



INDEPENDENT REPORT ON THE LIMITED ASSURANCE ENGAGEMENT OF THE SUSTAINABILITY REPORT 2015

To the Shareholders of
Telecom Italia SpA

We have carried out a limited assurance engagement of the Sustainability Report (hereinafter the "Report") of Telecom Italia Group (hereinafter the "Group") for the year ended 31 December 2015.

Responsibility of the Directors for the Report

The Directors are responsible for preparing the Report in compliance with the "G4 Sustainability Reporting Guidelines" defined in 2013 by the GRI - Global Reporting Initiative and with the Inclusivity, Materiality and Responsiveness principles included in "AA1000 AccountAbility Principles Standard (2008)" issued by AccountAbility (Institute of Social and Ethical Accountability), as indicated in the paragraph "Note on methods" of the Report. The Directors are responsible for that part of internal control that they consider necessary to prepare a sustainability report that is free from material misstatement, whether due to fraud or unintentional behaviours or events. The Directors are also responsible for defining the sustainability performance targets of Telecom Italia Group, for reporting the sustainability results, as well as for identifying the stakeholders and the significant aspects to be reported.

Auditor's responsibility

We are responsible for the preparation of this report on the basis of the work performed. We conducted our engagement in accordance with "International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board for limited assurance engagements. The standard requires that we comply with applicable ethical requirements, including professional independence, which was respected also in accordance with the AA1000 AccountAbility Assurance Standard (2008), since services or activities that could have generated an independence conflict have not been performed for the Group, and that we plan and perform our work to obtain limited assurance that the Report is free from material misstatement. The procedures consisted in interviews, primarily of company personnel responsible for the preparation of the

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information presented in the Report, analysis of documents, recalculations and other verification procedures.

The procedures we performed on the Report consisted in verifying its compliance with the principles for defining the content and the quality of a sustainability report set out in the “G4 Sustainability Reporting Guidelines” and “AA1000 AccountAbility Principles Standard (2008)” and are summarised as follows:

- comparing the financial information reported in the Report with the information included in the Group consolidated financial statements as of 31 December 2015 on which we issued our audit opinion, in accordance with articles 14 and 16 of legislative decree n° 39 of 27 January 2010, on April 4, 2016;
- analysing, through inquiries, the governance system and the process for managing the sustainability issues relating to the Group strategy and operations;
- analysing the process aimed at defining the significant reporting areas to be disclosed in the Report, with regard to the methods for their identification, in terms of priority for the various stakeholders, as well as the internal validation of the findings;
- analysing the processes underlying the generation, recording and management of quantitative data included in the Report. In detail, we carried out:
 - meetings and interviews with management of Telecom Italia SpA, TIM Brasil Serviços, TIM Participações SA and Fondazione Telecom Italia to achieve a general understanding of the information, accounting and reporting systems in use to prepare the Report, as well as of the internal control processes and procedures supporting the collection, aggregation, processing and submission of the information to the function responsible for the Report preparation to comply with the Inclusivity, Materiality and Responsiveness principles included in the AA1000APS – 2008 standard;
 - a sample-based analysis of the documents supporting the preparation of the Report, in order to obtain evidence of the reliability of processes in place and of the internal control system underlying the treatment of the information relating to the objectives disclosed in the Report;
- analysing the internal consistency of the qualitative information described in the Report and its compliance with the guidelines identified in the preceding paragraph “Responsibility of the Directors for the Report”;
- analysing the engagement of stakeholders and its results through the existing documentation concerning the significant matters arisen during the Group dialogue initiatives;
- obtaining a representation letter, signed by the legal representative of Telecom Italia SpA, on the compliance of the Report with the guidelines identified in the paragraph “Responsibility of the Directors for the Report”, as well as the reliability and completeness of the disclosed information.



Our limited assurance work was less in scope than a reasonable assurance engagement performed in accordance with ISAE 3000 (“reasonable assurance engagement”) and, consequently, it does not provide us with a sufficient level of assurance necessary to become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Telecom Italia Group as of 31 December 2015 has not been prepared, in all material respects, in compliance with the “G4 Sustainability Reporting Guidelines” defined in 2013 by the GRI - Global Reporting Initiative and with the Inclusivity, Materiality and Responsiveness principles included in the “AA1000 AccountAbility Principles Standard (2008)” as disclosed in the paragraph “Note on methods” of the Report.

Turin, 7 April 2016

PricewaterhouseCoopers Advisory SpA

Signed by

Paolo Bersani
(Partner)

*This report has been translated from the original, which was issued in Italian, solely for the convenience of international readers.
We have not performed any controls on the Sustainability Report 2015 translation.*