



ESG Report

1st Quarter 2023

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 15 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 1st Brazilian operator to be part of the Refinitiv Diversity & Inclusion Index, occupying the 1st position in Telecom at a global level, a distinction it maintained in 2022.




TIM was also the 1st Brazilian 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 2023, TIM will again be part of Bloomberg's Gender Equality Index, which brings together companies from 45 countries, only 16 of which are Brazilian. TIM is ranked the best company in Latin America in gender equity and 7th globally.

In the constant quest to build healthier, more inclusive and collaborative work environments, where people can be proud of themselves and achieve even better results, TIM was awarded the Top Employers Brasil seal for the second year in a row. The company also joined, in January of this year, B3's GPTW Index, which considers the companies certified by Great Place to Work (GPTW) as the best environments to work in Brazil.

The experience accumulated along this ESG 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, updated annually.



ESG Plan 2023-25 goals

 <p>Environmental</p>	Being Net Zero* (scopes 1, 2 and 3)	2040
	Reduce scope 3* emissions by 47% (categories 1, 2 and 11)	2030
	Being a Carbon Neutral company (scopes 1 and 2)	
	Maintain 100% of energy consumption from renewable sources	2025
	Increase data traffic eco-efficiency by 110%* (bit/Joule)	
	Recycle at least 95% of solid waste	
 <p>Social</p>	Maintain the level of employee engagement at least 82% (per year)	2025
	Reach 40% of black people in the workforce	
	Have 35% women in leadership positions	
	Train 7,500 employees in digital skills	
	Train 99% of employees in ESG skills (per year)	2023
	Bringing 4G connectivity to all municipalities in Brazil	
 <p>Governance</p>	Achieve a 50 score on the National Consumer Mobile NPS (Net Promoter Score)	2025
	Maintain TIM on the Novo Mercado, Pró-Ética and ISE-B3	
	Maintain certifications ISO 14001, ISO 900 (network), ISO 9001 (billing), ISO 27001 e ISO 37001	

* Base year 2019.

** Measured by Mercer Climate and Engagement Survey favorability index.

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. In 2022, TIM, through the TIM Group, joined the Science Based Target Initiative (SBTi), having its targets approved by the initiative, and aligned its approach to climate risks to the recommendations of the Task Force on Climate related Financial Disclosures (TCFD).

Since 2004, TIM has been presenting its sustainability performance through sustainability indicators and for 15 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. Since 2009, TIM's reports have been assured by an independent third-party. In addition, every quarter, together with the financial information, the [ESG Quarterly Report](#) is released, with the main highlights of the performance of its environmental, social, and governance indicators. In 2022, TIM also published [Issue Briefs](#), to give more visibility to its actions in the areas of biodiversity, risks related to climate change, data center efficiency, and emerging risks.

[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), Great Place to Work Index (IGPTW-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).

International recognition

In January 2023, for the second consecutive year 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). Once again the company was included in the 2023 Sustainability Yearbook for the evolution of its performance in the DJSI submission process.

TIM also came in 1st place among the companies in Latin America in the Bloomberg 2023 Gender Equality Index (GEI) and was placed 7th among the 484 companies selected from diverse sectors globally. With a score of 88.38, an eight point increase over the previous result, TIM was distinguished by the increased representativeness of women in the IT and Engineering work force, for its target for women leaders and for the reduction in the salary gap between men and women. Factors contributing to this performance included the project in support of mental health issues among female employees, training on unconscious biases for employees and leaders, the practice of recruiting women after periods out of work and support for organizations that promote gender equality.

1st Quarter 2023 highlights

- The ESG Plan 2023-25, assessed by the ESG Committee, was submitted to TIM's Board of Directors, with goals and commitments in the Environmental, Social and Governance pillars. For the second year in a row, the Company published the main highlights of the ESG 2022 Report together with the financial statements released in February 2023.
- For the first time, TIM Brasil and TIM Italia published their respective ESG reports on the same date, March 30. [TIM Brasil's ESG 2022 Report](#) follows the international reporting methodology of the Global Reporting Initiative (GRI) and also presents the SASB indicators. Published annually since 2004, TIM's reports contribute to corporate accountability and transparency, in addition to driving the continuous improvement of its management in the environmental, social and governance pillars.
- In January 2023, TIM was again 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, for the second time, in the Sustainability Yearbook for the evolution of its performance in the process of submission to the DJSI.
- TIM ranked 1st among Latin American companies in the Bloomberg Gender Equality Index 2023 (GEI) and 7th among 484 companies selected from around the world and from various sectors. This is a recognition of companies committed to internal gender inclusion and equity policies.
- The Bateria do Instituto TIM was one of the attractions at the TIM Music *Noites Cariocas* festival, in Urca Hill (RJ), in March. The group opened the Gilberto Gil concert, which also included the participation of the Minister of Culture Margareth Menezes. Formed by 50 children, youngsters, and adults with and without disabilities, the project promotes social inclusion through music.
- [TIM Tec](#), TIM Institute's platform for free online courses, completed 10 years with almost 150,000 registered users. With 32 courses available, mostly in the technology area, there is also content aimed at teachers to strengthen basic skills, entrepreneurship and financial education. In addition to the video classes, supplementary materials and a certificate of completion are made available.
- TIM Ultrafibra was elected as the best fixed broadband service in the country, in the sixth edition of the Canaltech 2023 Award. The award chooses the brands, products and services that stood out the most in the year. TIM wins this recognition for the third time.
- By the end of the 1st quarter, TIM incorporated 15 new power plants in its operation as part of the evolution of the Distributed Generation project, totaling 64 units, which produce 47% of the company's total energy consumption. The project is responsible for promoting the supply of the network with the use of renewable energy plants leased from partners. The company expects to have 100 units feeding its operations in different states by the end of 2023, with solar plants predominating.
- TIM ended the first quarter with 1,831 active biosites in its network. 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.

- In another initiative of transformation and digital inclusion for agribusiness, TIM will offer connectivity to Fazenda Água Santa, one of the main potato producers in the country, with units in Minas Gerais and Bahia. TIM's 4G will impact mainly on logistics processes, integrating tools for raw material traceability and increasing the safety of transportation throughout the chain. The total coverage area is expected to reach more than 66,000 hectares, about 109 rural properties and 5,000 people around the units.
- TIM announced a partnership with Grupo Cartão de TODOS, which has in its network more than 400 clinics throughout Brazil and over 18 million customers. Scheduled to launch in the second half of 2023, TIM Móvel and UltraFibra clients will have differentiated offers for telemedicine services, in-person medical and dental appointments at affordable prices. The action is part of the Company's strategy to promote in its business verticals, not only financial return, but also the democratization of access to health, education, banking, among other services made possible by digitalization, with potential social impact at scale.

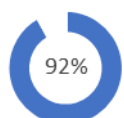


Shareholders information

The main activities carried out by the Company's Board of Directors and its Advisory Committees, and by Fiscal Council in the 1st Quarter 2023 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: 5 | 92% attendance

FC Attendance
TIM S/A



Fiscal Council

3 effective members and 3 alternate members, all independent

Meetings: 3 | 100% attendance

SAC Attendance
TIM S/A



Statutory Audit Committee

3 members, all independent

33% female representation

Meetings: 6 | 100% attendance

CRC Attendance
TIM S/A



Control and Risks Committee

5 members, 2 independents (40%)

20% female representation

Meetings: 4 | 90% attendance

CC Attendance
TIM S/A



Compensation Committee

3 members, 1 independent (33%)

Meetings: 0

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:

- Approved the amendment of the Company's Organizational Structure;
- Acknowledged on the activities carried out by the Compensation Committee;
- Acknowledged on the activities carried out by the Environmental, Social & Governance Committee;
- Acknowledged on the activities carried out by the Statutory Audit Committee;
- Acknowledged on the activities carried out by the Control and Risks Committee;
- Approved the Internal Audit's Annual Plan for the year 2023;
- Approved the Risk Appetite definition of the Company (Risk Appetite) for the years 2023 – 2025;
- Analyzed the Management's Report and the Company's Individual and Consolidated Financial Statements Proposal, dated as of December 31st, 2022 and approved its submission to the Company's Annual Shareholders' Meeting.
- Analyzed the Management's Proposal for the allocation of the results related to the year of 2022 and the dividend distribution by the Company and approved its submission to the Company's Annual Shareholders' Meeting.
- Acknowledged the Company's Industrial Plan for 2023-2025;
- Acknowledged the Company's Strategic Projects;
- Analyzed the Compensation Proposal of the Company's Administrators, the members of the Committees and the Fiscal Council and approved its submission to the Annual Shareholders' Meeting;
- Analyzed the management's proposal on the election of the independent members of the Board of Directors and approved its submission to the Annual Shareholders' Meeting;
- Analyzed the proposal of merger ("Merger") of Cozani RJ Infraestrutura e Redes de Telecomunicações S.A. into the Company, and approved its submission to the Company's Extraordinary Shareholders' Meeting;
- Analyzed the proposal for the extension of the Cooperation and Support Agreement (Contrato de Cooperação e Suporte), through the execution of the 16th amendment, 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 Extraordinary Shareholders' Meeting;
- Approved the amendment proposal of the Company's Anticorruption Policy;
- Approved the call notice of the Company's Annual and Extraordinary Shareholders' Meeting;
- Acknowledged the independent evaluation process of the Board of Directors and its advisory committees;
- Elected the Chairman of the Company's Board of Directors;
- Elected the Secretary of the Company's Board of Directors;
- Indicated the composition of the Advisory Committees to the Company's Board of Directors;
- Approved the amendment of the Company's Organizational Structure and elected the Company's Board of Officers;

- Approved the amendment of the Company's Board of Officers' Internal Rules;
- Acknowledged the compliance of the suspensive conditions provided for in the proposed merger ("Merger") of Cozani RJ Infraestrutura e Redes de Telecomunicações S.A. into the Company.

Most relevant activities of the Fiscal Council:

- Acknowledged 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, 2022;
- Evaluated the Management's Proposal for the allocation of the results related to the fiscal year of 2022 and distribution of dividends by the Company;
- Acknowledged on the information provided by Ernst & Young Auditores Independentes S/S ("EY") on the Financial Statements related to the fiscal year ended on December 31st, 2022;
- Acknowledged the communication strategy and main contracts of the Marketing and Legal areas for 2022;
- Acknowledged the budget monitoring report, including investments, for 2022 and strategic planning;
- Acknowledged the process of acquisition of Oi Group's mobile assets;
- Acknowledged the impacts of Supplementary Law No. 194 of 2022 (ICMS);
- Acknowledged the Company's Internal Audit work plan;
- Acknowledged the main issues in the existing whistleblowing channels and the status of the main occurrences;
- Acknowledged the Data Protection Program, including an assessment of the Company's performance and exposure to potential risks;
- Acknowledged the Company's ERM - Enterprise Risk Management activity;
- Evaluated of the proposed merger ("Merger") of Cozani RJ Infraestrutura e Redes de Telecomunicações S.A. by the Company.

Most relevant activities of the Statutory Audit Committee:

- Acknowledged on the Internal Audit's 2022 annual activities report;
- Acknowledged on the Internal Audit's Annual Plan for 2023;
- Supervised and evaluated the activities carried out by the Internal Audit;
- Analysed and evaluated the reports received by the Whistleblowing Channel;
- Acknowledged the Company's Risk Appetite for the years 2023 – 2025;
- Followed up and supervised the Independent Auditors' activities;

- Approved the Statutory Audit Committee's Work Plan for 2023;
- Acknowledged 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, 2022;
- Evaluated the Management's Proposal for the allocation of the results related to the fiscal year of 2022 and distribution of dividends by the Company;
- Acknowledged on the information provided by Ernst & Young Auditores Independentes S/S ("EY") on the Financial Statements related to the fiscal year ended on December 31st, 2022;
- Approved the Statutory Audit Committee's concise Annual Report;
- Evaluated the proposal for the extension of the Cooperation and Support Agreement, through the execution of the 16th 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 Company's Board of Directors;
- Evaluated related parties agreements;
- Supervised and evaluated the activities carried out by the Risk & Compliance area;
- Acknowledged on the Risk & Compliance Annual Plan for 2023;
- Evaluated the amendment proposal of the Company's Anticorruption Policy;
- Evaluated the proposal of merger ("Merger") of Cozani RJ Infraestrutura e Redes de Telecomunicações S.A. into the Company;
- Acknowledged the results of the Company's Risk Appetite and Risk Indicators for the 4th Quarter of 2022;
- Elected the Coordinator of the Statutory Audit Committee.

Most relevant activities of the Risk and Control Committee:

- Approved the Control and Risks Committee's Work Plan for 2023;
- Acknowledged on the Internal Audit's 2022 annual activities report;
- Acknowledged on the Internal Audit's Annual Plan for 2023;
- Supervised and evaluated the activities carried out by the Internal Audit;
- Acknowledged on the Whistleblowing Channel's 2022 activities report;
- Analysed and evaluated the reports received by the Whistleblowing Channel;
- Acknowledged the Company's Risk Appetite for the years 2023-2025;
- Supervised and evaluated the activities carried out by the Risk & Compliance area;
- Acknowledged on the Risk & Compliance Annual Plan for 2023;
- Evaluated the amendment proposal of the Company's Anticorruption Policy;

- Acknowledged the results of the Company's Risk Appetite and Risk Indicators for the 4th Quarter of 2022;
- Elected the Chairman of the Control and Risks Committee's.

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

- Approved the ESG Committee's Work Plan for 2023;
- 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;
- Elected the Chairman of the Environmental, Social & Governance Committee.