

Activity Newsletter
Supervisory Board
January - February - March 2019

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1. 2019 Budget Plan

It is noted that the 2019 Budget Plan was approved for Supervisory Board activities, in conformance with the approval from the February 21st, 2019 meeting of the TIM Board of Directors. This Plan, referenced as number n. 6/2019, has been provided to the TIM Authorities and CEO in accordance with article 2, paragraph 2 of the Regulation.

2. 2018 and 2019 Planned Activities

The Supervisory Board of the Compliance / Supervisory Office approved the 2018 Annual Report for completed activities and the Planned Activities for 2019, containing the actions and principal interventions planned for the Board for the current year.

To ensure continuity with items occurring in 2017 and 2018, part of the Plan is dedicated to the activities delegated by AGCom to the Supervisory Board.

Progress of activities requested by AGCom to the Supervisory Board

3. Evolution of the KPI-KPO equal treatment system

3.1. KPI Verifications

With reference to the verification of KPI calculations pursuant to Resolution n. 395/18/CONS, the operating procedures that the Supervisory Board will carry out to verify the correct KPI calculations have been defined with TIM under Resolution 395/18/CONS.

To this end, TIM will provide the Supervisory Board with access to the databases at the Rome office, this access will allow for “maintenance” checks to be carried out once the KPI activities are completed.

3.2. KPI Simplification

The collection and classification of the resolutions and ancillary provisions defining the currently existing KPIs was carried out in coordination with AGCom.

3.3. KPO

On March 19, 2019, at AGCom headquarters, a meeting was held with the OAOs during which a methodology, commissioned by the Supervisory Office of the Università della Svizzera Italiana, was presented that identifies a system that allows comparison of equal treatment indicators.

The system methodology was illustrated by Professor Giovanni Pica (USI) and is based on a multivariate regression algorithm.

AGCom has invited all operators to comment on the Supervisory Board's proposal and to provide their observations.

4. Simplification of reasons for rejection

The Supervisory Board presented to AGCom a complete and detailed proposal to update and rationalize the reasons for rejection / remodelling.

This proposal could be used as the basis for the discussions to be submitted to the attention of Operators.

5. Tests on new software releases

During the March 19, 2019 meeting between AGCom-Supervisory Board-OAO, the Supervisory Board illustrated the proposal for a procedure to be followed in the case of new IT software releases by TIM in support of the delivery and assurance processes.

The new software releases covered by this procedure are *major releases*, for example those software releases that have an impact on OAO operations.

AGCom has therefore invited all operators to comment on this Supervisory Board proposal.

6. Digitalization of provisioning and assurance processes

As part of the current regulatory processes for the *delivery* and *assurance* of wholesale services, TIM has identified operating methods of interaction with customers and operators who use digital solutions, taking into account the requests coming from the market.

In this context, the Supervisory Board carries out an evaluation of the benefits and verifies the impacts on equal treatment.

From the monitoring of the indicators identified for evaluation of the performance of the digitalization of the processes, it has emerged that, for *delivery*, digitalization allows for a reduction of more than 40% of the average activation time compared to the human channel.

7. ONU/MSAN saturation desaturation verification activities

The aim of this activity is to verify on site that TIM Wholesale has correctly implemented the delivery procedures in those geographic areas that were closed to the commercial activities, as these areas are served either by saturated networks or by networks that are being replaced.

On March 25, 2019, the Supervisory Board did a “pilot” check on two WOL (Wholesale Operation Line) in Rome and Lazio to test the effectiveness of the assessment procedure that will be used during the inspections that will be conducted during the year on four specially selected sample WOLs (one WOL for each WOA).

Progress of activities identified by the Supervisory Board

8. TWT Operator Advisory- Improper use of privileged information

Based on the cases provided by TWT, the analyses conducted on the basis of the information provided by TIM's Security function did not allow for the definitive tracing of the persons who accessed the confidential information and ascertain the responsibility of the commercial agents outside of TIM.

The requirement to strengthen the security and monitoring around "sensitive" assurance information that could be misused for commercial purposes has been identified.

TIM Wholesale undertook to implement what emerged from a technical committee that was held with contributions from both AGCom and the OAOs.

The Supervisory Board was called upon to ensure that the implementation is supervised.

9. Single Queue verification activities

During the quarter, the Supervisory Office carried out the first "on site" audit of 2019 at WOL Milan, with the aim of verifying the correct implementation of the management algorithms for orders suspended due to a saturated network or lack of network (the so-called Single Queue). During this verification, 32 queuing cases were analyzed for a total of 120 orders.

A case of work order incorrect characterization (Negative Network) was found but no TIM work order activations were detected outside the Single Queue management policy.

10. KPIs for monitoring equal treatment

In the first quarter of 2019 there were no KPI trends that could be attributable to unequal treatment between TIM *Retail* and the OAOs, even though further investigations were requested from TIM for certain KPIs.

11. Technical Plan verification activity - Network Maintenance and Quality (section 5 of the Undertakings)

In relation to section 5 of the Undertakings, the Supervisory Board monitors the publication of the Technical Plans (plans and quarterly / annual results) related to the maintenance and quality of the network.

In the month of January, the 2019 First Quarter Program and the 2019 Annual Plan were published for the access network quality, while in March the 2018 Final Report was published.

12. Technical Plan verification activity – Network Development (section 6 of the Undertakings)

In relation to section 6 of the Undertaking, the Supervisory Board monitors the publication of Technical Plans (plans and quarterly results) for the development of the access network.

In the month of January, the 2019 First Quarter Plan was published and in the month of March the 2018 Annual Results were published related to:

- NGAN network
- Broadband network
- Allotments

13. Supervisory Board-Wind Tre-TIM Technical Committee

During the quarter, technical committee meetings were held between Supervisory Board – Wind Tre – TIM which discussed the following issues:

- post *provisioning* failure of VULA FTTCab services on an active line;
- failure in assurance of the VULA FTTCab services;
- contact *policy* and "on site" intervention of the technician.