REGULATIONS OF THE NOMINATION AND REMUNERATION COMMITTEE OF TELECOM ITALIA S.P.A.

UPDATED ON 24 SEPTEMBER 2018
Article 1 - Composition and nomination

1.1 The Nomination and Remuneration Committee of Telecom Italia S.p.A. (hereinafter the “Committee”) is constituted by resolution of the Board of Directors under Article 13.2 of the Bylaws, in line with the provisions of the Corporate Governance Code drawn up by the Corporate Governance Committee of Borsa Italiana (the “Code”) to which Telecom Italia S.p.A. (hereinafter also the “Company”) adheres, and with Article 7 of the Company’s Corporate Governance Principles.

1.2 The Board of Directors appoints and revokes the members of the Committee, determining their number (not fewer than 3) until a different number is established. The Committee comprises non-executive Directors, the majority of whom are independent directors, with at least one Director from a minority slate submitted pursuant to the Bylaws.

1.3 The members of the Committee must have adequate expertise in relation to the tasks which they are called upon to perform. At least one member of the Committee possesses expertise in financial matters or remuneration policies.

1.4 At its first meeting, the Committee nominates from among its independent members, a Chairman, who coordinates its proceedings and speaks on its behalf to the Board of Directors and its Chairman. In the event that the he or she is absent or unable to act, the Chair shall be replaced by the oldest member of the Committee.

1.5 The Secretary of the Board of Directors performs the role of Secretary and assists the Committee in carrying out the relative activities.

Article 2 – Mode of operation

2.1 The Committee shall meet as often as necessary to perform its functions. The Chairman of the Committee calls meetings on his own initiative or at the request of at least two of its members. The request to call meetings can also come from the Chairman of the Board of Directors, from the Chief Executive Officer or from the Chairman of the Board of Statutory Auditors.

2.2 The notice calling the meeting shall indicate the place, date and time of the meeting, as well as the list of the topics to be covered, separating those relating to the Committee’s responsibilities as the nomination committee or as the remuneration committee pursuant to the Code. The notice shall be sent by the Secretary or by his/her office, as instructed by the Chair, by suitable means in view of the notice period, usually of no less than five days, except in case of urgency, when the notice must be issued in any event at least twelve hours in advance. A copy of the notice shall be sent to the Chairman of the Board of Statutory Auditors, and also - for information - to the Chairman of the Board of Directors and to the Chief Executive Officer.

2.3 Any documentation relating to the matters on the agenda is made available to the members of the Committee and the Chairman of the Board of Statutory Auditors, normally at the same time the meeting is called and in any event with as much notice as circumstances allow, with the same procedures as are adopted for the distribution of the material for the information of the Board of Directors.

2.4 The meeting of the Committee shall be valid if a majority of its serving members are present (in person or by telecommunication means that allow members to participate in the debate with equal information, or electronically), and decisions shall be made by an absolute majority of those present. The Chairman of the Board of Statutory Auditors, or other Auditor designated on each occasion by said Chairman, takes part in the proceedings of the Committee, without prejudice to the right of the other Statutory Auditors to take part in the Meeting. The Committee, with reference to the single items on the agenda, can also invite the Chairman of the Board of Directors, representatives of management, consultants or other individuals to take part in the meeting. No Director takes part in the meetings of the Committee where proposals for the Board are formulated relating to his/her own remuneration.
2.5 The Committee’s resolutions are recorded in the minutes signed by the Chair of the meeting and by the Secretary, separately showing the topics covered under the Committee’s responsibilities as the nomination committee or as the remuneration committee pursuant to the Code. These minutes shall be made available to the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors.

2.6 The Committee reports on the activities to the Board of Directors in the most appropriate manner, and in any case on each occasion at the first possible meeting, through its Chairman, or, in his absence, the senior member in age.

2.7 For all matters not disciplined here, the operational rules that apply to the Board of Directors shall apply to the Committee, insofar as they are compatible.

Article 3 - Responsibilities

3.1 The Committee performs the tasks assigned by the Code to the remuneration committee and to the nomination committee, as well as any further tasks assigned by the Corporate Governance Principles of the Company and the Board of Directors. It also exercises the powers laid down in the procedure for undertaking transactions with related parties, that the company adopted pursuant to Consob Regulation n. 17221/2010.

Article 4 - Powers and resources

4.1 The Committee shall have the right of access to the necessary information and company departments needed to carry out its duties. It may make use of Company structures or external consultants of its choice, at the Company’s expense.

4.2 The Committee performs its investigative, consulting and proposing role essentially with respect to the full Board of Directors, directly or in coordination with the Chairman of the Board of Directors. It also has the right to propose policies and make recommendations directly to the Chief Executive Officer or the management, notifying the Chairman of the Board of Directors in timely fashion of such proposals.

Article 5 - Final provisions

5.1 The Committee shall periodically verify the suitability of these Regulations and submit to the Board of Directors any proposals for amendments or additions.