– ³	– ³	3
Reuse and/or recovery of electrical and electronic equipment from customers (modems, repeaters, and accessories)	– ³	17	87 ⁴
Subtotal	692	1,940	1,568
Final disposal <small>GRI 102-48 102-49 306-5</small>			
Landfill	351	74	27 ⁵
Total	1,043	2,031	1,595
Total hazardous waste	559	485	560
Total non-hazardous waste	484	1,546	1,035

1. Due to the release of a large volume of damaged material in 2020, the number showed a high result. Because of this, a 38% reduction in recycling is observed from 2020 to 2021, also impacted by the pandemic.

2. New control for reuse and recovery of materials started at the end of 2020 and reformulation of the waste collection program in owned stores.

3. Values not available because data were not reported in this period.

4. Significant increase in the amount of reused and recovered material in 2021 due to the new control started at the end of 2020.

5. Reduction of 63% of waste sent to landfill, mainly due to the closing of buildings as a result of the Covid-19 pandemic.

Water

GRI 103-1 | 103-2 | 103-3 | 303-1 | 303-2 | 303-3

TIM's activities do not depend on intensive use of water resources, but indicators related to water consumption are monitored and reported, in line with the Environmental Policy guidelines and the corporate commitment to transparency. Most of the water used in operations is supplied by local sanitation concessionaires, with water trucks being hired in the event of supply failures.

In the buildings managed by TIM, effluents are discharged into public sewage networks, following the environmental and urban planning rules of the Company's facilities in each location. The destination and treatment follow the legislation and are in charge

of the responsible concessionaire, without negative environmental impact to water bodies.

Water consumption in administrative offices continued to decline due to the maintenance of the remote work model for most of 2021. Consumption totaled 22,744 m³, a decrease of 60.7% compared to 2020. For 2022, the Company aims to reduce consumption by 2% compared to consumption in 2019, the year before the start of the pandemic. With the return to offices in the new hybrid work model, it is estimated that consumption will remain lower than in 2019, but higher than 2021.

Total volume of water captured in all areas by source (thousand m³)¹

	2019	2020	2021
Underground and produced water (artesian well, water truck and reused water)	16	5	0.9
Third-party water (municipal supply)	78	69	39
Total	94	74	40

1. There is no information on the condition of water stress, since the topic is not material for TIM.

Water: reuse that preserves

To mitigate the environmental impacts of its operation, TIM developed a sustainable solution for air conditioning in the administrative part of the São Cristóvão building, in Rio de Janeiro. The initiative reuses the waste from the circulation pump, reintroducing water into the air conditioning system. Through the implementation of a

collection box, this water starts to return reaching zero waste, which represents a saving of about 96 m³/year of water. The building also has a reservoir, which has the capacity to store 1 million and 300 thousand liters of water and acts as a backup of the main air conditioning system, maintaining all the Data Center air conditioning and

network infrastructure essential for TIM's operation for up to about 4 hours. Another initiative is the use of rainwater carried out in the TIM building in Santo André (PISA), in São Paulo. Eight tanks store 900,000 liters of rainwater, which, before being used in toilets, passes through an on-site treatment plant to stay within the parameters required by

law for use in the building's toilets, generating savings of approximately 10 thousand m³/year and preserving the concessionaire's consumption of treated water. In the last year, these initiatives allowed the reuse of only 165 m³, as the building was unoccupied due to the Covid-19 pandemic.

Social

- Digital inclusion
- Employees
- TIM's actions in the pandemic
- Diversity and inclusion
- Human rights
- Instituto TIM

Digital inclusion

GRI 103-1 | 103-2 | 103-3

A permanent objective in TIM's strategic planning, the expansion of connectivity has positive impacts on society as a whole. Especially in the last two years, with the context of the new coronavirus pandemic, the benefits of offering telecommunications infrastructure have become even more evident and have reached a level of priority for the maintenance of business and teaching activities.

Two fronts have the greatest impact potential to promote broad digital inclusion across the country: the expansion of the 4G network and initiatives to cover rural areas. TIM has been advancing in these two fields (see more in the diagram on the next page).

TIM was the first operator to successfully complete the process of entering into the Conduct Adjustment Agreement (TAC) with Anatel. The agreement provides for investments until 2024 to improve the quality and customer experience, with the improvement of digital service channels and reduction of complaint rates, as well as an increase in network infrastructure in more than 2 thousand cities. On the other hand, lawsuits against TIM were filed by the entity totaling approximately R\$ 639 million.

Among the commitments undertaken, the implementation and/or expansion of the 4G network in 1,837 municipalities stands out. In addition, it is estimated that 3 million people will benefit from the Additional Commitments, which aim to expand mobile broadband technology to around 350 municipalities with less than 30 thousand inhabitants, especially in the Northeast, North, Midwest regions and north of the state of Minas Gerais that still do not have access to 4G and have a Human Development Index (HDI) below the national average. The projects prioritized in this regulatory instrument are in line with the Public Telecommunications Policy, which provides for an increase in the coverage of mobile broadband access networks, prioritizing the service of cities, towns, isolated urban areas, and clusters that do not have this structure. In 2021, TIM concluded 18 months of the agreement, bringing coverage to 45% of the total of planned municipalities. [GRI 203-1](#) | [203-2](#) | [419-1](#)

Material topic: Digital inclusion and access to connectivity

1 9

TIM's telecommunications activities generate positive impacts beyond the business. Access to mobile telephony and broadband internet services makes it possible not only to communicate, but also to create countless opportunities for people and companies, functioning as a powerful tool for innovation. This transformation is also connected to digital inclusion through the provision of connectivity in regions without access to these resources, such as isolated communities, rural and low-income areas.

The urgent need to digitize various services and the migration of various activities to the online environment with the pandemic contributed to the recognition of telecommunications as an essential service.

ESG Plan Goal

Bring 4G connectivity to **100%** of cities in Brazil by 2023

Results

Municipalities covered by TIM's 4G

2021		85%
2020		70%



4G Network

National leadership
Presence in
4,715 cities
(↑ 22% compared to 2020)

Availability of technology to **97.6%**
of the Brazilian urban population

4G TIM in the Field

Coverage of over
6.2 million hectares in 8 states

600,000 people in
218 cities benefited

Rural Service Project

Signed with Anatel together
with other operators

Provides coverage of **864 municipalities**
and **4,292 rural public schools**

86% of the target established for
TIM for public schools met

Employees GRI 103-1 | 103-2 | 103-3

TIM maintained throughout 2021 its purpose of reconciling the needs of the business and employees, continuously exercising active listening. With the consolidation of remote work methods and dynamics, the Company defined a structured plan for the progressive return to face-to-face work, respecting safety, and distancing protocols to prevent the spread of Covid-19.

Engagement surveys carried out during this period contributed to the identification of strengths and opportunities for the evolution of the hybrid model. Among the positive issues pointed out, the experience of interaction between the teams, the implementation of security protocols and engagement stand out. The displacement time and the greater flexibility of the model were the main improvements indicated.

As in the previous year, corporate activities continued as planned, including the annual performance evaluation. In 2021, 96% of employees went through the process. Another practice maintained was the conduction of the Corporate Climate Survey, which surveyed more than 7,900 employees, reaching a participation rate of 97% of the staff. The survey covers topics such as a culture of integrity, a healthy work environment, trust from management and leadership, and achieved an overall satisfaction result of 83%. In the satisfaction analysis by the respondents' gender, the rate was 82% and 85%, respectively, for men and women. GRI 404-3

Material topic: Health, well-being, and management of employees

4 8

For TIM, employees represent the Company's main asset and drive performance through their knowledge, skills, and attitudes. As part of the strategy to be recognized as an innovative company, the Company's objective is to develop, attract and retain diverse talents, in addition to engaging its employees. The continuity of the coronavirus pandemic reinforced the importance of being concerned about the health and well-being of employees.

ESG Plan Goals

- Maintain the level of employee engagement of at least 80% by 2023
- Train 99% of employees in the ESG culture by 2023
- Train another 5,000 employees in digital capabilities by 2023

Results

Employee engagement

2021		83%
2020		84%

Trained in ESG culture*

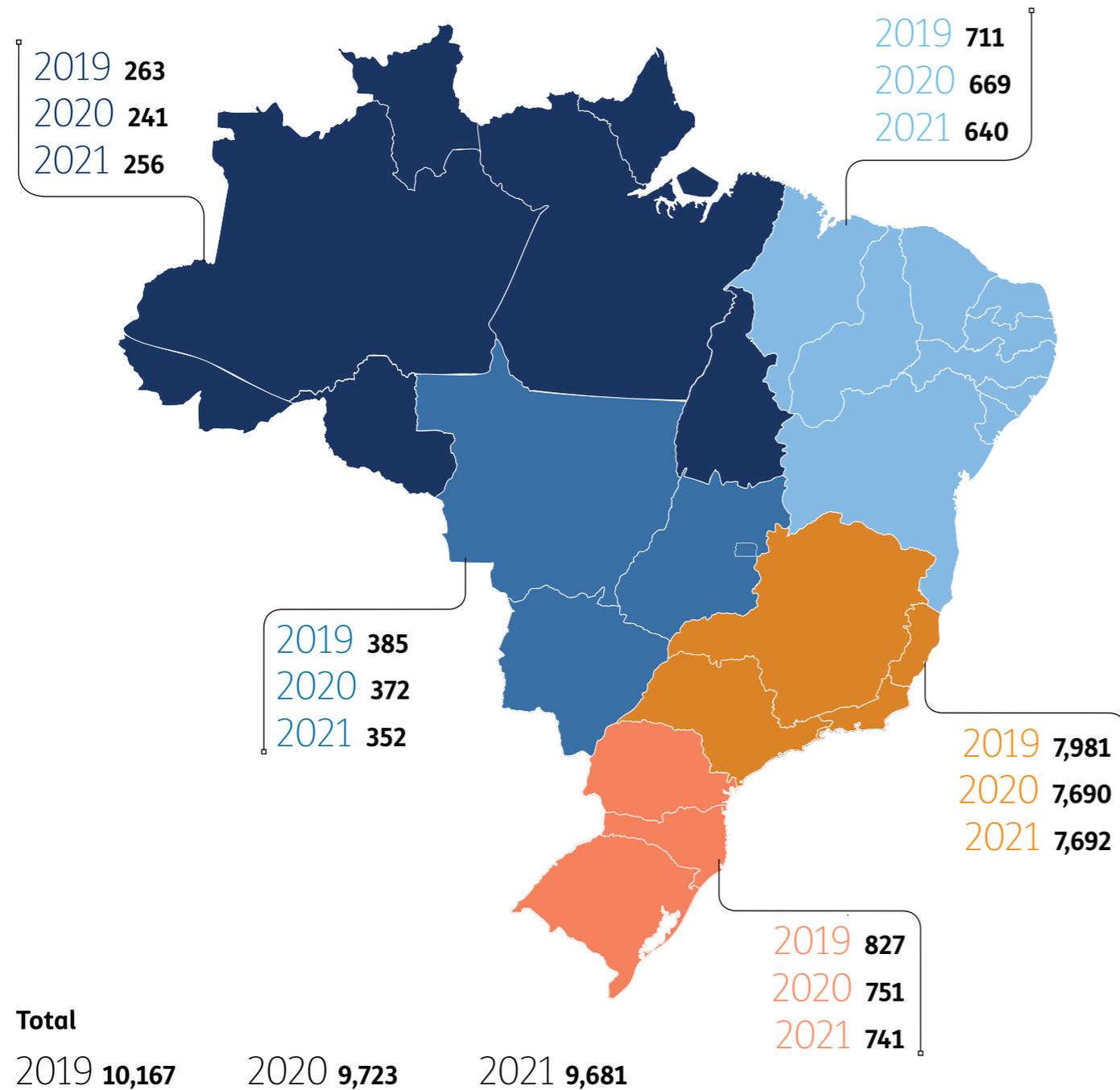
2021		95%
2020		99%

Trained in digital capabilities*

2021		1,861
2020		1,486

*Data for the years not comparable due to the modification of the calculation methodology in the period

Employees by region GRI 102-8



Employees by functional category GRI 102-8

	2019	2020	2021
Directors	60	64	71
Management	696	739	733
Professionals	4,187	4,179	4,085
Sales force	501	499	497
Call centers	2,071	2,028	2,041
Stores	2,185	1,912	1,910
Young apprentices	257	234	128
Interns	210	68	216
Total	10,167	9,723	9,681

Employees by age group GRI 102-8

	2019	2020	2021
Up to 35 years old	5,592	4,371	4,611
From 36 to 45 years old	3,336	3,763	3,389
From 46 to 60 years old	1,190	1,500	1,590
Over 60 years old	49	89	91
Total	10,167	9,723	9,681

Employees by contract type GRI 102-8

	2019	2020	2021
Permanent	9,700	9,419	9,334
Temporary	467	304	347
Total	10,167	9,723	9,681

Training and education

In 2021, employee qualification initiatives continued to focus on the virtual training environment, as social distancing recommendations were maintained in the context of the Covid-19 pandemic. TIM invested more than R\$ 10 million in training and education, diversity and development programs, an average of R\$ 1,044 per employee, prioritizing the training of professionals to meet the demands of the business and face the contemporary challenges of the telecommunications sector. The actions covered the development of digital, technical, and behavioral capabilities of the teams.

The Company continued to focus on the educational strategy of supporting the company's digital transformation, with two major initiatives. The Journey to Cloud consists of a structured retraining plan for all professionals involved in the migration of the infrastructure to the virtual environment and the Agile Journey aims to disseminate the culture, as well as the methods and tools of the Agile Methodologies, initially involving the team that works in the service creation processes, in order to bring incremental gains to the business, reduce risks and make continuous improvements.

Two leadership development initiatives were highlighted in 2021. The E-Coaching Program offered 270 newly promoted young leaders five individual sessions with professionals certified by



the International Coach Federation (ICF). In this approach, employees receive guidance to deal with the challenges in the new leadership position and are monitored as to their evolution in each session. Another important action was the Executive Mentorship Program, offered to 80 senior executives of the Company. In this case, employees had individual meetings with external experts to share knowledge about executive professional development and the management of the business and teams.

Within the scope of the ESG Plan, TIM continues to promote the strengthening of the corporate culture for sustainability. On the internal training platform,

several courses are available for employees to better understand TIM's sustainable business model. At the end of the year, 95% of employees had completed training on environmental, social and governance topics.

TIM also offers employees the possibility to learn English, with the offer of a free online course. In 2021, 4,868 employees participated in this formal education front of the Company. The investment of approximately R\$ 269 thousand per year in this benefit also allows professionals to invite a person from outside the Company to enroll in the English course. Thus, the investment not only contributes to

the qualification of TIM's human capital, but also promotes the inclusion and employability of people from civil society.

In 2021, the various training and education fronts totaled an average of 49 hours of training per TIM employee, an increase of 32% over the previous period. This variation is explained by the intensification of training for store and call center teams and the launch of the language program for the entire Company and the intensification of actions aimed at Diversity and Inclusion. In terms of gender, the female audience had an average of 57 hours of training, while the male audience had 42 hours. [GRI 404-1](#)

Main qualification initiatives at TIM GRI 404-2

Specific technical training

They focus on qualification and technical updating so that employees can perform the tasks of their respective functions.

Transversal training

Addressing issues common to different areas, these courses support the understanding and preparation to overcome business challenges and contribute for the corporate result.

Institutional training

They facilitate the integration of the employee into TIM's policies and corporate culture, contributing to a better environment in the Company.

Learning journeys

They are customized programs by area and specific topics, such as the Evolution program, which includes the complete training of store leaders and sales consultants in institutional, leadership and business topics, in addition to Journey to Cloud and Agile Journey, aimed at TIM's digital transformation.

Onboarding Program

Acolt welcomes and integrates new employees, presenting corporate guidelines on essential aspects of ethical conduct, anti-corruption, sectorial context, and competitive scenario, among other relevant topics.

TIM Talks

Held annually, this meeting brings together employees from all over the country to discuss the most evident topics in the sector, such as 5G, Cloud, Artificial Intelligence, Privacy, among others. In 2021, for the second consecutive year, the event was attended by both internal and external audiences and was held in 100% digital format, reaching more than 12 thousand participations and more than 9 thousand views on TIM's YouTube channel. In addition to the presence of representatives from the market, the academic sector, and various institutions, for the first time, TIM Talks had international guests.

Distance Learning (DL)

In partnership with Cogna Educação, TIM promoted distance learning training, with exclusive offers and special discounts for employees and customers on the Ampli platform.

Average hours of training, per employee category ¹ <small>GRI 404-1</small>	2019	2020	2021
Directors	26	17	17
Managers	24	26	24
Professionals	23	21	24
Sales force	27	34	36
Stores	64	49	64
Call centers	52	67	102
Interns	36	20	72
Young apprentices	11	6	24
Average per employee	38	37	49

¹ Calculation considers the total hours of training provided by the average number of active employees.

Health and safety

GRI 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-8 | 403-10

TIM's Occupational Health and Safety Management System brings together processes and initiatives to ensure a safe work environment and promote employee health. These efforts are guided by the Company's Health and Safety Policy, always seeking the best market practices and full compliance with the Regulatory Norms drawn up by the Ministry of Labor and Employment. [GRI 403-1 | 403-8](#)

Health and safety risks are periodically reviewed and analyzed, in accordance with the Company's internal procedure. At this point, the significance of each risk is assessed – frequency, probability, and severity – and the definition of control measures, whether collective or individual. These actions may include process adaptations, training and determination of protective equipment required for each activity, among other requirements. [GRI 403-2](#)

This management approach also ensures TIM's legal compliance in relation to the preparation of the Environmental Risk Prevention Program (PPRA) and the Occupational Health Medical Control Program (PCMSO). Through periodic audits and inspections, all processes and work environments undergo evaluations in order to ensure the effectiveness of health and safety risk prevention procedures. [GRI 403-2 | 403-3](#)



[Click here](#) and access TIM's Occupational Health and Safety Policy

Every month, the Internal Accident Prevention Commissions (CIPAs) meet to discuss issues related to accident prevention, unsafe conditions identified in inspections and suggestions for improving processes. These teams also strengthen communication and awareness initiatives on the subject, such as the Internal Accident Prevention Week (SIPAT). In 2021, SIPAT had actions aimed at employees, service providers and society in general, through lives with external experts and TIM professionals, broadcast on Youtube. In addition, internal communication channels are always used for the dissemination of information, helping to ensure that health and safety issues are always on the agenda. [GRI 403-4](#)

All new employees receive training on prevention and promotion of health and safety at work. For those who carry out risky activities, TIM offers specific training such as Confined Space, Working at Height, and Safety in Electrical Installations. For employees exposed to ergonomic risks, online training in Ergonomics is available. [GRI 403-5](#)

For outsourced service providers, the Company provides an exclusive training platform, with guidance content on Health, Safety, and the Environment. In addition, it requires and monitors the training of these professionals according to the activity performed. When a risk task is carried out by contractors, the Company establishes, as a prerequisite, the risk analysis of the activities before the work starts. [GRI 403-5](#)

Periodic drills for emergency cases and the Emergency Response Plan (PAE) complement this management structure. In the PAE, the necessary measures are defined in critical scenarios based on: identification of hazards and risks, observation of operations, documentation and legislation analysis, inspections, evaluation of procedures and maps of processes and internal and external audits. [GRI 403-7](#)

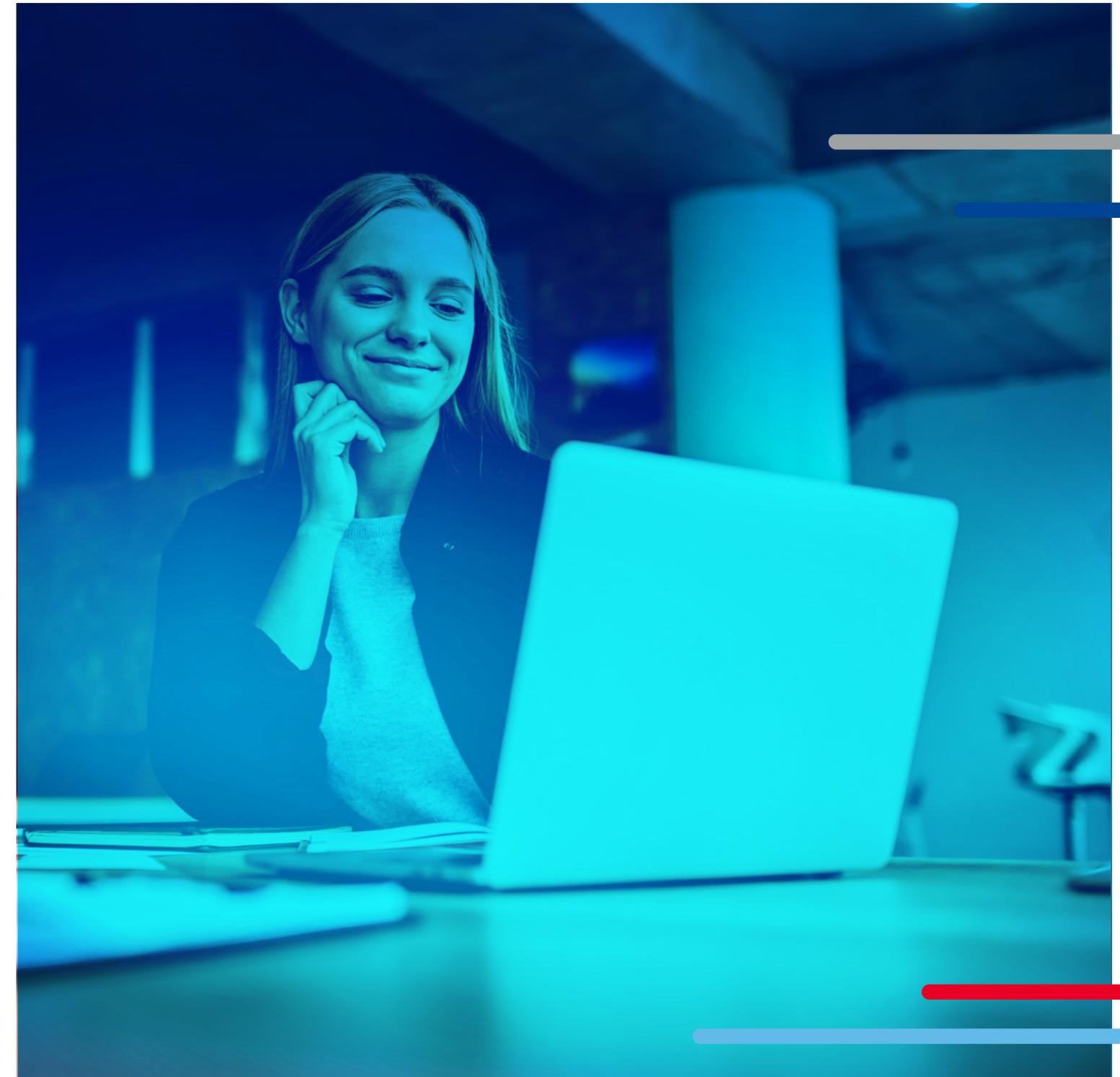
During the period, six incidents were recorded, none of which were serious or fatal. The number of accidents per 100 employees was 0.06 (target of 0.06), while the consolidated frequency rate for the year reached 0.33 (target of 0.36). Two cases of occupational disease were recorded. [GRI 403-9 | 403-10](#)

Work safety indicators [GRI 403-9](#)

	2019	2020	2021
Work accidents	7.0	4.0	6.0
Frequency rate ¹	0.4	0.3	0.4
Severity rate ²	5.6	1.8	2.8

1. Calculated as the total number of accidents per 1 million man-hours worked.

2. Calculated as the total number of days lost per 1 million man-hours worked.



Parental leave indicators <small>GRI 102-48 401-3</small>	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Employees entitled to the leave	4,919	4,781	4,746	4,675	4,639	4,698
Employees who took the leave	152	220	124	215	96	258
Employees with leave end date in the year	156	228	127	224	94	206
Employees who actually returned to work after the leave	156	227	126	222	93	203
Employees with leave end date in the previous year	127	272	156	228	127	224
Employees who remained with the Company for at least 12 months after returning	94	182	121	168	94	167
Retention rate after 12 months of leave return	74.0%	66.9%	77.6%	73.7%	74.0%	74.6%

As a Citizen Company, TIM offers all employees hired under the Consolidation of Labor Laws (CLT) extended periods of maternity and paternity leave – 180 days for women and 20 days for men – and financial aid for expenses with babysitting, day care, preschool, and purchase of children's products in pharmacies and supermarkets (Meu Primeiro Benefício), monthly. TIM also offers assistance to employees with children without minimum self-care conditions. Another advantage available is TIM Fácil, a platform for partnerships and Advantages Club with promotions and discounts on various products and services. GRI 403-6

Annually, at SIPAT, physical and well-being-related activities are promoted and guidelines are disseminated with specialized health professionals focused on mental health, hypertension, and sexually transmitted diseases. Training and live sessions are also held on the main health and safety issues, some of which are even open to society, through the Youtube channel. GRI 403-6

Health promotion

GRI 403-3 | 403-6

Occupational medical examinations are part of occupational health management routines, with the issuance of Occupational Health Certificates (ASO) whenever an employee is hired, changes role, returns to work (after leave), is terminated or even for periodic monitoring.

In addition to health aspects related to work, TIM promotes actions that contribute to the quality of life and well-being of its professionals. The possibility of remote work (Flex Office) and flexibility in start and end times (Flex Time) has been offered since

2017. Employees with more than five years of experience at the Company are also entitled to one day off with pay per year and rest on their birthday (Happy Day).

All employees have the benefit of private pension, life insurance, funeral assistance, health, and dental plan, in addition to being able to use emotional and social support programs and join plans to perform physical activities. The Complementation of Disease Assistance provides support for the monitoring of serious chronic diseases and, in the event of death, funeral expenses are covered.

TIM also offers executives the opportunity to customize their benefits package to better meet their needs through a flexible benefits platform. In 2021, the Company continued to invest in improving its benefits offer. The Dental Assistance plan was restructured, adding more plans to the portfolio and more flexibility for each employee to choose what best suits their needs. TIM also agreed with the Unions to implement a medication allowance plan for all employees by May 2022.

TIM's actions in the pandemic GRI 403-7



Throughout 2021, TIM maintained the measures implemented to prevent the spread of the new coronavirus and combat the impacts of the Covid-19 pandemic. A set of protocols and initiatives contributed to the safety of employees, customers, suppliers, and society as a whole. With the advancement of the national vaccination program, activities in the offices began to be resumed in a hybrid model of face-to-face and remote work for the administrative public.

Employees

- Beginning of the face-to-face return to the offices in October 2021 in a hybrid model, following a structured plan to guarantee all safety conditions for professionals
- Creation of structured and mandatory learning initiatives for employees with content related to the pandemic, such as remote work practices, well-being and mental health and protocols of conduct
- Maintenance of remote work for all employees where this modality was possible, including the customer relationship center teams
- Compliance with the Contingency and Risk Mitigation Plan in all on-site activities, in order to preserve the health of employees and ensure operational continuity

- Mapping application of employees and family members in high-risk groups, in line with CDC (Centers for Disease Control and Prevention) techniques
- Conducting Covid-19 testing, especially in stores

Customers

- Extension of the validity of credits from up to R\$ 20 to 60 days, as an aid to lower-income prepaid customers
- Access to the Coronavirus SUS app and the Ministry of Health hotsite without consuming internet franchise data

Institutions and society

- First operator in Brazil to close a technological partnership for the application of analysis of aggregated and anonymous data to monitor the effectiveness of measures to combat Covid-19 and participation in the sectoral agreement that allowed access by government agencies to this type of technology to facilitate decision-making in the fight against the pandemic
- Prioritization of the demands of Corporate Subscribers in the government area to maximize the level of availability, especially for hospitals and healthcare institutions
- Involvement in the partnership between operators to offer an internet plan with reduced costs to governments in all spheres, with the objective of offering

free internet to public school students and enabling access to distance learning platforms

- Support from Instituto TIM to the Gesto Solidário campaign, promoted by Instituto Biomob, with the donation of more than 2 thousand market baskets to 600 families in social vulnerability situations in communities in the state of Rio de Janeiro
- Participation in the Saving Lives campaign of the National Bank for Economic and Social Development (BNDES). The R\$ 500,000 donated by TIM benefited 25 hospitals in 20 municipalities in 14 states through the purchase of 450,000 Personal Protective Equipment (PPE), and was also doubled by BNDES, expanding assistance to public and philanthropic hospitals

Diversity and inclusion

GRI 103-1 | 103-2 | 103-3

Material topic: Promotion of Diversity and Equal Opportunities

5 8

Promoting a corporate culture of respect and appreciation of differences between people has become a fundamental issue. TIM believes that the more diverse a group, the greater the exchange of experiences and solutions, which contributes to constituting an inclusive work environment, with gains for the processes of attractiveness, engagement, innovation, and competitiveness.

TIM believes in workforce diversity as a fundamental pillar in promoting a positive experience for people. For the Company, it is essential to reflect in the workforce the demographic composition of the society in which it operates. The Diversity and Inclusion Policy guides all the Company's people management practices and activities, encouraging an attitude of respect and encouraging the appreciation of differences, without any type of discrimination.

Several internal initiatives and voluntary commitments made have resulted in important recognitions: TIM became the first Brazilian operator to integrate the Refinitiv Diversity & Inclusion Index and, in February 2022, the Company also joined the Bloomberg Gender Equality Index, which brings together 418 companies from 45 countries, 13 of which are from Brazil.

The Diversity and Inclusion Program brings together initiatives to strengthen corporate culture, with an annual calendar of activities related to the topic (aligned with the United Nations (UN) agenda), which guides the integrated communication and training plan on the topic and the continuous improvement of corporate

ESG Plan Goal

- Have **35%** of women in leadership roles by 2023
- Reach **40%** of black people in the workforce by 2023

processes to incorporate criteria of gender equity, sexual orientation, racial equality, different generations, and people with disabilities. In 2021, as part of its commitment to promoting an increasingly inclusive, safe, and discrimination-free environment, TIM launched the Respeito Gera Respeito Program, with new guidelines, educational actions and internal and external initiatives focused on the topic. Within the scope of the program, the company joined the Business Coalition for the End of Violence Against Women and Girls, launched a policy for the prevention, deterrence, and management of harassment practices.

A specific management in the Human Resources area is responsible for conducting the activities. At the executive level, the Diversity and Inclusion Committee, led by TIM's president, assesses the evolution of processes and opportunities for advancement. In addition, in a broad way, the Affinity Groups mobilize the almost 500 employees who voluntarily share ideas, propose new initiatives and actions to strengthen an inclusive culture.

Discrimination complaints are received and investigated by TIM's Complaints Channel, with the adoption of

Results



disciplinary measures in accordance with the Company's internal regulations. In 2021, 14 reports were received, of which 5 were considered unfounded, 2 with inconclusive investigation and 1 valid, related to discrimination by age group. In this confirmed case, TIM applied feedback to the professional involved. Another 6 reports were still under investigation at the end of the period. [GRI 406-1](#)

In 2021, the Company created talent database for professionals from minority social groups, such as women, black people, LGBTI+ people, people with disabilities and people over 45 years of age, in order to enhance the active search for candidates to expand the diversity in the workforce. In addition, TIM has been promoting internship and young apprentice programs aimed at hiring women, black people, LGBTI+ people, people with disabilities and people over 45 years old.

TIM highlights in 2021 on the Diversity and Inclusion agenda



Integrates the Bloomberg Gender Equality Index

Protagonism in the Refinitiv Diversity & Inclusion Index 2021 ranking (1st place among Brazilian companies and 19th place globally)

Among the 10 companies with the highest representation of women on the Board of Directors, becoming part of the Teva ESG Women on the Board Index

Obtaining the WoB Women on Board Initiative seal for the female presence on the Board of Directors



Adherence to the LGBTI+ Business and Rights Forum and creation of a talent database for LGBTI+ people

Recognition in the Diversity in Tech Award category of the 2021 Global Mobile Awards

Adoption of inclusive language in the Cognitive URA; virtual assistant, called Taís, responds with a humanized and non-sexist voice

Adhesion to the Business Network for Social Inclusion (REIS), which brings together more than one hundred companies around the Pact for Inclusion and has the endorsement of the International Labor Organization (ILO)

Adherence to the UN Women's Empowerment Principles (WEPs), with campaign launch and guide to combat sexism

Leadership of the Positive Women Project focused on expanding the employability and presence of women in the labor market. The initiative uses the Mulheres Positivas App as a digital platform to offer more than 200 training courses free of charge and advertise job vacancies in the more than 50 companies participating in the project, in addition to an intercompany mentorship focused on the career development of women from the project companies.



Launch of the Disability Guide without Taboos and the campaign to combat ableism (discrimination against people with disabilities)

Opening of the Young Apprentice Program and the Internship Program with targets for hiring black people and encouraging enrollment and selection of other minority social groups

Adherence to the Generations and Future of Work Forum, launch of an internal referral program for people over 45 and a campaign against ageism (discrimination based on age)



Participation in the Business Coalition for Racial and Gender Equity and creation of a talent bank for black people

Adherence to the Business Coalition to End Violence Against Women and Girls, and launch of the Respeito Gera Respeito Program, with new guidelines, educational actions, and internal/external initiatives to promote environments and relationships free from any type of discrimination, harassment, and violence

Inclusive event for employees and their families, TIM +Família

Diversity in governance bodies¹ GRI 405-1

Year	Gender	Age	Amount	Percentage (%)	
2019	Men	< 30	0	0	
		30 – 50	2	12	
		> 50	14	88	
		Total	16	94	
	Women	< 30	0	0	
		30 – 50	1	0	
		> 50	1	100	
		Total	2	6	
	2020	Men	< 30	0	0
			30 – 50	0	0
> 50			16	100	
Total			16	80	
Women		< 30	0	0	
		30 – 50	2	75	
		> 50	1	25	
		Total	3	20	
2021		Men	< 30	0	0
			30 – 50	0	0
	> 50		15	100	
	Total		15	75	
	Women	< 30	0	0	
		30 – 50	3	60	
		> 50	2	40	
		Total	5	25	

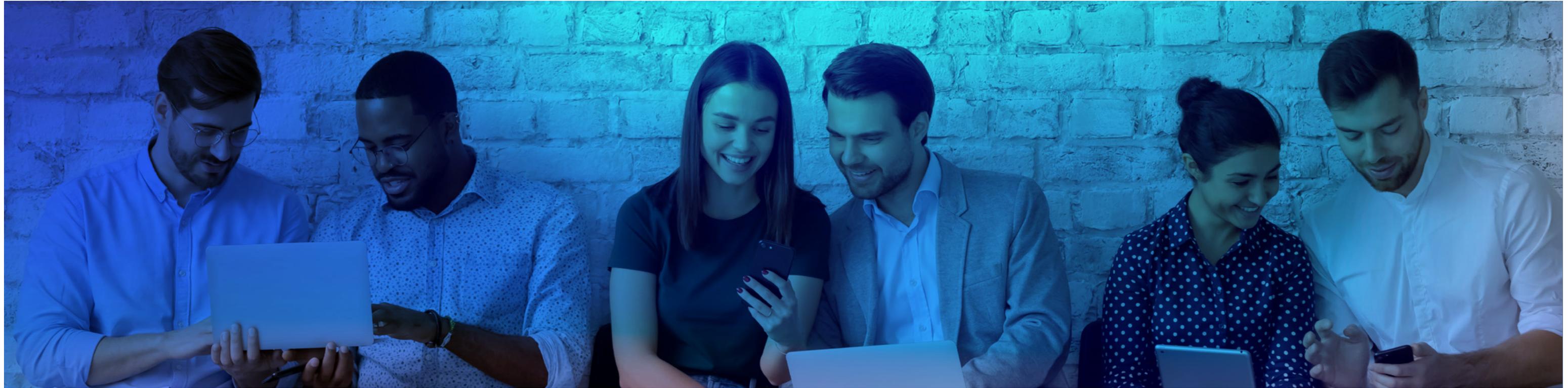
Employees by functional level and gender GRI 405-1

	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Directors	47 (78%)	13 (22%)	52 (81%)	12 (19%)	58 (82%)	13 (18%)
Management	457 (66%)	239 (34%)	488 (66%)	251 (34%)	476 (65%)	257 (35%)
Professionals	2,561 (61%)	1,626 (39%)	2,568 (61%)	1,611 (39%)	2,465 (60%)	1,620 (40%)
Sales force	308 (61%)	193 (39%)	301 (60%)	198 (40%)	289 (58%)	208 (42%)
Stores	1,023 (47%)	1,162 (53%)	845 (44%)	1,067 (56%)	849 (44%)	1,061 (56%)
Call centers	523 (25%)	1,548 (75%)	492 (24%)	1,536 (76%)	502 (25%)	1,539 (75%)
Interns	113 (54%)	97 (46%)	37 (54%)	31 (46%)	98 (45%)	118 (55%)
Young Apprentices	84 (33%)	173 (67%)	77 (33%)	157 (67%)	33 (26%)	95 (74%)
Total	5,116 (50%)	5,051 (50%)	4,860 (50%)	4,863 (50%)	4,770 (49%)	4,911 (51%)

34%
of women in
leadership positions
(management and board)

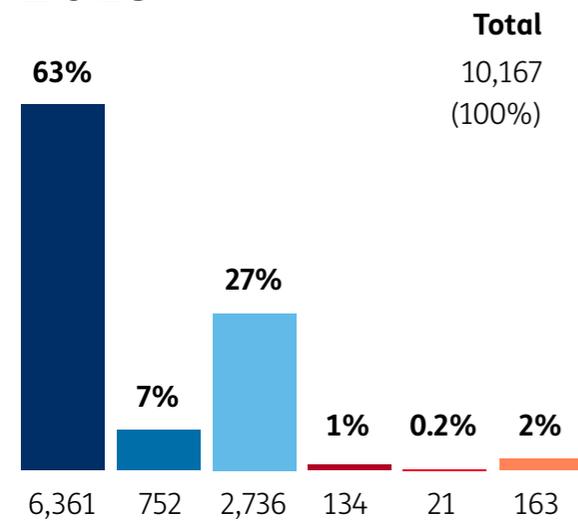
51%
of women in the
workforce (**total**)

1. Considers the Board of Directors, the Advisory Committees, the Fiscal Council, and the Statutory Board. In 2021, the Fiscal Council started to be considered in the scope of the indicator, bringing the need to recalculate the data in relation to the years 2020 and 2019. Considering only the Board of Directors, on 12/31/2021 there were 10 members, of which 7 men (all aged over 50 years old) and 3 women (2 aged over 50 years old and 1 between 30 and 50 years old).

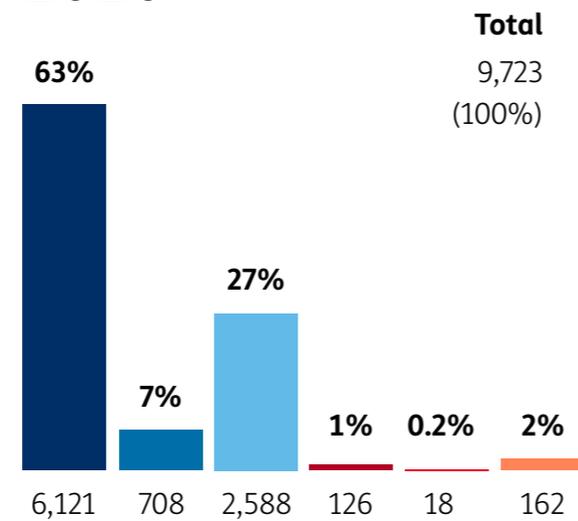


Employees by race GRI 405-1

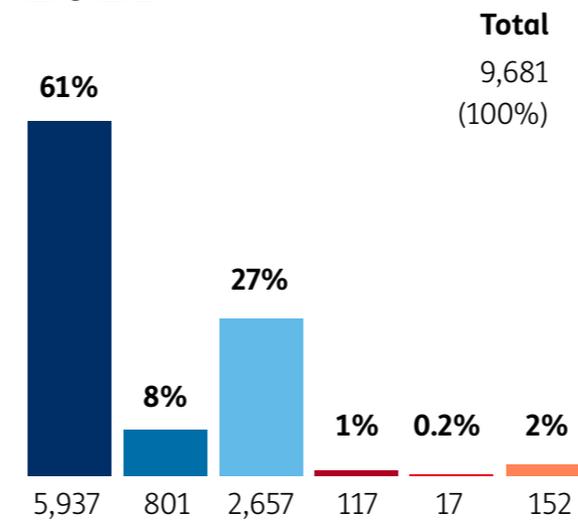
2019



2020



2021



- White
- Black
- Mixed race
- Oriental
- Indigenous
- Uninformed

68% and 56% of the vacancies in the two 2021 editions of the Internship Program were occupied by black people

Understand proportion tables by functional level

- For each level, the ratio of the average base salary or total remuneration of men to the average base salary or total remuneration of women was calculated
- When this ratio is equal to 1, it means that the two averages are equal
- When this ratio is greater than 1, men earn, on average at the functional level, more than women
- Decimal values show how much higher or lower this proportion is: for a result of 1.15, men earn on average 15% more than women in the functional category.

Ratio of men's base salary to women's in each functional category ¹ GRI 405-2	2019	2020	2021
Directors	1.07	1.07	0.78
Leadership	1.10	1.11	1.07
Stores	1.00	1.01	1.01
Call centers	1.18	1.18	1.14
Other professionals	1.13	1.12	1.15

1. It does not consider the positions held by only one gender, nor the interns and young apprentices. The "Management" category does not include the CEO.

Ratio of men's total remuneration to women's in each functional category ² GRI 405-2	2019	2020	2021
Directors	1.08	1.08	0.77
Leadership	1.11	1.12	1.07
Stores	1.00	1.01	1.01
Call centers	1.15	1.15	1.12
Other professionals	1.12	1.12	1.14

2. In addition to the base salary, it includes the main bonuses, such as sales compensation (target per position) and profit sharing (PPR/MBO). It does not consider positions held by only one gender and interns and young apprentices. The "Management" category does not include the CEO

75.9 times
is the ratio between
the highest
remuneration paid
by TIM (CEO) and the
average remuneration
of other employees
(excluding the CEO)

Understand the hiring and turnover tables

- The total number of employees hired/dismissed and the hiring/turnover rate are shown
- These rates are calculated considering as the denominator the average total number of employees in each category throughout the year (December 2020 to November 2021)
- Interns and young apprentices are not counted
- Voluntary and involuntary terminations are considered

Number and rate of hires <small>GRI 401-1</small>	2019	2020	2021
By gender			
Men	1,343 (28%)	629 (13%)	1,077 (23%)
Women	1,215 (26%)	575 (12%)	1,067 (23%)
Total	2,558 (27%)	1,204 (13%)	2,144 (23%)
By age group			
Up to 35 years old	1,831 (39%)	751 (17%)	1,474 (34%)
From 36 to 45 years old	613 (18%)	364 (10%)	519 (16%)
From 46 to 60 years old	113 (9%)	89 (6%)	150 (10%)
Over 60 years old	1 (1%)	0 (0%)	1 (1%)
Total	2,558 (27%)	1,204 (13%)	2,144 (23%)
By region			
North	68 (27%)	34 (14%)	92 (40%)
Northeast	241 (37%)	83 (13%)	133 (22%)
Midwest	144 (41%)	69 (19%)	110 (32%)
Southeast	1,753 (23%)	873 (12%)	1,514 (20%)
South	352 (45%)	145 (19%)	295 (42%)
Total	2,558 (27%)	1,204 (13%)	2,144 (23%)

Understand the hiring and turnover tables

- The total number of employees hired/dismissed and the hiring/turnover rate are shown
- These rates are calculated considering as the denominator the average total number of employees in each category throughout the year (December 2020 to November 2021)
- Interns and young apprentices are not counted
- Voluntary and involuntary terminations are considered
- In 2021, the turnover rate at TIM was 23.5%, and the voluntary termination rate was 10%

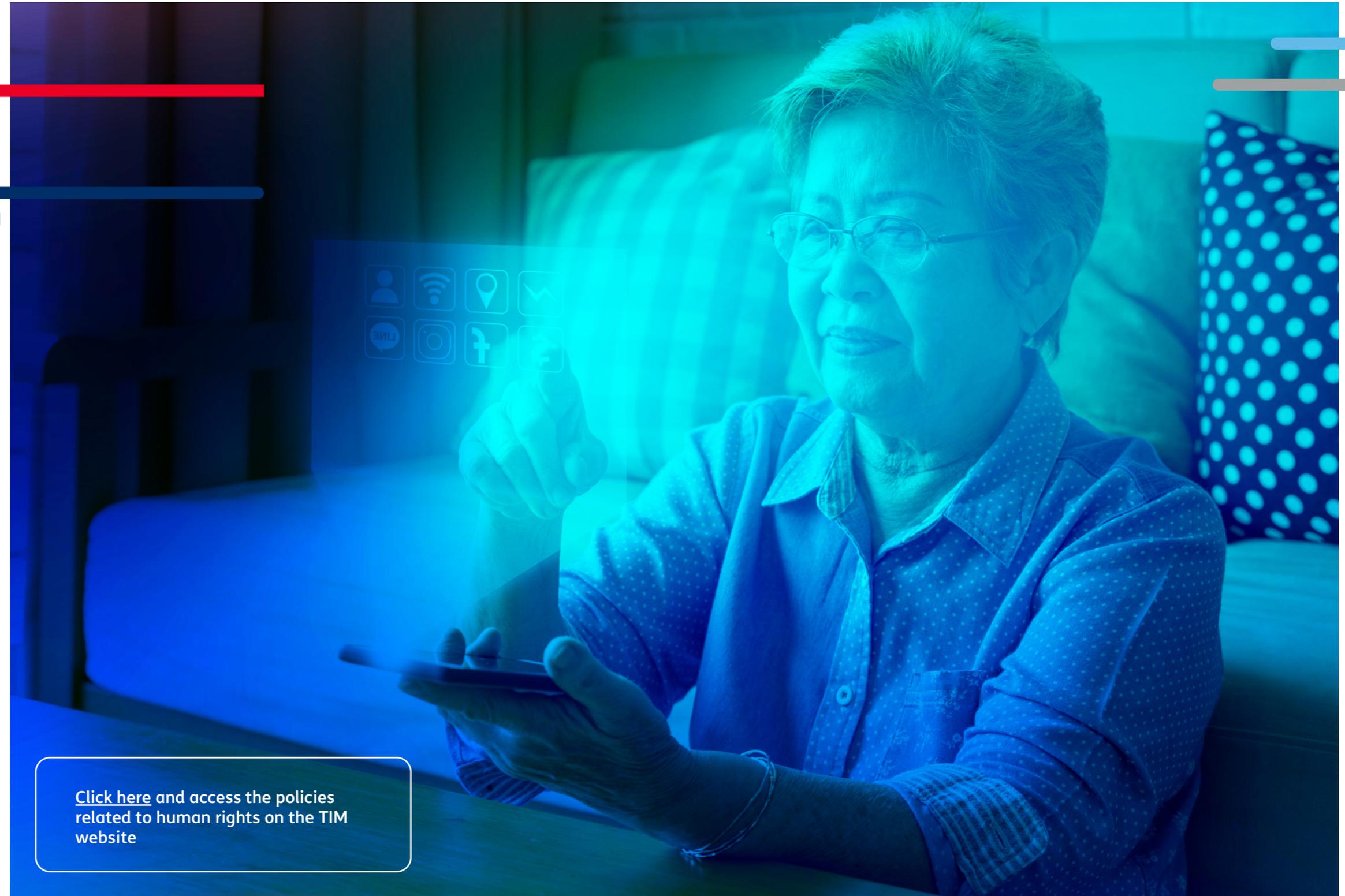
Number of dismissals and turnover rate <small>GRI 401-1</small>	2019	2020	2021
By gender			
Men	1,322 (27%)	804 (17%)	1,185 (25%)
Women	1,197 (25%)	679 (14%)	1,041 (23%)
Total	2,519 (26%)	1,483 (15%)	2,226 (24%)
By age group			
Up to 35 years old	1,578 (34%)	919 (21%)	1,296 (30%)
From 36 to 45 years old	739 (21%)	426 (12%)	653 (20%)
From 46 to 60 years old	186 (15%)	130 (9%)	258 (17%)
Over 60 years old	16 (24%)	8 (10%)	19 (22%)
Total	2,519 (26%)	1,483 (15%)	2,226 (24%)
By region			
North	79 (31%)	48 (20%)	78 (34%)
Northeast	246 (38%)	118 (18%)	161 (26%)
Midwest	126 (36%)	75 (20%)	121 (35%)
Southeast	1,687 (22%)	1,027 (14%)	1,571 (21%)
South	381 (49%)	215 (28%)	295 (42%)
Total	2,519 (26%)	1,483 (15%)	2,226 (24%)

Human rights

Treat everyone with dignity, respecting and ensuring the non-violation of internationally recognized rights, including those related to work and non-discrimination. This is TIM's premise to promote respect for human rights in its operations and in its value chain. These topics are continually disclosed to the internal public, mainly through TIM's training platform.

The Company has participated in the Human Rights Working Group in the Brazilian Global Compact Network since 2015 and has established internal regulations on the subject. Among them, we highlight the Policy for the Prevention, Restraint and Management of Moral, Sexual Harassment and Bullying Practices (launched in 2021), the Code of Ethics and Conduct, TIM Group's Human Rights Policy, the Relationship Policy with Suppliers, and the Social Responsibility Policy. All these normative instruments guide the daily conduct of employees and are publicly available on the institutional website and cover, among other matters, the prohibition of child, forced or slave-like labor, the repudiation of attitudes of discrimination and sexual or moral harassment, the guaranteed freedom of union association and collective bargaining and the appreciation and promotion of diversity.

[Click here](#) and access the policies related to human rights on the TIM website





+ 7,200 hours of human rights training were promoted to TIM employees

55% of the internal public was engaged in these training actions on the subject

100% of CAPEX contracts in force in the year with a human rights clause

83% of suppliers evaluated under human rights criteria

Main initiatives

On TIM's training platform, a specific course on Human Rights is available to all employees. The content contributes to qualification on the subject and to the promotion of a culture of respect for human rights. Any deviations that disrespect human rights can be reported on TIM's Whistleblower Channel. In 2021, 11 reports related to the topic were received, 4 on threats or coercion (2 without elements for analysis, 1 unfounded and 1 under evaluation) and 4 related to privacy issues (2 without elements for analysis, 1 unfounded and 1 inconclusive) and 3 referring to physical aggression (2 partially valid and 1 unfounded). Disciplinary measures, including a written warning, were applied.

Periodically, TIM carries out a self-assessment of its activities in relation to possible impacts on human rights, such as those related to diversity, discrimination, equal opportunities, freedom of union association, labor practices and privacy in the use of customer data. This due diligence process follows the Global Compact's Human Rights Capacity Diagnostic (HRCDD) questionnaire, involving key areas of the Company. This methodology is based on the United Nations Guiding Principles on Business and Human Rights (John Ruggie's Principles).

The last assessment cycle was conducted in 2021, in which grade 3 was maintained (scale from 1 to 6), which represents an efficient management maturity level. The most vulnerable audiences identified were children and adolescents, women, people with disabilities and the elderly. No corrective measures were identified as necessary.

Web crimes

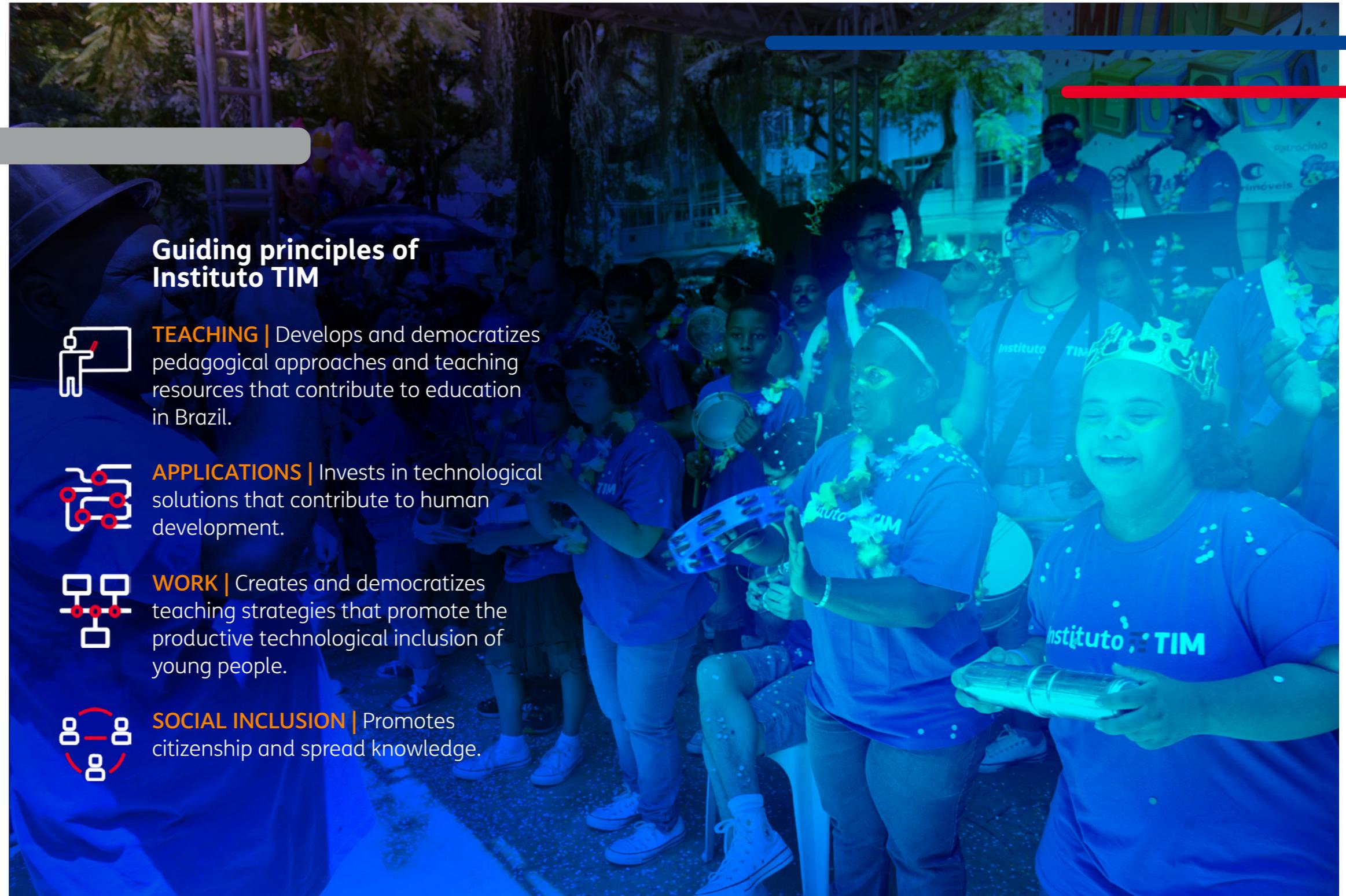
Combating pedophilia on the internet is an effort by all the agents involved in the chain of production, access, and consumption of adult content. Aware of this relevance, TIM supports SaferNet (an entity focused on the safe consumption of online content), together with other companies in the sector and government agencies, to prevent this type of crime and encourage reporting.

Access to adult content services made available by TIM can only be

done by customers with the use of a password and declaration that the user is of legal age. In addition, the Company limits its portfolio to classification 3.2 (international code). Appropriate filtering and abuse prevention systems are also activated in TIM's services, including for services provided nationally, such as image downloads, video streaming and podcasts. Revenue associated with access to adult content totaled R\$ 13.4 million in 2021.

Instituto TIM

Instituto TIM strengthens and directs the Company's social investment in the promotion of human development, contributing to the corporate ESG strategy. Founded in 2013, the organization believes and works in the democratization of knowledge, science, and technology, with innovation as a lever for transformation. The projects developed are guided by four principles and have already benefited more than 700 thousand people in around 500 cities, in all Brazilian states.



Guiding principles of Instituto TIM



TEACHING | Develops and democratizes pedagogical approaches and teaching resources that contribute to education in Brazil.



APPLICATIONS | Invests in technological solutions that contribute to human development.



WORK | Creates and democratizes teaching strategies that promote the productive technological inclusion of young people.



SOCIAL INCLUSION | Promotes citizenship and spread knowledge.

[Click here](#) and learn more about Instituto TIM

Academic Working Capital (AWC)

Entrepreneurial education program that supports university students determined to transform course conclusion work (TCC) into technology-based businesses; students receive training, mentoring and financial support to purchase materials for the development of prototypes

Since 2015
+ 250 university students benefited
161 projects supported
58 startups launched

Bateria do Instituto TIM

Initiative that brings together children, youths, and adults, with and without disabilities, residents of Rio de Janeiro to promote social inclusion through music education; the drums are professionally supported by a conductor, monitor musicians and a libra interpreter

50 members

Singing and dancing classes and psychological support

Donations GRI 403-7

Support for various initiatives within the scope of the Covid-19 pandemic and assistance to families in situations of social vulnerability and promotion of Science and Technology

R\$ 500 thousand donated to the Saving Lives campaign, from the National Bank for Economic and Social Development (BNDES)

+ 1,700 market baskets and protective masks donated in the Solidarity Gesture Campaign of the Biomob Institute, benefiting 600 families

R\$ 50 thousand donated to Instituto Dara, benefiting 310 families served by the institution

Support for the **18th National Science and Technology Week**, promoted by the MCT, which addressed the theme: The Transversality of Science, Technology and Innovations for the Planet

TIM TEC

Platform that offers free courses in open software aimed at professional education and related to ICTs – information and communication technologies; there are also training courses on the subject for basic education teachers

+100 thousand Brazilians used the platform to improve online knowledge during the pandemic period (since 2020)

33 free courses available

Launch of a course on technology, agriculture, and food in 2021

One By One Partnership

TIM and Instituto TIM promoted in December a volunteer action with employees to “zero” the queue for wheelchairs at the entity, which works to promote more mobility and opportunities for children and young people with disabilities

TIM **multiplied** the amount donated by employees

50 wheelchairs donated

Instituto TIM’s highlight projects

Instituto TIM Scholarships – OBMEP

The program offers scholarships for medalists of the Brazilian Public School Mathematics Olympiad (OBMEP) who entered public universities and come from low-income families.

149 students benefited from 52 public higher education institutions in 2021

R\$ 1,000 in average monthly scholarship, offered for up to four years

Since 2014, more than **300** students have benefited

TIM's Private Social Investment Policy determines the strategic guidelines for activities related to corporate citizenship. The Company's social investments are made through donations to Instituto TIM projects and sponsorships with social benefits. In 2021, more than R\$ 10 million were invested.

Social investments (R\$ thousand)	2019	2020	2021¹
Donations²	124	265	1,402
TIM Institute Projects	3,733	4,173	3,233
Education	2,585	2,880	1,545
Applications	0	0	0
Work	621	600	116
Inclusion	457	230	632
Others	70	463	940
Community Initiatives²	6,550	8,058	6,043
Sports sponsorships	0	0	3,480
Cultural sponsorships	6,450	8,058	1,860
Others	100	0	703
Total	10,407	12,496	10,679

1. Expenses for the management of social investment totaled R\$ 424 thousand. The amount equivalent to volunteer hours performed by employees in 2021 was R\$ 2,270.00.

2. In 2021, donations were made in the form of products or services. Cell phones were donated to the National Cancer Institute (INCA), totaling R\$ 5,000. Significant increase in total donations due to the "Vidas Livres de Violência" project.

3. Tax incentives represent 14% of investment in Community Initiatives.

Support for Petrópolis

Instituto TIM, through a partnership with Instituto Biomob, intensified the support actions that it had already been carrying out to families in social vulnerability in Petrópolis. After the heavy rains that hit the city in February 2022, Instituto TIM allocated R\$ 150,000 to meet the most urgent needs and to restructure the affected families. An internal campaign for TIM employees also encouraged the donation of products, with the creation of collection points, and made the *Instituto Biomob* contacts available to anyone wishing to provide financial support. Since the beginning of the Covid-19 pandemic, Instituto TIM has collaborated in the donation of monthly market baskets to hundreds of families in the state of Rio de Janeiro, of which 90 live in Petrópolis.

[Click here](#) and access TIM's Private Social Investment Policy

Attachments



Certifications

Certification	Certified area	Coverage
ISO 37001:2016 Anti-Bribery Certification Acquisition: since 2021	National Telecommunications Service: mobile (SMP), fixed (STFC) and broadband (SCM) from TIM S.A.	National
ISO 9001:2015 Quality Certification Acquisition: since 2000	Mobile Network Management of TIM S.A.	National. Operating Units where the processes are carried out: Minas Gerais, Rio de Janeiro, São Paulo, Pará, Paraná, Pernambuco, and Brasília.
ISO 9001:2015 Quality Certification Acquisition: since 2005	Invoicing management of TIM S.A. in Post-Paid and Pre-Paid modalities.	National. Operating Units where the processes are carried out: Rio de Janeiro and São Paulo.
ISO 14001:2015 Environmental Certification Acquisition: since 2010	Management and Operation of Rede TIM S.A.	Rio de Janeiro, São Paulo, and Espírito Santo.
ANATEL Portability Regulatory certification Acquisition: since 2018	Provision of the Portability Service (RGP General Portability Regulation - Attached to Resolution 460/2007).	National. Operating Units where the processes are carried out: Rio de Janeiro and São Paulo.
SOx Certification Mandatory certification for NYSE listed companies: since 2006	Internal Control System of TIM S.A.	International

GRI content index GRI 102-55

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
GRI 101 Foundation 2016					
General disclosures					
GRI 102 General disclosures 2016	Organizational profile				
	102-1 Name of the organization	18	-	-	-
	102-2 Activities, brands, products, and services	18	-	-	-
	102-3 Location of headquarters	18	-	-	-
	102-4 Location of operations	18	-	-	-
	102-5 Ownership and legal form	18	-	-	-
	102-6 Markets served	18	-	-	-
	102-7 Scale of the organization	21	-	-	-
	102-8 Information on employees and other workers	61	-	6	8 and 10
	102-9 Supply chain	42	-	-	-
	102-10 Significant changes to the organization and its supply chain	18	-	-	-
	102-11 Precautionary Principle or approach	28	-	-	-
	102-12 External initiatives	13	-	-	-
102-13 Membership of associations	Associative contributions: ABR: R\$ 24,015,425.18; ITS: R\$ 36,580; IIC: R\$ 39,624; IBRAC: R\$ 4,104; ABERJE: R\$ 18,804; GIFE: R\$ 41,000; GEI: R\$ 4,500.00; Ethos: R\$ 27,000; Abrinq: R\$ 16,031; Akatu: R\$ 38,000; Câmara Ítalo SP: R\$ 24,000.00; Pacto Global: R\$ 60,740; Conexis: R\$ 2,560,663; Telebrasil: R\$ 31,905; GSMA: R\$ 686,871; CDP: R\$25,000; FGV: R\$130,000; ConectarAgro: R\$140,000; Brasscom: R\$110,000. More information on page 14.		-	-	-

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
GRI 102 General disclosures 2016	Strategy				
	102-14 Statement from senior decision-maker	3	-	-	-
	Ethics and integrity				
	102-16 Values, principles, standards, and norms of behavior	17	-	10	16
	Governance				
	102-18 Governance structure	19	-	-	-
	102-28 Evaluating the highest governance body's performance	19	-	-	-
	Stakeholder engagement				
	102-40 List of stakeholder groups	11	-	-	-
	102-41 Collective bargaining agreements	100% of the Company continues to be covered by the negotiation of the Collective Bargaining Agreement.	-	3	8
	102-42 Identifying and selecting stakeholders	9 and 11	-	-	-
	102-43 Approach to stakeholder engagement	9 and 11	-	-	-
	102-44 Key topics and concerns raised	9 and 12	-	-	-
	Reporting practice				
	102-45 Entities included in the consolidated financial statements	15	-	-	-
	102-46 Defining report content and topic Boundaries	9	-	-	-
	102-47 List of material topics	10	-	-	-
	102-48 Restatements of information	55 and 66	-	-	-
	102-49 Changes in reporting	15 and 55	-	-	-
	102-50 Reporting period	15	-	-	-
	102-51 Date of most recent report	15	-	-	-
	102-52 Reporting cycle	15	-	-	-
	102-53 Contact point for questions regarding the report	15	-	-	-
	102-54 Claims of reporting in accordance with the GRI Standards	15	-	-	-
	102-55 GRI content index	82	-	-	-
	102-56 External assurance	15 and 92	-	-	-

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
Material topics Investment in network infrastructure and reliability and Digital inclusion and access to connectivity					
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	10, 32 and 58	-	-	-
	103-2 The management approach and its components	32 and 58	-	-	-
	103-3 Evaluation of the management approach	13, 32 and 58	-	-	-
GRI 203 Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	33, 34 and 58	-	-	5, 9 and 11
	203-2 Significant indirect economic impacts	32 and 58	-	-	1, 3 and 8
Material topic Innovation applied to products and services					
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	10 and 36	-	-	-
	103-2 The management approach and its components	36	-	-	-
	103-3 Evaluation of the management approach	13 and 36	-	-	-
Material topic Customer experience and service quality					
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	10 and 38	-	-	-
	103-2 The management approach and its components	38	-	-	-
	103-3 Evaluation of the management approach	13 and 38	-	-	-
GRI 417 Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	26	-	-	12
	417-2 Incidents of non-compliance concerning product and service information and labeling	26	-	-	16
	417-3 Incidents of non-compliance	26	-	-	16

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
Material topic Data protection, customer privacy and cybersecurity					
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	10 and 44	-	-	-
	103-2 The management approach and its components	44	-	-	-
	103-3 Evaluation of the management approach	13 and 44	-	-	-
GRI 418 Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	44 and 46	-	-	16
Material topic Business ethics and governance					
GRI 103 Management approach 2016 ¹	103-1 Explanation of the material topic and its Boundary	10, 19 and 24	-	-	-
	103-2 The management approach and its components	19 and 24	-	-	-
	103-3 Evaluation of the management approach	13, 19 and 24	-	-	-
GRI 201 Economic performance 2016	201-1 Direct economic value generated and distributed	23	-	-	8 and 9
	201-2 Financial implications and other risks and opportunities due to climate change	30	-	7	13
	201-4 Financial assistance received from government	12	-	-	-
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	24	-	10	16
	205-2 Communication and training about anti-corruption policies and procedures	26	-	10	16
	205-3 Confirmed incidents of corruption and actions taken	25	-	10	16
GRI 206 Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	26	-	-	16
GRI 207 Tax 2019	207-1 Approach to tax	23	-	-	1, 10 and 17
GRI 307 Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	48	-	8	16
GRI 415 Public policy 2016	415-1 Political contributions	26	-	10	16
GRI 419 Socioeconomic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	26 and 58	-	-	16

1. The management approach covers all GRI topics within the material topic "Business ethics and governance".

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
Material topic Employee health, well-being, and management					
GRI 103 Management approach 2016 ²	103-1 Explanation of the material topic and its Boundary	10 and 60	-	-	-
	103-2 The management approach and its components	60	-	-	-
	103-3 Evaluation of the management approach	13 and 60	-	-	-
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	73 and 74	-	6	5, 8 and 10
	401-3 Parental leave	66	-	6	5 and 8
GRI 403 Occupational health and safety 2018	403-1 Occupational health and safety management system	96.2% of employees were represented on the Internal Accident Prevention Commission (Cipa) and on formal health and safety committees. Learn more on page 64.	-	-	8
	403-2 Hazard identification, risk assessment, and incident investigation	64	-	-	8
	403-3 Occupational health services	64	-	-	8
	403-4 Worker participation, consultation, and communication on occupational health and safety	64 and 65	-	-	8 and 16
	403-5 Worker training on occupational health and safety	64 and 65	-	-	8
	403-6 Promotion of worker health	64 and 65	-	-	3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	64 65 and 67	-	-	8
	403-8 Workers covered by an occupational health and safety management system	64	-	-	8
	403-9 Work-related injuries	65	-	-	3, 8 and 16
	403-10 Work-related ill health	64 and 65	-	-	3, 8 and 16
GRI 404 Training and education 2016	404-1 Average hours of training per year per employee	62 and 63	-	6	4, 5, 8 and 10
	404-2 Programs for upgrading employee skills and transition assistance programs	TIM has a clause provided for in the collective bargaining agreement that employees who are less than 24 months away from acquiring the right to retirement by age are compensated with the contribution amount that the employee would pay in the period for acquiring the right to retirement. Learn more on page 63.	-	-	8
	404-3 Percentage of employees receiving regular performance and career development reviews	60	-	6	5, 8 and 10

2. The management approach covers all GRI topics within the material topic "Employee health, well-being, and management".

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
Material topic Promotion of diversity and equal opportunities					
GRI 103 Management approach 2016 ³	103-1 Explanation of the material topic and its Boundary	10 and 68	-	-	-
	103-2 The management approach and its components	68	-	-	-
	103-3 Evaluation of the management approach	13 and 68	-	-	-
GRI 405 Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	70 and 71	-	6	5 and 8
	405-2 Ratio of basic salary and remuneration of women to men	72	-	6	5, 8 and 10
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	68	-	6	5 and 8
Material topic Energy management					
GRI 103 Management approach 2016 ⁴	103-1 Explanation of the material topic and its Boundary	10, 30, 49 and 52	-	-	-
	103-2 The management approach and its components	30, 49 and 52	-	-	-
	103-3 Evaluation of the management approach	13, 30, 49 and 52	-	-	-
GRI 302 Energy 2016	302-1 Energy consumption within the organization	53	-	7 and 8	7, 8, 12 and 13
	302-4 Reduction of energy consumption	53	-	8 and 9	7, 8, 12 and 13
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	49 and 50	-	7 and 8	3, 12, 13, 14 and 15
	305-2 Energy indirect (Scope 2) GHG emissions	49 and 50	-	7 and 8	3, 12, 13, 14 and 15
	305-3 Other indirect (Scope 3) GHG emissions	49 and 50	-	7 and 8	3, 12, 13, 14 and 15
	305-4 GHG emissions intensity	49 and 51	-	8	13, 14 and 15
	305-5 Reduction of GHG emissions	49	-	8 and 9	13, 14 and 15

3. The management approach covers all GRI topics within the material topic "Promotion of diversity and equal opportunities".

4. The management approach covers all GRI topics within the material topic "Energy management".

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
Material topic Waste management in operation and post-consumption					
GRI 103 Management approach 2016 ⁵	103-1 Explanation of the material topic and its Boundary	10, 54 and 56	-	-	-
	103-2 The management approach and its components	54 and 56	-	-	-
	103-3 Evaluation of the management approach	13, 54 and 56	-	-	-
GRI 301 Materials 2016	301-1 Materials used by weight or volume	39	-	7 and 8	8 and 12
	301-3 Reclaimed products and their packaging materials	55	-	8	8 and 12
GRI 303 Water and effluents 2018	303-1 Interactions with water as a shared resource	56	-	8	6 and 12
	303-2 Management of water discharge-related impacts	56	-	8	6
	303-3 Water withdrawal	56	-	7 and 8	6
GRI 304 Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	48	-	8	6, 14 and 15
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	54	-	8	3, 6, 11 and 12
	306-2 Management of significant waste-related impacts	54	-	8	3, 6, 11 and 12
	306-4 Waste diverted from disposal	55	-	8	3, 11 and 12
	306-5 Waste directed to disposal	55	-	8	3, 11 and 12

5. The management approach covers all GRI topics within the material topic "Waste management in operation and post-consumption".

GRI Standard	Disclosure	Page/Answer	Omissions	Global Compact	SDG
Material topic Strategic and responsible supplier management					
GRI 103 Management approach 2016 ⁶	103-1 Explanation of the material topic and its Boundary	10 and 42	-	-	-
	103-2 The management approach and its components	42	-	-	-
	103-3 Evaluation of the management approach	13 and 42	-	-	-
GRI 204 Procurement practices 2016	204-1 Proportion of spending on local suppliers	43	-	-	8
GRI 308 Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	42	-	8	-
GRI 408 Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	42	-	5	8 and 16
GRI 409 Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	42	-	4	8
GRI 414 Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	42	-	2	5, 8 and 16

6. The management approach covers all GRI topics within the material topic "Strategic and responsible supplier management".

SASB content index

SASB Topic	SASB Code	Metrics requested by SASB	Page/Answer
Environmental Footprint of Operations	TC-TL-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	52 and 53
Data Privacy	TC-TL-220a.1	Description of policies and practices relating to behavioral advertising and customer privacy	44
	TC-TL-220a.2	Number of customers whose information is used for secondary purposes	44
	TC-TL-220a.3	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	46
	TC-TL-220a.4	(1) Number of law enforcement requests for customer information (2) number of customers whose information was requested (3) percentage resulting in disclosure	46
Data Security	TC-TL-230a.1	(1) Number of data breaches (2) percentage involving personally identifiable information (PII) (3) number of customers affected	46
	TC-TL-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	44
Product End-of-Life Management	TC-TL-440a.1	(1) Materials recovered through take back programs, percentage of recovered materials that were (2) reused (3) recycled, and (4) landfilled	54

SASB Topic	SASB Code	Metrics requested by SASB	Page/Answer
Managing Systemic Risks from Technology Disruptions	TC-TL-550a.1	(1) System average interruption frequency and (2) customer average interruption duration	29
	TC-TL-550a.2	Discussion of systems to provide unimpeded service during service interruptions	29
Competitive Behavior & Open Internet	TC-TL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	26
	TC-TL-520a.2	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	TIM does not measure download speeds as specified in the standard.
	TC-TL-520a.3	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices	33
Activity Metrics	TC-TL-000.A	Number of wireless subscribers	22
	TC-TL-000.B	Number of wireline subscribers	22
	TC-TL-000.C	Number of broadband subscribers	22 (includes Residential and Intelig)
	TC-TL-000.D	Network traffic	53

Assurance report (AR) GRI 102-56

Independent Auditors’ Limited Assurance Report on the TIM S.A.’s Annual ESG Report and Greenhouse Gases Inventory based on GRI – Standards (In accordance – “Core”), SASB indicators and Specifications and the Brazilian GHG Protocol Program.

To
the Management and Shareholder of TIM S.A.

Rio de Janeiro – RJ

Introduction

We were engaged by TIM S.A. management to present our limited assurance report on the information contained in the Annual ESG Report (“Report”) based on Global Reporting Initiative (“GRI”) – Standards, Sustainability Accounting Standards Board (“SASB”) and the Greenhouse Gases Inventory (GHG Inventory), for the twelve-month period ended December 31, 2021..

TIM S.A.’s management responsibilities

TIM S.A.’s management is responsible for preparing and presenting appropriately the information contained in Report in accordance with criteria, assumptions and requirements of the GRI guidelines (In accordance – “Core”), SASB Indicators, as well as the GHG Inventory in line with the specifications of the Brazilian GHG Protocol Program and for the internal controls as management determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error.

Independent auditors’ responsibility

Our responsibility is to express a conclusion on the TIM S.A.’s Report information and GHG Inventory, based on the limited assurance work conducted in accordance with Technical Notice of Ibracon Nº 07/2012, approved by the Brazil’s National Association of State Boards of Accountancy (CFC) in light of NBC TO 3000 (Assurance Work Other Than Audit or Review), issued by the CFC, which is equivalent to international standard ISAE 3000, issued by the International Federation of Accountants, applicable to non-historical information. These standards call for compliance with ethic requirements, including independence and work carried out to obtain limited assurance that the Report and the GHG Inventory is free of material misstatement.

A limited assurance work conducted in accordance with NBC TO 3000 (ISAE 3000) consists mainly of inquires of management and other professionals from TIM S.A. who were involved in the preparation of the Report and GHG Inventory, as well as of the application of additional procedures deemed necessary to obtain evidence which enables us to conclude on the limited assurance on the Report and GHG Inventory. A limited assurance work also requires additional procedures, as the independent auditor becomes aware of matters that lead him to believe that the Report and GHG Inventory information may contain material misstatement.

The selected procedures relied on our understanding of the aspects concerning the compilation and presentation of the Report and the GHG Inventory information in accordance with criteria, assumptions and own methodologies from TIM S.A. The procedures comprised:

- (a) the planning of the work, considering the materiality, the volume of quantitative and qualitative information and the operating and internal control systems which supported the preparation of the Report and the GHG Inventory;
- (b) the understanding of the calculation methodology and the procedures for preparation and compilation of the Report and the GHG Inventory through interviews with management in charge of preparing the information;
- (c) the application of analytical procedures on quantitative information and sample verification of certain evidence supporting the data used for the preparation of the Report and the GHG Inventory;
- d) comparison of the financial indicators with the financial statements and/or accounting records.

The procedures applied in this limited assurance work also comprised compliance with the guidelines of the structure for development of the GRI and Sustainability Accounting Standards Board (SASB) applicable in the preparation of the information contained in the ESG Report, and Specifications of the

Brazilian GHG Protocol Program for the Greenhouse Gases Inventory for the period from January 1, 2021 to December 31, 2021.

We believe that the evidence obtained in our work was enough and appropriate to provide a basis for our limited conclusion.

Scope and limitations

The procedures applied in a limited assurance work are substantially less in scope than those applied in an assurance work aimed at issuing an opinion on the Report and GHG Inventory information. As a consequence, we are not in a position to obtain assurance that we are aware of all matters which would be identified in an assurance work aimed at issuing an opinion. Had we carried out a work to issue an opinion, we could have identified other matters or misstatements in the Report and GHG Inventory information. Accordingly, we did not express an opinion on this information. In addition, TIM S.A.'s internal controls were not part of our limited assurance scope.

The non-financial data is subject to further inherent limitations than financial data, given the nature and diversity of methods used to determine, calculate or estimate such data. Qualitative interpretations of materiality, significance and accuracy of data are subject the individual assumptions and judgments. Also, we did not carry out any work on data reported for prior periods nor in relation to future projections and goals.

Conclusion

Based on the procedures performed and herein described, nothing came to our attention that makes us believe that the indicator presented on the ESG Report and the GHG Inventory, for the twelve-month period ended December 31, 2021, was not prepared, in all material respects, in accordance with criteria, assumptions and methodologies for the preparation of the indicators based on requirements of the Global Reporting Initiative – Standards (In accordance – “Core”), Sustainability Accounting Standards Board (SASB) and Specifications of the Brazilian GHG Protocol Program.

São Paulo (SP), March 29th, 2022.

ERNST & YOUNG
Auditores Independentes S.S
CRC 2SP015199/O-6



Leonardo Masseli Dutra
Expert group: Technical Reviewer



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TIM coordination

Regulatory, Institutional and Press Relations –
Environmental, Social & Governance – Corporate Social
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Photography

TIM and shutterstock image databases

