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# Sustainability Report

## 2016



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# ABOUT TIM







## OUR PROFILE

TIM Participações S.A. is a holding company, with shares traded on the São Paulo Stock Exchange (B3) and on the New York Stock Exchange - NYSE. TIM is the only company in the telecommunications industry listed on B3's "Novo Mercado," recognized for requiring the highest level of corporate governance. At the end of 2016, TIM secured its position within the select group of companies that integrate the Corporate Sustainability Index (ISE), as the only company in the telecommunications industry listed in the index for nine consecutive years. In 2014, TIM established the Statutory Audit Committee according to the Company's Bylaws, with a view to further improve its governance processes.

In May 2016, the Board of Directors appointed economist Stefano De Angelis as the new chairman of TIM Brazil. De Angelis' experience working for the Telecom Italia Group spans 20 years, formerly serving as CFO (Chief Financial Officer) at TIM Brazil (2004 to 2007), Director of Planning and Control (2007 to 2013) and Commercial Director at Telecom Italia S.p.A (2007 to 2013), and chairman of Telecom Argentina between 2013 and 2014.

Controlled by TIM Brasil Serviços e TIM Participações S.A., TIM Participações is a subsidiary of Telecom Italia group, sharing experiences and adopting a policy of good practices with the parent company to build up synergies

that benefit both its operations and customers. The company operates in mobile telephony, fixed telephony and data transmission across the Brazilian territory, through the subsidiaries TIM Celular S.A. and Intelig. TIM provides the benchmark for ultra-broadband services with TIM LIVE, covering the metropolitan areas of the states of Rio de Janeiro and São Paulo.

Based in Rio de Janeiro, the company employs 10.4 thousand people in all regions of Brazil, and is at the forefront of 4G coverage, reaching 1,255 cities, twice as many locations compared to the second placed operator. Keeping its commitment to a long-term vision and to improving customer experience, TIM invested 29% of its total revenue in infrastructure, which amounted to BRL 4.5 billion.

The macroeconomic scenario in 2016 remained relatively challenging, with high unemployment rates and contraction of the gross domestic product (GDP). We achieved BRL 22.7 billion in gross revenue, with an annual negative variation of 11.7%. Our net equity was BRL 17.2 billion while current and non-current loans amounted to BRL 1.1 billion and BRL 5.6 billion, respectively.

[Read more about TIM's economic performance in the Taking care of business section.](#)

**4G**  
Leadership



**1,255**  
cities covered



**Twice**  
**more cities**  
than the 2nd placed



**Only**  
**telecommunications**  
**company**

**listed on the**  
**São Paulo Stock**  
**Exchange's Novo**  
**Mercado**





## A LETTER FROM THE CEO

I took on the role of chairman of TIM Participações in a challenging moment for both the industry and the country. Despite this scenario, we have attained very positive financial and operational results and we look ahead to a bright future. Without a doubt, TIM remains confident and prepared to take solid steps to keep ruling the industry from on high.

TIM's initiatives are focused on four key pillars – infrastructure, commercial offer, customer experience and efficiency –, which will guide the entire planning and all actions taken by the company over the next three-year period. In short, this means we will continue investing heavily in the expansion and modernization of our network – today, TIM is the leading provider of 4G in cities covered with that technology –, combined with innovative and improved offers to ensure the best customer experience.

We all know that a large company's business operation goes beyond strictly economic and financial goals. TIM reinforces its commitment to sustainable and efficient management of resources, ongoing development of its human capital,

large investments in technology and transparent dialogue with institutions and society. Its mission to broaden access to science, technology and innovation in the Country is also reflected by the principles and strategies of Instituto TIM [TIM Institute].

TIM remains the only company in the telecommunications industry listed on the São Paulo Stock Exchange (B3)'s "Novo Mercado," – which requires the highest level of corporate governance –, and is the company listed on B3's Corporate Sustainability Index (ISE) portfolio for the longest time. As signatories of the Global Compact, we reaffirm our commitment to adopting its principles in our strategy, culture and daily operations. As such, this report serves as the company's Communication on Progress regarding the application of those principles. We also run our business according to the principles set out in the Code of Ethics and Conduct and in the Anti-Corruption Policy.

I would like to thank all of you who have striven to reach our goals, particularly our employees and partners. TIM is a company made of people working for people.

**Stefano De Angelis**  
Chief Executive Officer  
of TIM Participações



***“Our activities are focused on four key pillars – infrastructure, commercial offer, customer experience and efficiency”***



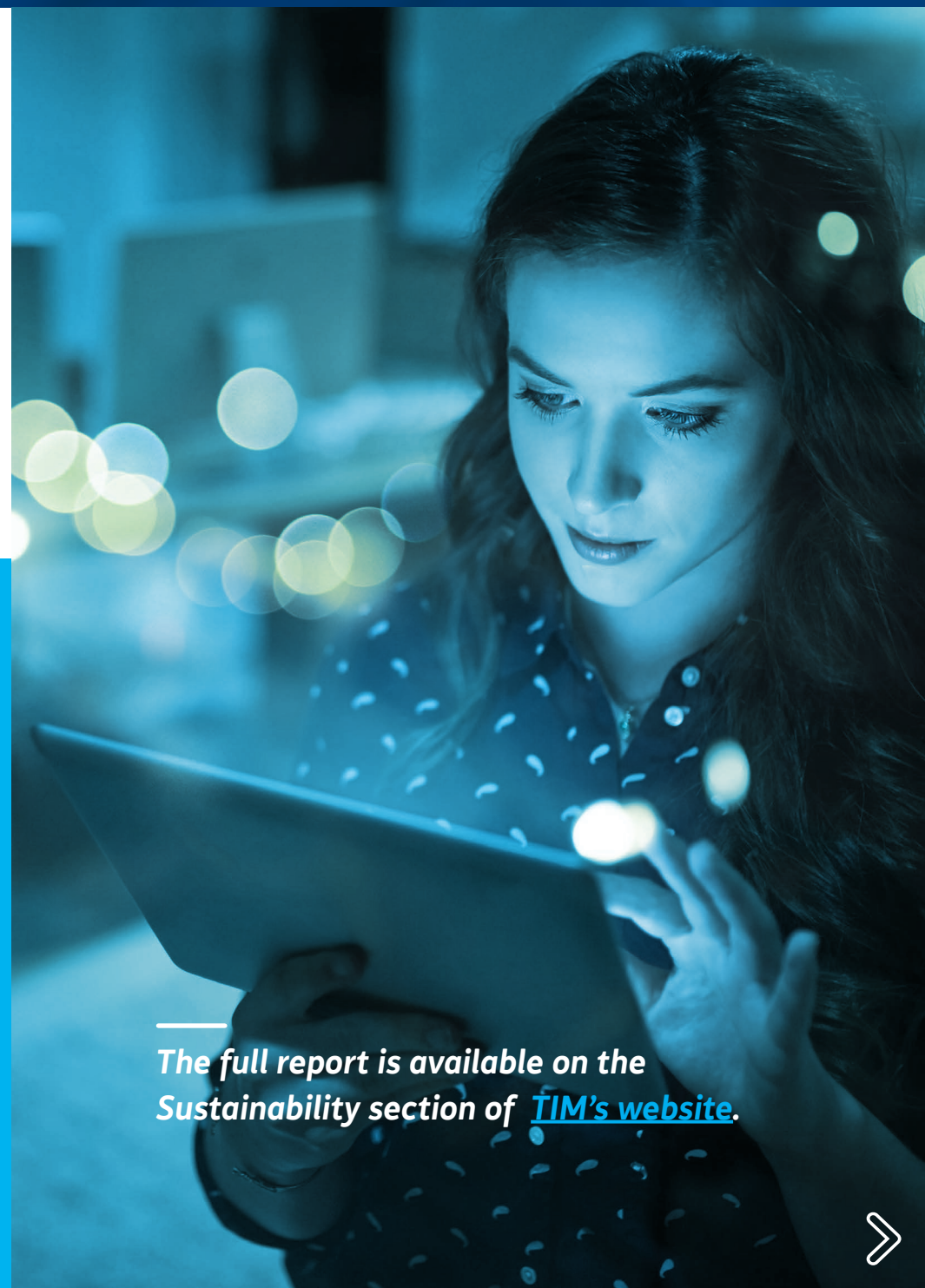
## ABOUT THIS REPORT

This is the short version of TIM's ninth sustainability report, developed according to the guidelines of the Global Reporting Initiative (GRI), version G4, Core option. For the period of 2016 (January 1 to December 31), the reporting of indicators comprises activities of TIM Participações S.A. in Brazil, including its two subsidiaries – TIM Celular S.A. and Intelig Telecomunicações Ltda., fulfilling the company's commitment to disclose its economic, social and environmental goals and results to society.

## Material topics

- *Customer satisfaction and service quality*
- *Incentives to innovation applied to products and services*
- *Transparency and accountability to stakeholders*
- *Ethical conduct in business*
- *Digital inclusion*
- *Dialogue and communication with stakeholder groups\**
- *Managing electronic products\**
- *Investment in infrastructure and development of new technologies.*

\*For better understanding of material topics, TIM joined "Communication between the company and its stakeholder groups" and "Dialogue with stakeholder groups". In the topic described as "Managing electronic products", the term "waste" was substituted with "products".



The full report is available on the  
Sustainability section of [TIM's website](#).







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# COMMITMENT





TIM believes its business activities should be aligned with all of its stakeholders' expectations. Its values include recognizing to be a part of a broader common project and collaborating by investing its talent and efforts in each and every action.

The company continues pursuing the motto "Evolving is doing things differently", which guided its institutional campaign to launch TIM's new logo and marketing positioning in 2016. TIM is aware of the challenges ahead. The Brazilian mobile telephony industry is one of the most competitive in the world, and one of the very few featuring four major competitors with nationwide presence and a market share ranging from 17% to 30%.

To secure its position in such a competitive market – as a quality-oriented operator with leverage to compete in high value segments –, the company will follow-up its strategy towards greater operational and organizational efficiency, infrastructure expansion, refining customer service channels, as well as recovering the postpaid segment, by adopting a more comprehensive portfolio and the concept of "more for more".

## Our Mission

Connecting and caring about each one so that everyone is able to achieve more.

## Our Vision

Be the country's number one choice in telecommunications services.

## Our Values

- CUSTOMER CARE
- TRANSPARENCY
- INNOVATION
- COMMITMENT
- AGILITY

## Human Rights

TIM believes that companies must play a major role in protecting human rights, and had been committed to the subject long before joining the UN's Global Compact in 2008. In 2015, the operator reiterated its commitment by joining the Human Rights Working Group organized by the Global Compact Network Brazil.

For TIM, the concept of human rights means respecting and ensuring non-violation of internationally recognized rights that go beyond the common understanding of workers' rights and non-discrimination. On a broader scale, it also comprises data privacy, internet security, access to information, freedom of speech, among others.







## Policies

TIM counts on a set of regulatory policies and documents, such as the Code of Ethics and Conduct, which guide the company's practices and actions on different subjects. TIM believes that complying with such tools to fulfill the commitments undertaken with its stakeholders translates into responsible management. The full versions of some of the policies highlighted below are available on the investor relations site: [www.ri.tim.com.br](http://www.ri.tim.com.br).

- **SOCIAL RESPONSIBILITY POLICY**
- **ENVIRONMENTAL POLICY**
- **CLIMATE CHANGE MANAGEMENT POLICY**
- **SAFETY AND OCCUPATIONAL HEALTH POLICY**
- **FREE MARKET DEFENSE**
- **RELATED-PARTY TRANSACTION POLICY**
- **RELATIONS WITH SUPPLIERS IN A TIM PURCHASING PROCESS**
- **ENGAGEMENT POLICY**
- **MARKETING COMMUNICATION POLICY**
- **CORPORATE RISK MANAGEMENT POLICY**
- **ANTI-CORRUPTION POLICY**
- **CONFLICT OF INTEREST MANAGEMENT POLICY**
- **INTANGIBLE ASSET MANAGEMENT POLICY**
- **NON-PROFIT DONATIONS**

## Institutional Partnerships and Participation in Sustainability Indexes

We reaffirm our commitment to social, environmental and ethical demands by taking part in various initiatives and global treaties. TIM believes that engaging in these resolutions will not only broaden the visibility of important subjects for society, but will also allow the company to keep pace with the best practices in the market and incorporate more efficient actions to its management.

As a signatory of UN's Global Compact, TIM is engaged in collaborating with the 17 Sustainable Development Goals (SDGs). This important global agenda adopted by the 193 member states of the United Nations seeks to build on the Millennium Development Goals and complete what these did not achieve.

**Learn about the company's key initiatives below:**

- **GLOBAL COMPACT**
- **GLOBAL REPORTING INITIATIVE (GRI)**
- **CORPORATE SUSTAINABILITY INDEX (ISE)**
- **COMPANIES FOR THE CLIMATE (EPC)**
- **CARBON DISCLOSURE PROJECT (CDP)**
- **MSCI GLOBAL SUSTAINABILITY INDEX**



# OUR GOALS



Achieved



Not achieved

To move forward with its Corporate Social Responsibility program, TIM sets out annual performance goals in specific subjects, based on goals and outcomes recorded in the previous year. The table below displays the performance in 2016 and the targets for 2017.

SUBJECT	INDICATOR	UNIT OF MEASURE	2016 TARGET	OUTCOME	2017 TARGET
Volunteering	One working day allowed for employees who volunteer to work in the Citizens Without Borders program.	%	1.5	1.6	1.5
Training	Training (total hours in the classroom + online + on the job).	No. of hours	Adjusted to 640,378 <sup>1</sup>	692,571	450,000 <sup>2</sup>
Training	New employees trained in sustainability issues.	%	90	91	90
Environment / Batteries	Collection of end-of-life mobile phones, batteries and other accessories for recycling.	Tons	2	0.96 <sup>3</sup>	2
Environment / Waste	Recycling of waste generated in the offices (recycled waste / total waste generated).	%	25%	21% <sup>4</sup>	10% <sup>5</sup>
Environment / Water	Reducing water consumption in the offices.	%	1% reduction	18% reduction <sup>6</sup>	1% <sup>7</sup>
Energy / Network	Limit of increase in the mobile network power consumption.	%	22%	21.7%	12%
Supplier management	Suppliers evaluated on sustainability issues.	No. of suppliers	200	433	250

<sup>1</sup> The 820,000 target had to be adjusted to 640,378 due to budget cuts and staff reorganization.

<sup>2</sup> The 2017 target reduction was due to closure of two call centers (which accounted for a large volume of training hours) and budget cuts.

<sup>3</sup> SIM cards discarded by the Distribution and logistics Centers (CDLs) will be taken into account in 2017.

<sup>4</sup> TIM recycled nearly 17 tons of paper with the disposal measure; however, a very high volume of waste was generated with the construction works in the transfer of the headquarters in Rio de Janeiro.

<sup>5</sup> The amount of recyclable waste generated in offices decreased compared to non-recyclable waste due to several actions implemented through printer pool efficiency, including paper reduction (read more in [Material and waste management](#)).

<sup>6</sup> The 18% reduction was achieved with demobilization of many square meters of administrative offices throughout

2016, reducing the installed real estate plant volume (including two call centers that consumed a lot of water given the high number of employees and operating hours), as well as of water saving measures, such as rainwater collection and harvesting water from air conditioners.

<sup>7</sup> Despite the 18% reduction in water consumption in 2016 over 2015, the goal for 2017 was kept at 1%, still deemed a challenge due to the office plant resizing, the transfer of the headquarters in Rio de Janeiro to an energy-efficient building certified as LEED Silver, as well as improvement of equipment and expansion of the plant installed in technical areas of mixed-use buildings (which requires more air conditioning and higher water and energy consumption). The target attainment ratio will be calculated based on the average water consumption of the administrative buildings that remained in operation in December 2016. [Learn more in Water.](#)



# CORPORATE GOVERNANCE

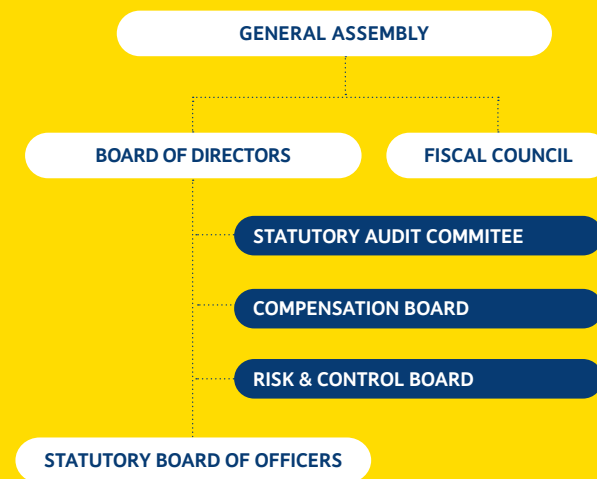
## Ownership structure



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

\*\* TIM Celular S.A. holds 1 quota of Intelig Telecomunicações Ltda.

## INSTANCES OF CORPORATE GOVERNANCE



## Tim Participações' governance structure

TIM's Board of Directors is a joint deliberative body responsible for the senior management of the company. It consists of at least five and at most 19 members, who may be elected and removed by the General Assembly. They serve a term of two years, with re-election permitted.

To increase its corporate performance, the Board counts on three specialized committees with defined goals: Statutory Audit Committee (CAE), Compensation Board (CR), and Control and Risk Board (CCR).

## Risk management

Risk management practices at TIM have been evolving and consolidating a culture of prevention and identification of opportunities, and serve as a strategic tool to create value for the company. The Corporate Risk Management Policy outlines our management model, known as Enterprise Risk Management (ERM). Aligned with the practices adopted by Telecom Italia, it enables identifying and managing the risks homogeneously within the group's companies, classifying risks in four categories – operational, strategic, communication and compliance.





## Ethics and transparency

TIM is committed to running its businesses with ethics, professionalism, and transparency and according to law. To reinforce this commitment, the company has established an Organizational Model based on the analysis of public or private corporate relations and processes that are sensitive to all Anti-corruption regulations, in particular to Federal Law No. 12.846/2013. This law rules on the administrative and civil liability of legal entities involved in harmful acts against the public/private administration, whether national or foreign.

TIM rejects and condemns unlawful and improper behaviors (including acts of corruption of any kind) aimed at attaining economic goals. Its Anti-Corruption Policy is based on the values and principles of the Code of Ethics and Conduct and the Conflict of Interest Policy, and defines the sensitive areas and guidelines to control such processes. It applies to corporate bodies, directors, executives, employees and anyone doing business with TIM.

## Public policies

TIM actively participates in major debates conducted by the telecommunication industry as a member of the National Union of Fixed and Mobile Telecom Companies of Brazil (SindiTelebrasil) and the Brazilian Association of Competitive Telecommunications Service Providers (Telcomp). The activities carried out alongside these and other institutions are based on international laws of corporate governance, on Brazilian and North American anti-corruption laws, on the Code of Ethics and Conduct as well as on internal transparency and efficiency Policies.

In 2016, the discussion agenda comprised subjects such as the regulation of the Civil Rights Framework for Internet Use (in Brazil) and the amendment of the General Telecommunications Law (LGT).





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# INNOVATION AND AGILITY







## NEW TECHNOLOGIES

Innovation and agility are two of TIM's cornerstones, paramount to thrive in a society driven by technology and to operate in an ever-evolving industry. In telecommunications, being at the forefront means having a competitive edge. That's why TIM taps into everyone's creativity to achieve more, better and faster in an increasingly complex and dynamic world.

With the aim of fostering this environment of digital ideas and solutions, TIM counts on the Innovation & Business Development department to orchestrate all of its innovation activities, with support from the Innovation & Technology department. The company also intends to build an ecosystem of partners – including startups – to encourage entrepreneurship and strengthen the internal environment in the quest of new business models.

From the BRL 4.5 billion invested in 2016, TIM allocated BRL 2.9 billion and BRL 889 million to information technology and information network, respectively, in order to expand coverage and capacity to support the growth of voice and data traffic.

Its nationwide operations cover more than 3,460 cities and approximately 95% of the Brazilian urban population. The company also offers extensive data coverage across the Country by employing the latest 3G and 4G technologies, available to 89% and 74% of the urban population, respectively.

**Starting in 2017,  
our 4G coverage  
will be transmitted  
also on the 700 MHz  
frequency**



**a range four  
times greater**  

---

**than the current  
1,800 MHz and 2,600  
MHz bands.**







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# CONNECTING AND CARING ABOUT EACH ONE





# TAKING CARE OF BUSINESS

## Economic performance

In 2016, the Brazilian economy faced another year of GDP contraction, 3.6% down, in addition to high interest and double-digit unemployment rates, despite the forecast of fiscal and political stabilization starting in the second half of the year. From the political standpoint, the country saw the second impeachment process of its history, with the new Government team working to regain credibility, starting with changes in the economic guidelines, debates on the welfare reform, by launching granting programs and other economic incentives.

To recover and change its business performance path in view of such scenario, TIM carried out many actions after the first quarter, such as new offers, price repositioning, greater focus on postpaid plan, additional efforts towards efficiency and continuous deployment of networks with 3G and 4G technologies. Our efficiency plan, started in 2015, has evolved into a larger program with additional challenges and with the goal to save BRL 1.7 billion between 2016 and 2018. The company met a significant part of this goal along 2016, by attaining BRL 1.2 billion in savings and, despite upward pressures, with greater focus on postpaid and increased off-net traffic, the total normalized OPEX of the year dropped by 11.5%, reaching BRL 10.4 billion.

***Progress on the efficiency plan: leaner organization, greater savings and higher EBITDA margin.***



**BRL 4.5 billion**  
invested



**800+**  
**new cities**  
covered with 4G



**1.2 billion**  
saved with the  
efficiency plan



# TAKING CARE OF CUSTOMERS

## Transparent communication

### CUSTOMERS

One of TIM's four strategic pillars, customer experience took on a whole new level with a department specifically designed to manage the subject, whose guidelines TIM intends to implement across all processes, until it becomes part of the company's culture. At TIM, customer experience is much more than a concept; it is rather a customer-oriented business practice, with principles adopted from Telecom Italia and applied to TIM's portfolio and to the Brazilian reality. This initiative gave rise to three guidelines that TIM will adopt in all of its actions:

- **Clear and transparent communication.**
- **Giving customers the autonomy to set up the service that best meets their needs, with convenience and agility.**
- **Proactively repairing and informing customers about any issues and flaws with the services.**

Despite the challenges, the company is very optimistic with the path chosen to achieve these goals. With a current customer base amounting to 63.4 million users – reversing the negative result of prior periods –, TIM was able to achieve a solid performance in the postpaid segment last year, by adding of 1.3 million new lines,

while securing its leadership position in the prepaid segment, with 48.5 million customers.

The company remained the leading 4G provider, covering 1,255 cities, or 74% of the country's urban population. This increase represented three times the number of cities compared to 2015. As for 3G, TIM expanded its coverage to nearly one thousand new cities – a 55% increase –, reaching 2,833 cities and 89% of the urban population. With regard to fixed broadband, it is worth mentioning the 32% increase in TIM Live subscriptions by the end of 2016, totaling 306,000 users in the metropolitan regions of São Paulo and Rio de Janeiro.



**63.4  
million  
customers**



**+ 1.3  
million  
lines in  
postpaid**



**Leadership in the  
pre-paid segment:  
48.5 million  
users**



**55%  
growth in  
3G coverage**







# TAKING CARE OF PEOPLE

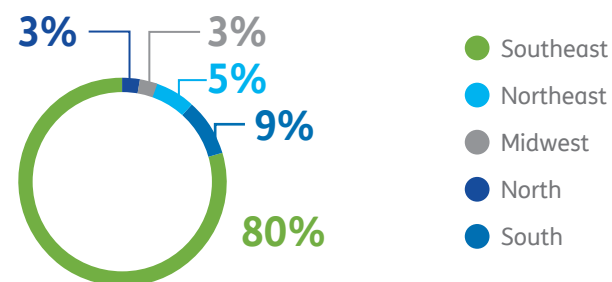
## Human resources

Ensuring the development and management of employees and developing the organizational model and corporate macro-processes according to TIM's strategic goals is the new mission of the Human Resources department, which values the intellectual capital as its main asset.

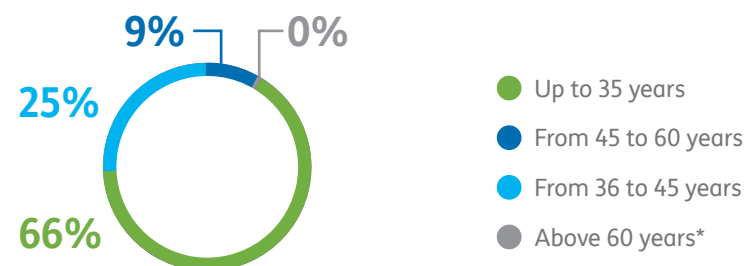
TIM experienced major challenges and achievements last year, in view of another adverse macroeconomic period combined with the company's performance. The reduction of our staff was crucial to fulfilling the efficiency plan, which encompassed all areas of the company. TIM made all efforts to offer a special severance package to minimize the impacts on dismissed employees. The aid included compensation for length of service of up to five salaries and extended compensation after termination, such as health insurance; career transition support, financial consulting and social and psychological assistance were also provided. In addition, we trained and guided our managers in conducting this process, seeking to ensure due care and respect with people.

At the end of 2016, our workforce comprised 10.4 thousand employees – 51% women and 49% men. Our staff was reduced by 25% compared to 2015. Among the Brazilian regions, the majority of employees is located in the Southeast, representing 80%, as depicted in the next chart.

DISTRIBUTION OF EMPLOYEES BY REGION



BREAKDOWN OF EMPLOYEES BY AGE GROUP



\*32 employees are aged over 60.



**10.4**  
**thousand**  
**employees**

**51%**  
**women**



**49%**  
**men**

**80%**  
**in the Southeast region**



## Diversity

TIM believes that diversity is a reflection of society and, consequently, of the labor market. The company fosters a culture of respect and appreciation of differences, trusting the fact that the more diverse a group is, the greater is the exchange of experiences and solutions, which helps build a healthy work environment and a competitive advantage in the market.

As described in its Social Responsibility Policy, any expression or form of discrimination, whether based on sexual orientation; ethnic origin; gender; disability; age, among others, is expressly forbidden.

The 2016/2018 collective labor agreement allowed employees, from January 2017, to use their preferred name (known in Brazil as “social name”) on the work badge, according to their gender identity. The request may be made regardless of formalization with the State. The company is confident that this measure has strengthened its diversity practices.





# TAKING CARE OF SOCIETY

## Generating value

Value generation at TIM goes way beyond the infrastructure projects developed by the company. We are driving innovation in an increasingly digital world, where the development of high speed networks have been creating transformations the same way the telecommunications and electric power networks did in the past.

Information and communication technologies (ICTs) are emerging in the most diverse sectors of society, contributing to economic and social growth. TIM's participation in this area has been mainly focused on the construction of public policies and on open spaces of innovation, whether corporate or academic.

Besides job creation, its business activities also have a major indirect economic impact on tax revenues, with payment of municipal, state and federal taxes.

## Instituto TIM

In 2016, Instituto TIM continued developing educational and free technology projects across the country, reaching more than 250,000 people through its initiatives. Committed to creating and strengthening resources and strategies for democratization of science and innovation in order to promote human development in Brazil, Instituto TIM operates in four dimensions:

### EDUCATION

Creating and democratizing resources and strategies to teach science and math.

### APPLICATIONS

Investing in free technological solutions that will improve people's lives.

### WORK

Creating and democratizing teaching strategies to foster a productive technological inclusion of young people.

### INCLUSION

Disseminating new information and communication technologies to support citizenship.

Since 2013, the Institute has implemented actions in 398 cities in 26 states and the Federal District, mobilizing 66 municipal and state departments and three ministries – the Ministry of Education (MEC), the Ministry of Science, Technology, Innovation and Communication (MCTIC) and the Ministry of Culture (MinC) –, and over four thousand public schools, benefiting 16,000 teachers and five hundred thousand students. Instituto TIM has engaged more than 700,000 people in its projects since its creation.

Learn more about Instituto TIM's projects and initiatives at [institutotim.org.br](http://institutotim.org.br).







# TAKING CARE OF THE ENVIRONMENT

## Impact management

Our risk matrix considers environmental accidents as having high potential impact, although there have been very remote chances of occurrence. For that reason, the implementation and operation of Radio Base Stations (RBS or antennas) connecting customer mobile phones to TIM's fixed stations are considered low risk activities.

As described in its Environmental Policy, TIM is committed to controlling the operational aspects of the sites, ensuring compliance with internal standards and with legal and regulatory requirements aimed at mitigating any environmental risks.

## Energy

Energy is the oxygen of industries, paramount to the operation of virtually all the equipment in modern society. The challenge of growth in any productive sector is directly related to the search for new energy sources. Added to this equation, climate change makes this challenge even greater, as the use of fossil fuels increase global warming.

TIM achieved savings of 3,913 MWh in 2016, as a result of initiatives to drive energy efficiency. As for the energy consumed by its mobile network, which accounts for 80% of the total energy consumed in the company, TIM met the target to limit growth in 22%, compared to last year. For 2017, that limit is set to 12%.

TIM is constantly looking for solutions to maximize the use of resources and minimize urban impacts. One example is the RAN<sup>1</sup> sharing agreement for the 4G network, which enables sharing the RBS with other operators.

From the sustainability standpoint, RAN Sharing brings benefits within economic, environmental and social aspects. The 90,000 MWh reduction in 2016 corresponded to cost savings of approximately BRL 140,000,000 (Opex). Another achievement was the prevention of approximately 7,000 tons of CO<sub>2</sub> equivalent emissions, which would otherwise have been released if the power had been consumed in new non-shared towers. Also in the environmental aspect, the initiative reduced the demand for equipment (which may be reduced by 50%) and fuel for tower maintenance activities, optimizing the flow of operators. Lastly, resources that would be invested in the construction of new towers can be reverted to other projects, contributing to the development of telecommunications in the country.



## Water

As a signatory of UN's Global Compact, TIM acknowledges its strategic role in society. Even though its activities do not involve heavy use of water – the largest consumption takes place in its headquarters –, the company is committed to fostering several practices and initiatives to protect this resource.

Since 2015, TIM has been developing initiatives that together saved 14% of the water consumed from the urban supply network in 2016. Furthermore, several other initiatives under implementation have been helping the company reduce the water intake from the public network or other water supply companies, resulting in 33% savings over the last two years.

<sup>1</sup> Abbreviation of the term in English: Radio Access Network.



## Materials & waste management

The environmental impacts arising from the extraction of raw materials from nature and waste disposal into the environment represent a major challenge for all industries. As described in its Environmental Policy, TIM is committed to sustainable and responsible management practices, guided by continuous improvement of working processes and prevention of pollution. To foster recovery and recycling, these practices also include mitigation of waste production and incentives to selective collection.

## Climate change

The Paris Agreement, approved by 195 member countries of the United Nations at the 21<sup>th</sup> Climate Conference (COP21), established an unprecedented global commitment to reducing GHG emissions. One of the proposals is to keep global warming below 2°C, seeking further efforts to limit the temperature increase 1.5°C above pre-industrial levels.

Acknowledging the strategic nature of this issue, TIM strives to monitor and reduce its carbon footprint in the various stages of its activities, such as operation of equipment, transportation of products and commuting.





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## LEGAL COMPLIANCE

TIM believes that conducting business with ethics is paramount to achieving success. Its Code of Ethics and Conduct reinforces the company's position in adopting organizational solutions to prevent any direct or indirect stakeholders from violating the law and the principles of transparency, honesty and loyalty.

To ensure legal compliance – a top priority for the company –, TIM has implemented tools to monitor and follow-up all legal requirements related to its activities. An interdisciplinary team within the Network area is also available to enforce all environmental laws relating to its Radio Base Stations (RBS). This team is supported by representatives of Legal, Institutional, Quality and Compliance.

## Anticompetitive practices

TIM condemns any anticompetitive practices, creation of monopoly or any other conduct that can be characterized as trust. The company carries out its initiatives according to its Free Market Defense Policy (available on TIM's intranet), which has been updated in 2016 to reflect the changes made to legislation and the evolution of the competitive environment. TIM also complies with guidelines from regulatory bodies aimed at securing a competitive market and respect for consumers.





# EXPEDIENT

## TIM BRASIL

### Coordination

TIM Participações S.A. – Regulatory,  
Institutional and Press Relations  
- Corporate Social Responsibility

### Writing and editorial supervision

Patricia Moreira

### Translation and revision

Adriana de Matteo

### Layout and graphic design

Weber Shandwick

### Image bank

iStock







Evoluir é fazer diferente

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[www.tim.com.br](http://www.tim.com.br)

