



ESG Report

1st Quarter 2022

ESG Journey

TIM has a long history of integrating aspects known today as ESG (environmental, social and governance) into its corporate culture and decision-making. TIM's pioneering spirit and leadership in these issues has been publicly acknowledged for more than a decade. For 14 years, the company has been part of the B3 Corporate Sustainability Index (ISE), being the longest-listed company in the sector.

Since 2011, TIM has been listed on the B3 Novo Mercado, the highest level of corporate governance in the Brazil Stock Exchange, besides being the first and unique Telco to be awarded by the Pró-Ética Seal from the Brazilian Office of the Comptroller General ("CGU").

As a signatory to the Global Compact since 2008 and UN Women since 2021, TIM promotes projects related to the Sustainable Development Goals ("SDG") and recognizes the rights to data privacy, safe internet, access to information and freedom of expression as essential and unnegotiable.

TIM has become a reference in promoting diversity and inclusion both nationally and internationally, with goals, commitments, and implementation of various initiatives on the themes of gender, race, LGBTI+ people, generations, people with disabilities, among others. In 2021, the Company became the first Brazilian operator to be part of the **Refinitiv Diversity & Inclusion Index** - occupying the 1st position in Telecom at a global level - 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 **Bloomberg's Gender Equality Index**, which brings together 418 companies from 45 countries, with only 13 from Brazil.

The experience accumulated along this journey culminated in significant advances in governance, with the creation of the ESG Committee, under the Board of Directors, in 2020. This body's main focus is to define and monitor TIM's ESG Plan, which covers short, medium and long-term goals for key topics in corporate sustainability and is updated annually (see ESG Plan 2022-24 below).

International recognition

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 its performance in the process of submission to the DJSI, with a growth of 26%. TIM was also chosen as one of the most sustainable companies in Latin America in the **Latin Trade Index Americas Sustainability Award**, from 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 for Brazil as a whole, through its inclusion and diversity actions and the projects of the TIM Institute.

ESG Plan 2022-24 goals

Environmental	Being a Carbon Neutral company (scopes 1 and 2) ¹	2025
	Zero the scope 2 indirect emissions ¹	
	Maintain 100% of energy consumption from renewable sources	
	Maintain the 80% increase in eco-efficiency in data traffic ¹ (bit/Joule)	
	Recycle at least 95% of solid waste	2030

Social	Maintain the level of employee engagement at least 80%	2023
	Reach 40% of black people in the workforce	
	Have 35% women in leadership positions	
	Train 99% of employees in ESG culture	
	Train over 5,000 employees in digital skills	
	Bringing 4G connectivity to all municipalities in Brazil	

Governance	Reduce customer complaints by 50% ²	2023
	Maintain TIM on the Novo Mercado, Pró-Ética and ISE-B3	
	Maintain certifications ISO 14001, ISO 900 and ISO 37001	
	Get the certification ISO 27001	2022

¹ Base year 2019

² Reduce by 50% customer complaints at Anatel in the personal mobile service by 2023, with respect to 2019, without considering complaints from customers coming from Oi Móvel's base.

Commitment to Transparency

TIM has reported to the Carbon Disclosure Project (CDP) - the largest database in the world on Greenhouse Gases related to Climate Change - since 2010 and publishes its GHG emissions in the Public Emissions Register of the Brazilian GHG Protocol Program.

Since 2004, TIM has been presenting its sustainability performance and for 14 years has published reports according to the guidelines of the Global Reporting Initiative (GRI). As of 2021, the Company will refer to this publication as the ESG Report and reinforces its commitment to transparency and accountability to its stakeholders, organizing the report in the three pillars: Environmental, Social and Governance. The report has an independent third-party limited assurance.

[Our main policies](#) - such as the Corporate Social Responsibility, Human Rights, Diversity, Environmental, Climate Change, Supplier Relations, Risk Management, Anti-corruption, Safety & Occupational Health and Privacy Policies - are publicly available to the consultation of our *stakeholders*.

Founded in 2013, [Instituto TIM](#) has a mission to democratize access to science, technology and innovation, in order to promote human development in Brazil. More than 700,000 people from all Brazilian states and the Federal District have been benefited by the education and inclusion projects of Instituto TIM, some of which were internationally awarded (i.e. Governarte Awards – BID 2015).

Due to its solid performance in ESG, TIM is part of national and international indexes and ratings such as the B3 Corporate Sustainability Index, [Carbon Efficient Index](#) (ICO2-B3), Brazil ESG Index (S&P/B3), the BCP Brazil Climate Resilience Index (ICDPR-70), Refinitiv Diversity & Inclusion, Gender Equality Index (GEI) of Bloomberg, *FTSE4GOOD Emerging Markets*, *FTSE4GOOD Latin America*, *MSCI ACWI ESG Leaders*, *MSCI Emerging Markets ESG Leaders*, TEVA ESG Women on the Board Index, seal Women on Board, among others, in addition to being certified by ISO 14001 standard (since 2010), ISO 9001 (since 2000) and ISO 37001 standard (since March 2021).

1st Quarter 2022 highlights

- TIM's Board of Directors approved the ESG 2022-24 Plan, with goals and commitments in the Environmental, Social and Governance pillars. For the first time, the Company published the main highlights of the ESG 2021 Report together with the financial statements released in February 2022.
- TIM completed in March the ESG 2021 Report, in accordance with the international reporting methodology of the Global Reporting Initiative (GRI) and also with the reporting of the SASB indicators. Published annually since 2004, TIM's reports contribute to corporate accountability and transparency, in addition to driving continuous management improvement. For more information about TIM's performance and practices in the environmental, social and governance pillars, please access the [ESG 2021 Report](#).
- 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 leading companies in sustainability. TIM was recognized for the evolution of its performance in the process of submission to the DJSI.
- The company won first place in the Anatel 2021 Complaint Satisfaction Ranking, which analyzes the companies' customer service in receiving and solving complaints, reinforcing TIM's strategy to improve the customer experience.
- TIM is one of 13 Brazilian companies included in the Bloomberg Gender Equality Index, which brings together more than 400 companies from 45 countries. This is a recognition of companies committed to internal gender inclusion and equity policies.
- TIM was chosen as one of the most sustainable companies in Latin America in the Latin Trade IndexAmericas Sustainability Award, from 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 for Brazil as a whole, through its inclusion and diversity actions and the projects of TIM Institute. For its diversity on the Board of Directors, with 33% women, TIM received the WoB Women on Board Initiative seal. This is another achievement that ratifies the evolution of the company's diversity and inclusion initiatives.
- TIM received the Paulista Diversity Seal from the São Paulo State Government, in recognition of its efforts to promote a more inclusive work environment and a fairer society with opportunities for

everyone. By 2021, the company reached more than 3,000 employees in the state of São Paulo and 9,681 in Brazil, more than half of them women and 36% black people.

- In celebration of International Women's Day, TIM promoted Employability Week with job openings for women and courses on the Positive Women platform. TIM became a partner of the initiative that promotes female employability through an application. More than 50 companies participate in the project.
- As a result of joining the Business Coalition to End Violence Against Women and Girls, in November 2021, TIM announced in March a partnership with the Avon Institute focused on supporting and welcoming women in situations of violence.
- The TIM Institute, through a partnership with the Biomob Institute, allocated R\$150,000 reais to meet the most urgent needs and to restructure the families affected by the heavy rains that hit the city of Petrópolis in February. In addition, TIM promoted among its employees a campaign for the donation of products and made available the contacts of the Biomob Institute for those who wished to give financial support.
- The classes of the Exponential Education project, held by the NGO One By One, with the support of TIM Institute began in March. Aimed at young people with disabilities and their families who want to enter the job market in technology, the project will graduate 70 students by the end of the year.
- TIM reformulated its electronic waste collection program. More than 150 ballot boxes were installed in stores all over Brazil and in two months the operator managed to collect more than 2 tons of materials.
- TIM ended the first quarter with 1,800 active biosites in its network and in February 2022, the first wind-powered biosite in Brazil will start operating in the city of Natal (RN). These structures, similar to a common pole, are a solution for densification of the mobile access network (antennas/towers) with very low visual and urbanistic impact, lower cost, and quick installation. In addition to telecommunications transmission, they can be used for public lighting and security camera installation.
- As a material and strategic topic for TIM, the Distributed Generation project is one of TIM's main initiatives in energy management. With about 45 solar, hydro and biogas plants in operation, the company has formalized new partnerships to reach the end of 2022 with 31 more renewable energy plants. The expectation is to reach a monthly generation of 38.2 GWh, enough to supply 19,000 antennas.

Shareholders information

The main activities carried out by the Company's Board of Directors and its Advisory Committees, and by Fiscal Council in the 1st Quarter 2022 are presented below:

Most relevant activities of TIM S.A.'s corporate bodies

BOD Attendance
TIM S/A



Board of Directors

10 members, 4 independents (40%)
30% female representation
Meetings: 3 | 90% attendance

FC Attendance
TIM S/A



Fiscal Council

3 effective members and 3 alternate members, all independent
Meetings: 2 | 83% attendance

SAC Attendance
TIM S/A



Statutory Audit Committee

3 members, all independent
33% female representation
Meetings: 3 | 100% attendance

CRC Attendance
TIM S/A



Control and Risks Committee

5 members, 2 independents (40%)
20% female representation
Meetings: 2 | 80% attendance

CC Attendance
TIM S/A



Compensation Committee

3 members, 1 independent (33%)
Meetings: 2 | 100% attendance

ESG Attendance
TIM S/A



Environmental, Social & Governance Committee

5 members, 2 independents (40%)
20% female representation
Meetings: 2 | 100% attendance

Most relevant activities of Board Directors:

- Acknowledged on the activities carried out by the Statutory Audit Committee;
- Acknowledged on the activities carried out by the Control and Risks Committee;
- Acknowledged on the activities carried out by the Compensation Committee;
- Acknowledged on the activities carried out by the Environmental, Social & Governance Committee;
- Approved the amendment of the Company's Organizational Structure;
- Approved the treatment to be given, within the scope of the Company's Short and Long-Term Incentive Plans ("Plans"), in the event of an executive's dismissal due to his transfer to another company of the group;
- Approved the Internal Audit's Annual Plan for 2022;
- Analyzed the financial statements of the Company, the respective explanatory notes, as well as the Management Report, all related to the fiscal year ended on December 31st, 2021, and approved their submission to the Annual Shareholders' Meeting of the Company;
- Analyzed the Management's Proposal for the allocation of the results related to the year of 2021 and the dividend distribution by the Company, and approved their submission to the Annual Shareholders' Meeting of the Company");
- Acknowledged on the Company's Industrial Plan for 2022 – 2024;
- Acknowledged on the Company's financial strategy and approved the related financial operations;
- Acknowledged on the progress of the negotiations regarding the acquisition of the assets of the mobile services business of Grupo Oi;
- Analyzed the proposal for the extension of the Cooperation and Support Agreement, through the execution of the 15th amendment to this agreement, to be entered into between Telecom Italia S.p.A, on the one hand, and the Company, on the other hand, and approved its submission to the Shareholders' Meeting of the Company;
- Analyzed the Compensation Proposal of the Company's Administrators, the members of the Committees and the Fiscal Council, and approved its submission to the Shareholders' Meeting of the Company;
- Approved the call notice of the Company's Annual and Extraordinary Shareholders' Meeting;
- Approved the payment proposal of the Company's interest on shareholders' equity ("JSCP").

Most relevant activities of the Fiscal Council:

- Evaluated the Tax, Regulatory, Civil and Labor contingencies;
- Evaluated the Management's Report and the Financial Statements of the Company, related to the fiscal year ended on December 31st, 2021;
- Evaluated the Management's Proposal for the allocation of the results related to the fiscal year of 2021 and distribution of dividends by the Company;

- Acknowledged on the information provided by Ernst & Young Auditores Independientes S/S (“EY”) on the Financial Statements related to the fiscal year ended on December 31st, 2021;
- Evaluated the payment proposal of the Company’s interest on shareholders’ equity (“JSCP”).

Most relevant activities of the Statutory Audit Committee:

- Supervised and evaluated the activities carried out by the Internal Audit;
- Acknowledged on the Internal Audit’s 2021 annual activities report;
- Acknowledged on the Internal Audit’s Annual Plan for 2022;
- Analyzed and evaluated the reports received by the Whistleblowing Channel;
- Acknowledged on the Whistleblowing Channel’s 2021 activities report;
- Acknowledged on the Compliance Annual Plan for the year 2022;
- Supervised and evaluated the activities carried out by the Compliance area;
- Followed up and supervised the Independent Auditors’ activities;
- Approved the Statutory Audit Committee’s Work Plan for 2022;
- Evaluated related parties agreements;
- Evaluated the Tax, Regulatory, Civil and Labour contingencies;
- Evaluated the Management’s Report and the Financial Statements of the Company, related to the fiscal year ended on December 31st, 2021;
- Evaluated the Management’s proposal for the allocation of the results related to the fiscal year of 2021 and distribution of dividends by the Company;
- Acknowledged on the information provided by Ernst & Young Auditores Independientes S/S (“EY”) on the Financial Statements related to the fiscal year ended on December 31st, 2021;
- Approved the Statutory Audit Committee’s concise Annual Report;
- Evaluated the Company’s ESG Report;
- Evaluated the Company’s Monthly Financial Report for the months of January and February 2022;
- Partially evaluated the Company’s 20-F Form;
- Evaluated the payment proposal of the Company’s interest on shareholders’ equity (“JSCP”);

Most relevant activities of the Risk and Control Committee:

- Approved the Control and Risks Committee’s Work Plan for 2022;
- Supervised and evaluated the activities carried out by the Internal Audit;
- Acknowledged on the Internal Audit’s 2021 annual activities report;
- Acknowledged on the Internal Audit’s Annual Plan for 2022;
- Analysed and evaluated the reports received by the Whistleblowing Channel;

- Acknowledged on the Whistleblowing Channel's 2021 activities report;
- Acknowledged on the Compliance Annual Plan for the year 2022;
- Supervised and evaluated the activities carried out by the Compliance area;
- Evaluated the Company's ESG Report.

Most relevant activities of the Compensation Committee:

- Analysed the treatment to be given, within the scope of the Company's Short and Long-Term Incentive Plans ("Plans"), in the event of an executive's dismissal due to his transfer to another company of the group;
- Approved the Compensation Committee's Work Plan for 2022;
- Evaluated the Compensation Proposal of the Company's Administrators, the members of the Committees and the Fiscal Council, for submission to the Company's Board of Directors;
- Evaluated the CR's Self-Assessment Questionnaire format.

Most relevant activities of the Environmental, Social & Governance Committee:

- Approved the ESG Committee's Work Plan for 2022;
- Evaluated the Company's ESG overall plan and strategy ("ESG Plan"), and its dashboard of targets and indicators, for submission to the Board of Directors;
- Evaluated the CESG's Self-Assessment Questionnaire format;
- Evaluated the Company's ESG Report.