

The background of the slide is a nighttime photograph of a modern cityscape. A large, curved architectural structure in the foreground has the "5G" logo projected onto its underside in bright white light. In the background, a bridge with many vertical light pillars is visible, along with other city buildings and streetlights. The overall color palette is dominated by deep blues and purples, with white and yellow light sources providing contrast.

# 2022 ESG REPORT

SUMMARIZED VERSION

# Presentation

TIM presents the summarized version of its 2022 ESG Report, containing the main information about the company's activities, its results, achievements and targets in the period from January 1 to December 31, 2022 - focused on the environmental, social and corporate governance pillars.

The detailed report on the company's initiatives, as well as complementary data about the actions, projects and strategies developed in 2022, may be found in the complete version of the TIM ESG Report on the company's [investor relations website](#).

# 2022 ESG highlights



## Environmental

**~50% self-generated**  
energy

Validation of TIM Group  
**GHG emissions reduction** targets  
by the SBTi

**Adhesion to TCFD**  
recommendations

**127% increase in**  
energy efficiency in  
data traffic

**100%** of energy  
consumed from  
**renewable**  
**sources** (with  
acquisition of I-RECs)



**1<sup>st</sup> place globally** among  
telecommunications  
companies in the  
Refinitiv Diversity &  
Inclusion Index

One of the **best**  
**companies to work**  
**for**, listed on the B3  
GPTW Index

Engagement level:  
**86% favorability**  
in the climate survey,  
3 p.p. up on 2021

**1<sup>st</sup> mobile operator**  
with coverage of  
**100% of Brazilian**  
**municipalities**, 96%  
covered by 4G

**1<sup>st</sup> company in Latin**  
**America** in the Bloomberg  
Gender Equality Index and **7<sup>th</sup>**  
**in the world**



## Social



## Governance

**ISO 27001**  
**certification**,  
international  
information security  
management standard

**For the 2<sup>nd</sup> year**  
selected by S&P Global  
as member of the  
Sustainability Yearbook

**15 years on**  
**the ISE**, the  
longest standing  
telecommunications  
company on the B3  
sustainability index

**Gold Seal** from the  
EcoVadis platform,  
positioning TIM  
among the **top 5% of**  
**telecom companies**  
**in the world**

**For the 2<sup>nd</sup> time**  
**running** on the  
Comptroller General  
(CGU) list of  
Pro-Ethical companies





## New materiality

In 2022, TIM renewed its materiality matrix in the light of new trends that take into account financial and socioenvironmental perspectives, so-called double materiality, also in line with the new GRI Universal Standards published in 2021.

With support from a specialized consultancy and broad stakeholder consultation, the construction of the new matrix encompassed five stages:

1. Definition
2. Identification
3. Prioritization
4. Analysis
5. Validation

At the end of the process, eight material topics were indicated for TIM and put to the Board of Directors for validation. In comparison with the last materiality process, three topics, although important for TIM and still considered in the company's practices, policies and ESG Plan, were not indicated as priorities from the standpoint of the diverse stakeholder groups consulted.

The correlated SDGs are:







Discover more about the Sustainable Development Goals on the UN [website](#).



TIM believes that technology and telecommunications have the power to connect people, break down geographical barriers and promote global collaboration, enabling joint work to achieve the 2030 Agenda targets

Material topic GRI 3-2	Financially material*	Socio-environmentally material*	Indicators	Stakeholders who most addressed the topic	Correlated SDGs
 <b>Innovation and technology</b>	Innovation, greater competitiveness, better reputation, provision of new services	Support for migration from voice standard to data, opening pathways for digital transformation in diverse sectors, such as education, agriculture, healthcare, finance, public services etc.; together with a reduction in environmental impacts, inclusion and access; business perpetuity	Own indicators	Executive board, market specialists, TIM Italia, employees, customers, suppliers and service providers, start-ups, innovation hubs or agents, participants in Istituto TIM projects	<div>8</div> <div>9</div> <div>11</div>
 <b>Digital inclusion and connectivity</b>	Investments in infrastructure and network expansion, better reputation	Digital inclusion with support for digital literacy measures, stimulus for the correct use of technology; guarantee of access to diverse public services that are being digitalized	GRI 203 Indirect economic impacts 2016 GRI 413 Local Communities 2016 Own indicators	Executive board, market specialists, TIM Italia, employees, participants in Istituto TIM projects	<div>1</div> <div>5</div> <div>9</div> <div>10</div> <div>11</div>
 <b>Privacy and data security</b>	Reduction in exposure to legal risks and loss of confidential information, better reputation, customer loyalty	Brand differentiation, better reputation	GRI 418 Customer privacy 2016 Own indicators	Executive board, market specialists, TIM Italia, external specialists, employees	<div>16</div>
 <b>Energy efficiency</b>	Dependence on public pricing policies and impossibility of long-term budget preparation	Increase in consumption of renewable energy, stimulus for free energy market and distributed generation, generation of employment in the plants, reduction in GHG emissions, 5G technology as precursor of more efficient processes	GRI 302 Energy 2016 GRI 305 Emissions 2016 Own indicators	Executive board, TIM Italia employees, customers, start-ups, innovation hubs or agents	<div>7</div> <div>12</div> <div>13</div>

\* Most relevant aspects indicated by stakeholders during TIM materiality development consulting process.

Material topic GRI 3-2	Financially material*	Socio-environmentally material*	Indicators	Stakeholders who most addressed the topic	Correlated SDGs
 <b>Service quality</b>	Better reputation, customer loyalty	Positive customer experience; support for change in behavior with greater use of data than voice, also support for access to digital public services, education and others; dependence bond with suppliers to ensure service quality; brand differentiation, better reputation	Own indicators	Market specialists, customers, start-ups, innovation hubs or agents	9
 <b>Health, well-being and safety</b>	Reduction in leaves and staff turnover due to health issues, increase in innovation and reduction in attraction and retention costs	Pride in belonging, brand differentiation, better reputation, quality of life, transfer of knowledge	GRI 401 Employment 2016 403 GRI Occupational health and safety 2018 GRI 404 Training and education 2016 405 GRI Diversity and equal opportunity 2016 Own indicators	External specialists, employees, customers, suppliers and service providers, start-ups, innovation hubs or agents, participants in Instituto TIM projects	3 5 8
 <b>Ethics, integrity and compliance</b>	Business perpetuity, reduction in exposure to legal risks, greater competitiveness, impact on market value, access to capitals	Incorporation of concepts into organizational culture, pride in belonging, reputational gains	GRI 205 Anti-corruption 2016 GRI 206 Anti-competitive behavior 2016 General disclosures (GRI 2)	Market specialists, external specialists, employees	16
 <b>Transparency and relations with priority audiences</b>	Business perpetuity, greater competitiveness, increase in market value	Customer loyalty (clarity in communications, respect and care in service; use brand potential to engage in causes company believes in); pride in belonging (transparency around career plans and development opportunities); reputational gains (sustainability data should be solid to guarantee correct evaluation)	GRI 417 Marketing and Labeling 2016 General disclosures (GRI 2)	External specialists, employees, suppliers and service providers	12 16

\* Most relevant aspects indicated by stakeholders during the TIM materiality development consulting process.

# ESG Vision

## ESG Journey at TIM

TIM has been listed on the B3 Corporate Sustainability Index (ISE-B3) for 15 years, the longest standing telecommunications company on the index. Since 2011, TIM has been listed voluntarily on the Novo Mercado, which has the highest level of corporate governance on the Brazilian stock exchange, in addition to being the first and only telecommunications carrier nominated as a Pro-Ethical (Pró-Ética) company by the Brazilian Comptroller General (CGU).

As a signatory to the UN Global Compact and to UN Women, which it joined in 2021, TIM has developed projects connected with the SDGs and recognizes rights to data privacy, secure internet, access to information and freedom of expression as essential and unalienable.

In the field of promoting diversity and inclusion, TIM has become a Brazilian and international benchmark. In 2021, the company became the first Brazilian carrier on the Refinitiv Diversity & Inclusion Index, coming first in Telecom on a global level. This position was maintained in 2022, with the company ranked as one of the ten best in the world.

In 2023, TIM is once again listed on the Bloomberg Gender Equality Index, comprising companies from 45 countries, with only 16 from Brazil. The company was elected the best in Latin America in gender equality and placed 7<sup>th</sup> globally. The experience accumulated during the course of this journey shows significant advances in governance, with the creation of the ESG Committee, linked with the Board of Directors, in 2020. This instance oversees and monitors the TIM ESG Plan, which encompasses short, medium and long-term targets for key corporate sustainability topics, which are updated annually.

## Stakeholder engagement

TIM believes that engaging its stakeholder groups generates value both for the company and for society. This is why the company works on developing relations based on trust, that favor mutual learning, innovation, improved risk management and reputation.

TIM is committed to transparency in its relations and its communications with stakeholders, in particular priority groups such as customers, employees and investors.

In building its ESG agenda and materiality matrix, TIM follows these same principles to promote dialogue with its stakeholder groups.

**The company's main stakeholders are:**





# 2023-25 ESG Plan

## Caption

◀ New/altered target

TIM Group commitment

SLB Sustainability-linked bond

Pillar	Enablers	Commitments	2023-2025 Targets		2022-2024 Plan	2022 Results
 <b>Environmental</b>	<ul style="list-style-type: none"> <li>Mitigating GHG emissions in line with scientific targets (SBTi - Science Based Target initiative)</li> <li>Boosting <b>efficiency</b> and use of <b>green energy</b> through <b>Distributed Generation</b> and acquisition in the <b>free market</b></li> <li>Demobilizing obsolete technologies through <b>innovation</b> and <b>infrastructure sharing</b></li> <li>Promoting efficient and responsible management of <b>solid waste</b></li> </ul>	Net Zero* (scopes 1, 2 and 3) ◀ TIM	≤0	2040	-	-
		Reduction of scope 3* emissions (categories 1, 2 and 11) ◀ TIM	-47%	2030	-	-
		Carbon neutral* (scopes 1 and 2) TIM	≤0	2030	-100%	0 <sup>1</sup>
		Renewable energy (DG + FM + I-REC) TIM	100%	2025	100%	100%
		Eco-efficiency in data traffic* (bit/Joule) ◀ SLB	+110%	2025	+80%	+127%
		Recycling solid waste	≥95%	2025	≥95%	73%
 <b>Social</b>	<ul style="list-style-type: none"> <li>Promoting an <b>inclusive environment</b>, with <b>equality</b> of opportunities, valuing <b>talent</b> and caring for the health and integrity of employees</li> <li>Developing digital education to meet demand for connectivity</li> <li>Maintaining the <b>Instituto TIM</b> as a benchmark in <b>ST&amp;I</b> and education projects</li> <li>Extending access to <b>4G connectivity</b> to all the municipalities in Brazil</li> </ul>	Engagement** (per year) ◀	≥82%	2025	≥80%	86%
		Black employees ◀	>40%	2025	≥40%	37.3%
		Women in leadership positions ◀ TIM	>35%	2025	≥35%	34.4%
		Employees trained in ESG skills (per year)	≥99%	2023	≥99%	99%
		Employees trained in digital capabilities ◀	≥7,500	2025	+5,000	4,015
		4G presence SLB	100%	2023	100%	96%
 <b>Governance</b>	<ul style="list-style-type: none"> <li>Maintaining recognition as a company with the highest level of commitment to transparency and corporate governance</li> <li>Disseminating ESG principles to <b>potential high risk and impact suppliers</b>, developing co-participation in the reduction of GHG emissions (<b>Scope 3</b>)</li> <li>Adopting best practices related to compliance, information security and data protection and privacy</li> <li>Promoting <b>customer empowerment</b> through digital transformation</li> </ul>	National Mobile Consumer NPS (Net Promoter Score) ◀	≥50	2025	-	-
		ISE, Novo Mercado and Pró-Ética	Maintain	2025	Maintain	Maintained
		ISO 14001, ISO 9001 (network), ISO 9001 (billing), ISO 27001 and ISO 37001	Maintain	2025	Maintain	Maintained

\* Base year 2019.

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

<sup>1</sup> TIM incorporated Non-Kyoto fugitive emissions into the calculation of the scope 1 emissions carbon neutrality target, making its emissions monitoring even more rigorous.

In 2022, scope 1 and 2 emissions were reduced by 84% in relation to the 2019 base year. The 2030 target is to reduce emissions by 100% compared with the 2019 base year. In 2022, with the purchase of carbon credits and renewable energy certificates (I-RECs), TIM managed to neutralize its emissions for the year, result represented in the table by the number "0" ("zero").



A background image of a business meeting with four people (three men and one woman) sitting around a table, looking at documents and talking. The image is overlaid with a semi-transparent blue filter. There are several white rectangular boxes of varying sizes and a red rectangular box overlaid on the image. The word "Governance" is written in large white text on the right side, preceded by a white play button icon.

# ▶ Governance

## Profile

TIM S.A. is a telecommunications company that provides fixed and mobile telephony, data transmission and ultra broadband services for people and companies all over Brazil. With its headquarters in Rio de Janeiro (RJ), it is controlled by TIM Brasil Serviços e Participações S.A., a company of the Telecom Italia Group.

It is a publicly traded company with shares on the B3 Novo Mercado exchange and American Depositary Receipts (ADRs) listed on the New York Stock Exchange (NYSE).

The company does business oriented to ethics, loyalty and good faith, in pursuit of:

- transparency in business;
- fair competitive conduct;
- excellence in market competitiveness;
- the well-being and growth of the community in which it operates;
- valuing its human resources; and
- promoting sustainable development.



### Purpose

To evolve together with courage, transforming technology into freedom



### Strategic pillars

- Innovation
- Customer experience
- Agility



### Values

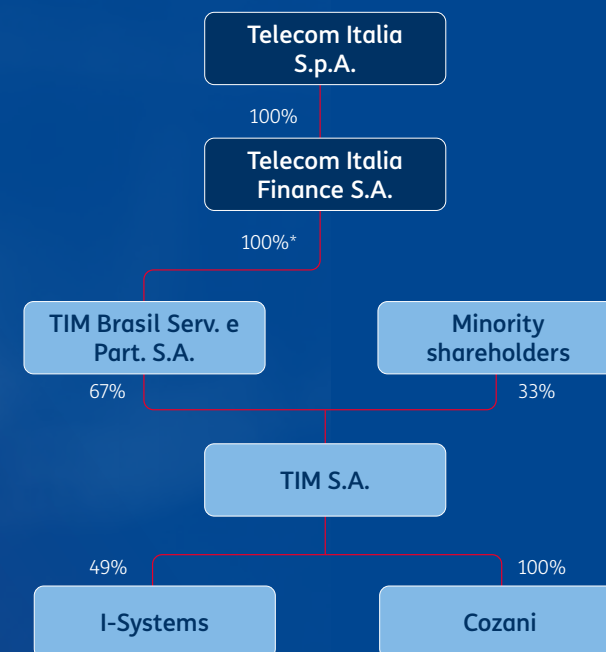
- **Courage** to innovate and always think differently
- **Respect** is taking care of everyone and valuing each one
- **Freedom** to access what is important for you



### Goal

To reinforce the innovation pillar, boosting preference and reducing rejection, being perceived as the best liked operator with the highest recall

## Shareholder structure



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

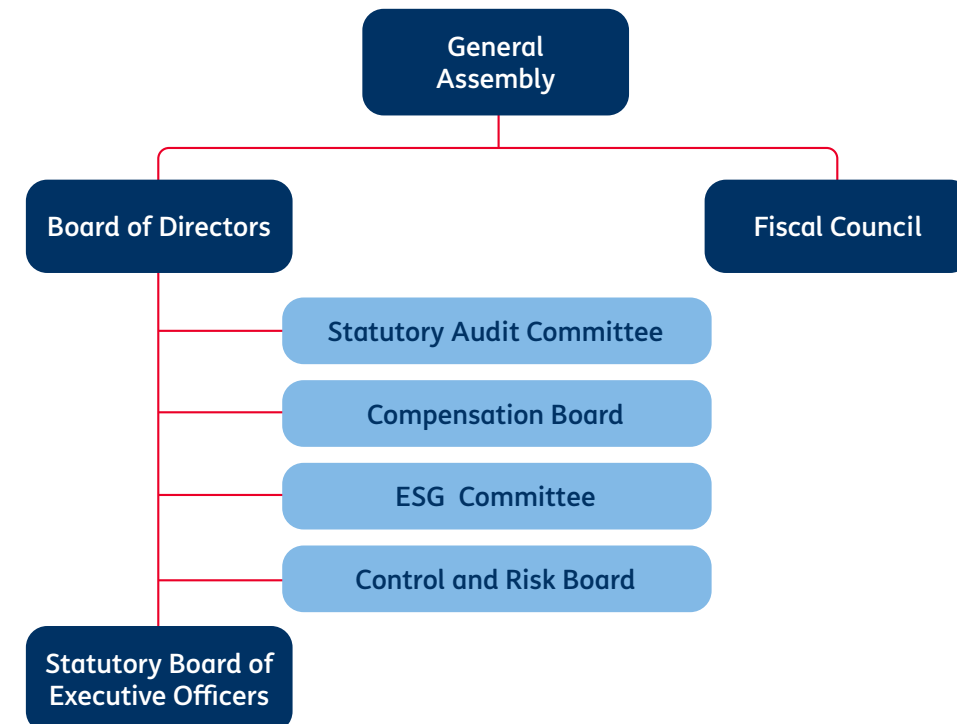


## Governance structure

TIM S.A. is a publicly traded company, administered by a Board of Directors, a Statutory Board and supervised by a Fiscal Council, whose duties and responsibilities are governed by Brazilian legislation, the company by-laws, the listing regulations of the B3 Novo Mercado and the company's own internal regulations.



The TIM Board of directors comprises **10 members**, of whom four are independent





# 2022 highlights

GRI 2-6



## Financial

Net revenue:

**BRL 21.5 billion**

+19.2% (YoY)

Net service revenue:

**BRL 20.8 billion**

+19% (YoY)

TIM UltraFibra net revenue:

**BRL 797 million**

+10.7% (YoY)

Normalized net income:

**BRL 1.8 million**  
-18.4% (YoY)

Normalized Ebitda:

**BRL 10.2 billion**

+17.2% (YoY)  
(Ebitda margin 47.4%)

Operating free cash flow:

**BRL 6.9 billion**  
+27.8% (YoY)

Provision for doubtful debtors (PDD):

**2.1%** of gross revenue (maintains balance)



Leadership in 4G, with **96% of the cities in Brazil** (5,370 municipalities) covered

Expansion of 4.5G coverage to **1,922 new cities**

Growth in FTTH and FTTC fiber optic coverage, with **6.1 million** homes passed - increase of **7.1%** in a total of **42** cities



## Infrastructure

## 5G

With 11 lots acquired (three nationwide and eight regional) in the November 2021 5G auction in Brazil, the company launched the service in 2022, first in Brasília (DF) in July. By October, TIM 5G was present in all the country's 27 state capitals.

The operations obtained included the capacity of 100 MHz in the most important 5G frequency, 3.5 GHz. Also worthy of note was the acquisition of lots in higher frequencies, known as millimeter waves, whose main characteristic is increased internet speed.



# 2022 highlights

GRI 2-6



## Products and services

<sup>1</sup> Includes the 8.7 million customers who migrated from Oi Móvel to TIM up to the end of January 2023.

<sup>2</sup> In addition to the TIM customers, it includes the 6,787 Intelig customers.

### 3G, 4G and 5G telephony and mobile internet

**62 million** customers in the mobile base<sup>1</sup> SASB TC-TL-000.A

**35.2 million** prepaid customers, 31.5% market share

**27.2 million** postpaid, 19.4% market share

**more than 55 million** 4G accesses  
+18.7% (YoY)

Mobile ARPU **BRL 26.1/month** -0.9% (YoY)

### TIM UltraFibra (fixed ultra broadband) SASB TC-TL-000.C<sup>2</sup>

**716,000** customers

Customer base grew **4.6% (YoY)**

### Fixed telephony SASB TC-TL-000.B

**738,000** fixed telephony customers  
-9% (YoY)

### Groundbreaking new B2B businesses and customer platform

**4G 12 million** hectares of rural area covered by TIM 4G

**Internet in rural areas** with the 700MHz frequency, the same one available in large cities in Brazil

**11,600** kilometers of highways connected with IoT projects

**Expansion of connectivity and intelligent city projects**, such as public lighting management solutions

**Strategic partnerships** to generate revenue through customer engagement, advertising and data intelligence (TIM Ads, TIM InsightsI, C6, Ampli, EXA, Cartão de Todos)



## Anti-corruption

TIM has internal standards to guide employees in compliance with legislation and the principles of transparency, honesty and loyalty. The company also has integrity due diligence processes and contract clauses to combat corruption in its value chain. The company has ISO 37001 certification, attesting to the security and effectiveness of its anti-bribery system.

The TIM Integrity Program, applicable to all employees, also known as the Anti-bribery and Anti-corruption Management System, establishes a set of rules and actions to guarantee compliance with Brazilian anti-corruption legislation. The company also has a policy on Conflict of Interests. The standard applies to

all employees, executives and members of committees and governance bodies, as well as to those who have commercial or business relations with or who act on behalf of the TIM Group Brasil.

Part of the Integrity Program, the TIM Anti-corruption program guarantees continuous monitoring of 20 activities considered more sensitive in terms of exposure to the risk of corruption. The Anti-corruption program also determines that the TIM internal standards comprise Policies, Operational Procedures and Operational Instructions that describe the processes and controls for all the company's areas and functions.

In 2022, from the total work force:

**98%** were trained  
in the Code of Ethics  
and Conduct

**97%** trained in  
Anti-corruption

**94%** trained  
in the Integrity  
Program

In the governance bodies,  
**100%** were trained in  
Anti-corruption

## 2022-24 ESG Plan



### Target

- Maintain **ISO 37001** certification up to 2023



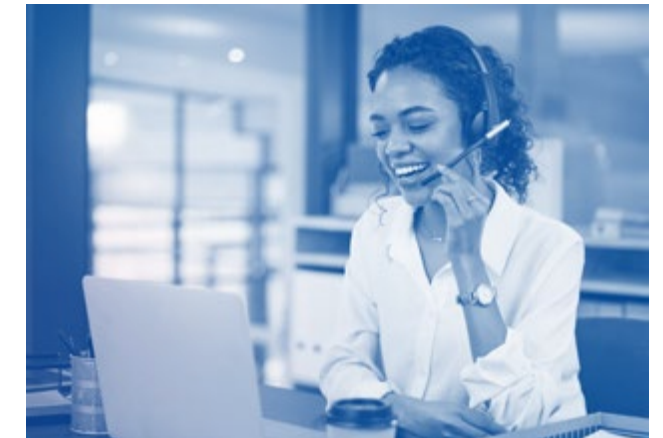
### Result

- Certification obtained one year ahead of target

## Whistleblower Channel

The Whistleblower Channel is managed by an independent, external company. The service is available 24 hours a day, seven days a week. Those making reports may maintain the confidentiality of their personal information if they wish. They may also track the progress of the investigation by means of a service number, with anonymity guaranteed.

No cases of corruption involving public authorities or agents were identified by TIM in 2022. The company detected six cases of fraud, two cases of favoring suppliers and one case of bribery (inconclusive), in which the supplier was barred.



**TIM Brasil**

Whistleblower Channel  
0800 900 8007





## Cases of non-compliance with laws and regulations

In 2022, TIM was subject to a total of 106 significant cases of non-compliance with laws and regulations, paying a total of BRL 820,000 in fines.

47 cases involved the application of administrative fines related to environmental licensing by municipal and state authorities. There were 14 lawsuits with the potential for an unfavorable impact on TIM. From this total, fines were applied in 59 cases, which are still awaiting a final administrative decision.

There were also 21 significant cases before Anatel, related to non-compliance with regulations. There were a further 24 significant cases related to consumer rights. Of these 15 are still *sub judice*, with TIM discussing the application of fines or condemnations involving collective damages.

## Risk management

The TIM Group has a Risk Management policy based on best market practices and international standards. The processes established in this policy identify, prioritize and define action plans to mitigate risk in the following areas: corporate and operational, financial, ethics and compliance, environment, health and safety and reputation. The company monitors short, medium and long-term risks.

## Information security

TIM invests in information security and is in the forefront of the introduction of new technologies, such as mobile cloud and big data. The goals are to offer customers connectivity and speed, while mitigating risks that could cause business losses, compromise networks and systems, generate equipment failure or result in the loss of consumer and employee data.

In 2022, TIM obtained ISO 27001:2013 information security management certification. In addition to achieving the target in its ESG Plan, the **company reinforces its commitment to protecting the privacy of its customers' data.**



## Climate risks, financial implications and opportunities

The risks associated with climate change could have implications that are physical, economic and regulatory in nature, with repercussions on TIM's finances, image and reputation. To ensure they are monitored, prevented and mitigated, these risks are included in the company's risk matrix, with a view to the proposal of adaptation measures to anticipate and avoid adverse effects.

In 2022, TIM included the risk of climate change in its Corporate Risk Management

process to strategically monitor the failure or inadequate execution of services due to extreme climatic events.

TIM aligned its approach to climate risk with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Further information is available about this initiative in the Report "[TIM Climate-related Risks](#)", available on the company's Investor Relations website.

## Operation

The company strives to ensure adequate infrastructure, network stability and expansion to support the growing use of mobile data and offer access to diverse digital services.

Investments in infrastructure and network coverage enable user connectivity and, therefore, access to information, considering the main indirect economic impacts generated by TIM.

### 2022-24 ESG Plan



#### Target

- Extend 4G connectivity to **100%** of the municipalities in Brazil by 2023



#### Result



**5,370** cities  
with 4G coverage,  
making TIM market leader



**27** state  
capitals in the  
country with active 5G



**1,829**  
active biosites in the network  
(antennas/towers with low  
visual impact)



## 5G

TIM is the leader in 5G coverage in the cities of São Paulo (SP), Curitiba (PR), Rio de Janeiro (RJ) and Recife (PE), and is the only operator with this technology active in 100% of the districts of these cities. The organization of the 5G auction in November 2021 marked the arrival of this technology in Brazil. The company acquired 11 lots, three nationwide and eight regional.

### 5G: multiple applications



TIM will maintain its leadership in the development of this network, working with customers and possible partners to continue to make this hyper-connected future a reality.

## Innovation

TIM is committed to investing in innovation, technology development and infrastructure capable of supporting the growth and expansion of new data uses and internet connection, collaborating with access to services such as education, healthcare, finance, entertainment and agriculture. The company disseminates and fosters the use of disruptive technologies that promote socially relevant products and services.

For TIM, the premise of this effort is engagement and co-creation with stakeholders, such as customers, universities, suppliers, consumers, start-ups and the government. Worthy of note among the company's diverse actions are the TIM Lab Innovation Center, the TIM Open Innovation program, the open laboratory initiatives, the new generation network projects, the TIM Guaratiba Valley campus, as well as countless activities and partnerships to promote the Internet of Things (IoT).





## Customer

In 2022, TIM expanded its customer service infrastructure, initiating the operation of 5G in the country. The company also expanded its 4.5G, 4G and fiber optic FTTH coverage, consolidating its leadership in signal availability in Brazilian municipalities. Altogether, the company has 63 million customers.

### 2022-24 ESG Plan



#### Target

- Halve personal mobile service customer complaints to Anatel by 2023, compared with 2019.



#### Result

2022	-50%
2021	-44%
2020	-17%

#### Meu TIM

Score **4.7** in Play Store in 2022. Best evaluation among Brazilian operator service applications

#### Contacts with Procons

TIM was the company with the **fewest complaints** in its segment, according to the national consumer defense system Sinedec (Sistema Nacional de Informações de Defesa do Consumidor).

#### Taís

The TIM **virtual assistant** is being constantly enhanced and is available for devices compatible with Alexa and the company's stores of the future.



#### “@TIMBrasil”

(<https://twitter.com/TIMBrasil>)



#### Canal “@TIM\_AJUDA”

([https://twitter.com/TIM\\_AJUDA](https://twitter.com/TIM_AJUDA)), which permits communication with customers via Twitter.



#### Facebook

(<https://facebook.com/timbrasil>)



#### Instagram

(<https://www.instagram.com/timbrasil>)

## Suppliers

TIM has its Supplier Relations Policy, which establishes the commitments to be followed by these stakeholders, including sub-contractors providing services and partners. The main points of the standard are focused on competitiveness, quality, safety, security, human

rights and socio-environmental responsibility. Upon signing contracts, suppliers agree to conduct their operations in compliance with legal obligations and with the best compliance practices required by TIM.



telecommunications  
networks



information  
technology



telecommunications  
products



technical and  
professional  
services



energy  
systems

### In 2022:

More than **700**  
suppliers received purchase  
orders from TIM in Brazil

**81%**  
of suppliers underwent  
the integrity due diligence  
process (ethical and conflict  
of interest criteria)

**100%**  
of critical suppliers  
underwent a socio-  
environmental and health  
and safety assessment

**99%**  
of the budget was spent  
on local suppliers

## Privacy and data protection

TIM strives to ensure the privacy and security of the data of its customers and other stakeholders. To guarantee business continuity and satisfaction with the products and solutions it offers, the company operates in compliance with Brazil's General Personal Data Protection Law (LGPD) and with the best global practices in this area.

TIM trained its employees to drive awareness of the impacts and modifications brought by this law, approved in 2018. Employees were also oriented to follow the guidelines in the collection, use and protection of the personal data of customers, employees, suppliers and other stakeholders.



## 2022-24 ESG Plan



### Target

- Obtain **ISO 27001**  
certification by 2022



### Result

- Certification obtained

A background image of a woman with dark hair, wearing a grey knit sweater and a dark jacket, smiling and waving her hand in a park setting with trees. The image is overlaid with a semi-transparent blue filter and several white and red rectangular outlines.

# Environmental



## Environmental management system

Aligned with the company's strategic planning, TIM has a nationwide Environmental Management System (EMS), based on ISO 14001 standard requirements. The company has had this certification for Network Management and Operation in the states of Espírito Santo, Rio de Janeiro and São Paulo since 2010.

## Water

TIM Environmental Policy orientates the company's water and wastewater management. Although the company's activities do not depend on the intensive use of water, indicators related to consumption are monitored and reported transparently. Most of the water used in operations is supplied by local water utilities, with water tanker trucks being contracted in the event of supply failures.

## Climate change

Value creation for TIM involves proactive mitigation of greenhouse gas (GHG) emissions from its operations and the adaptation of these operations to the effects of climate change. The importance of the topic for TIM is demonstrated in the company's ESG Plan, which has incorporated two new targets: to be a zero carbon company by 2040 and to achieve a 47% reduction in scope 3 emissions by 2030.

The emissions data and governance practices, strategy and risk and opportunity management in this area are also widely disclosed under the CDP, a global initiative to drive transparency around emissions. TIM's classification in 2022 was B.

## 2022-24 ESG Plan



### Targets

- Achieve **carbon neutrality** (scopes 1 and 2) by 2030
- **Eliminate** indirect emissions (scope 2) by 2025



### Results

#### Carbon neutrality - scopes 1 and 2 (tCO<sub>2</sub>e)

2022	0
2021	3,803
2020	41,333

#### Indirect emissions - scope 2 (tCO<sub>2</sub>e)

2022	0
2021	0
2020	38,717

The TIM Group GHG reduction targets were approved by the SBTi

## GHG emissions inventory

The TIM GHG emissions inventory is part of the company's commitments in this area. It is prepared annually, in line with the principles of the Brazilian GHG Protocol Program (including reporting scope 3 emissions) and is audited by a third-party.



### Since 2010, TIM:

- has responded voluntarily to the Carbon Disclosure Project (CDP) and has been on the CDPR Climate Resilience Index, created by the organization;
- has disclosed its **GHG inventory** under the Brazilian GHG Protocol Program.

### Scope 1

Scope 1 includes direct emissions associated with the operation, especially from the burning of fuels and the maintenance of air conditioning and firefighting systems.

#### Scope 1 GHG emissions (tCO<sub>2</sub>e)

	2020	2021	2022
Emissions from vehicle fleet controlled by TIM	348	335	320
Stationary emissions (generators, machinery and other equipment)	815	1,474	2,194
Fugitive emissions (refrigerant gases and fire extinguishers)	4,309	2,584	4,506 <sup>1</sup>
Effluents	-	2	2
<b>Total Kyoto GHG</b>	<b>5,473</b>	<b>4,395</b>	<b>7,022</b>
Non Kyoto fugitive emissions (refrigerant gases)	3,308	2,122	2,529
<b>Total GHG</b>	<b>8,781</b>	<b>6,517</b>	<b>9,551</b>

<sup>1</sup> Increase due to accidental releases of FM-200, HFC (hydrofluorocarbon) gas used in firefighting, which has high global warming potential (GWP).

#### Scope 1 biogenic emissions (tCO<sub>2</sub>e)

	2020	2021	2022
Biogenic emissions <sup>1</sup>	200	46,834	54,132

<sup>1</sup> From 2021, biogenic emissions from the biogas plants in the Distributed Generation project were included, as well as emissions from biofuels such as ethanol and biodiesel, added to fossil fuels.

## Scope 2

Scope 2 covers indirect emissions from the acquisition of electrical energy.

Scope 2 GHG emissions (tCO <sub>2</sub> e)			
	2020	2021	2022
Location approach	38,717	51,355	15,346 <sup>1</sup>
Purchase choice approach	-	0	0

<sup>1</sup> Significant reduction due to the decrease in the emission factor released by the Brazilian government.

## Scope 3

Indirect emissions in the TIM value chain, including business travel, fuel consumption by freight transporters, waste treatment, logistics activities and materials purchases.

Scope 3 GHG emissions (tCO <sub>2</sub> e)			
	2020	2021	2022
	9,668	8,199	4,354 <sup>1</sup>

Scope 3 biogenic emissions (tCO <sub>2</sub> e)			
	2020	2021	2022
	844	2,021	553 <sup>1</sup>

<sup>1</sup> The reduction was due to improved fuel consumption control in third-party freight providers.



The full TIM GHG Emissions Inventories are available in the public emissions registry of the Brazilian Greenhouse Gas Protocol Program.

[Click here to access them](#)





## Preserving biodiversity

In 2022, TIM invested in the neutralization of part of the GHG emissions released into the atmosphere by its operations through the acquisition of carbon credits from the Envira Amazônia REDD+ (Reducing Emissions from Deforestation and Forest Degradation) forestry preservation project, in partnership with Carbonext.

The project is being developed in the state of Acre, on a property in which the right to suppress vegetation for livestock breeding was transformed into the conservation of 200,000 hectares of tropical forest. With the initiative, Envira Amazônia will simultaneously preserve the biodiversity of the biome and a broad range of ecosystem services, providing direct benefits for the local communities, who may develop sustainable initiatives in the location.

As a guarantee of effectiveness, the program is certified by the Verified Carbon Standard (VCS) - the most widely used greenhouse gas credit initiative in the world. Envira Amazônia also has the CCBS (Climate, Community & Biodiversity Standard) seal, which certifies that the project generates tangible benefits for the climate, the community and biodiversity.

## Energy

The telecommunications sector is highly dependent on the continuous supply of electricity to ensure the functioning of its operations. In this context, TIM works to prioritize the use of

renewable energy, reduce consumption in general and optimize management of the operation, decreasing greenhouse gas emissions.

## 2022-24 ESG Plan



### Targets

- Maintain **100% energy consumption** from renewable sources until 2025
- Maintain the **80% increase in energy efficiency** in data traffic until 2025, in comparison with 2019



### Results

#### Renewable energy consumption

2022	100%
2021	100%
2020	64%

#### Eco-efficiency

2022	127%
2021	96%
2020	64%

### The TIM Distributed Generation project supplies the grid through small power plants. In 2022:

- **53** active plants
- **70%** of total consumption from renewable energy (with energy purchase from the free market)

## Circular economy

The circular economy is a production and consumption model that involves the sharing, reuse, repair, renewal and recycling of existing materials and products whenever possible. This extends the life cycle of materials, avoiding wastage and pollution from the generation of waste, and reducing the demand for raw materials.

TIM Environmental Policy provides guidance on the efficient and responsible management of solid waste, one of the goals assumed by the company in its ESG plan.



## Eco Rating

The TIM Group joined this international project in place in 35 countries.

The methodology analyzes the main environmental parameters in the phases of production, transportation, use and disposal of

### TIM Smart Exchange

- **~6,000** cellular telephones collected in the program in partnership with Trocafone
- **90%** of the devices were in condition to be reused

smartphones, attributing a sustainability score on a scale from 1 to 100.

From 2023, TIM will apply the Eco Rating seal to specific smartphones in Italy and Brazil.

## Waste

TIM Environmental Policy provides guidance on the efficient and responsible management of solid waste, one of the goals assumed by the company in its ESG plan.

As part of its continuous improvement process, in 2022 TIM started to account for civil construction waste and, at the same time, resumed work on the TIM Renovation project in the company's stores and buildings around the country, resulting in increased waste generation. These factors impacted the company's target, resulting in 73% solid waste recycled in the year. In view of the improvements implanted by the company for its waste management (expansion of control and coverage of analysis), the time limit in the ESG Plan was extended to 2025.

## 2022-24 ESG Plan



### Target

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



### Result

2022	73%
2021	98%
2020	96%





# Social





## Digital inclusion

TIM telecommunications activities generate positive impacts beyond the business. Access to mobile telephony and broadband internet enables the creation of opportunities for people and companies, acting as a powerful tool for digital inclusion based on the offer of services and the guarantee of access to connectivity for

the entire country. This is why the company works at offering quality solutions in every region of Brazil, including remote communities, supporting digital literacy and ensuring access to digitalized public services.

### 2022-24 ESG Plan

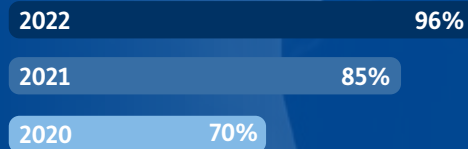


#### Target

- Extend 4G connectivity to **100%** of the municipalities in Brazil by 2023



#### Result



## Rural Schools Connectivity Program

The program, which is an Anatel requirement, is aimed at ensuring coverage in rural areas of Brazil, including public schools.

Within the division undertaken among the telecommunications operators in the country, TIM guarantees this service in the states of Rio de Janeiro, Espírito Santo, Paraná and Santa Catarina. Currently, the company is engaged in delivering coverage to 4,222 public schools, in accordance with the list updated by Anatel in November, 2022.

## Interaction with universities and innovation centers

In 2022, TIM conducted a series of measures to forge closer relations with universities and research centers. The company created the Roadshow program at universities to provide students with information on innovation, careers and employability. Furthermore, students are invited to participate in the TIM Intern Program and gain practical experience by means of the presentation of company cases in the areas of connectivity, innovation, technology and new businesses.



TIM created the Roadshow program at universities to provide students with information on innovation, careers and employability



## Employees

TIM strives to ensure employee well-being and health through the humanized management of cordial environments, caring for mental health with flexible and adequate working conditions and promoting diversity.

TIM's purpose, values and strategic goals define its challenges and shape the mindsets of employees throughout the year. This is why the company sought to reinforce a culture of innovation, high performance, inclusion and well-being among its professionals on a daily basis, aimed at promoting a favorable environment for developing its people and achieving corporate goals.



Recognized by employees and the market, **TIM** received the **Great Place to Work and Top Employers Award** in 2022

## 2022-24 ESG Plan

### Targets

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

### Results

#### Employee engagement

2022	86%
2021	83%
2020	84%

#### Trained in digital capabilities

2022	4,015
2021	1,861
2020	1,486

#### Trained in ESG culture

2022	99%
2021	95%
2020	99%

### Employees by type of work contract and gender GRI 2-7

Type of contract	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	4,745	4,673	9,418	4,638	4,696	9,334	4,652	4,753	9,405
Temporary	115	190	305	132	215	347	158	221	379
<b>Total</b>	<b>4,860</b>	<b>4,863</b>	<b>9,723</b>	<b>4,770</b>	<b>4,911</b>	<b>9,681</b>	<b>4,810</b>	<b>4,974</b>	<b>9,784</b>

### Employees by type of employment and gender GRI 2-7

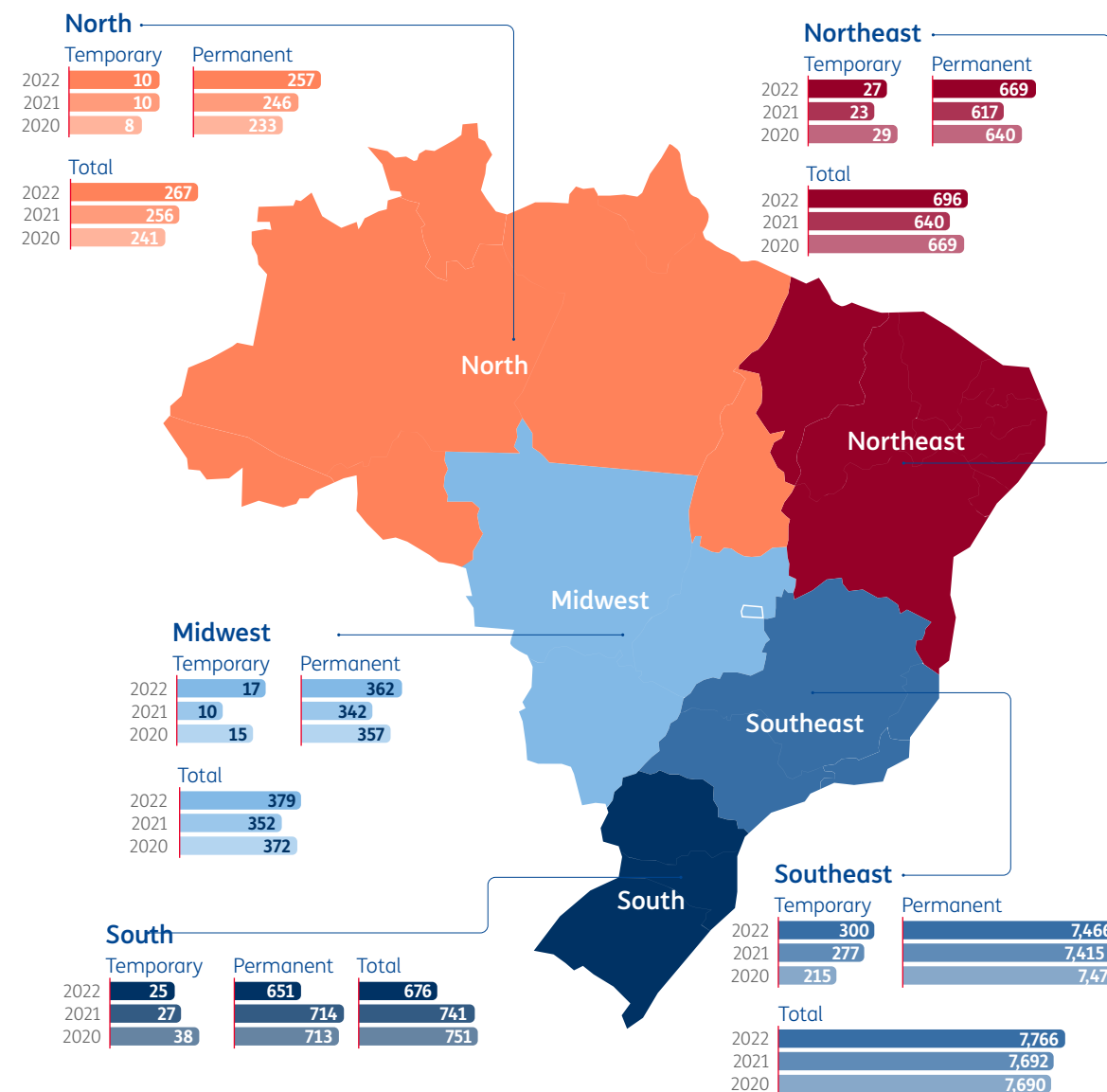
Type of employment	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time <sup>1</sup>	4,317	3,337	7,654	4,213	3,400	7,613	4,263	3,391	7,654
Part-time <sup>2</sup>	543	1,526	2,069	557	1,511	2,068	547	1,583	2,130
<b>Total</b>	<b>4,860</b>	<b>4,863</b>	<b>9,723</b>	<b>4,770</b>	<b>4,911</b>	<b>9,681</b>	<b>4,810</b>	<b>4,974</b>	<b>9,784</b>

### Employees by type of employment and region GRI 2-7

Region	2020			2021			2022		
	Full-time <sup>1</sup>	Part-time <sup>2</sup>	Total	Full-time <sup>1</sup>	Part-time <sup>2</sup>	Total	Full-time <sup>1</sup>	Part-time <sup>2</sup>	Total
North	222	19	241	246	10	256	257	10	267
Northeast	613	56	669	599	41	640	628	68	696
Midwest	350	22	372	343	9	352	362	17	379
Southeast	5,769	1,921	7,690	5,722	1,970	7,692	5,789	1,977	7,766
South	700	51	751	703	38	741	618	58	676
<b>Total</b>	<b>7,654</b>	<b>2,069</b>	<b>9,723</b>	<b>7,613</b>	<b>2,068</b>	<b>9,681</b>	<b>7,654</b>	<b>2,130</b>	<b>9,784</b>

<sup>1</sup> Employees with workload of 200 or 220 hours per month.

<sup>2</sup> Employees with workload of under 200 hours per month. Interns, apprentices and call center employees work part-time, in addition to other CLT regime functions.







## Training and education

To support the digital learning process and meet development needs given the business challenges, the TIM education model evolved and the company launched TIM + Conhecimento (TIM + Knowledge).

During the year new competency development initiatives and trials were conducted by means of upskilling programs - aimed at teaching new competencies to optimize performance - and reskilling - professional requalification in areas such as the Cloud, 5G technology and Agile working, among others.



The digitalization of TIM educational assets has enabled broader employee access

## Health and safety

TIM has an Occupational Health and Safety system which encompasses processes and initiatives to ensure a safe work environment and promote employee health.

These efforts are driven by the company's Health and Safety policy. The policy establishes three basic commitments: prevention of

workplace accidents and the preservation of health; compliance with legal requirements and other organizational requirements; and continuous improvement of the management system with a view to boosting health and safety performance.

### Well-Being Connection

Created to reinforce company care for the team and their family members, the program is part of a series of practices and benefits aimed at increasing physical and mental well-being and promoting balance between employees' professional and personal lives. It has four pillars:

- **You being you:** actions and benefits aimed at diversity and inclusion and customization according to needs (flexible benefits).
- **More balanced daily routine:** actions and benefits aimed at a more flexible working model (remote working and flexible working hours), modernization of environments, days off for length of service and birthday, among other initiatives to promote balance between employees' personal and professional lives.
- **Body and Mind in harmony:** actions and benefits to promote self-care in physical and mental health.
- **The power of your future:** actions and benefits aimed at financial security, development and career.

## Diversity and inclusion

TIM believes in workforce diversity as a fundamental pillar in promoting a positive experience for people. The company maintains efforts to disseminate a culture of respect and inclusion among employees and Brazilian society and reinforces its commitment through the targets of its ESG Plan.

In line with these strategies, in 2022 TIM maintained the five D&I pillars:

- Gender
- LGBTI+
- Generations
- Race/Ethnic origin
- Disabled persons

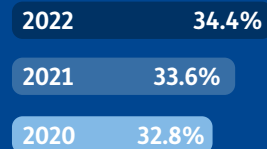
### 2022-24 ESG Plan

#### Targets

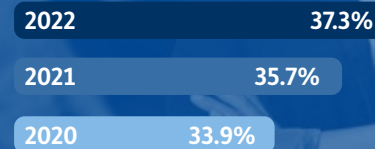
- To have **35%** women occupying leadership positions by 2023
- To reach **40%** black people in the work force by 2023

#### Results

##### Women in leadership positions



##### Black people in work force



In the TIM work force:

**51%** are women

**72%** are aged between 30 and 50 years

**37.3%** are black people

## Human rights

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, worthy of note are the Policy on the Prevention, Prohibition and Management of Psychological and Sexual Harassment and Bullying, the Code of Ethics and Conduct, the TIM Group's Human Rights Policy, the Supplier Relations Policy, and the Social Responsibility Policy.

In December 2022, a broader human rights due diligence process was introduced at TIM. A risk matrix was elaborated in the company, involving a preliminary assessment which enabled the identification of the main dimensions, categories of impact and exposure to human rights risks. In 2023, TIM will develop measures related to the risks identified and their possible impacts.

**68%** of the internal audience **was engaged in human rights training**

## Instituto TIM

Founded in 2013, the Instituto TIM strengthens and directs the Company's social investment in the promotion of human development, contributing to corporate ESG strategy and the company's indirect economic impacts on society.

The institute focuses on four areas of activity:

- **Teaching:** development and democratization of educational approaches and resources that contribute towards education in Brazil;
- **Technological applications:** investment in technological solutions that contribute to human development;
- **Work:** creation and democratization of teaching strategies that promote the productive technological inclusion of young people;
- **Social inclusion:** promotion of civic awareness and the diffusion of knowledge.



The Instituto TIM has benefited over 700,000 people and its actions have impacted some 500 cities in every state in Brazil. See the main results of some of the projects since 2014:

- **83** start-ups have been launched under the Academic Working Capital project
- **more than 300 students** have benefited from the Instituto TIM-OBMEP Scholarship Program
- **more than 145,000 users** registered on the TIM TEC online courses platform
- Every year, **50 members** participate in the Bateria do Instituto TIM, for children, young people and adults, both disabled and not



Further information about the [Instituto TIM projects](#)



## Private social investment

TIM Private Social Investment Policy sets forth the strategic guidelines for the company's corporate citizenship actions. The company's social investments are made through Instituto TIM projects and sponsorships that drive social benefits. In 2022, more than BRL 24 million was invested, 77% of which related to tax incentives.

An integral part of TIM brand strategy, the post-pandemic face to face events were resumed. The company plans to invest more in community initiatives, especially free ones linked with music.



# Credits

## TIM Brasil

TIM Coordination  
**Regulatory, Institutional and Press  
Relations – Environmental, Social  
& Governance – Corporate Social  
Responsibility**

Content, consulting and design  
**grupo report**

Translation to English  
**Raymond Maddock**

Photography  
**TIM Image Bank and Freepik**

Contact  
**Messages about this report may be  
addressed to the email  
respsocialcorp@timbrasil.com.br.**