

## SOCIAL RESPONSIBILITY IN THE TIM GROUP COMPANIES IN BRAZIL

### PREMISE

Connecting and caring about each one so that everyone is able to achieve more – This is TIM's purpose that, available on the site <http://ri.tim.com.br>, in the Company's profile item, besides translating its innovative approach, is also expressed by how the company relates itself with its stakeholders, taking on commitments to sustainable development, putting efforts on long-term economic development activities that respect human rights, protect natural resources and result in welfare improvements, and seek to be aligned with the agenda 2030, the United Nations (UN) initiative that established 17 Sustainable Development Goals (SDG) to promote best practices in companies, governments and civil society.

### ADDRESSEE

The document applies to all companies of the TIM Group in Brazil, including the Instituto TIM (TIM's Institute).

### OBJECTIVE AND SCOPE

The effort of the TIM Group companies in Brazil, for the respect and for the protection of human rights and the working standards, is reinforced in the Ethical and Conduct Code, Anti-corruption and Conflicts of Interest Policies and in the General Principles of Internal Control, all inspired in the ten Principles of Global Compact promoted by the United Nations Organization (UN), in terms of human rights, labour, environment and anti-corruption. The companies of the TIM Group in Brazil and its controlling companies approve and promote these principles together with important UN conventions, in particular the Universal Declaration of Human Rights and the ones of International Labour Organization (ILO), when ratified by Brazil and incorporated to its legislation, which are adopted in order to become a common practice in the company and in relation to external suppliers.

### GENERAL DESCRIPTION OF PROCESS AND RESPONSIBILITIES

**PRINCIPLES:** The principles on which the actions of TIM Group companies in Brazil are based are reported below.

- **Child Labour**

The companies of the TIM Group in Brazil expressly veto any form of child labour that differs from the legal order in force. Aligned to this context, the companies take part of the young apprentice program, as provided by the Federal Constitution and laws in force, making sure not to keep in it as staff any employed people (s) minor (s) eighteen (18) years in night work, dangerous or unhealthy.

- **Forced or analogous to slave labour**

The companies of the TIM Group in Brazil expressly veto any form of work or service non-voluntary, obtained under threat of any punishment or that is requested as a way of canceling a debt. Moreover, it is not required, under any circumstances, that employees leave any kind of deposit during the working relationship maintained.

The documentation required for hiring employees of the TIM Group companies is in accordance with the laws in force.

- **Health and Safety**

The companies of the TIM Group in Brazil guarantee, in all forms, the right to enforce laws on health and safety at work, to prevent against accidents at work and damage to health, in some way, to the exercise of the activity.

The companies of the TIM Group in Brazil, in compliance with the current legal order, appoint representative responsible for health and safety, and also, for the implementation of the measures to guarantee them.

At the time of hiring, is provided to each employee, an integration training about the policy and the procedures related to health and safety at work.

The companies of the TIM Group in Brazil guarantee compliance with the safety and health requirements established by the current legislation.

- **Freedom of Association and Right to Collective Negotiation**

The employees have the legal right to constitute and/or join to trade-union organizations for the protection of individual and collective interests. The companies of the TIM Group in Brazil recognize to a great extent the role of the trade-union as the employees' representative.

- **Discrimination and Harassment**

The companies of the TIM Group in Brazil do not perform or do not allow any form of discrimination regarding hiring, compensation, access to training, promotion, dismissal or retirement, regarding race, social and / or economic class, nationality, religion, disability, gender, gender identity, sexual orientation, trade union or political affiliation, and age.

The companies of the TIM Group in Brazil, in accordance with current legislation, do not allow any type of behavior that is sexually or morally coercive, threatening, offensive or aimed at exploitation of the individual.

- **Disciplinary Procedures**

The companies of the TIM Group in Brazil, under the hypothesis of disciplinary procedures to be adopted with employees, do not realize and do not allow the use of corporal punishment, mental or physical coercion and verbal abuse.

- **Diversity Valorization**

The companies of the TIM Group in Brazil recognize that diversity is a value and a practice to be promoted in all their relationships, not realizing or allowing any expression or form of negative and embarrassing discrimination in their working relationships.

They also encourage the adoption of a respect posture and appreciation of differences, as well as recognition and combat situations of injustice against historically disadvantaged groups, due to factors such as gender, sexual orientation; ethnic origin; gender identity; disability condition; age group, among others.

The companies of the TIM Group in Brazil believe in diversity as a way to maintain a healthy working environment and an organization that is competitive with the market.

- **Working Hours**

The organization of working hours is carried out in accordance with the labour laws in force in Brazil and the agreements with the trade-union organizations under the theme, including with reference to weekly rest and extraordinary work.

- **Compensation**

The remuneration made by the companies of the TIM Group in Brazil to its own employees is in accordance with the provisions of the collective agreements, regarding minimum values and distribution modalities.

In the payroll provided to workers are described, in detail, the items that make up their compensation.

The companies of the TIM Group in Brazil do not use contractual typologies contrary to the provisions of the law or intended to avoid the prohibitions and obligations established by the current norms.

The companies of the TIM Group in Brazil strive to comply with national laws and international conventions on social responsibility.

## **STAKEHOLDERS**

In reference to stakeholders, the principles on which the companies of the TIM Group in Brazil are inspired are those indicated in the company's Code of Ethics and Conduct, which refer to: shareholders, customers, competitors, suppliers, institutions, environment and community.

Follow below:

- **Shareholders**

The companies of the TIM Group in Brazil guarantee the fairness of treatment to all categories of shareholders, in accordance with the statutory restrictions observing the current legal order and applicable regulations.

- **Customers**

The companies of the TIM Group in Brazil focus on excellence and attention to customers as guiding elements in all its service activities aimed at satisfying the needs of its customers. They also observe, in full, the legal system in force on the protection of consumer rights.

- **Competitors**

The companies of the TIM Group in Brazil promote fair and functional competition for their interest and that of all market operators, customers and other interested parties. The company follows the guidelines coming from regulatory bodies that seek to ensure a competitive market and respect for consumers.

- **Suppliers**

The companies of the TIM Group in Brazil ensure that the purchasing processes are designed to provide products / services in the best market conditions, while ensuring quality, safety, respect environmental, social and anti-corruption requirements. In this sense, the processes and regulations are guided by global guidelines, such as: International Standards (SA 8000, ISO



9001, ISO 45001, ISO 14001 and ISO 26000) and the UN Guiding Principles on Business and Human Rights.

In the scope of service provision, TIM establishes guidelines expressed in its Code of Conduct that guide the performance of its contractors in guaranteeing rights and combating any form of exploitation - whether it be child labour and / or forced or analogous to slave labour - and also, discriminatory attitudes in their activities and dependencies.

- **Institutions**

The companies of the TIM Group in Brazil maintain a relationship of collaboration and transparency with national and international institutions to facilitate the dialogue on topics of specific interest.

- **Environment**

The companies of the TIM Group in Brazil act in a responsible way in the use of natural resources, aiming at a sustainable development observing the respect, preservation and promotion of the environment and the future of the next generations.

- **Community**

The companies of the TIM Group in Brazil intend to contribute to the economic well-being and to the growth of the communities in which they operate through the provision of efficient services and state-of-the-art technology.

They also believe that the individual and / or collective growth of their companies should give society a similar growth and, in line with this, support socio-environmental actions in the communities in which they operate through sponsorship and institutional support.

## **GLOSSARY**

**Agenda 2030 and the Sustainable Development Goals (SDG):** It is a global agenda with 17 objectives and 169 intergovernmental goals, led by the UN, involving diverse themes.

**Human Rights:** They are the basic rights and freedoms of all human beings, as well as freedom of thought, expression and equality before the law. The UN proclaimed the Universal Declaration of Human Rights, being respected worldwide.

**Companies of the TIM Group in Brazil:** TIM Participações S.A. ("TPART" or "Company") and company controlled by TPART, TIM S.A.

**Global Compact:** It is an UN-sponsored initiative designed for companies committed to aligning their operations and strategies with the ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Thus corporations, which are the main agents of globalization, can help ensure that market, trade, technology, and finance organizations are progressing in ways that benefit economies and societies everywhere.



The ten principles are:

### 1. Human Rights

- Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2 - make sure that they are not complicit in human rights abuses.

### 2. Labour

- Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4 - the elimination of all forms of forced and compulsory labour
- Principle 5 - the effective abolition of child labour; and
- Principle 6 - the elimination of discrimination in respect of employment and occupation.

### 3. Environment

- Principle 7 - Businesses should support a precautionary approach to environmental challenges;
- Principle 8 - undertake initiatives to promote greater environmental responsibility; and
- Principle 9 - encourage the development and diffusion of environmentally friendly technologies.

### 4. Anti-Corruption

- Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.

**Guiding Principles on Business and Human Rights:** Approved by the UN Human Rights Council in 2011 and adopted by Brazil in the same year. The 31 principles were designed to implement the "protect, respect and remedy" parameters with the purpose of establishing obligations for the state and companies to prevent and remedy human rights violations arising from business.

**Stakeholders:** Publics of interest involved in a given process. It refers to any person or entity that affects or is affected by company activities. Ex: shareholders, employees, customers, suppliers, unions, government, community, etc.

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