
APPENDIX



2014 AND 2015 RESULTS

The results achieved are shown below, compared to the objectives published in the previous sustainability Report for the year 2015 and in relation to the Customers stakeholder only, for the year 2014⁽¹⁾.

Telecom Italia S.p.A. – Customers⁽²⁾

Area of reference	Indicator	Unit of measurement	2014 Target	Final result 2014	Target status 2014(*)	2015 Target
CUSTOMERS MOBILE	Activation time for voice service (pre-paid service) – Percentage of valid orders completed within the maximum period laid down in the contract.	%	97	100	●	97
CUSTOMERS MOBILE	Activation time for voice service (post-paid service) – Percentage of valid orders completed within the maximum period laid down in the contract.	%	97	99.9	●	97
CUSTOMERS MOBILE	Residential customer assistance services – Average response time of the operator to incoming calls.	seconds	35	27	●	**
CUSTOMERS MOBILE	Disputed charges – Ratio between the number of disputed charges in invoices received within the survey period and the number of invoices issued in the same period (post-paid service).	%	1.2	0.31	●	1.2
CUSTOMERS MOBILE	Disputed charges – Ratio between the number of disputed charges on pre-paid cards within the survey period and the average number of active SIM/USIM in the same period (pre-paid service).	%	1.2	0.25	●	1.2
CUSTOMERS INTERNET	Activation time for broadband Internet access services – Percentage of valid orders completed within the date agreed with the customer (active telephone lines).	%	95	96.6	●	95
CUSTOMERS INTERNET	Activation time for broadband Internet access services – Average time of supply (active telephone lines).	days	9	7	●	9
CUSTOMERS INTERNET	Broadband Internet access service faults – Average repair time.	hours	26	17	●	26
CUSTOMERS INTERNET	Disputed charges – Ratio between the number of disputed charges in invoices regarding all Internet access services (received during the survey period) and the total number of invoices issued in the same period.	%	1.0	0.45	●	1.4
CUSTOMERS IPTV	Customer assistance response time – Average time of operator response to incoming calls.	seconds	70	85	●	**
CUSTOMERS IPTV	Disputed charges – Ratio between the number of disputed charges in invoices regarding the IPTV service (received during the survey period) and the total number of invoices containing charges regarding this service (issued during the same survey period).	%	1.0	0.66	●	1.0
CUSTOMERS IPTV	Availability of IPTV service – Average unavailability of the service.	hours/year	36	6.3	●	36

(*) Status Target: ● achieved; ● not achieved

(**)AGCom resolution no. 79/09/CSP, which establishes targets for call centres, is currently being updated.

(1) The actual figures of the above mentioned objectives for 2015 will be available in July 2016 on the websites stated in note 2.

(2) The full list of mobile service quality indicators, and the respective objectives for 2015, are available at tim.it. The full list of quality indicators for fixed network and IPTV Internet access services, and the respective objectives for 2014, are available at telecomitalia.it.



Telecom Italia S.p.A. – Other stakeholders

Area of reference	Indicator	Unit of measurement	Target 2015	Actual figure 2015	Target status 2015
HUMAN RESOURCES TRAINING	Training in health, safety and environment issues ⁽¹⁾	Training hours	100,000	231,356	●
HUMAN RESOURCES TRAINING	Training – Training hours per head ⁽¹⁾	Training hours per head	27	30.3	●
HUMAN RESOURCES TRAINING	Training - Coverage (percentage of employees out of the entire workforce who have taken part in at least one training session) ⁽²⁾	%	75	88	●
HUMAN RESOURCES ACCIDENTS	Accidents per 100 workers	Number	1.28	1.27	●
ENVIRONMENT - ENERGY	Eco-efficiency indicator ⁽³⁾	bit/joule	4,700	4,707	●
ENVIRONMENT - ENERGY	Self-generation of energy from cogeneration	GWh	131	130	●
THE ENVIRONMENT - ELECTROMAGNETIC EMISSIONS	SAR qualification ⁽⁴⁾	%	100	110 ⁽⁵⁾	●
THE ENVIRONMENT - ELECTROMAGNETIC EMISSIONS	SAR qualification of other technologically innovative devices (USB memory sticks, tablets and routers) marketed under the TIM brand	Number	5	6	●

(1) The data includes classroom, online and on-the-job training.

(2) The coverage data was calculated based on the average annual number for 2015.

(3) The indicator is calculated on the Domestic BU scope. For further information on the eco-efficiency indicator see *Environmental protection/Energy*.

(4) This is the percentage of mobile phones subject to the SAR (Specific Absorption Rate) qualification. The percentage is calculated on the most widespread and technologically innovative models of mobile phone handsets.

(5) In 2015 the SAR qualification for 20 terminals was envisaged, but 22 actually qualified.



TIM Brasil

Area of reference	Indicator	Unit of measurement	Target 2015	Actual figure 2015	Target status 2015
HUMAN RESOURCES	Training (total hours: in class, online and on the job) provided to its own employees, outsourced employees and interns	Training hours	900,000	1,085,614	●
HUMAN RESOURCES	Sustainability training (percentage of employees, outsourced employees and interns out of the total workforce who have taken part in at least one training session on sustainability issues)	%	N/A ⁽¹⁾	90	●
THE ENVIRONMENT	Collection of mobile phones, batteries and other accessories to be sent for recycling	tons	2	1.192	●
THE ENVIRONMENT	Ratio between recycled waste and the total waste generated in the offices	%	68	19	●
SUPPLIERS	Suppliers assessed under sustainability criteria	Number	60	357	●

(1) A target was not defined for 2015 as a different method for identifying the objectives for training on sustainability issues was under examination.

2016 OBJECTIVES

The objectives for 2016 are shown below.



Telecom Italia S.p.A. – Customers

Area of reference	Indicator	Unit of measurement	2016 Target
Customers mobile	Activation time for voice service (pre-paid service) – Percentage of valid orders completed within the maximum period laid down in the contract	%	97
Customers mobile	Activation time for voice service (post-paid service) – Percentage of valid orders completed within the maximum period laid down in the contract	%	97
Customers mobile	Disputed charges – Ratio between the number of disputed charges in invoices received within the survey period and the number of invoices issued in the same period (post-paid service)	%	1.2
Customers mobile	Disputed charges – Ratio between the number of disputed charges on pre-paid cards within the survey period and the average number of active SIM/USIM in the same period (pre-paid service)	%	1.2
Customers internet	Activation time for broadband Internet access services – Percentage of valid orders completed within the date agreed with the customer (active telephone lines)	%	95
Customers internet	Activation time for broadband Internet access services – Average time of supply (active telephone lines)	Days	9
Customers internet	Activation time for broadband Internet access services – Percentage of valid orders completed within the date agreed with the customer (telephone lines transferred from another operator on which a broadband Internet access service was already in operation)	%	95
Customers internet	Activation time for broadband Internet access services - Average supply time (telephone lines transferred from another operator on which a broadband Internet access service was already in operation)	Days	15
Customers internet	Activation time for broadband Internet access services - Average supply time (telephone lines transferred from another operator on which a broadband Internet access service was already in operation)	%	12
Customers internet	Broadband Internet access service faults – Average repair time	Hours	26
Customers internet	Disputed charges - Ratio between the number of disputed charges in bills regarding all Internet access services (received during the survey period) and the total number of bills issued in the same period (broadband access services)	%	1.4



Telecom Italia S.p.A. – Other stakeholders

Area of reference	Indicator	Unit of measurement	Actual figure 2015	Target 2016
HUMAN RESOURCES TRAINING	Training in health, safety and environment issues ⁽¹⁾	Training hours	231,356	165,000
HUMAN RESOURCES TRAINING	Training – Training hours per head ⁽¹⁾	Training hours per head	30.3	30
HUMAN RESOURCES TRAINING	Training – coverage (percentage of employees out of the entire workforce who have taken part in at least one training session)	%	88	80
HUMAN RESOURCES ACCIDENTS	Accidents per 100 workers	Number	1.27	1.24
ENVIRONMENT - ENERGY	Eco-efficiency indicator ⁽²⁾	bit/joule	4,707	5,300
ENVIRONMENT - ENERGY	Self-generation of energy from cogeneration ⁽³⁾	GWh	130	151
THE ENVIRONMENT - ELECTROMAGNETIC EMISSIONS	SAR qualification ⁽⁴⁾	%	110	100
THE ENVIRONMENT - ELECTROMAGNETIC EMISSIONS	SAR qualification of other technologically innovative devices (USB memory sticks, tablets and routers) marketed under the TIM brand	Number	6	4

(1) The data includes classroom, online and on-the-job training.

(2) The eco-efficiency indicator was calculated for the Domestic BU net of the activities of the Olivetti Group.

(3) As of 2014, the target is extended to the whole Domestic BU. Note in this respect that cogeneration plants currently only exist in Telecom Italia S.p.A. See the Multiannual Targets table.

(4) This is the percentage of mobile phones/smartphones subject to the SAR (Specific Absorption Rate) qualification. The percentage is calculated on the most widespread and technologically innovative models of mobile phone/smartphones.



TIM Brasil - 2016 Targets

Area of reference	Indicator	Unit of measurement	Actual figure 2015	Target 2016
HUMAN RESOURCES	Training (total hours: in class, online and on the job) provided to its own employees, outsourced employees and interns	Training hours	1,085,614	820,000
HUMAN RESOURCES	Sustainability training (percentage of employees, outsourced employees and interns out of the total workforce who have taken part in at least one training session on sustainability issues)	%	90	90
THE ENVIRONMENT	Collection of mobile devices, batteries and other accessories to be sent for recycling	Tons	1.192	2
THE ENVIRONMENT	Ratio between recycled waste and the total waste generated in the offices	%	19	25
SUPPLIERS	Suppliers assessed under sustainability criteria	Number	357	200



Domestic BU – Multiannual Targets – Digital Inclusion

Indicator	Unit of measurement	Actual figure 2015	Target 2017	Target 2018
UMTS and HSDPA coverage(*)	%	96	97	//
Next Generation Plan (fixed telephony) cover (**)	%	>42	>75	84
LTE coverage (*)	%	>88	>95	98

(*) The percentage refers to the residential population. Coverage values are subject to change based on ISTAT and urbanisations updates.

(**) The percentage is determined by the ratio between the number of properties connected with "cabinets" reached by access optical fibres (or which can be served directly from an exchange if within acceptable distances) and the total number of properties that have or have had active telephone lines in the past.

BU Domestic – Multiannual objectives - Environment

Area of reference	Indicator	Unit of measurement	Target 2015	Actual figure 2015	Status target	Target 2016	Target 2017	Target 2018
THE ENVIRONMENT ENERGY	Total electricity procured and produced	GWh	1,980	2,071	●	2,015	1,974	1,925
THE ENVIRONMENT ENERGY	Self-generation of energy from cogeneration	GWh	131	130	●	151	151	151
THE ENVIRONMENT ENERGY	Eco-efficiency indicator	bit/joule	4,700	4,707	●	5,300	6,100	7,250
THE ENVIRONMENT ATMOSPHERIC EMISSIONS	Reduction of CO ₂ emissions from the purchase and generation of electricity compared to 2014	Tons	695,000	697,500	●	680,000	680,000	680,000



GRI CONTENT INDEX FOR “IN ACCORDANCE”- COMPREHENSIVE [G4-32]

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number	Omissions	External Assurance
STRATEGY AND ANALYSYS			
G4-1	I, II		
G4-2	35, 41, 43		
ORGANIZATIONAL PROFILE			
G4-3	7		
G4-4	8		
G4-5	8		
G4-6	7		
G4-7	8		
G4-8	7, 8		
G4-9	7, 20, 160		
G4-10	161		
G4-11	180		
G4-12	95, 96		
G4-13	7, 8, 9, 96		
G4-14	11, 12, 41, 43		
G4-15	14		
G4-16	14		
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	7		
G4-18	57		
G4-19	57		
G4-20	59		
G4-21	59		
G4-22	7		
G4-23	59		
STAKEHOLDER ENGAGEMENT			
G4-24	51		
G4-25	52		
G4-26	52, 53, 57		
G4-27	53		
REPORT PROFILE			
G4-28	213		
G4-29	213		
G4-30	213		
G4-31	218		
G4-32	207		
G4-33	215		

GOVERNANCE

G4-34	9, 10, 49	
G4-35	9, 10, 11	
G4-36	10, 11, 49	
G4-37	11, 49	
G4-38	9	
G4-39	10	
G4-40	9, 10	
G4-41	11	
G4-42	10, 11, 49	
G4-43	10	
G4-44	10	
G4-45	11, 12	
G4-46	11, 12	
G4-47	10, 49	
G4-48	11, 49	
G4-49	12	
G4-50	12, 13	
G4-51	13	
G4-52	13	
G4-53	13	
G4-54	182	The ratio between the annual total compensation of the highest paid individual and the median annual total compensation for all employees was not disclosed for confidentiality constraints. It was judged to fall under the category of information subject to the "Policy for the classification and management of confidentiality information" in that the datum, once disclosed and if not properly understood, could cause the company a reputational damage.
G4-55	182	The ratio between the percentage increase in annual total compensation of the highest paid individual and the median percentage increase in annual total compensation for all employees was not disclosed for confidentiality constraints. It was judged to fall under the category of information subject to the "Policy for the classification and management of confidentiality information" in that the datum, once disclosed and if not properly understood, could cause the company a reputational damage.
ETHICS AND INTEGRITY		
G4-56	16	
G4-57	12	
G4-58	12	

ADDITIONAL NON-MATERIAL GRI INDICATORS

DMA and Indicators	Page Number	Omissions	External Assurance
CATEGORY: ECONOMIC			
INDIRECT ECONOMIC IMPACTS			
G4-DMA	31, 64, 65, 66, 67		
G4-EC7	44, 65, 66, 67, 68		
G4-EC8	44, 65, 66, 67, 68		
CATEGORY: ENVIRONMENTAL			
COMPLIANCE			
G4-DMA	24, 64		
G4-EN29	24		
CATEGORY: SOCIAL - LABOR PRACTICES AND DECENT WORK			
EMPLOYMENT			
G4-DMA	95, 97, 159, 165, 180		
G4-LA1	161		
G4-LA2	165		
G4-LA3	161		
LABOR/MANAGEMENT RELATIONS			
G4-DMA	159		
G4-LA4	180		
OCCUPATIONAL HEALTH AND SAFETY			
G4-DMA	159, 164, 165, 178, 180		
G4-LA5	177, 180		
G4-LA6	161, 179		
G4-LA7	177		
G4-LA8	177, 180		
TRAINING AND EDUCATION			
G4-DMA	159		
G4-LA9	161, 173, 193		
G4-LA10	169		
G4-LA11	166, 167, 168		
DIVERSITY AND EQUAL OPPORTUNITY			
G4-DMA	159		
G4-LA12	162		
EQUAL REMUNERATION FOR WOMEN AND MEN			
G4-DMA	159, 162		
G4-LA13	161, 183, 194		

CATEGORY: SOCIAL - HUMAN RIGHTS

INVESTMENT

G4-DMA	35, 95
G4-HR1	36, 95
G4-HR2	36, 173, 174

NON-DISCRIMINATION

G4-DMA	35, 38, 99
G4-HR3	36, 41

FREEDOM ASSOCIATION AND COLLECTIVE BARGAINING

G4-DMA	35, 96
G4-HR4	36, 96, 98, 173

CHILD LABOR

G4-DMA	35, 99
G4-HR5	36, 96, 98, 173

FORCED OR COMPULSORY LABOR

G4-DMA	35, 99
G4-HR6	36, 96, 98, 173

SECURITY PRACTICES

G4-DMA	35, 99
G4-HR7	36, 96, 173, 174

INDIGENOUS RIGHTS

G4-DMA	35, 41, 99
G4-HR8	36, 41

ASSESSMENT

G4-DMA	35, 36
G4-HR9	36, 37

SUPPLIER HUMAN RIGHTS ASSESSMENT

G4-DMA	35, 95, 96, 97, 98
G4-HR10	36, 38, 95, 97
G4-HR11	36, 38, 96, 98

HUMAN RIGHTS GRIEVANCE MECHANISMS

G4-DMA	35, 39
G4-HR12	36, 40

CATEGORY: SOCIAL - SOCIETY

LOCAL COMMUNITIES

G4-DMA	140, 142
G4-SO1	142
G4-SO2	143

ANTI-CORRUPTION

G4-DMA	17, 18, 19
G4-SO3	17, 18, 19
G4-SO4	19
G4-SO5	19

PUBLIC POLICY	
G4-DMA	24, 29
G4-SO6	24
ANTI-COMPETITIVE BEHAVIOR	
G4-DMA	24, 26
G4-SO7	27
COMPLIANCE	
G4-DMA	24, 64
G4-SO8	27
GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY	
G4-DMA	24
G4-SO11	24
CATEGORY: SOCIAL - PRODUCT RESPONSIBILITY	
CUSTOMER HEALTH AND SAFETY	
G4-DMA	79
G4-PR1	79
G4-PR2	80
PRODUCT AND SERVICE LABELING	
G4-DMA	64, 70
G4-PR3	80
G4-PR4	80
G4-PR5	71
MARKETING COMMUNICATIONS	
G4-DMA	64
G4-PR6	76
G4-PR7	81
CUSTOMER PRIVACY	
G4-DMA	64, 81
G4-PR8	81
COMPLIANCE	
G4-DMA	24, 64
G4-PR9	80

ADDITIONAL NON-MATERIAL GRI INDICATORS

DMA and Indicators	Page Number	Omissions	External Assurance
CATEGORY: ECONOMIC			
ECONOMIC PERFORMANCE			
G4-EC1	22		
G4-EC3	165		
CATEGORY: ENVIRONMENTAL			
ENERGY			
G4-EN3	123		
G4-EN5	128		
G4-EN6	123		
WATER			
G4-EN8	130		
EMISSIONS			
G4-EN15	129		
G4-EN16	129		
G4-EN19	129		
EFFLUENTS AND WASTE			
G4-EN23	131		
CATEGORY: SOCIAL - LABOR PRACTICES AND DECENT WORK			
SUPPLIER ASSESSMENT FOR LABOR PRACTICES			
G4-LA14	97		
G4-LA15	98		
LABOR PRACTICES GRIEVANCE MECHANISMS			
G4-DMA	12, 159		
G4-LA16	184		

NOTE ON METHODS

Scope and criteria

[G4 -17b] The Sustainability Report has the same consolidation scope as the Consolidated Financial Statements, except for some information highlighted in the text or related to the environmental performance¹.

In accordance with the triple bottom line² approach, the company's economic and financial data has to be shown together with the environmental and social results. The overall analysis of company performance including all three dimensions provides stakeholders with complete and comprehensive information and allows interests to be balanced in a way that guarantees the success and survival of the company in the medium and long term. For this reason, as of 2003, the Group has integrated the sustainability data in the Consolidated Financial Statements, in fact preceding the application of European Directive 51/2003, which was transposed in Italy by Legislative Decree No. 32 of February 2, 2007.

[G4-28], [G4-30] The Sustainability Report³, which is drawn up for every calendar year, complies with the same deadlines as the Group's Annual Financial Report and uses a multi-stakeholder approach, involving the joint analysis of actions taken in respect of the main stakeholders with whom the Company interacts. It is based on the Sustainability Reporting Guidelines of the GRI, G4 version (comprehensive option) and the principles (inclusivity, materiality, responsiveness) of the AA1000 AccountAbility Principles Standard (APS 2008), adopted as of the 2009 Financial Statements.

The Sustainability Report is drawn up according to a system of indicators (KPI - Key Performance Indicators) which measure the company's performance and the degree of achievement of objectives previously established for areas in which the Company has major impact.

The KPIs are defined on the basis of:

- the analysis of the Global Reporting Initiative (GRI), an international organisation which develops universally applicable guidelines for drawing up sustainability reports;
- the demands received from stakeholders;
- the questionnaires sent out by the leading rating agencies for the purpose of admission to the stock market sustainability indexes;
- the experience the Company has gained in the field of sustainability in almost 20 years.

The KPIs are managed on a dedicated application system that uses the same platform used for financial reporting and controlling.

The Telecom Italia Sustainability Report's compliance with the GRI G4 standard, comprehensive option, is verified by the auditing firm PricewaterhouseCoopers (see *Independent Auditor's Report*).

¹ Environmental performance includes information relating to companies that fulfil the following two criteria: more than 300,000 euros in turnover and more than 40 employees. Furthermore, if the number of employees is within 5 units of the latter limit, above or below, in order to mitigate the effects of variations in the number of employees between one year and the next which, however small, would lead to the inclusion or exclusion of some companies from the consolidation scope, the CSV Function will make the appropriate decision. On this basis, Telecom Italia San Marino and Telecom Italia Trust Technologies S.r.l. have been kept in the consolidation scope, despite having slightly fewer than 40 employees.

² This approach was defined for the first time by John Elkington in 1994 in the article "Towards the sustainable corporation: Win-win-win business strategies for sustainable development". California Management Review 36, no. 2: 2: 90-100.

³ **[G4-29]** The Group sustainability report for 2014 was approved by the Board of Directors in March 2015.