





In a competitive context, where business, technological and consumption models undergo continuous major transformations, the change necessary to successfully overcome the market challenges must include the valuation of people and the development of their professional skills.

The Group's *People Strategy* for the three-year period 2015-2017 is the natural evolution of the radical review of activities and processes that involve the staff, from management to training, remuneration to organisation, which resulted in the definition of nine inter-departmental working groups ("Workshops") established in 2014. In 2015 the results of the Workshops that had concluded the planning stage and started the operational stage were implemented and a further two Workshops were launched<sup>1</sup>. Thus in 2015 the initial tangible results were recorded of the work of over 200 colleagues from the operating lines, from the other departments and associated companies, tasked with the goal of calibrating and modulating motivational, training and organisational processes and techniques.

### Telecom Italia workshops

<b>1. DEVELOPMENT MODEL</b>	<b>2. NEW CAPABILITIES</b>	<b>3. KNOWLEDGE HUB</b>
To prepare paths for valuing people and allowing them to grow, renewing the career plans architecture	To identify and acquire new cutting-edge skills in terms of the market and technological evolutions	To direct the knowledge management processes and oversee the generation and dissemination of knowledge
<b>4. IDENTITY</b>	<b>5. PAYING FOR VALUE</b>	<b>6. PROCESS DESIGN AND FUNCTION</b>
To identify the common traits of the organisational identity and promote values and actions hinged on increasing a sense of belonging, and renew the trust enjoyed by the company and its people	To prepare a model for measuring the work factor, based on the concept of value as the ratio of cost, productivity and quality	To map out the business processes and introduce a single method for design, planning and operation, through the identification of an international standard (E-TOM)
<b>7. MANAGEMENT MODEL</b>	<b>8. TOTAL REWARDING</b>	<b>9. NEW PERFORMANCE MANAGEMENT MODEL</b>
To develop management responsibility models and a management aimed at valuing people and their skills, increasing levels of caring and motivation	To use all levers available, not just remuneration, to value merits and to recognise and satisfy the specific needs and motivations of people	To identify a new leadership and performance measurement model that appraises individual merits and the separate skills of all people of the Group

The people who work in the Group are clearly the figures with the greatest interest in the success of their relationship with the Company and, with them, the trade union representatives. In the same way, the families of employees are significantly involved in this relationship and, to a lesser extent but in any case to an important degree, the communities within which the Telecom Italia people go about their daily lives. The Group's size also justifies a major involvement not only of the Public Institutions and Entities dealing with matters relating to the world of work, but also of the Government itself.

<sup>1</sup> Management Model and Total Rewarding Model.



[G4-DMA Employment], [G4-DMA Labor/Management Relations], [G4-DMA Occupational Health and Safety],[G4-DMA Training and Education], [G4-DMA Diversity and Equal Opportunity], [G4-DMA Equal Remuneration for Women and Men], [G4-DMA Labor Practice Grievance Mechanisms]

*Material issues in this chapter:*

- management of the workforce, generational renewal and promotion of talent
- health and safety at work

*Relevant company policies:* Code of Ethics and Charter of Values; Human Rights Policy of the Group; Three-year People Strategy; Social Responsibility Policy on child labour, forced labour, health and safety, freedom of association and the right to collective bargaining, discrimination, disciplinary procedures, working hours and pay; Equal Opportunities Charter. In this context, the agreements reached with the trade union representatives and, in particular, the Collective Labour Agreements, are essential.

*Effectiveness and monitoring:* in order to monitor the effectiveness of processes and ensure the monitoring required by the numerous internal procedures and company-trade union committees, the Company uses some numerical KPIs. This chapter explains those relating to the structure and the evolution of the workforce, training, health and safety, remuneration, non-conformities and work-related reports. The KPIs for which the Company has established numerical targets have been given as an appendix to the Report, such as the training targets and in particular those relating to training on health and safety, and accident containment related targets.

**CONCISE FIGURES<sup>1</sup>**

**[G4-9]** A summary of the numbers relating to the Group people can be seen in the table below:

(units)	31.12.2015	31.12.2014	Changes
Italy	52,554	52,878	(324)
Abroad	13,310	13,138	172
<b>Total personnel on payroll</b>	<b>65,864</b>	66,016	(152)
Agency contract workers	3	9	(6)
<b>Total personnel</b>	<b>65,867</b>	66,025	(158)
Non-current assets held for sale - abroad	16,228	16,420	(192)
<b>Total</b>	<b>82,095</b>	82,445	(350)

Excluding personnel concerned with non-current assets held for sale (Telecom Argentina Group) and agency contract workers, the Group's workforce has decreased by 152 units compared to December 31, 2014.

These changes are due to:

- entry into the scope of consolidation of the company Alfabook (17 people);
- net turnover (net of changes to scope) down by 169 units, as detailed below by individual Business Unit:

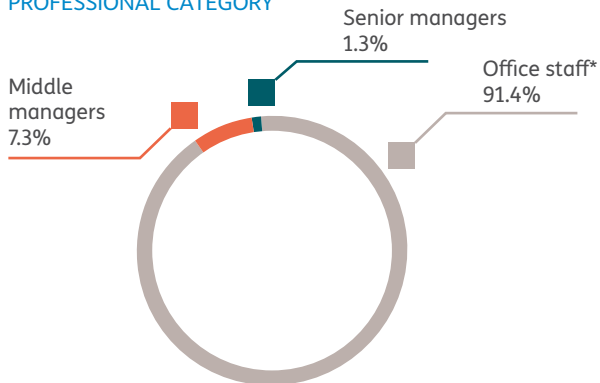
(units)	Recruited	Departed	Net change
Domestic	823	1,151	(328)
Brazil	3,918	3,717	201
Media and others	4	46	(42)
Turnover	4,745	4,914	(169)

<i>Turnover: detail by BU</i>	Recruited	Departed	Internal transfers Group +	Internal transfers Group -	Total change
Domestic	350	710	473	(441)	(328)
Brazil	3,918	3,717			201
Media and others	3	13	1	(33)	(42)
Turnover	4,271	4,440	474	(474)	(169)

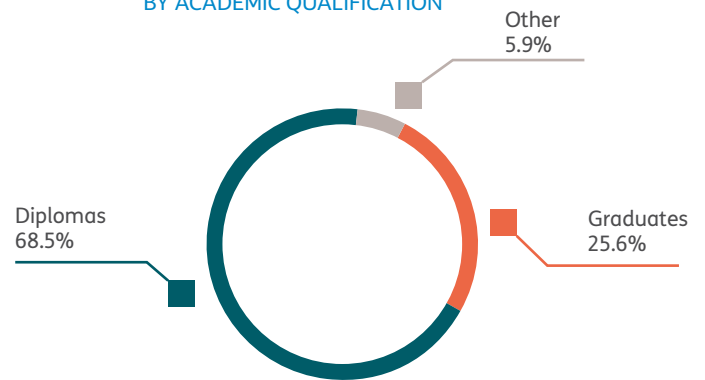
<sup>1</sup> Unless otherwise stated, the data shown in the tables contained in the *Telecom Italia people* chapter relate to all the Telecom Italia Group companies (see *Note on methods*).

The people in the Group, net of “Non-current assets held for sale and temporary contract workers”, can be broken down in various ways:

TELECOM ITALIA GROUP: EMPLOYEE DISTRIBUTION BY PROFESSIONAL CATEGORY



TELECOM ITALIA GROUP: EMPLOYEE DISTRIBUTION BY ACADEMIC QUALIFICATION



\* inclusive of one unit belonging to the professional category "workers "

### Distribution of employees and new employees by geographic area

(units)	31.12.2015	31.12.2014	31.12.2013	Change (15/14)
Italy	52,554	52,878	53,152	(324)
Abroad	13,310	13,138	12,467	172
<b>Total</b>	<b>65,864</b>	<b>66,016</b>	<b>65,619</b>	<b>(152)</b>

(units)	31.12.2015	31.12.2014	31.12.2013	Change (15/14)
Italy	325	575	410	(250)
Abroad	3,946	5,224	4,901	(1,278)
<b>Total</b>	<b>4,271</b>	<b>5,799</b>	<b>5,311</b>	<b>(1,528)</b>

For more information on the characteristics of Group personnel, please refer to the appendix to this chapter, which, in compliance with the requirements of standard GRI G4, gives the KPIs relating to the workforce [\[G4-10\]](#), [\[G4-LA1\]](#), [\[G4-LA3\]](#), [\[G4-LA6\]](#), [\[G4-LA13\]](#), [\[G4-LA9\]](#). In reading the KPIs, note that:

- [\[G4-10e\]](#) Telecom Italia does not use self-employed workers to go about its business activities, although it is possible that, on an occasional basis, some consultancy type activities may be entrusted to self-employed professionals;
- [\[G4-10f\]](#) The Group’s activities do not vary seasonally, hence changes in the workforce are correctly shown by the annual trends;
- [\[G4-LA3a\]](#) All employees are entitled to parental leaves.



## GENDER BALANCE

**[G4-DMA Equal Remuneration for Women and Men]** Like all sectors whose core business is closely linked to the research and development of new technologies, in the decades following the wars, telecommunications continued to have a mainly male workforce in terms of its engineering and technology maintenance staff. As women have embraced the world of work and, in a parallel fashion, scientific and technological culture and studies, their presence has gradually grown within companies, seeing them take on more important roles with higher salaries. In Telecom Italia S.p.A., for example, the female workforce has grown by around 8% in 14 years, and on a Group level, in this same period, by around 9%.

Despite this, there is still a long way to go before true gender balance can be achieved. This is why in Telecom Italia

- the Group's By-laws require the least represented gender in the BoD to account for at least one third of the total number of directors, rounded up to the next unit in the event of a fraction;
- the current development model pays close attention to ensuring that individual growth paths, starting from the time of employment, do not contain any restrictions relating to gender or age differences, and particular attention is paid to the female component, where skills and performance are equal.

### [G4-LA12a]

Members of the Board of Directors by gender and age

	31.12.2015	31.12.2014	31.12.2013
Men < 30	0	0	0
Men 30 -50	2	4	1
Men > 50	9	4	9
Women < 30	0	0	0
Women 30-50	1	0	0
Women > 50	5	5	1

### [G4-LA12b]

Members of the Group's professional categories by gender and age

	2015				2014				2013			
	Senior Managers	Middle Managers	Office Staff/Workers	Total	Senior Managers	Middle Managers	Office Staff/Workers	Total	Senior Managers	Middle Managers	Office Staff/Workers	Total
Men	700	3,518	37,507	41,725	733	3,459	37,616	41,808	744	3,387	37,244	41,375
Women	145	1,267	22,727	24,139	135	1,254	22,819	24,208	132	1,201	22,911	24,244
<b>Total</b>	<b>845</b>	<b>4,785</b>	<b>60,234</b>	<b>65,864</b>	<b>868</b>	<b>4,713</b>	<b>60,435</b>	<b>66,016</b>	<b>876</b>	<b>4,588</b>	<b>60,155</b>	<b>65,619</b>
Up to 32 years	0	22	9,899	9,921	0	22	10,600	10,622	0	31	11,022	11,053
From 33 to 45	87	1,081	18,016	19,184	113	1,271	19,823	21,207	133	1,375	21,552	23,060
Over 45	758	3,682	32,319	36,759	755	3,420	30,012	34,187	743	3,182	27,581	31,506
<b>Total</b>	<b>845</b>	<b>4,785</b>	<b>60,234</b>	<b>65,864</b>	<b>868</b>	<b>4,713</b>	<b>60,435</b>	<b>66,016</b>	<b>876</b>	<b>4,588</b>	<b>60,155</b>	<b>65,619</b>

The generational imbalance is mainly due to the Italian component that, due to adverse market conditions and in order to guarantee work for its employees, has in the past renounced the generational renewal.



## PEOPLE CARING

Telecom Italia is firmly convinced that social and economic sustainability depends first and foremost on respect and attention for the people working in the Group. On the basis of this belief, numerous initiatives are taken to ensure that people can go peacefully about their work and, as far as the Company is able to assist in this respect, their day-to-day personal lives. A group of people in the Company is dedicated entirely to listening to the needs expressed by employees and to developing initiatives which can satisfy them. Thus, thanks to the investigations and information collected, and after having held meetings and focus groups with employees, four areas have been identified for the development of specific initiatives:

- improving the balance between working life and free time, supporting employees and their families in their requirements;
- contributing towards volunteering initiatives taken by employees;
- promoting diversity in the workplace;
- promoting psychological and physical well-being.

The main initiatives taken in 2015, under the scope of “Work-life balance” were:

- 20 nurseries: in addition to the 9 Company nurseries (in 8 cities), 11 discount agreements were signed with an equal number of external nurseries and a Company kindergarten was opened in Rome;
- time-saving-handling of official formalities, laundry/shoe repairs, newsagents, wellness area and specific agreements (relating to property, travel and holidays, banks and financial institutes, pay TV, car hire, transport and miscellaneous);
- 40 summer camps for employees’ children (8,000 teenagers);
- mobility management to assist people with commuting between home and work through car pooling, company shuttles and bicycle racks at the offices;
- motivational initiatives relating to sport, art, culture, entertainment and events working with several different company departments, most of which are sponsored by the Company. In 2015 over 14,000 tickets and invitations to exclusive areas were assigned;
- Talent Days: to support young people in the challenging task of gaining familiarity with job seeking techniques, Telecom Italia and the company HRC Academy worked together to organize 13 orientation days in 10 different Italian cities, which saw the participation of around 360 children of employees;
- orientation webinar for employees’ children: the Group signed up to “Push to open”, a programme that introduces teenagers to the world of work through direct and interactive discussion with professionals and experts from companies and testimonies from young people in online mode through webcasts and interactions with social networks. The webinars, which started in November, envisage the involvement of 200 teenagers.

In order to contribute towards volunteering initiatives taken by employees, 2015 activities were:

- “Long-distance child adoption” - approximately 1,000 employees have renewed their commitment to help CIAI (Centro Italiano Aiuti all’Infanzia), Comunità di Sant’Egidio and Save the Children, subscribing to long-distance adoption programmes;
- Telecom Italia Blood Donors Group: 70 blood donation days were organised;
- 210 “*banchetti della solidarietà*” (solidarity stalls) were set up by charities in company premises, with the involvement of employees;
- at the beginning of 2015, the “Programma il Futuro” [Future Programme] was launched by the Ministry of Universities and Research to promote the introduction of computer programming in primary schools. The initiative is being implemented by CINI (Consorzio Interuniversitario Nazionale per Informatica - National Inter-University Consortium for Information Technology) and Telecom Italia is the “sponsor” partner. For this project, Telecom Italia provided volunteers from among its staff (around 400 colleagues) to work in particular in classes that request their presence within the area where the applicant lives or works;



- volunteering campaign organised for Expo 2015: around 80 local colleagues worked on a voluntary basis for one day within the exhibition area; similarly, around 100 parents and adult children of employees collaborated for two weeks in the month of July.

In 2015, Telecom Italia continued an intense programme of activities and projects connected with Diversity Management, with a view to valuing diversity as a form of enrichment and stimulus, as well as seen as a vehicle in an inclusive climate that is open to contribution by all:

- in January the TIM Factory was opened in Rome. It is a physical as well as conceptual place dedicated to sharing views which, almost every day, hosts various types of events on diversity: book presentations, training, working groups, performances, and seminars. It is also a site where programmes and memorandums of understanding with the local authorities and municipalities can be arranged. During the year over 60 diversity events were organized;
- in September the e-learning module “Managing disability” was set up for disabled people to improve how disabled employees are handled;
- in October the classroom training plan “IDEA-Factory” kicked off, aimed at all managers of People Value;
- in November we launched an active learning module involving 15 colleagues considered to be “talents” who will aim, in 6 months, to produce ideas and projects specifically about ageing, one of the most critical diversities for Telecom Italia;
- the “TIM Diversity Week” was launched from 16-20 November with its calendar of over 80 events (online and live) entirely conceived, planned and implemented by the Group’s personnel in 10 cities and many different locations.

The results of this work can be seen:

- ◆ internally, in increased participation, collaboration and organizational citizenship;
- ◆ externally, in the recognition of the value of the programmes launched even through the prizes received, the last of which was the “PARKS Award”: Telecom Italia came first in the LGBT<sup>1</sup> Diversity Index, the first benchmarking tool in Italy for company policies and practices implemented for LGBT employees. The index used a questionnaire to evaluate and promote company activities aimed at creating an inclusive and respectful working environment: from the involvement of management to benefits and permissions extended to same sex partners, from staff training to internal and external communication;
- in the “age diversity” field, in order to ensure the full integration and promotion of the skills of senior employees within the Company and overcome age-related stereotypes, four “Comparing Generations” role model meetings were organised in the cities of Rome, Ancona, Potenza and Genoa (in addition to the two held previously in Milan and Naples) involving 360 employees;
- in collaboration with other companies, three “Welfare Labs” were organised: Parental Leave Management, Remote Working, Welfare plan and Taxation.

To promote psychological and physical well-being [**G4-DMA Occupational Health and Safety**] the People Caring Centre (PCC) counselling service continued, provided by professional psychologists across the Country. Since the service was launched (January 2011), 420 employees, by telephone or email, have enquired about the operation of the service. In total 370 people have used the PCC:

- 300 have started a counselling process;
- 70 company cases have been referred to the Head of People Caring Department and taken under the care of the People Value Department.

Initiatives with a specific focus on disability were organized aimed at improving inclusion in the work and social life, such as:

- a policy that provides for the mandatory adaptation of the workstation, be it fixed or mobile, of disabled workers;
- the Comunico-IO project – aimed at promoting communication between the hearing impaired and other employees, improving their ability to operate fully independently using state-of-the-art technological tools – has enabled deaf people at Telecom Italia to integrate into the most advanced working processes thereby giving rise to the Deaf Database Project which involves using these resources as part of the Database department;

<sup>1</sup> Lesbian, Gay, Bisexual and Transgender.





- communication: each e-convention is also available in a sign language version; the new videos published on the Intranet are always subtitled; the events attended by deaf colleagues live (including training) always include the presence of an Italian Sign Language (LIS) interpreter; email addresses for deaf colleagues are being activated to allow them to communicate with the main company services (ASSILT, Telemaco, CRALT);
- #wcap: our Working Capital accelerators host various start-ups dedicated to disability: Marioway (which has patented an innovative means of transport for disabled people), Padius (a communication service for deaf people), Horus (which is designing a device that can be applied to all types of glasses to assist blind and visually impaired people in performing their daily activities)

In the People Caring Centre intranet area, information, advice and suggested reading lists were published, to help improve psychological well-being. A new “wellness area” has also been created on the intranet, gathering together all services offered by Telecom Italia for personal health, accident prevention and physical well-being, in collaboration with the Fondazione Telecom Italia and the Fondazione Veronesi.

### Other initiatives for employees

**[G4-DMA Occupational Health and Safety]** ASSILT (supplementary healthcare association for the employees of Telecom Italia Group companies), funded by the Group companies, by employee members and retired members, is a non-profit-making organisation providing services to its members and beneficiaries that are supplementary to those provided by the Italian national health service, including - together with public healthcare establishments - collective and individual research, knowledge-gathering initiatives and health prevention activities, and the promotion of health education initiatives to protect the health and physical well-being of its members.

In 2015, the association disbursed refunds totalling approximately 53 million euros (around 600,000 cases). As of December 31, 2015, the Association had 149,000 members, including 50,000 employees, 33,000 pensioners and 66,000 family members. ASSIDA provides senior management staff with refunds for the cost of supplementary health services to those provided by the Italian national health service. As of December 31, 2015, the Association had 3,500 members in service or retired, in addition to family members, making a total of more than 7,700 assisted members.

**[G4-EC3]** TELEMACO is the national complementary pension fund for employees in the telecommunications industry, established in 1998 as a non-profit association and operative since October 2000; its objective is to ensure that those subscribing are able to maintain their standard of living when retiring, thanks to the creation of supplementary social security, over and above the public provisions.

It is intended for workers, office staff and middle managers of companies that apply the national telecommunications contract, for employees on permanent, apprenticeship or placement contracts and for people who are physically supported by the workers subscribing to the Fund. On 31 December 2015 there were around 39,600 subscribing employees of Group companies, around 59,300 total subscribers, and 178 associated companies.

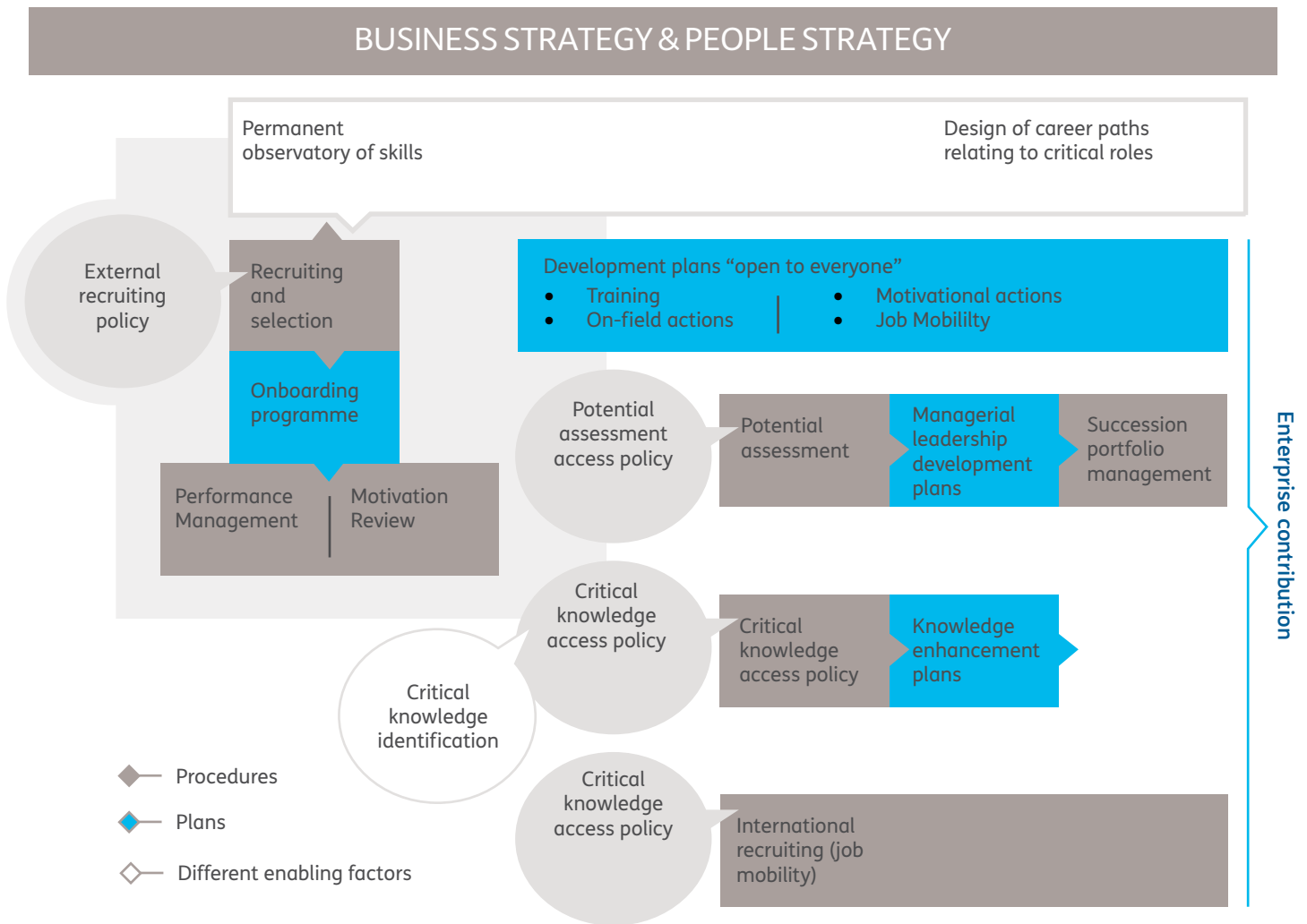
CRALT is the recreational club for employees of the Group and organises sight-seeing, sports, cultural and recreational activities for its members, employees, pensioners and their families. By entering into specific agreements, CRALT also allows members and their families to purchase goods and services at particularly good prices, which can also be settled in instalments. One of the most significant of these is the agreement and the resulting contribution provided for the purchase of school and university books for the children of members, as a valuable contribution to household purchasing power. As of December 31, 2015, there were 44,174 members, including 37,772 employees and 6,402 pensioners. In 2015, CRALT made an average contribution of 15% to the cost of activities for the benefit of its members, as it did the previous year.

**[G4-LA2], [G4-DMA Employment]** All Group workers, whether full or part-time, on permanent or fixed-term contracts, enjoy the same benefits, whilst, in Italy, the supplementary welfare institute is extended to workers on apprenticeship or placement contracts, as well as to employees on permanent contracts.



## NEW SKILLS AND DEVELOPMENT

[G4-LA11] 2015 was dedicated to the detailed planning, implementation, measuring and refining of various processes and tools of the new Development Model, defined as part of the People Strategy Workshops.



### The Telecom Italia development model

Through the integration of all the assessment processes (recruiting, performance, potential, motivation, knowledge), the model aims to ensure accurate knowledge of people in order to create individual development plans fine-tuned to the characteristics of each person and aimed at managerial and professional improvement and growth.

The model mainly focuses on the following areas:

- **Recruiting and Selection:** in 2015 the new Internal and External Recruiting procedure was issued, aimed at integrating the processes for the internal and external scouting of professional and managerial skills. In this respect, one of the most important features introduced as part of the process is the creation of a "control room" set up to ensure the end-to-end supervision of the entire job mobility - both internal and external - in accordance with clearly defined and communicated rules. Finally, the internal managerial recruiting process was systemized. The re-engineering of the process also included redefining the means of support and the evaluation steps differentiated by target and skill



type. A Permanent Skills Observatory will provide updates on the development of skills through a methodological platform driven by a series of inputs from both within the organisation (e.g. Strategic Plan, Technological Plan, People Strategy) and from the external world through an international network of experts in various subjects. The definition of the development of new capabilities has, moreover, made it possible to work in a targeted and systematic way on the employer branding initiatives and on the partnerships with the world of education and academia in order to steer the training investments so they fit with the company requirements. In this respect, 60 training internships and 78 employer branding initiatives were set up in 2015, which were attended by over 8,000 young people from secondary schools and the academic world. With regard to Internal Recruiting, 58 professional profile searches were carried out through job posting, which led to a pool of over 2,400 applications being received from professionals motivated to increase their employability.

- **Onboarding programmes**, introduced to accelerate the “time to perform” of people joining the Company, encouraging engagement and motivation, which are basic elements for an enduring relationship.
- **Individual Performance Feedback: [G4-LA11]** completed in the first half of 2015, it was aimed at non-managerial staff and focused on providing feedback on 2014 performances. The process focused on performing a qualitative assessment aimed at identifying areas of strength and improvement, as well as helping employees to enhance their performance through an open discussion with their manager. The process was completed in May 2015 and involved around 47,900 non-managerial staff from the Group, with a 99.8% coverage of domestic resources.
- **Performance Management: [G4-LA11]** in March 2015 a new performance evaluation process (objectives and behaviours) was launched, aimed at the entire company population: managers, professionals and employees.
- **Development plans “open to everyone”**: a sort of web-based book has been designed which, based on people’s performance results, motivation level and professional history, helps managers to define the specific individual development plan for each collaborator, alternatively made up of motivational, on-field and job rotation training. The book will be operational from the end of the first quarter of 2016.
- **Potential Assessment System**: the methodology has been simplified on the one hand with the definition of clearer and more transparent process rules, and on the other differentiated based on the different types and opportunities for managerial growth in organizational terms. With a view to transparency and engagement, the entire pre- and post-assessment process has also be redefined up to the preparation of a development plan and the monitoring timing and procedures.
- **Succession Planning**: the process for defining the Succession plan for Executive Directors has been reviewed, and the process for creating and managing the Succession Planning Charts of Top Executives has been consolidated. In 2015 the first evaluations cycle was completed at Group level which, in addition to the first tiers to the Executive Directors, involved a managerial population selected on the basis of specific criteria (relevance of role, professional seniority, performance trends, estimated readiness). The assessment process results analysis led to the definition of an improvement programme divided into different lines of actions and geared towards risk reduction.
- **Managerial development policy**: a new policy for appointing management was drawn up. From this year, based on testing carried out last year, a set of standard criteria will be used which allow comparisons with the outside world to be made, even at international level.
- **Career paths**: a model has been designed to outline structured career paths that target the critical managerial and professional roles, in coherence with the strategy of the organization, encouraging the professional and managerial development of personnel.
- **Motivation Review**: a new process has been designed, aimed at detecting the motivational level of people through the multi-assessment and self-assessment tools of the manager. These tools will be validated on a sample of Telecom Italia representatives, in collaboration with “La Sapienza” University of Rome. The results will integrate the Performance Management data, representing a key component of knowledge of the people in order to carefully steer the professional and managerial development plans and maximise the investment choices in career terms. The process will be operational from 2016 and will take place every two years.



- **Knowledge Review:** a new process has been designed, which is intended to make the most of the knowledge in the Company. The knowledge assessment, which assesses technical knowledge of one's role for the entire company population, and the knowledge risk analysis, aimed at people who hold professional roles defined as critical, will be used to identify the Knowledge Holders. Knowledge Holders are critical for business and essential for the operation of the core processes of the Company. This process underlies the professional career, which provides specific development paths for the Knowledge Holders. The process will be implemented in 2016 and will take place every two years.

## Brazil

In 2015 four main programmes were implemented in TIM Brasil which had a great impact on people, in coherence with the organizational changes and the competitive positioning on the market:

- **Skills Model:** after having defined the new company values and issued the new strategic plan, TIM Brasil adopted the same Skills Model as the Group, focused on a process of selecting the people most geared towards meeting the company requirements. This model is based on professional training and performance measuring, which is useful for the development and remuneration of people.
- **Performance Evaluation:** **[G4-LA11]** in 2015 the performance evaluation process was implemented according to a methodology that also included, in addition to the direct manager's assessment, a self-assessment, a peer evaluation and a collaborators' assessment<sup>1</sup>.
- **Career paths:** moments for ad hoc research of career paths were set up to stimulate people to contemplate the role held, encourage engagement and facilitate a pro-active attitude in order to define an individual development plan.
- **Culture:** in the belief that the corporate culture is closely linked to company performance, for the first time, in 2015, an analysis was carried out to assess the type of culture existing at TIM Brasil, with the aim of identifying the behaviours suited to achieving the company objectives. The results of this analysis led to the drafting of a three-year Cultural Development plan to spread the most suitable values and behaviours throughout the Company.

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<sup>1</sup> In Brazil, assessment campaigns are repeated each year, involving all employees who have worked at least 149 days in the company. In 2015 the assessment process was completed with 96% coverage. For the call centre operators, performance is assessed by means of an ad hoc programme.



## COLLABORATION WITH UNIVERSITIES, TRAINING AND KNOWLEDGE MANAGEMENT

Telecom Italia has further strengthened its relationship with leading universities and national and international research centres, focusing on enhancing talent to transfer innovation to the Company. The goal is to strengthen and accelerate Telecom Italia's ability to innovate while at the same time contributing to the development of young people by offering them the opportunity to gain new skills and experiences.

Initiatives include:

- collaboration with secondary schools as part of the "School Business Network" project, which was launched in 2009 with the aim of creating a structured relationship with high schools, particularly in order to enhance the skills within the Group, get in touch with young people across the country and promote the company's image;
- financing of scholarships to help young engineering and economics graduates achieve a postgraduate qualification: from 2011 to 2014, 131 doctorate scholarships have been assigned for the development of specific research projects of interest to the company, the subjects of which range from cloud computing to geomarketing, from big data to e-health, from LTE to robotics, including issues related to web law and economics. For the 2015-2016 academic year, another 40 doctoral scholarships are envisaged;
- collaboration with postgraduate study courses by organizing 5 Master's courses closely linked to business;
- a permanent national and European observatory on issues connected with the transition from school to work and the development of new skills for young people;
- sponsorship of the TIM Chair in Market Innovation at the Bocconi University of Milan, as part of the Master's Degree in Economics and Management of Innovation and Technology. The programme includes the main technological product and service development, creation and marketing models.

**[G4-LA10]** For a telecommunications company that wagers its future on offering cutting-edge technological and commercial solutions, training and managing its people's knowledge is a must.

Telecom Italia training activities are guided by the desire:

- to strengthen leadership styles in order to provide managerial skills that can support the strategic development of the Company in the coming years;
- to enhance the individual and collective skills needed to compete in the new business scenarios, paying particular attention to the specialised skills needed in the sector;
- to provide people with the capacity to cope with everyday challenges;
- to accompany and support the transformation of organisational identity and culture;
- increase digital skills and social collaboration also to support the evolution and digitisation of the national system;
- lower the environmental impact of training activities through the use of e-learning solutions which reduce CO<sub>2</sub> emissions. These formats also represent the Group's commitment to enhancing the quality of life of its employees and contributing to the correct balancing of their personal and professional lives.

**[G4-LA10]** All the Group's training programmes aim to provide tools for professional growth that will then remain as part of the employee's personal baggage both within and outside the Company<sup>2</sup>.

In Italy, the main training programmes implemented in 2015 fell into the following main groups:

- *Management education*, involving around 1,400 Group managers. The programme was set up to support the Business Plan by disseminating and strengthening agreed forms of leadership behaviour. The main projects are:
  - ◆ individual and collective coaching path for executive management, launched in 2014 and concluded at the start of 2015;
  - ◆ ALP "Action Learning program" project for around 140 senior managers, aimed at stimulating networking and idea generation on business topics. The project was started in 2014 and concluded in 2015. From 2015, 3 strategic

<sup>1</sup> At present the Group does not have any courses running for career-end management, also because the need has never been highlighted by workers or their trade union representatives.



- projects that emerged from the working groups are in progress;
- ◆ “SALP training programme: Social Action Learning Program” with the aim of acquiring know-how and methodologies relating to some business challenges, stimulating inter-departmental work and networking and generating innovative solutions for the Company. SALP provides a social working method in line with the new digital methodologies increasingly found in education programmes. The programme will continue even in 2016 and will involve around 600 managers;
  - ◆ online library which allows all managers to benefit from videos, webinars and materials from national and international speakers on business, finance, technology and leadership topics.
- *The training plan on New Development, Leadership and Performance Management Models*, aimed at all people in the Group and divided into different initiatives that aim to increase knowledge of the change introduced by the New Models (see *Development and new skills* paragraph), to promote the culture necessary to guide behaviour and to reinforce the maturity of the assessment. In particular, the “3L Model and Performance Management” training programme was launched in May for managers and team leaders (around 4,200 people), as was “FIT - Future in Training”, aimed at the entire population of professionals and employees (around 47,000 people). See boxes on pages 171 and 172. *Induction training*, a programme that forms part of the Onboarding project (see *Development and new skills* paragraph), aimed at people who join Telecom Italia from the external market or from companies of the Group, aimed at speeding up professional growth and the consolidation of skills through a gradual inclusion route. In 2015, 3 new editions were launched and around 250 people were involved.
  - *Space for growth*, a programme designed to offer support to much of the company’s workforce by strengthening specific behavioural areas: communication, change, team work, systemic problem solving, a focus on results, negotiation, planning/organization, innovation/creativity and coordinating resources.
  - *Post skill assessment training*, which includes training aiming to update competences and develop new skills.
  - *Talent In Action*, a development and training project intended for one specific segment of the population of around 1,000 people, which seeks to define individual action plans. A structured training offer tailored to the needs of individuals, consisting of around 80 different initiatives, has been defined as part of this project. The activities started in November 2014 and will continue throughout 2016.
  - *Professional retraining*, a series of training activities aimed at redeveloping people’s technical and specialized skills and at achieving efficiency and savings. One example is the “Single Front End” in the Network context, where training accompanied the complex transformation of the Front End ensuring the operating effectiveness of people also by measuring the effectiveness of the training itself.

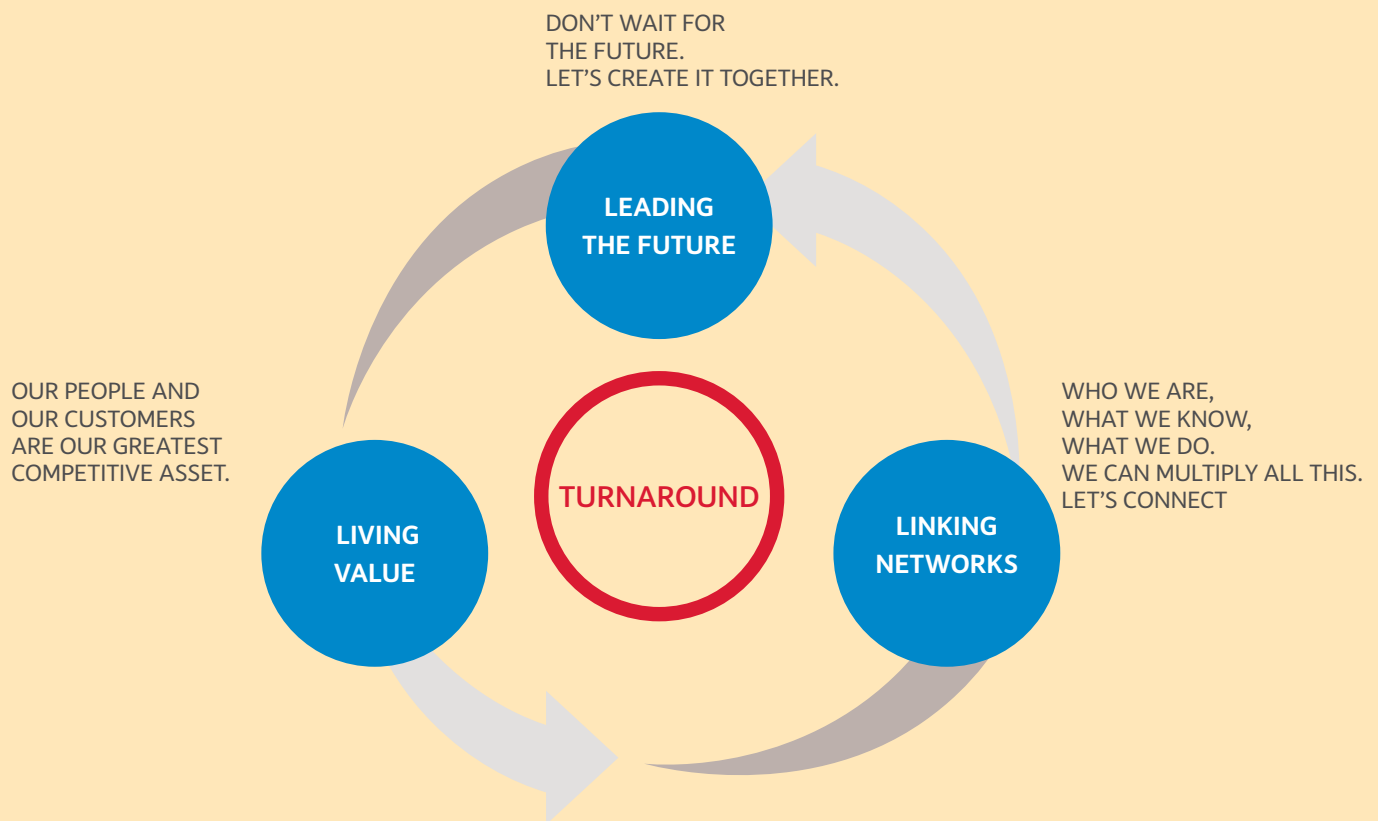
As regards the obligations involved in the implementation of company prevention and protection measures deriving from current regulations, a series of actions were taken in keeping with previous years aimed at ensuring the protection of all professionals that make use of the workplaces of Telecom Italia.

The Compliance department involved different company departments in specific days referred to as “Compliance Days”, as well as in different cross-group training actions on Sarbanes-Oxley-Act, 231 Organizational Model and Databreach Procedure issues. The “competition compliance” programme was launched in the second half of 2015, which will also give rise to a specific training course on the topic it will focus on for the whole of 2016.

## THE TELECOM ITALIA LEADERSHIPMODEL

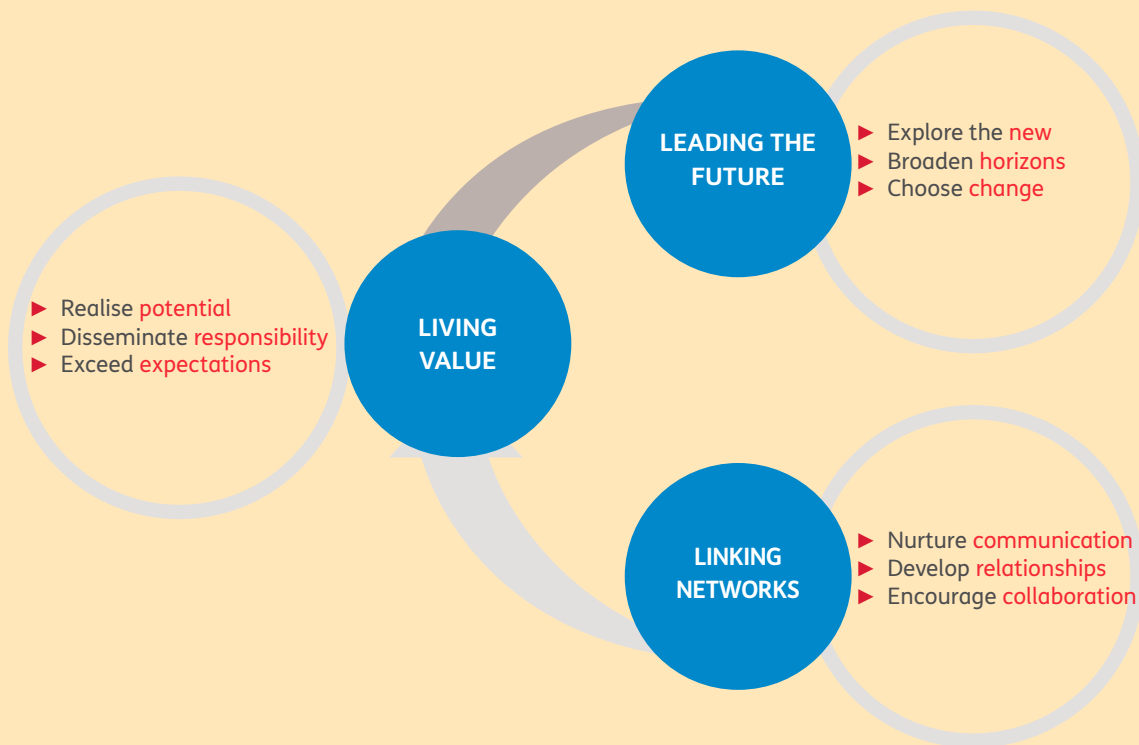
The idea on which the Model is based is that leadership can be spread, i.e. can be exercised by everyone in relation to their activities. The Model therefore targets the whole of the company population, so as to allow everyone to contribute towards the major, necessary evolution of skills, in order to achieve the transformation process undertaken by the company. The three key concepts of the Telecom Italia strategy and culture underlying the Leadership Model are:

- The future can be constructed and guided: LEADING THE FUTURE.
- Value takes shape and is created through people and their everyday interaction with customers: LIVING VALUE.
- Our value can be multiplied if we network: LINKING NETWORKS.





The 9 Skills comprising the new Telecom Italia Leadership Model ensue from these three dimensions:



The 9 skills, translated into observable conduct, were included in the performance management system. Performance management is part of a broader, more extensive Development Model hinged on the value of the person through the creation of transparent, fair, inclusive and differentiated assessment and development systems able to reveal capacity, aptitude and knowledge of the individual and encourage continuous improvement of people and the organisation.





**[G4-HR2], [G4-HR4], [G4-HR5], [G4-HR6], [G4-HR7]** Finally, an online course on respect for Human Rights, linked to the publication of the Human Rights Policy in the Group, was made available to all employees of BU Domestic; the same course, in the local language, will be extended to the employees of BU Brazil in 2016.

In 2015, in Brazil, the training mainly concerned compliance with the Code of Ethics and 231 Organisational Model, rules relating to health and safety at work and privacy matters.

Telecom Italia confirmed its commitment to the cultural transformation process by launching training courses on Diversity topics: in 2015 around 50 managers discussed the topic of ageing and generational comparison.

In Brazil all new recruits are required to attend training courses on company-wide issues, such as ethics and sustainability. In 2015 as well, basic training and refresher courses were also carried out dedicated to Sales and call centre staff.

**[G4-LA9]** The tables below show Group training hours by professional category. A comparative focus of training by gender is given in the *Appendix*.

2015	Hours		Participation <sup>1</sup>	Participants	Coverage <sup>2</sup>
	Totals	Per head			
<b>Total</b>	<b>2,498,571</b>	<b>37.94</b>	<b>479,209</b>	<b>58,628</b>	<b>89.00%</b>
Senior Managers	22,113	26.17	3,771	811	96.00%
Middle Managers	107,240	22.41	16,046	3,946	82.50%
Office Staff/Workers	2,369,218	39.33	459,392	53,871	89.40%

2014	Hours		Participation	Participants	Coverage
	Totals	Per head			
<b>Total</b>	<b>3,765,649</b>	<b>57.39</b>	<b>453,188</b>	<b>63,806</b>	<b>97.20%</b>
Senior Managers	23,091	26.36	2,387	675	77.10%
Middle Managers	114,123	24.87	14,214	3,902	85.00%
Office Staff/Workers	3,628,435	60.32	436,587	59,229	98.50%

2013	Hours		Participation	Participants	Coverage
	Totals	Per head			
<b>Total</b>	<b>3,765,649</b>	<b>57.39</b>	<b>453,188</b>	<b>63,806</b>	<b>97.20%</b>
Senior Managers	23,091	26.36	2,387	675	77.10%
Middle Managers	114,123	24.87	14,214	3,902	85.00%
Office Staff/Workers	3,628,435	60.32	436,587	59,229	98.50%

<sup>1</sup> Shows the overall number of participation in training sessions, in the various forms provided (classroom, online, training on the job).

<sup>2</sup> Coverage refers to the percentage of participants compared to the total, i.e. the % of human resources who took part in at least one training session compared to the total number of human resources in each individual category (senior managers, middle managers, office workers).



**[G4-HR2]** Training linked to respect for Human Rights mainly related to the dissemination of the Group's Human Rights Policy, compliance with the Code of Ethics and 231 Organisational Model (see *Being sustainable at Telecom Italia*), and the rules relating to Health and Safety at work and Privacy matters.

#### Number of hours of training on human rights<sup>1</sup>

	2015	2014	2013
Domestic	253,883	397,414	394,682
Brazil	44,940	-	-
Media	372	950	755

#### Percentage of employees trained on human rights<sup>1</sup>

	2015	2014	2013
Domestic	46.54%	94.12%	94.36%
Brazil	87.89%	-	-
Media	37.50%	93.18%	53.57%

**[G4-HR7]** All personnel operating in the Security Department of Telecom Italia are trained and updated on national and European Community legislation and regulations governing company safety, and go about their duties in complete compliance with all current company procedures and policies in force. More specifically, in order to protect the Company's human, tangible and intangible resources and infrastructures, Security staff analyse risks and reports of safety incidents, preventing loss and limiting damages, interfacing with the Civil Protection Department and the other institutional entities responsible for managing emergencies or major events involving the various company assets. Security personnel do not perform crowd control duties nor escort people or values, which is instead a task institutionally assigned to the police force. Alongside the more traditional training activities, 2015 saw the continuation of Knowledge Management, aimed at making it easier, in a stable manner, for the Company as a whole to establish the way it learns (learning organisation), initiating the exchange and mutual "contamination" of ideas, knowledge and solutions. The model has two key characteristics: it is overarching and innovative. Overarching because it is founded upon the involvement of several company departments based on the principle of competence; innovative because it fosters the generation of new skills and ideas in order to encourage structured involvement, exchange and collaboration with the aim of contributing to the Company's competitive advantage.

<sup>1</sup> As stated in the 2014 sustainability Report, the disclosure of this information in the Brazilian BU started in 2015.



## INTERNAL COMMUNICATION

The path taken towards a new internal communication strategy derives from the new reference context linked to the transformation of business models, technologies and consumer behaviours in TLCs. The “conversion” of the traditional channels to more innovative ways of favouring two-way communication inspired by web-centric logic and promoting the exchange of ideas, dialogue and discussion between members of the corporate community has continued. In this respect the intranet and the company portal are fundamental tools for providing information and implementing formal and informal forms of listening.

The specific communication objectives achieved in 2015 are listed below:

- **Communicate the strategy**, in order to share the new Group vision and organic design which supports transformation also through the mobilization and involvement of middle management, which guides the process and engages people.
- **Organisational identity development**, to give substance to the new identity system, in keeping with the renewed positioning and the Group Values, Leadership Model and Employee Value Proposition. See box on page 176.
- **Support the implementation of the People Strategy**, to meet the expectations of the Telecom Italia people and to enhance the skills capital, as well as to motivate the programmes and actions necessary for transformation towards future skills suited to the Company’s business.
- **Engage people**, in order to count on their energy, motivation and creativity, and to encourage “positive telling” and new styles of storytelling (positive teller, Archimedes project, Values contest).
- **Support the spreading of initiatives designed to satisfy people’s attention/well-being requirements**, for a more inclusive and efficient workplace, in line with digital transformation, to promote a work-life balance

Innovative communication initiatives such as the cascade events system, which monitors the participation, satisfaction, contributions and qualitative results of the meetings planned by the system, have been added alongside the more traditional forms of relationships that in any case continue to be important.

Below is a list of the main traditional and other communication activities carried out during the year:

- the management meeting of 25 March, targeted at the whole company, has marked the start of an intense programme of the dissemination and communication of the company strategies in order to promote greater awareness of the Business plan: through local meetings around 28,000 people were involved in the presentation of the 2015-2017 plan.
- following the management meeting, a number of “instant events” were organised in the company’s main offices by the team of Positive Tellers, the company’s selected “narrators” trained in using the most innovative visual and social network education techniques to disseminate the main business content, and the campaign to communicate the values of the company was continued. In 2015, 300 positive tellers informed 4,000 colleagues through 100 instant events held in 31 locations;
- between April and June, the Departments involved all their people in meetings led by departmental managers to share ways of implementing the main themes of the business plan in their professional context and realising their commitment;
- 25 managerial meetings of the first lines of business, in 12 cities, many of which were reported on the intranet via the news, documents and video highlights;
- a new Local Meetings format was launched in June, during which the company’s Executive Directors and top management present strategies, plans and objectives to an audience of around 1,000 colleagues at each meeting. Four local meetings have been held since the start of the year in Bologna, Milan, Rome and Naples, which each included a moment of celebration to promote and highlight people and cases of business excellence;
- the road shows across Italy continue to disseminate the 2015-2017 People Strategy programme, formalised in a brochure containing illustrative diagrams and summarised data, published on the intranet and distributed by email to all the Group’s employees.

## VALUES



### WE ARE RESPONSIBLE LEADERS

We understand that being leaders means looking beyond the horizon of our daily work, sharing knowledge, leading by example, knowing how to be role models.

We agree that being responsible is a personal commitment we must all make, at all levels and for all the many professions in our Company. We choose the culture of inclusion because everyone's contribution, as a person and as part of a team, is an asset for all of us and for our customers. We see discussion as an opportunity for mutual growth and we are committed to fostering continued and constructive dialogue with everyone.



### WE WANT TO GROW

We are proud of what we have achieved for the development of telecommunications in our Country. We keep our passion alive and feed our curiosity, remaining open to all the stimulus the world offers.

We want to keep getting better so we undertake new projects with courage and conviction, continuing to devote ourselves with skill and commitment to building the future.

We work every day for the economically sustainable future of our Company.



### WE AIM FOR EXCELLENCE

We believe that doing things well is a source of satisfaction.

We aim to make our work excellent as a result of creative drive, constant focus on innovation and solid execution.

The needs of our Customers, People and Organisations form the basis of our decisions. We control our processes to improve the quality and safety of the whole Country's digital experience every day, providing a competent and experienced service, accessible via all channels. We are convinced that everyone's contribution must always serve to achieve an overall result for the whole company, sharing best practice and information.



### WE LIVE THROUGH OUR CUSTOMERS

We work to allow people to communicate, making life simpler and filled with opportunities and relationships.

Our experience as women and men of Telecom Italia can evolve, alongside the customer, along a path of reciprocal, care, development and enrichment.

Our expertise and our capacity for innovation find value in transforming technology into services and products that can really improve the lives of our customers. We want to be deeply in tune with the expectations and aspirations of our customers, make their needs, desires and dreams our own, offer an experience of value in the relationship with Telecom Italia.



- in May, August and November three Parli@mone events were organised and broadcast online in video-streaming to the whole Company. In these, the company's Executive Directors continue their dialogue with people and present updates on the main economic data for the quarter, celebrate the results achieved, encouraging improvement;
- in 2014 the ninth edition of the climate survey was carried out in Italy and Brazil, involving the entire company population. The 2014 form included a specific section dedicated to identity. The first half of 2015 was dedicated to presenting the company departments with the main results. The departments then devised improvement plans, which are catalogued and stored in a specific web intranet area;
- the listening system has been boosted by focus groups: during the first half of 2015, over 300 employees were involved. These were representative of the workforce as a whole in terms of their gender, geographical presence and organisation.

In Brazil, 2015 saw numerous internal communication initiatives taken in order to promote integration between people in the workplace, bring them into line with the company's strategic objectives and improve psychological and physical well-being. For example, the Diversidade Tim campaign aimed to promote diversity and proper, prejudice-free integration, whilst the Campanha de segurança disseminated the key notions of health and safety in the workplace within the Company. Moreover, two new listening initiatives have been launched, Fale com People Value and Focus Groups, in order to improve dialogue between the Company and people, understand the expectations of the latter and improve their physical and mental well-being.

## HEALTH AND SAFETY

The Health and Safety at Work Management System implemented by Telecom Italia ensures that the Company complies in full with national legislation and agreements reached with trade unions; it also establishes numerous initiatives aimed at ensuring increasing safety for workers.

**[G4-LA5]** In Italy, the reference legislation is the Consolidated Law on Health and Safety at Work, which, amongst other aspects, specifically requires participation and consultation on the matter with the workers' representatives. The regulation requires the workers' safety representative to be elected or designated by the workers from the trade unions present in the company. **[G4-LA8], [G4-LA5]** The number and method of designation or election of workers' safety representatives, together with the salaried working hours and the tools used to fulfil duties, are established during collective bargaining. The legislation is applied throughout Italy and, in particular, as concerns Telecom Italia S.p.A., Health and Safety Committees have been established. According to the agreements stipulated with the trade union organisations, these Committees play a participatory and collaborative role aimed at guaranteeing joint analyses and discussion by the company party and the union party of all matters relating to health and safety at work, on a national and territorial level. To this end, the agreement establishing the Committees states that both the Joint National Health and Safety Committee (CPSSN) and each of the four Joint Territorial Health and Safety Committees (CPSSTs) shall number three members appointed by the Company and three members appointed by the trade unions signing the agreement. Apart from the specific duties assigned by the agreement to the Committees, the CPSSN has the task of coordinating and instructing the CPSSTs, which, in turn, act as an interface with, and support, the workers' representatives.

**[G4-LA7]** In Telecom Italia S.p.A., working activities have been classified as low and medium risk, in line with the definitions provided by the reference legislation, in accordance with the ATECO classification of the National Statistics Institute. There are no high-risk activities present in the company. No significant numbers of cases have been recorded for any occupational disease. Nor indeed are there any high-risk activities carried out in the other Group associates.



**[G4-DMA Occupational Health and Safety]** During the first half of 2015, action regarding health and safety at work was mainly concerned with particular areas of assessment and preventive actions concerning specific professionals in the company's organisation. Constant monitoring in this area led to the release in May 2015 of a new version of the Risk Assessment Document, which reflects the changes made in the previous period.

With regard to risk assessment, particular attention was paid to work-related stress; in February 2015, the third preliminary assessment was completed, conducted in accordance with the INAIL<sup>1</sup> method on the 16 uniform groups of workers into which the company's people were split. The outcome of the risk assessment was that work-related stress was found to be "insignificant".

The path undertaken was appreciated by sector experts and institutions on a national and international level. Telecom Italia has been one of the partner companies of the 2014-2015 "Healthy Workplaces Manage Stress" campaign promoted by the European Agency for Health and Safety at Work. The partnership meant becoming part of a network of businesses that have made available and pooled their experiences and projects thereby helping to create greater awareness of the topic. The campaign officially ended in November 2015.

A noteworthy project, in the context of instrumental measurements relating to the environment and safety at work, involves the purchase of 4 new mobile units allocated to local offices to ensure more detailed specialised support for the company's technical departments, creating local and central roving laboratories to make interventions by the HSE department more effective, and to promote Telecom Italia's focus on prevention and protecting the safety of its personnel and the community by participating in exhibitions as well as cultural and information events.

The Company continued its safety training for all company staff with different programmes based on the risks to which workers are exposed.

Also launched, as they are every year, were the safe driving courses for staff who use company cars.

With a view to promoting the safety culture in all contexts, even the most operative ones, encouraging debate and collecting suggestions for improvement, 46 meetings were held in 2015, called "Safety Moments" where technical experts and managers, in the presence of the Health, Safety and Environment department, addressed topics such as accidents, health monitoring, equipment and PPE<sup>2</sup>; the discussion provided some helpful insights which will lead to the definition of improvement actions over the course of 2016.

The benchmarking activities promoted by Telecom Italia with the involvement of the main companies of the Italian networks (Enel, Poste Italiane, Ferrovie dello Stato, Terna, Anas, Snam, Autostrade per l'Italia, Vodafone, etc.) continued, with regular meetings to discuss matters of health and safety and workshops, organised on a rotation basis by each company, with the participation of sector experts and institutional entities. The meetings and workshops aim to share the best practices adopted by the companies adhering to the working party and identify shared solutions to problems common to the networked companies.

As part of the actions promoted by INAIL and by the ELIS consortium<sup>3</sup>, aimed at carrying out practical actions to encourage the dissemination of a security in the workplace culture, Telecom Italia was an active participant at the working discussions that saw two guidelines issued on managing the risk of road traffic accidents with the aim of creating a useful tool for assessing the risks and identifying the necessary prevention and protection measures. The same discussions also identified the guidelines and procedural requirements for managing the supply chain with particular reference to the selection methods, inclusion in registers, as well as the monitoring and evaluation of performances.

With regard to activities intended to raise awareness of health and safety issues in the supply chain as well, periodic audits of the main suppliers continued. In 2015, audits were conducted of all the fixed Network companies, the results of which contribute to determining the vendor rating. Audits were also conducted on major companies operating nationwide in the field of infrastructure maintenance, some mobile Network companies and a sample of additional suppliers of materials and products.

In 2015 two technical meetings were organised involving all the fixed Network companies to discuss specific aspects of safety associated with contracted activities.

<sup>1</sup> Italian national institute for insurance covering accidents at work.

<sup>2</sup> Personal Protective Equipment.

<sup>3</sup> Education, Work, Training and Sport.

## Accidents and occupational diseases

Accidents			
	31.12.2015	31.12.2014	31.12.2013
Number of accidents (excluding travel)	554	566	538
Severity index(*)	0.21	0.34	0.21
Frequency rate(*)	8.31	8.96	8.34
Average duration in hours	139.93	131.62	132.83
Unproductivity index(*)	1.42	1.39	1.40
Accidents per 100 workers	1.27	1.30	1.23

- (\*)The severity, frequency and unproductivity indexes are respectively:
- the number of conventional working days lost due to accident per thousand hours worked
  - the number of accidents per million hours worked
  - the number of hours lost due to accidents per thousand hours worked

For Telecom Italia S.p.A., statistical analysis shows a slight reduction in the number of incidents at work that took place in 2015.

Further examination of the indicators reveals that:

- the reduction in the number of incidents and the increase in the hours worked have had a positive effect on the reduction of the frequency indicator and on the ratio of incidents out of 100 workers. The severity indicator also records a downturn on the previous year;
- against the reduction in the number of cases, an increase is recorded of an average event duration in hours.

Details on accidents, occupational diseases and absences required by standard GRI-G4 [] are given in the appendix to this chapter.

The main types of injuries recorded were, in decreasing order: falls, road accidents, sprains, pulled muscles, handling of materials, impacts and other minor types.

In the period 2013-2015, one death occurred (in 2014, a man) as a result of a road accident during working hours.

As regards occupational diseases, the reports made to INAIL during the year of reference and processed for acknowledgement, were considered.

In 2015, the occupational diseases reported by workers concerned pathologies relating to the respiratory, musculoskeletal and hearing/voice systems and psychological/psychosomatic illness.

**[G4-LA6b]** In the only part of the Company where the core business is partly performed by suppliers' employees (IT Telecom), no accidents or occupational diseases have been reported.

**[G4-LA6c]** Telecom Italia has a procedure in place describing the rules and requirements of each subject in the "genesis" process, the management and closure of reports of incidents at work and/or while travelling involving workers for which companies are required to pay an INAIL [Italian national institute for insurance covering accidents at work] premium. The procedure establishes that when an injury occurs, the worker shall send an injury certificate to his manager and to the HR management. The latter shall then submit a report of the injury to INAIL, which, after suitable checks, shall either confirm or reject the injury. If the injury is not recognised, the days for which the worker is absent will automatically become days of absence for ordinary sickness.





## In Brazil

**[G4-DMA Occupational Health and Safety]** At TIM Brasil, all newly hired employees receive training on health and safety in the Company. Controls are also regularly run to identify the risks and related control measures, the results of which are given in the document entitled “Environmental Risk Prevention Programme”. This document, which is prepared for each TIM site, is updated once a year, as established by the law.

Each year, the Internal Accident Prevention Week is held, during which employees are informed on the risks relating to the workplace and the related control measures.

**[G4-LA5]** TIM Brasil sites with more than 50 employees set up internal committees for the prevention of accidents at work (Cipas). There are 11 of these committees across the country. These committees are made up of employees, 50% of whom are elected by employees in roles of responsibility and the remaining 50% by employees without roles of responsibility. In company sites with fewer than 50 employees, one employee is specifically trained to follow these activities.

In TIM Brasil 27 people are involved in prevention activities.

**[G4-LA8]** As a rule, in Brazil the collective agreements establish that information shall also be given on the prevention of accidents and occupational diseases, and TIM Brasil adopts this practice.

## INDUSTRIAL RELATIONS

**[G4-HR4] [G4-DMA Employment]** Telecom Italia has always entertained open, transparent relations with the trade unions and workers’ representatives, in the belief that it is only through continuous, constructive dialogue that the best possible balance can be struck with respect to the expectations of all stakeholders.

**[G4-11]** All Group workers, both in Italy and in Brazil, are covered by Collective Labour Agreements reached with Trade Union Organisations and all personnel are guaranteed the possibility of attending union meetings, in terms of paid leave and company space to enable them to be held, as well as of freely participating in consultation procedures for the election of trade union representatives. In no Group operations is the right to union participation at risk or disputed. Amongst other things, union agreements lay down the ways in which these rights can be enforced and establish the bodies in charge of controlling compliance therewith. **[G4-LA4]** Organisational changes with significant effect on employment levels and personnel are discussed with the trade union representatives and, in some cases, an ad hoc agreement is stipulated, specifying the terms and conditions of the reorganisation. **[G4-HR5], [G4-HR6]** Collaboration with the workers’ representatives, together with the internal control systems and procedures, has meant that no violation or risk has been reported with regards to the application of the Group’s Social Responsibility policies protecting the essential rights of employment, such as the ban on forced labour or child labour<sup>1</sup>.

### Telecom Italia S.p.A.

The Telecom Italia system of industrial relations is based on participation, which is seen as a value to be pursued in any discussion, not only in negotiations. The year 2015 featured several discussion and information sessions with union representatives in accordance with the established national and local industrial relations structure.

The 2016-2018 Business plan focuses on industrial development and on strengthening the pursuit of technological leadership in the domestic market by increasing investments and building new technology infrastructure networks; important investments in the most strategic sectors for the future business of Telecom Italia, in order to ensure the Company’s commitment to innovation and allow the necessary levels of competitiveness and efficiency to be achieved. The main objectives include equipping the country with a modern new generation network structure, reaching 84% of the population with fibre optics and more than 98% with the 4G mobile network in 2018. Implementing the plan also requires a professional remix to renew the portfolio of skills available and, wherever possible, ensure that high value activities are carried out internally. In discussions held on aspects connected with the employment-related effects, the parties explored every possible solution to

<sup>1</sup> In terms of child labour, the policies allow for some, completely legal exceptions, such as, for example, training contracts for which incentives are provided by the Brazilian government.





identify socially non-traumatic instruments that would be economically sustainable for the people working in the Company. In this respect, an agreement was reached in September 2015 that established a course for implementing the plan aimed at achieving operational efficiency while safeguarding jobs.

The instruments identified, which were subsequently the subject of implementation agreements, are:

- solidarity contracts for a period of two years with a commitment to extend it for a further twelve months, in order to allow redundancies to be minimised over the three-year period, particularly through early and voluntary retirement using the other legal tools identified;
- support for early retirement using the voluntary redundancy tool;
- recourse to article 4 of the Fornero law, which allows older workers to bring forward their retirement by immediately receiving an amount equal to the pension accrued until that date (so called early retirement paid for by the Company). The Company will continue to pay social security contributions as well until the actual retirement age is reached;
- professional retraining, in order to allow workers currently employed in areas where efficiency needs to be improved to retrain in order to perform more valuable activities providing medium to long term stability of employment.

In order to lessen the financial hardship caused by the reduction in working hours under the solidarity contracts, which is only partly offset by the INPS contribution, the Company has decided to provide company loans at subsidised rates for employees who specifically request them<sup>1</sup>. The ultimate purpose of the operation is to ensure stability of employment at Telecom Italia and therefore protect jobs and improve competitiveness. The agreement also provides for the Company to pay the workers covered by solidarity contracts a one-off sum as a bonus at the end of the solidarity suspension if the overall implementation of the plan has been positive and its objectives have been achieved.

Particularly intensive discussions continued with executive employee representatives, allowing socially sustainable instruments to be identified, in addition to the ones normally available in the Company, to assist with the necessary right-sizing, ensuring it is not traumatic and is able to reconcile staff turnover administration and management remix requirements.

In this respect, an important agreement was signed with executive representatives that provides for the voluntary departure of a maximum 150 executives who fulfil legal requirements. As a result, executives will be able to benefit from the mutually agreed termination of their employment contract if they fulfil the minimum requirements for retirement or early retirement within four years of the termination, with the Company paying out a benefit equal to the pension to which the workers would be entitled based on existing rules and continuing to pay INPS the contribution until the minimum requirements for a pension are fulfilled.

In full compliance with current legal provisions, Telecom Italia S.p.A. carried out the procedures required with the relevant union representatives regarding two separate corporate transactions, both successfully completed with an agreement between the Parties. In particular, the Telecom Italia S.p.A. business unit was transferred from the Tower department to Società Infrastrutture Wireless Italiane S.p.A.. (INWIT). This initiative fulfilled the objective of establishing an independent radio network infrastructure operator who can develop and enhance the towers business involving various types of electronic communication service operators and ICT players. As part of the procedure, specific agreements were signed on maintaining the salary levels and contractual terms and conditions applicable to the employees affected by the transfer.

Discussions between the Company and the unions were similarly positive aimed at completing the procedure for the merger by incorporation of Telecom Italia Media S.p.A. into Telecom Italia S.p.A.. The operation helped rationalise and simplify the Group's structure and to ensure a more efficient management of the process of enhancing Persidera S.p.A., also by seizing medium to long term opportunities.

Moreover, a complex and fruitful series of discussions was held between the Company and the unions on the scope of Telecom Italia's involvement in Expo 2015, as its Official Global Partner, and the associated need to oversee the event as effectively as possible.

In this context, an agreement was signed with the unions that governed Telecom Italia's oversight and support operating model for Expo and all the associated aspects, including working hours, shifts and availability of Company staff who contributed to this event.

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<sup>1</sup> Official ECB refinancing rate currently at 0.05%.



## Brazil

Meetings were held to discuss the 2015-2016 amendments to collective agreement ACT 2014/2016. They began in September 2015 and ended in December, when the amendments were approved unanimously across the country. The Company held five meetings with the two national Federations (FENATTEL and FITTEL), which together represent the country's 27 trade unions. The negotiations related to financial aspects, including salaries increases and benefits. With regard to health care for children, the age limit for insurance was raised: from a maximum of 6 years of age to 7 years. Finally, the 28th, 29th and 30th of December were recognised as holidays.

## REMUNERATION POLICY

The Group remuneration policy is established in such a way as to guarantee the necessary levels of competitiveness of the company on the employment market. Competitiveness translates into supporting the strategic objectives, pursuing sustainability of results in the long-term and striking a correct balance between the unitary needs of the Group and the differentiation of the various reference markets. What follows is a remuneration structure that by way of priority seeks to guarantee a correct balance of the fixed and variable components and the short and long-term aspects, alongside benefit systems and other instruments such as the Broad-Based Share Ownership Plan (SOP).

More specifically, the fixed component reflects the breadth and strategic nature of the role performed, measured against the market, and appraises the distinctive subjective characteristics and strategic skills of the employee. The short term variable remuneration (MBO) on the other hand aims to establish a transparent link between pay and the degree of fulfilment of annual targets. To this end, the targets are fixed according to qualitative and quantitative indicators that represent and are consistent with the strategic priorities and business plan, measured according to pre-established and objective criteria. Following on from 2014, the "gate" mechanism was confirmed for 2015 as the threshold applied only to the company's targets: if the "gate" target is not achieved, this mechanism prevents the bonus associated with the Company's other targets from being accrued.

Unlike in 2014, each beneficiary of the MBO will be set a target with a weight of 20% based on the overall result of the assessment made through the new Performance Management system (see *Development and skills* paragraph).

The long-term variable component aimed at achieving consistency between the interests of management and those of shareholders, by sharing in the business risk, with positive effects on the 2014-2016 stock option plan, which involved the Chief Executive Officer, the Top Management and a selection of managers<sup>1</sup>.

In 2015, the implementation of Total Rewarding principles is confirmed and extended for the purpose of allow the flexible use of multiple instruments, which are no longer only monetary but include welfare, training, professional and development paths. The 2015 remuneration policy therefore intends to consolidate the process that began in 2014, making flexible use of five pillars, the first two of a financial nature, the remaining ones associated with a broader system of rewards: salary increases, bonuses, cars, job levels and training. Finally, possible instruments of the remuneration policy include the SOP (Broad-based Share Ownership Plan), a system for sharing in the risks and profits of the company, aimed at supporting employee motivation and reinforcing a sense of belonging. In June 2014, the Company launched a PAD under which all permanent employees of Telecom Italia S.p.A and its subsidiaries with registered office in Italy could buy shares with a 10% discount on the market price. In August 2015, one year after allocation, if ownership of the shares had been retained and the owner remained in employment, one free share (bonus share) was awarded for every three shares subscribed.

Below are the main types of objectives connected with sustainability present in the company MBO system.

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<sup>1</sup> In order to provide a correct indication of the relationship between remuneration paid to Top Management and the rest of the company's employees [G4-54], [G4-55], according to the "Policy for Classifying and Managing Information in accordance with confidentiality requirements", Telecom Italia provides some indications for calculation purposes in the customary tables of the Remuneration Report (page 25) of the Annual Financial Report (page 283). The continuation of the process implementing the guidelines GRI G4 will, also on a sector level, enable the assessment of the various methods of representation.



Reference stakeholders	Targets subject to incentives	% of managers (to whom the target applies)
Customers	<ul style="list-style-type: none"> <li>■ Customer satisfaction</li> <li>■ Quality of the service delivered</li> <li>■ Quality of the service perceived by consumer and business customers</li> <li>■ Quality of the service perceived by other national fixed and mobile telephony operators</li> </ul>	<p>99%</p> <p>18%</p> <p>99%</p> <p>6%</p>
Human Resources	<ul style="list-style-type: none"> <li>■ Health and safety of employees</li> <li>■ Programmes of training and professional growth</li> <li>■ Welfare activities (People Caring) and the wellbeing of employees</li> </ul>	4%
Environment	<ul style="list-style-type: none"> <li>■ Consumption of materials, energy</li> </ul>	2%
Shareholders and Institutions	<ul style="list-style-type: none"> <li>■ Quality and speed of Company information delivery</li> </ul>	1%
The Community	<ul style="list-style-type: none"> <li>■ Organisation of corporate events</li> <li>■ Quality of corporate initiatives/projects</li> </ul>	2%

Details on the remuneration required by standard [\[G4-LA13\]](#) are given in the *Appendix* to this chapter.



## REPORTS RECEIVED THROUGH THE INTERNAL CONTROL PROCEDURE

[G4-LA16] ] Below are the reports received through the Internal Control Reporting Procedure (see *Telecom Italia Group*, chapter *Corporate Governance system*) on work-related matters for the three-year period 2013-2015, in Italy and Brazil.

### Italy

	2015	substantiated	2014	substantiated	2013	substantiated
Total number of reports regarding work matters received through the formal mechanisms in the reference period	1	0	7	0	3	0
Handled during the reporting period	1	0	7	0	3	0
Resolved during the reporting period	1	0	7	0	2	0
Total number of reports regarding work matters received previously, which were resolved in the reference period	0	0	1	0	0	0

### Brazil

	2015	substantiated	2014	substantiated	2013	substantiated
Total number of reports regarding work matters received through the formal mechanisms in the reference period	42	18	7	6	na	na
Handled during the reporting period	42	18	7	6	na	na
Resolved during the reporting period	35	18	6	6	na	na
Total number of reports regarding work matters received previously, which were resolved in the reference period	1	1	0	0	na	na

There has been a Reporting Procedure in Brazil since 2014. The increase in the number of reports in 2015 with respect to the previous year can be ascribed to the greater transparency and accessibility of the procedure, which was reviewed in 2015. In particular, through a series of guided steps on the reporting portal, the reporter is assisted in exposing the critical situation, carried out in full awareness of the guarantee of anonymity.



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# CORPORATE SHARED VALUE PROJECTS



## NURSERIES AND PRESCHOOLS

**Social Need**

- ▶ Economic well-being
- ▶ Quality of work

**Results**

537 places available in 20 nurseries

**Social Value:**  
0.9 million euros

ECONOMIC SHARED VALUE

### Scenario

The MioNido nurseries for children of colleagues (or living as part of their families), aged between 3 months and 3 years, are internal facilities within the company, charging the same fees as local nurseries, with hours to suit the various requirements, aimed at improving work-life balance and quality of life in the Company.

10 Company nurseries are currently operating in offices in Turin, Milan, Florence, Ancona, Rome (3), Naples, Catanzaro, Palermo, with an additional 10 private nurseries operating by special agreement in Turin, Padua (2), Trento, Bologna and Rome (5). These facilities offer different time bands for children, in order to meet the needs of the staff, particularly those doing shift work. The location of the nursery is chosen based on assessments of the type of people employed by the Company (average age of employees, number of children between 0 and 3 years, presence of female workers) and the workplace location (logistical difficulties, presence of a call centre, etc.).

The 10 company nurseries and 10 private nurseries offer any places not filled by colleagues to external companies (Poste Italiane, Banca Intesa, Assicurazioni Generali, etc.) which, in turn, provide Telecom Italia with places in their nurseries.

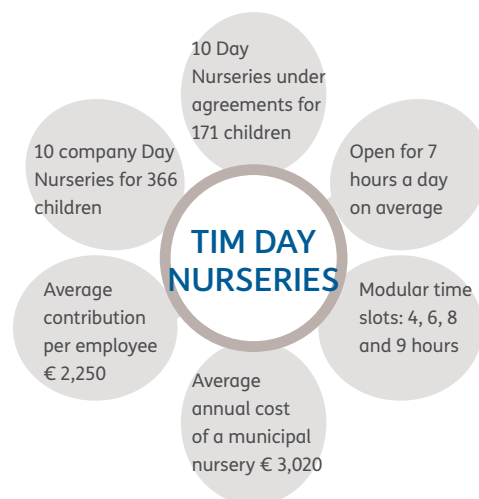
For the academic year 2015-2016, there are 20 nurseries and the Company is the first in Italy to be trying out a preschool service at its offices on Via Oriolo Romano, Rome, which already has a nursery.

### A few benefits of the project

- significant reduction in absences of working mothers with children between 0-3 years in offices with nurseries, with a consequent reduction in the costs of absenteeism
- reduction in the full use of parental leave or recourse to part-time work by parents who have benefited from the service
- 537 places available
- 400 places occupied
- average contribution 2,250 euros
- potential income 1,208,250 euros
- actual income 900,000 euros

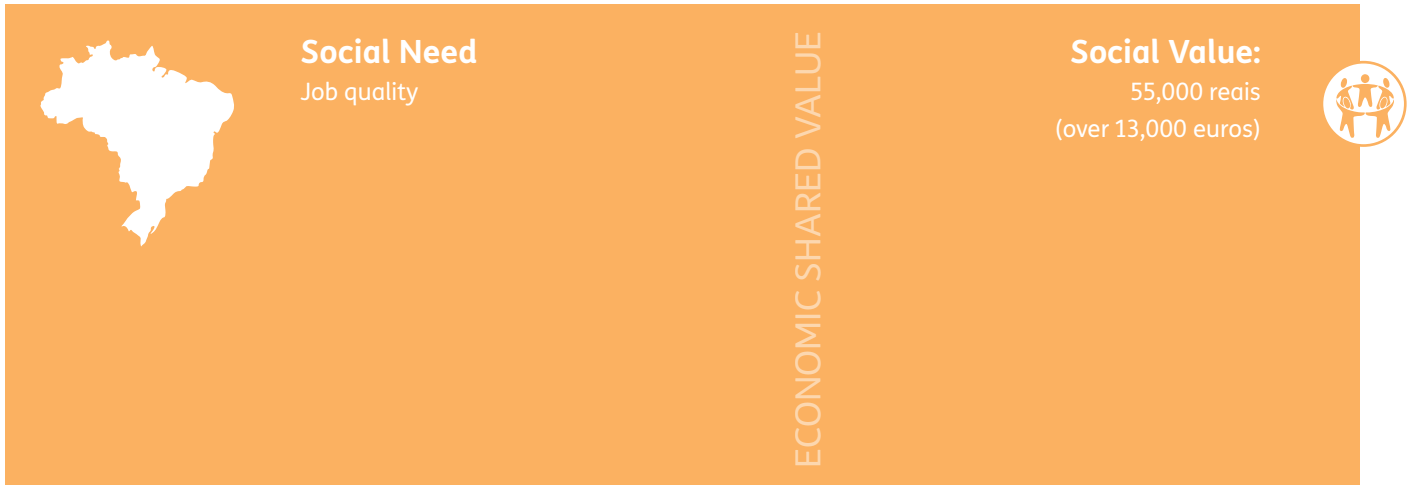
### Methodology

The Social Value is the average contribution paid by the Company (2,250 EUR) multiplied by 400 places occupied by employees' children in nurseries.





## CITIZEN WITHOUT FRONTIERS



### Scenario

Starting from the conviction that together we can build a better world, TIM Brasil encourages its employees to participate in volunteering and solidarity initiatives, in order to do good by helping others.

Through its “Citizen without Borders” (Cidadão Sem Fronteiras) project, TIM Brasil encourages its employees to engage in volunteering work for organisations of their choosing or to participate in social actions promoted within the Company.

All employees can take a day off work per year to dedicate to volunteering for children, young people, the elderly and whole families by supporting welfare organisations. This kind of work contributes to achieving the annual volunteering objective of TIM Brasil.

The following are a few testimonials from employees who have already taken part in volunteering activities.

*“I participate in volunteer activities with the NGO Dreaming Together. We are 15-20 volunteers visiting different hospitals and playing with hospitalized children, some with cancer, severe cases, some in isolation or postoperatively. Some colleagues helped me by donating materials for the games. Besides being a beautiful work, it doesn't cost me anything and it makes me see life differently. I distracted myself more than the children themselves, it's priceless to see them smiling.”*

Fabiana Bochner (Analyst - Accounts Payable - Chief Financial Officer - Rio de Janeiro)

*“Since I was little I used to participate in voluntary actions with my mother and I learned that life needs to be a circle of good deeds that by doing good, it comes back to us, like a wheel of love and charity. When I started working at TIM, I met people who were also engaged with these actions. I met Citizen without Frontiers program and initially with a smaller group of colleagues, we extend the action to all regional. There is no point being a person who does good for itself, good has to be extended to others, this will generate positive attitudes. I believe that charity is the only way to learn to transform us as people. Doing good to others generates more benefits to yourself, and only those who participates in a voluntary action can understand it. I thank TIM for allowing me to organize these actions within the Company.”*

Priscilla Emilio (Specialist - People Management - People Value - São Paulo)

In 2015, 181 employees of TIM Brasil joined in the “Citizen without Borders” programme.

### Methodology

The Social Value refers to the average daily salary of a TIM Brasil employee (303 reais) multiplied by the number of volunteer days carried out in 2015.



## APPENDIX - DETAILED TABLES

Below is the analytical data for the Company workforce, broken down according to the indications given in standard GRI G4, Comprehensive option. The Group figure includes not only the Domestic, Brazil and Media Business Units, but also other minor entities, for a total of very few units. In accordance with the principle of relevance, no specific column has been added for these entities.

### [G4-10a]

Employees by contract type and gender						
	2015 Permanent contract		2014 Permanent contract		2013 Permanent contract	
	Man	Woman	Man	Woman	Man	Woman
Group	41,660	24,084	41,753	24,166	41,313	24,182
Domestic	35,521	17,001	35,793	17,180	35,988	17,266
Brazil	6,006	7,036	5,884	6,957	5,256	6,884
Media	52	12	66	22	58	25

	2015 Fixed-term contract		2014 Fixed-term contract		2013 Fixed-term contract	
	Man	Woman	Man	Woman	Man	Woman
Group	65	55	55	42	25	21
Domestic	65	55	55	40	24	18
Brazil	0	0	0	0	0	0
Media	0	0	0	0	1	0

### [G4-10b] Employees on permanent and fixed-term contracts, by job type and gender.

Employees on permanent contracts												
	2015				2014				2013			
	Full Time		Part Time		Full Time		Part Time		Full Time		Part Time	
	Man	Woman	Man	Woman	Man	Woman	Man	Woman	Man	Woman	Man	Woman
Group	39,599	15,011	2,061	9,073	39,742	15,039	2,011	9,127	39,155	14,945	2,158	9,237
Domestic	34,523	11,005	998	5,996	34,783	11,107	1,010	6,073	34,904	11,201	1,084	6,065
Brazil	4,944	3,962	1,062	3,074	4,884	3,905	1,000	3,052	4,183	3,715	1,073	3,169
Media	52	11	0	1	66	21	0	1	58	23	0	2

Employees on fixed-term contracts												
	2015				2014				2013			
	Full Time		Part Time		Full Time		Part Time		Full Time		Part Time	
	Man	Woman	Man	Woman	Man	Woman	Man	Woman	Man	Woman	Man	Woman
Group	8	10	57	45	8	8	47	34	2	3	23	18
Domestic	8	10	57	45	8	6	47	34	1	0	23	18
Brazil	0	0	0	0	0	0	0	0	0	0	0	0
Media	0	0	0	0	0	0	0	0	1	0	0	0





**[G4-10c]** Employees on the payroll and agency contract workers, by gender.

Employees on payroll						
	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	41,725	24,139	41,808	24,208	41,338	24,203
Domestic	35,586	17,056	35,848	17,220	36,012	17,284
Brazil	6,006	7,036	5,884	6,957	5,256	6,884
Media	52	12	66	22	59	25

Agency contract workers						
	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	1	2	3	6	1	3
Domestic	1	1	3	5	1	3
Brazil	0	0	0	0	0	0
Media	0	0	0	1	0	0

**[G4-10d]**

Employees by geographic area and gender									
	2015			2014			2013		
	Italy	Abroad	Total	Italy	Abroad	Total	Italy	Abroad	Total
Men	35,516	6,209	41,725	35,706	6,102	41,808	35,876	5,499	41,375
Women	17,038	7,101	24,139	17,172	7,036	24,208	17,276	6,968	24,244
<b>Total</b>	<b>52,554</b>	<b>13,310</b>	<b>65,864</b>	<b>52,878</b>	<b>13,138</b>	<b>66,016</b>	<b>53,152</b>	<b>12,467</b>	<b>65,619</b>

**[G4-10e]**

Employees of suppliers working at the Group offices and whose activities are part of the core business of Telecom Italia <sup>1</sup>

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
External FTE on site	1,801		985		1,869	

<sup>1</sup> The only core business operations that require a significant working contribution from the employees of suppliers at the company offices relate to the development of IT platforms. The data in the table refers exclusively to these cases.



[G4-LA1a]

New employees by age and geographic area

	2015			2014			2013		
	<30	>=30; <=50	>50	<30	>=30; <=50	>50	<30	>=30; <=50	<30
Group	2,850	1,346	75	3,917	1,779	114	3,795	1,409	87
Domestic	137	170	43	241	258	82	186	172	51
Brazil	2,712	1,174	32	3,675	1,511	30	3,606	1,237	34
Media	0	0	0	1	10	2	1	0	2

[G4-LA1a]

New employees by gender and geographic area

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	1,940	2,331	2,781	3,029	2,111	3,180
Domestic	225	125	384	197	245	164
Brazil	1,715	2,203	2,387	2,829	1,863	3,014
Media	0	0	10	3	2	1

[G4-LA1b]

Turnover by gender and geographic area

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	2,029	2,411	2,350	3,058	2,416	3,010
Domestic	431	279	583	306	719	344
Brazil	1,593	2,124	1,763	2,752	1,695	2,664
Media	1	1	2	0	1	1

[G4-LA1b]

Turnover by age and geographic area

	2015			2014			2013		
	<30	>=30; <=50	>50	<30	>=30; <=50	>50	<30	>=30; <=50	<30
Group	2,397	1,705	338	3,283	1,682	443	3,450	1,588	388
Domestic	162	264	284	129	355	405	267	451	345
Brazil	2,235	1,435	47	3,151	1,326	38	3,183	1,133	43
Media	0	1	1	2	0	0	0	2	0



## [G4-LA3b]

## Employees who benefited from parental leave, by gender

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	172	1,301	191	1,796	177	1,775
Domestic	61	756	81	1,244	71	1,290
Brazil	111	543	110	549	106	483
Media	0	0	0	2	0	1

## [G4-LA3c]

Employees who returned after having benefited from parental leave, by gender <sup>1</sup>

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	*	*	189	1,785	175	1,759
Domestic	*	*	80	1,239	71	1,278
Brazil	*	*	109	546	104	473
Media	*	*	0	2	n.a.	n.a.

\* The data will be available from end 2016

## [G4-LA3d]

Employees at work after a year from the end of parental leave, by gender <sup>2</sup>

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	*	*	160	1,629	145	1,586
Domestic	*	*	76	1,216	70	1,260
Brazil	*	*	84	413	75	326
Media	*	*	0	2	n.a.	n.a.

\* The data will be available from end 2016

## [G4-LA3e]

## (return to work rate) Percentage of employees returned to work after parental leave out of total employees benefiting from leave (LAc/LAb)

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	*	*	99%	99%	99%	99%
Domestic	*	*	99%	100%	100%	99%
Brazil	*	*	99%	99%	98%	98%
Media	*	*	0	100%	n.a.	n.a.

\* The data will be available from end 2016

<sup>1</sup> Please note that in the table, the year of return of employee x has not been calculated according to the year in which x effectively returned, but according to the year in which x took leave. Therefore, if x took leave in 2014 and returned in 2015, his return is in any case reported in the 2014 column. This is why the data for the 2015 column is still partial and not yet able to be published.

<sup>2</sup> Please note that in the table, the year of continued work of employee x has not been calculated according to the year in which x was at work after 12 months of leave, but according to the year in which x took leave. Therefore, if x took leave in 2014 and after 12 months was still at work in 2015, his continuation at work is in any case reported in the 2014 column. As we do not yet know which, of the employees who went on leave in 2015 will still be at work after 12 months, we are unable to calculate the figure for 2015.



**[G4-LA3e]**

(retention rate) Percentage of employees at work after 12 months from the end of parental leave out of total employees benefiting from leave (LAd/LAb)

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	*	*	84%	91%	83%	90%
Domestic	*	*	94%	98%	99%	99%
Brazil	*	*	76%	75%	72%	69%
Media	*	*	n.a.	100%	n.a.	n.a.

\* The data will be available from end 2016

**[G4-LA6a]**

Injury rate out of total workforce\* (number of injuries over hours worked)

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	7.58	3.53	8.12	3.63	7.70	3.19
Domestic	8.70	4.15	9.57	4.80	8.75	4.16
Brazil	0.96	2.31	0.88	1.40	1.63	1.17
Media	22.68	0.00	0.00	0.00	0.00	0.00

\*Temporary workers are not considered in this type of record. Their incidence on a Group level is in any case very small (3 people as at 31.12.2015)

**[G4-LA6a]**

Days lost over workforce\* (days of injury over working hours)

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	0.18	0.12	0.29	0.07	0.17	0.07
Domestic	0.21	0.16	0.35	0.10	0.20	0.09
Brazil	0.01	0.03	0.01	0.01	0.03	0.01
Media	0.14	0.00	0.00	0.00	0.00	0.00

\*Temporary workers are not considered in this type of record. Their incidence on a Group level is in any case very small (3 people as at 31.12.2015)

**[G4-LA6a]**

Absenteeism rate out of total workforce\* (total hours of absenteeism over working hours)

	2015		2014		2013	
	Man	Woman	Man	Woman	Man	Woman
Group	5.52	9.94	6.39	10.28	6.87	12.52
Domestic	5.98	11.50	7.14	11.74	7.58	15.07
Brazil	2.69	6.74	2.34	7.27	2.44	6.72
Media	10.62	11.77	12.01	13.01	10.90	10.77

\* Temporary workers are not considered in this type of record. Their incidence on a Group level is in any case very small (3 people as at 31.12.2015)



## [G4-LA6a]

## Occupational disease rate out of total workforce\* (number of cases over workforce)

	2015		2014	
	Man	Woman	Man	Woman
Group	0.03	0.00	0.03	0.01
Domestic	0.04	0.01	0.04	0.02
Brazil	0.00	0.00	0.00	0.00
Media	0.00	0.00	0.00	0.00

\* The figure on occupational diseases has only been recorded as from 2014, hence it has not been possible to also include data for 2013.

\*\* Temporary workers are not considered in this type of record. Their incidence on a Group level is in any case very small (3 people as at 31.12.2015)

## [G4-LA9]

## The following tables report training carried out in Telecom Italia S.p.A., broken down according to gender

2015	Hours		Participation*	Participants	Coverage**
	Totals	Per head			
<b>Total</b>	<b>1,338,273</b>	<b>30.3</b>	<b>250,165</b>	<b>38,892</b>	<b>88.0%</b>
Senior Managers	16,176	25.1	3,158	659	102.2%
of whom women	3,552	31.7	653	114	101.8%
of whom men	12,624	23.7	2,505	545	102.3%
Middle Managers	55,946	16.8	10,681	2,812	84.4%
of whom women	15,059	16.7	2,686	776	85.7%
of whom men	40,887	16.9	7,995	2,037	84.0%
Office Staff/Workers	1,266,152	31.5	236,326	35,471	88.2%
of whom women	289,757	24.5	81,706	10,173	86.1%
of whom men	976,395	34.4	154,620	25,298	89.2%

2014	Hours		Participation*	Participants	Coverage**
	Totals	Per head			
<b>Total</b>	<b>1,458,591</b>	<b>33</b>	<b>266,328</b>	<b>43,388</b>	<b>98.2%</b>
Senior Managers	20,576	30.8	3,870	660	98.8%
of whom women	4,508	42.9	834	105	100%
of whom men	16,068	28.5	3,036	555	98.6%
Middle Managers	63,113	19.6	12,991	3,072	95.6%
of whom women	17,356	19.9	3,652	818	94%
of whom men	45,757	19.5	9,339	2,254	96.2%
Office Staff/Workers	1,374,902	34.1	249,467	39,707	98.6%
of whom women	263,838	22.2	80,882	11,702	98.3%
of whom men	1,111,064	39.1	168,585	28,005	98.7%



2013	Hours		Participation*	Participants	Coverage**
	Totals	Per head			
<b>Total</b>	<b>1,405,825</b>	<b>31.7</b>	<b>218,038</b>	<b>42,946</b>	<b>96.8%</b>
Senior Managers	17,967	26.5	1,964	509	75.2%
of whom women	3,980	39	426	91	89.2%
of whom men	13,987	24.3	1,538	418	72.7%
Middle Managers	73,971	23.8	9,210	2,784	89.6%
of whom women	21,158	25.8	2,693	731	89.1%
of whom men	52,813	23.1	6,517	2,053	89.8%
Office Staff/Workers	1,313,887	32.4	206,864	39,667	97.7%
of whom women	323,310	26.9	63,652	11,539	96%
of whom men	990,577	34.7	143,212	28,128	98.4%

\* Shows the overall number of participation in training sessions, in the various forms provided (classroom, online, training on the job).

\*\* Coverage refers to the percentage of participants compared to the total, i.e. the % of human resources of Telecom Italia S.p.A. who took part in at least one training session in each individual category (senior managers, middle managers, office workers).

[G4-LA13a]

Ratio of women/men according to basic salary and ratio of women/men according to remuneration, broken down according to each professional category

Italia -Telecom Italia S.p.A.		2015	2014	2013
Senior Managers	GAS	0.91	0.92	0.93
	TAR	0.90	0.92	0.93
Middle Managers	GAS	0.95	0.95	0.95
	TAR	0.94	0.94	0.94
Office Staff/Workers	GAS	0.95	0.95	0.94
	TAR	0.95	0.94	0.96
<b>Brazil</b>				
Senior Managers	GAS	0.74	0.76	0.78
	TAR	0.77	0.73	0.80
Middle Managers	GAS	0.94	0.94	0.94
	TAR	0.94	0.94	0.94
Office Staff/Workers	GAS	0.63	0.61	0.58
	TAR	0.62	0.62	0.58

GAS = Gross Annual Salary, comprising recurring fixed remuneration.

TAR = Total Annual Remuneration, comprising the Gross Annual Remuneration + bonuses awarded during the reference year (the bonuses may refer to individual or group incentive systems or take the form of special awards or meritocratic policy awards).