



CAPILLARITÀ

Premura

REPORT ON **OPERATIONS**

AT 31 DECEMBER **2022**

1 REPORT ON OPERATIONS

AT 31 DECEMBER 2022

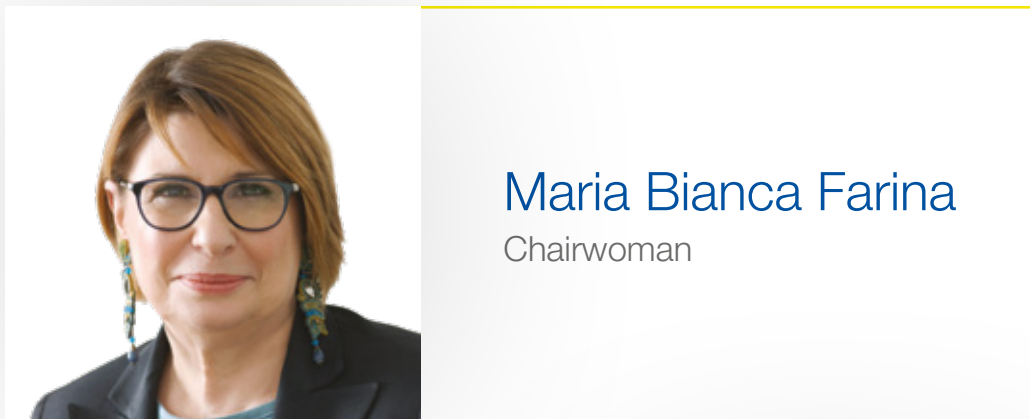
Table of contents

1. Introduction	8
Statement from the Chairwoman and the Chief Executive Officer	8
Presentation of the Integrated Report	14
<hr/>	
2. Highlights	18
2.1 Outcomes of the Value Creation Process at Poste Italiane	19
2.2 Impact generated by Poste Italiane	20
2.3 Creating shared value to achieve the SDGs	26
<hr/>	
3. Outlook	33
<hr/>	
4. Business Model	35
4.1 Poste Italiane's Ownership and Organisational Structure	35
4.2 Poste Italiane's Business Model	40
4.3 Group Structure	50
4.4 Omnichannel approach and group operating segments	59
<hr/>	
5. Strategy	106
5.1 Integrating sustainability within Poste Italiane's strategy	106
5.2 Poste Italiane's Sustainability Strategy	108
5.3 Poste Italiane's Sustainability path	127

6. Risks and opportunities	136
6.1 Poste Italiane's Corporate Governance	136
6.2 Poste Italiane's integrated internal control and risk management system	141
6.3 Risks associated with material topics and management methods	147
6.4 Poste Italiane's commitment to managing human rights risks	154
6.5 Managing climate change related risks and opportunities	158
6.6 Managing emerging risks and the related opportunities	169
<hr/>	
7. Creation of Value	188
7.1 Performance of Poste Italiane shares	189
7.2 Impacts resulting from the Russian-Ukrainian Conflict	191
7.3 Group operating results	193
7.4 Digital and third-party networks in the Group's Omnichannel Strategy	228
7.5 Group Capital Management Framework	231
7.6 Group financial position and cash flow	233
7.7 Performance of Poste Italiane SpA and Report on Operations of BancoPosta RFC	242
7.8 The ESG value (Environmental, Social and Governance)	256
7.9 Integrity and transparency	260
7.10 People development	278
7.11 Diversity and inclusion	308
7.12 Creating value for the country	322
7.13 Green transition	338
7.14 Customer experience	354
7.15 Innovation	368
7.16 Sustainable finance	384
7.17 Indicators tables	392
<hr/>	
8. Proposed shareholder resolutions and other information	432
8.1 Proposed shareholder resolutions	432
8.2 Other information	432
<hr/>	
9. Consolidated non-financial statement	451
9.1 Reporting standards and policies	452
9.2 European Taxonomy Regulation	453
9.3 Table of contents - GRI-Standards (GRI content index)	465
<hr/>	
10. Glossary	481

1. Introduction

Statement from the Chairwoman and the Chief Executive Officer



Shareholders,

it is with great satisfaction that we present to you, on behalf of the entire Board of Directors, whom we thank for their commitment, the fifth Integrated Report of the Poste Italiane Group.

2022 was a challenging year, spent in the full throws of recovery from the Covid-19 health crisis and in the knowledge that we are operating, now and in the near future, in an increasingly changing and unpredictable environment. The Russian-Ukrainian conflict, and the resulting humanitarian and energy supply crisis, has strained the resilience of our economy and community. This dramatic event, significantly altering the geopolitical balance at global level, which marked the first months of last year and whose effects, however, persist, draws attention to the need for companies to orient their business strategies towards a path of transition to a more sustainable economy, which places the central focus on the needs of the communities and territories in which they operate. Moreover, the continuation of the pandemic for the third consecutive year, although presenting an opportunity for change and accelerating crucial processes for the country's development such as the digital transition, risks, however, aggravating, in a broader context, inequalities by eroding social cohesion and increasing the social gap. In fact, this risk, according to the World Economic Forum's 2023 Global Risk Report, ranks seventh

globally among the most burdensome risks of the next ten years, along with climate change, biodiversity loss, large-scale involuntary migration and the depletion of available natural resources.

In order to face the many challenges arising from the current context, we are convinced of the effectiveness of our sustainable business model in the medium to long term, with a solid strategy based on measurable objectives that take into account the demands of all stakeholders, part of the commitment to maintaining ongoing dialogue. Aspects of innovation and sustainability have been at the core of all Group strategies since 2020, but in 2022 they were further strengthened and integrated into the challenging goals contained in the Strategic Plan. Thanks to numerous initiatives and projects in line with an integrated vision, we can say that the Group is solid and sustainable, capable of providing the most innovative answers to seize the best opportunities even in a highly challenging and changing environment.

Poste Italiane aims to support the sustainable development of the country and to be a guide for responsible growth and digital evolution through the definition and achievement of financial, operational and sustainability objectives - understood in its broadest sense. With regard to environmental sustainability, in recent years we

have seen a growing importance of these issues both at a global level, with the great resonance of COP 26 and the historic success of the establishment of the Loss & Damage fund during COP 27, and at a European level, with the publications on Environmental Taxonomy. At the national level, on the other hand, the substantial allocations in the PNRR (National Recovery and Resilience Plan) for the country's green transition confirm the need to implement processes increasingly focused on circular economy, sustainable mobility, energy efficiency of buildings and pollution monitoring, in order to improve the sustainability of the economic system to achieve a zero environmental impact society. In this regard, in order to meet the demands of institutions and our stakeholders, we have continued to pursue numerous activities to combat climate change. The ambitious commitments made by Poste Italiane are aimed at achieving carbon neutrality by 2030, well ahead of the time-line set by the European Union, and at the same time reflect the innovative green philosophy adopted by the Group that pervades all our services, processes and products. The holistic approach is also reflected in a greater involvement of customers through a carbon offsetting programme, the "Green Challenge", which rewards their "green behaviour", i.e. all those virtuous aspects of behaviour that benefit the environment.

From a social point of view, in 2022 Poste Italiane once again demonstrated that it is close to people and territories by making a significant contribution to the country. In fact, the Group, continuing with the approach adopted in 2021, made its channels available to the public for booking

requests for the fourth dose of the Covid vaccine, giving them the opportunity to book in different ways. Moreover, Poste Italiane's commitment to accompanying the country's recovery is further demonstrated by the Polis Project, a social inclusion programme aimed at countering the depopulation of small towns and contributing to their socio-economic development by fostering interaction with the local areas and synergies with local institutions.

Poste Italiane has once again been able to monitor the changes in an increasingly demanding market, identifying the challenges of the future by adopting a long-term perspective to achieve competitive advantage. A demonstration of this is the Group's recent entry into the energy market, which confirms the Company as a reference point for satisfying the needs of Italian families, no longer only related to savings, investment, financing, fixed and mobile telephony and fibre, but also linked to electricity and gas. The evolution of our activities and our growth path have always been geared towards customers, who can count on the widespread presence of our organisation, which boasts a physical network of around 13,000 Post Offices, as well as an extensive digital infrastructure capable of serving the entire national population. And it is precisely in order to anticipate the economic and social needs of citizens, especially at a delicate time such as that dictated by the current energy crisis, that Poste Italiane invests in its all-round expertise, with a special focus on the development and continuous improvement of its range of products and services.

The Poste Italiane Group plays a central role in the country's economy. With a turnover of around €11.9 billion and the highest number of employees among Italian companies, it is confirmed in 2022 as the leading employer and the largest company in the logistics sector in Italy, with a leading position also in the financial, insurance and payment services sectors. The Group's recent entry into the energy sector further strengthens our presence in the region and our ability to meet citizens' needs even during a crisis.

Goals such as these are certainly the result of the effectiveness of the path taken towards the creation of shared value, with a view to achieving the Sustainable Development Goals (SDGs) as defined by the United Nations. The business model adopted by Poste Italiane is constantly evolving and adapting to the needs dictated by the economic and social context and the demands of the Company's stakeholders, while maintaining its values and principles.

In particular, Poste Italiane's Sustainability Strategy consists of the Strategic Plan, which contains sustainability targets and objectives aligned to the highest national, European and global targets, and of a body of corporate regulations including all the Sustainability Policies that regulate the non-financial aspects of the Group, its principles and corporate values.

Although in 2022 we were able to experience an effective return to the habits that had been lost due to the Covid-19 pandemic, the desire to establish an increasingly resilient business approach was reinforced. The integration of social, en-

vironmental and governance factors into our business model - which enabled us to overcome a period of sudden destabilisation - has been and will continue to be the key to a broader risk assessment, enabling the Group to think long-term.

Given the historical context in which we operate, and as the leading Company in the logistics sector in Italy, the relationship with our stakeholders is increasingly central, and fostering dialogue with them allows us to maintain a solid relationship of trust, based on shared values such as transparency and inclusion, which are at the heart of our growth path towards a sustainable future. In this regard, this year's Multi-stakeholder Forum once again was a crucial opportunity to discuss and listen to stakeholders, in full agreement with the key objectives of the Group's Sustainability Strategy, based on eight pillars: Integrity and transparency, People development, Diversity and inclusion, Creating value for the country, Green transition, Customer experience, Innovation and Sustainable finance. The event, now in its sixth year, was live streamed and was attended by more than 1,000 people, together with whom we assessed the significance of the sustainability impacts related to our business and defined the material issues for Poste Italiane, in line with the regulatory developments of the GRI and CSRD standards.

The multiple recognitions obtained, nationally and internationally, from the most prestigious rating agencies confirm the effectiveness and far-sightedness of the sustainable strategies undertaken by the Group in recent years. In continuity with 2021, in 2022, Poste Italiane confirmed its

presence in the Dow Jones Sustainability World Index, a prestigious sustainability index which incorporates the best companies in the world in terms of the sustainable management of their business, and within the more selective Europe segment. In addition, the Group was not only reconfirmed as a leader in the fight against climate change by CDP (formerly the Carbon Disclosure Project), being placing for the third consecutive year in the “Leadership” bracket of the international rankings with an A- rating, but was also ranked by Sustainalytics as a top ESG performer from a panel of more than 15,000 companies assessed globally, achieving an ESG Risk Rating of 12.7 (Low Risk). These prestigious awards are followed by further confirmations in equally important indices, such as Bloomberg Gender-Equality Index (GEI), FTSE4GOOD, MIB ESG and Euronext Vigeo-Eiris World 120. With regard to the latter, we are proud to report that the Company was again ranked first among

out of 5,000 companies evaluated on the basis of sustainability performance. In addition to being included again this year in the 2023 edition of S&P Global’s Sustainability Yearbook, ranked in the Top 5% S&P Global ESG Score 2022, the Group also earned the “AA” rating from MSCI, for the significant progress it has made with regard to the social sphere, improving its corporate sustainability performance and leadership in the sector.

The results achieved in 2022, pursued with great determination thanks to our people, not only give us special satisfaction with the path taken, but also strengthen our reputation as they highlight Poste Italiane’s concrete commitment to creating shared value. We are also aware that it is only possible to meet the new challenges of sustainable development through constant listening and dialogue with regard to the needs of our stakeholders and the pursuit of common goals.

Page intentionally left blank

Presentation of the Integrated Report

MAIN RELATED TYPES OF CAPITAL



The Poste Italiane Group's Integrated Report is now in its fifth edition and aims to illustrate how sustainability is increasingly integrated into the business model and corporate strategies, providing a clear and comprehensive representation of the Company's financial, environmental, social and governance performance.

The Integrated Report allows Poste Italiane to effectively represent the interrelationship between the financial and sustainability elements that contribute to the definition of the Group's business model and strategy, such as the external context, strategy, business model and forms of financial and non-financial capital. The document is a useful tool for stakeholders to gain a comprehensive understanding of the processes the Group has put in place to support the country's growth and create shared value, describing what has been achieved while offering an overview of short-, medium- and long-term ambitions and goals.

The social and environmental impacts generated by the Group place the process of integrating sustainability into the business model at the centre of the value creation process for the Company and all its stakeholders, with the aim of contributing to the achievement of the United Nations Sustainable Development Goals. The path taken by the Group is under-

pinned by certain strategic and investment choices in the main forms of capital, such as financial, human, physical-structural, intellectual, social-relational and natural, i.e. assets which contribute to sustainable success of the Company, but which on the other hand are impacted by the activities of the Company itself. For this reason, in continuity with previous years, the document includes an overview of the correlation between the Company's performance and the types of capital listed above, and for each of them the results achieved are illustrated in Chapter 2 "Highlights".

Poste Italiane, through numerous ESG projects, aims to lead the country's sustainability path, build an inclusive society and offer a greener future. Through this document, the Group aims to represent its green strategy, aimed at continuing its path of entry into the energy market, accelerating the energy transition process of the business. In addition to proposing sustainable products and offers, entering the energy market gives Poste Italiane a further boost in engaging customers and guiding them towards environmentally aware behaviour.

In continuity with the preparation of the previous Integrated Report and consistent with regulatory requirements, the 2022 Integrated Report contains

the section dedicated to the European Environmental Taxonomy, found within Chapter 9 “Consolidated Non-Financial Statements”. To this end, the Group undertook a careful analysis of its activities and the regulatory framework issued by European institutions and developed a specific methodological approach aimed at providing adequate disclosure. In line with EU Regulation no. 852/2020 (Taxonomy Regulation), Poste Italiane’s Integrated Report include a differentiated disclosure of regulated KPIs, based on its industrial operations (Non Financial Undertakings) and financial operations (Financial Undertakings): in relation to industrial operations, the Group carried out an assessment in order to identify its share of Turnover, Capex and Opex aligned to the Taxonomy, while in relation to financial operations it has provided - for the second year of reporting - a disclosure of KPIs in accordance with the Eligibility analyses, in line with the Regulation.

In addition, Chapter 5 describes the methodology adopted by the Group for materiality analysis, revised to comply with the provisions of the 2021 update of the GRI standards for the inside-out perspective, and taking into account the EFRAG recommendations, albeit still in draft, for the outside-in perspective. The adoption of the dual materiality process to identify Poste Italiane’s material issues allows the Group to anticipate the entry into force of the Corporate Sustainability Reporting Directive, scheduled for FY 2024. In this regard, the main change from previous years is the updated system of indicators used for ESG performance reporting, in line with the new GRI Universal Standard 2021.

In continuity with previous years, the 2022 Integrated Report contain the Consolidated Non-Financial Statement, which is integrated into the Report on Operations in the Chapter 9 thereof. The NFS was drawn up in accordance with the requirements of Articles 3 and 4 of Legislative Decree no. 254/2016 and the “Global Reporting Initiative Sustainability Reporting Standards” defined by the GRI - Global Reporting Initiative (hereinafter “GRI Standards”) according to “in accordance” option. Chapter 9 of the section “Reporting standards and criteria” includes a connecting table that indicates the information content required by the Decree and its positioning within the Integrated Report, with the aim of making it easier to find all non-financial information. In addition, such content is also noted, to make it easily identifiable, by this infographic:

NFS

The Group’s fifth Integrated Report was prepared by applying the Integrated Reporting framework published by the International Integrated Reporting Council (IIRC). In addition, Poste Italiane also provided disclosure of the impacts of the Russian invasion in Ukraine, which ESMA¹ required issuers to report in their 2022 Annual Financial Reports and Non-Financial Statements. In addition to the impacts of the conflict, ESMA also identifies climate change issues as a priority in the non-financial report for 2022. Confirming Poste Italiane’s commitment to combating climate change, it should be noted that as

1. ESMA document on European common supervisory priorities for 2022 “European common enforcement priorities for 2022 annual financial reports”, published on 28 October 2022.

of 2021 the Group has officially joined the supporters of the Task Force on Climate-related Financial Disclosure. In order to broaden the Group's disclosure on the management of risks and opportunities related to climate change, this document illustrates how the Group's activities are managed according to the recommendations of the TCFD, and also provides a table linking the TCFD recommendations with the contents of the Integrated Report. Finally, with the aim of reflecting potential future developments regarding climate change, Poste Italiane once again this year carried out a review of climate scenarios using as a reference the documents drawn up by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) and the main literature on the subject.

In line with previous years, the indicators used for the preparation of the 2022 Integrated Report were reclassified according to SASB (Sustainability Accounting Standards Board) standards, with the aim of contributing to the development of a shared and universal framework for non-financial reporting. In this sense, the indicators relating to "material ESG metrics" found in the latest version, from September 2020, of the document "Towards Common Metrics and Consistent Reporting of Sustainable Value Creation" presented to the World Economic Forum in January of the same year, have been reported again this year. By continuously updating its non-financial reporting methodology, the Poste Italiane

Group demonstrates its commitment to the demands of the financial market, which is increasingly focused on assessing companies according to environmental, social and governance criteria.

The document also contains a table linking the objectives pursued by the Group, the GRI Standards indicators and the SDGs, which represents a useful tool to illustrate how the Company contributes to the achievement of the 17 United Nations Sustainable Development Goals and their 169 targets, also incorporating the latest guidelines of the most up-to-date version of the "SDG Compass" document drawn up by GRI, UN Global Compact and WBCSD (World Business Council for Sustainable Development).

In addition to the Integrated Report, the Annual Financial Report is composed of the following documents: the consolidated financial statements of the Poste Italiane Group, Poste Italiane's separate financial statements, including BancoPosta RFC's Separate Report, and the related attestations pursuant to art. 154 *bis* paragraph 5 of Legislative Decree no. 58/1998 and the reports of the Board of Statutory Auditors and the Independent Auditors, referring to the financial year ended 31 December 2022, and the Report on Corporate Governance and Ownership Structure published on the Company's website, in the Governance section, which is to be considered an integral part and to which reference should be made for further details on the Corporate Governance structure.

This Annual Financial Report, which was approved by the Board of Directors of Poste Italiane SpA on 29 March 2023, will be made available to the public within the

terms provided for by the regulations in force (i.e., by 30 April 2023) on the following web page: [https://www.posteitaliane.it/it/bilanci-e-relazioni.html#/.](https://www.posteitaliane.it/it/bilanci-e-relazioni.html#/)

The following infographics are used in this document:



to indicate, that it is possible to consult the definition of the content in the glossary in Chapter 10;



to indicate, that it is possible to go deeper into the topic dealt with in the relevant paragraph.



to indicate, by means of a hyperlink, that it is possible to return to the beginning of the chapter and the general index

2. Highlights

- 2022 Outcomes of the Value Creation Process at Poste Italiane
- Impacts generated by Poste Italiane
- Creating shared value to achieve the SDGs

MAIN RELATED TYPES OF CAPITAL



FINANCIAL



PHYSICAL-STRUCTURAL



INTELLECTUAL



Revenue: €11.9 bn (+6% y/y)
EBIT: €2.3 bn (+24% y/y)



Historical record

Net profit €1.5 bn (EPS €1.163)
DPS growth for 2022 (+10% y/y)

Total financial assets €562 bn

Payments and Mobile SBU EBIT: €379 mln (+35% y/y)

Retail protection: €223 mln of premiums (+18% y/y) x2 vs. 2016

Leadership in proximity payments through the acquisition of LIS

Acquisitions: Plurima, Agile Lab, and Sourcesense and public tender offer for Net Insurance

12,755 post offices and 120 thousand employees (zero offices closed in small municipalities in the year)

Omni-channel Strategy: >20 mln (+19% y/y) **daily interactions** of which **>9 mln on digital channels**

Third-party networks ~ 58,000 physical points of contact

~ 26 mln digital identities (SPID) issued

An impressive 1,900 m2 photovoltaic plant was built in Pomezia, **saving 260 tonnes of CO₂**

Number-one operator in Italy in **prepaid cards (21.4 mln)** and **e-commerce transactions** (+15.1% y/y)

Over 400 Smart Mailboxes, of which 300 in small municipalities, for the optimisation of mail collection

Brand Finance: Poste Italiane among the **25 global companies** by **brand strength** (+13 positions y/y)

Poste Italiane wins the **Assochange** award for the people engagement initiative INSIEME 24 SI: 2,900 contributors of ideas and colleagues who provided their expertise to implement them

First place at the AiFin in Italian Award 2022 in the HR and Organisation category

for the project INSIEME 24SI

Poste.it is the **number-one Italian site** in the **Audiweb** ranking and 11th internationally

The BancoPosta Business account recognised at the **Milano Finanza Banking Awards 2022**

PostePay in 1st place for the **best customer service** in the first edition of Italy's Best Customer Service

The **160 Years of Poste project** wins **1st place in the 'Best Event'** category of the Felea 2022 Grand Prix

ISO 30415 certification obtained for Diversity & Inclusion

< 2.1 Outcomes of the Value Creation Process at Poste Italiane

NFS

During 2022, the path of shared value creation undertaken by the Poste Italiane Group generated excellent results at system level, through the significant investments in the six forms of capital which underpin the Company: financial, human, physical-structural, intellectual, social-relational and natural, and in line with the United Nations Sustainable Development Goals framework.



SCAN THE QR CODE
TO LISTEN TO PODCASTS
RELATING THE 6 CAPITALS



HUMAN



SOCIAL-RELATIONAL



NATURAL



~ **6 million hours of training** provided in 2022

Over **6,900 initiatives in Active Labour Policies** during 2022

Trade union agreement on **flexible work** valid until March 2023

2022 performance bonus : 5% increase y/y

Poste Italiane is a **Top Employer** for the 4th consecutive year

Poste Italiane receives **Equal Salary** certification for its pay equity policy

Polis Project - Digital Service Houses (NRRP) to foster social and territorial cohesion and overcome the digital divide in small towns

Memorandum of understanding with the **Third Sector Forum** on **sustainability** and **volunteering** projects

Free delivery of the **decoders** needed for the **new digital TV to needy retirees**

Disbursement, through post offices, of the **support contribution** for Ukrainian refugees

Poste Italiane is among the **200 Sustainability Leaders** in the ranking of Italy's 200 pioneers (Sole24Ore) and in the top 25 of economic sustainability rankings

The Poste e Telegraf logo recognised as a **"historical mark of national interest"**

Poste Italiane joins the **Stoxx Global ESG Leaders Index** and the **Euronext Equileap Gender Equality Eurozone 100 Index**

The Poste Italiane Group enters the **energy sector** with a **100% green omnichannel offer**

~ **23,000 low-emission vehicles** in the company fleet, of which ~**3,600 electric**

Full green delivery: zero-emission delivery in **28 city centres**

~ **1,600 buildings** involved in the **Smart Building project***, over **410 thousand LED lamps installed**

Postaonline goes green - **FSC-certified****, **biodegradable and recyclable paper**

Environmentally **friendly SIM cards** made using a sustainable, FSC-certified production cycle**

"Change the world 2022": Fortune rewards Poste Italiane for the electrification of its deliveries

* Automated and remote management of buildings to achieve energy efficiencies.

** FSC (Forest Stewardship Council) certification: the wood or paper from which the product is made comes from recycled and recovered material.

< 2.2 Impact generated by Poste Italiane

Through its leadership in the logistics, financial, insurance and payment services sectors, Poste Italiane plays a key role in the creation of economic value both for the stakeholders directly impacted by its business activities and for the country as a whole.

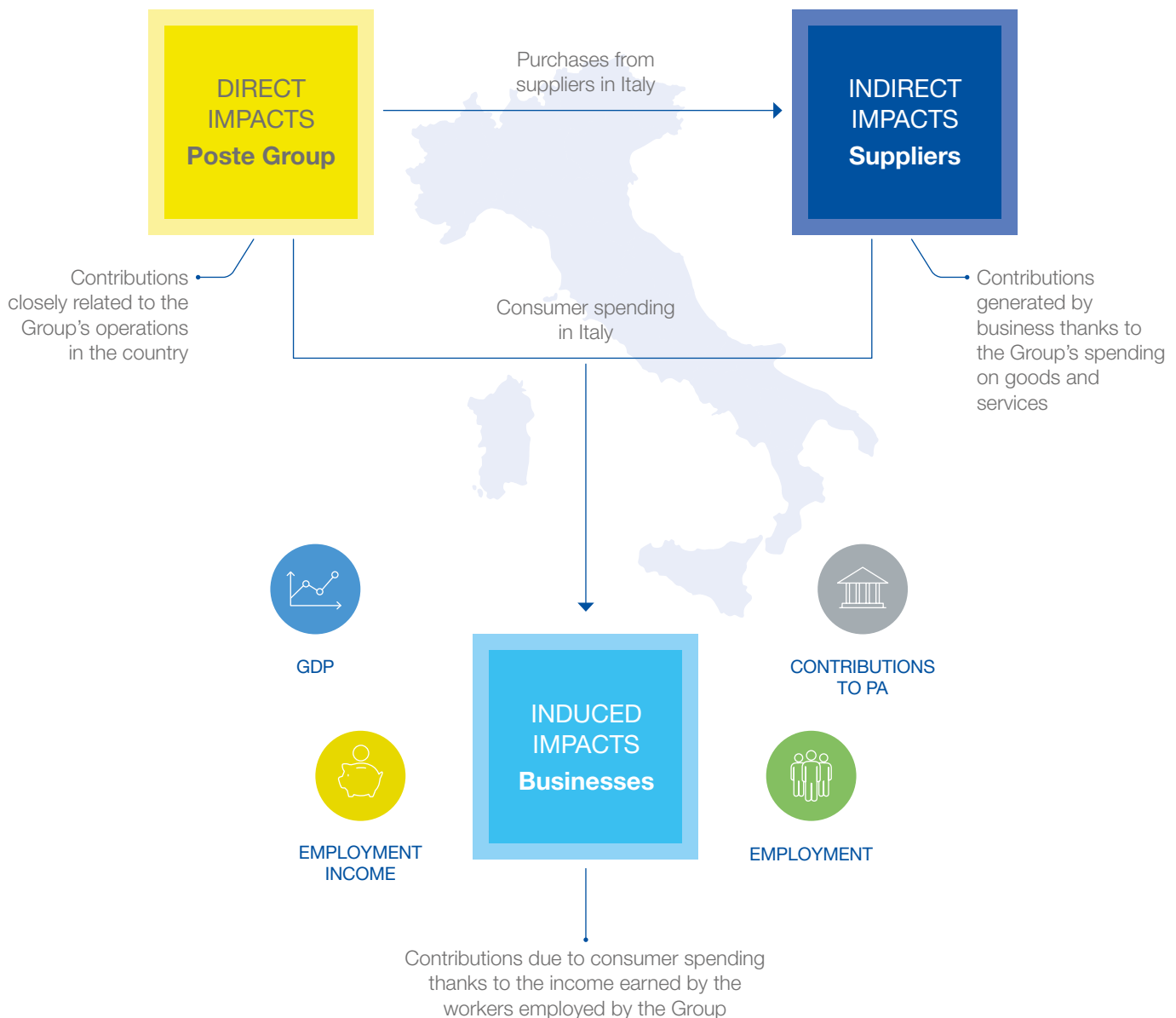
In particular, the activities carried out by Poste Italiane generate impacts on GDP, employment income, employment and contributions to PA. Impacts can be distinguished into:

- **Direct impacts:** impacts generated by the operating activities carried out directly by Poste Italiane;
- **Indirect impacts:** impacts generated along the supply chain as a result of Poste Italiane's spending on goods and services (€3.2 billion in 2022) from Italian suppliers;
- **Induced impacts:** impacts generated by consumer spending that is realised through the income earned by workers employed directly and indirectly by the Group.

MAIN RELATED TYPES OF CAPITAL



The process of creating Poste Italiane's economic value



58 mila€

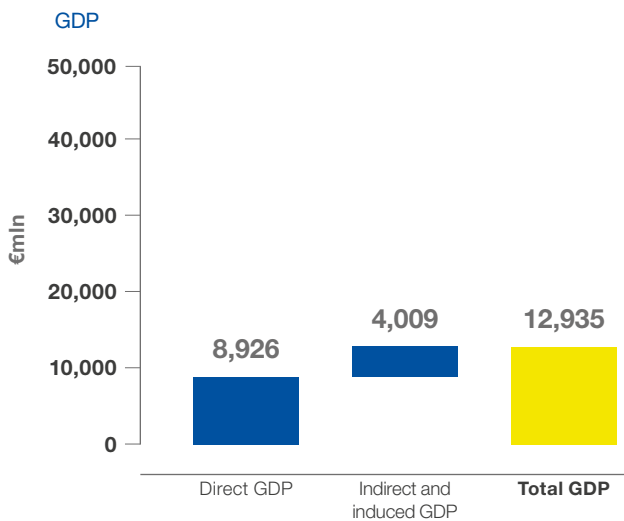
distribuiti alle famiglie nel corso del 2022, grazie al lavoro e all'impegno di ogni persona di Poste Italiane.

In 2022, the Poste Italiane Group generated impacts on the country in terms of Gross Domestic Product (GDP) totalling €12.9 billion and, in employing roughly €181 thousand people, contributed around €2.1 billion to the income of the Public Administration in terms of tax revenue. Furthermore, it is possible to estimate that Poste Italiane contributed directly and indirectly to the distribution of income to workers, totalling €7 billion.

The daily work and commitment of the Group's individual people contributes to the creation of value by Poste Italiane. In this regard, over the course of 2022, each person at Poste Italiane contributed to the creation of economic impacts for the region amounting to €107 thousand of GDP, €58 thousand of income for families, €11.6 thousand of tax contributions and the employment of 1.5 people.



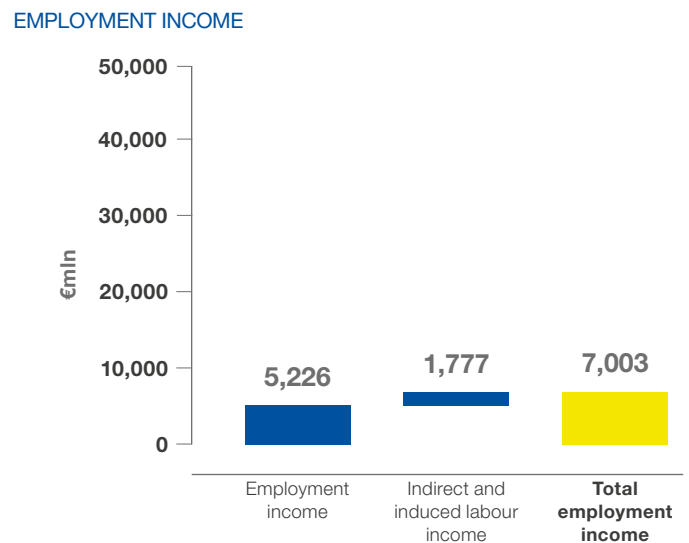
Contribution of Poste Italiane to gross domestic product - 2022



Each person at Poste Italiane, through their daily work and commitment, contributed to the creation of €107,000 in GDP during 2022



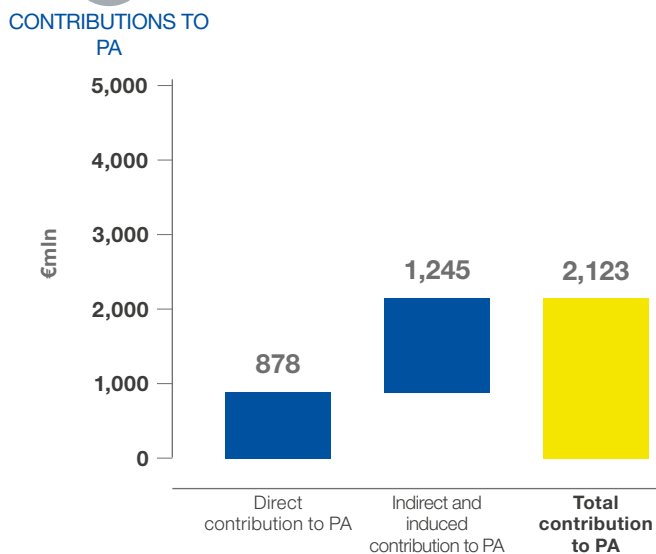
Contribution of Poste Italiane to employment income - 2022



Each person at Poste Italiane, through their daily work and commitment, contributed to the distribution of €58,000 to families during 2022



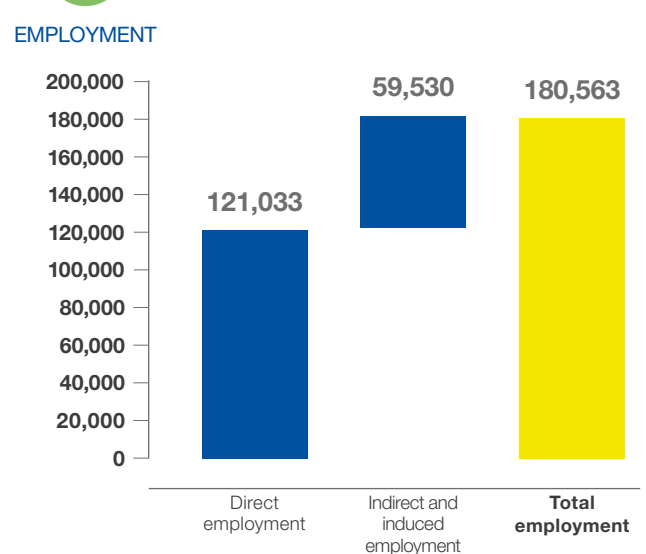
Contribution of Poste Italiane to PA - 2022



Each person at Poste Italiane, through their daily work and commitment, contributed to the creation of €11,6 thousand in tax revenue during 2022



Contribution of Poste Italiane to employment - 2022

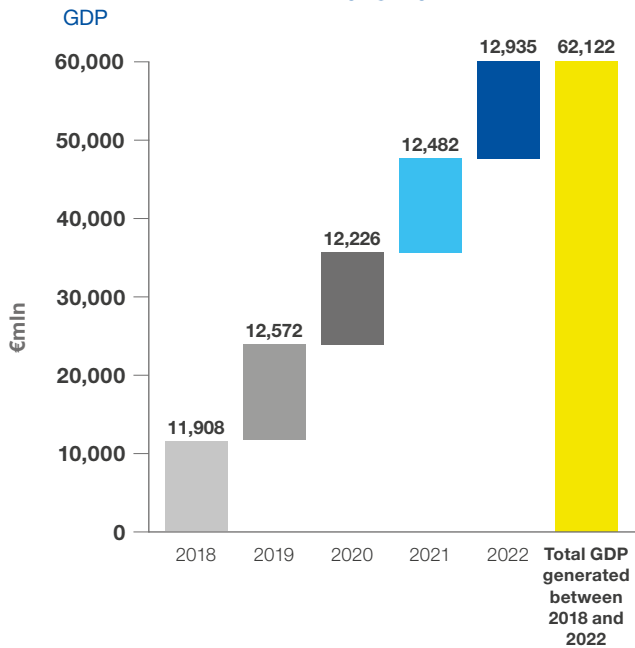


Each person at Poste Italiane, through their daily work and commitment, contributed to the employment of 1.5 people in 2022

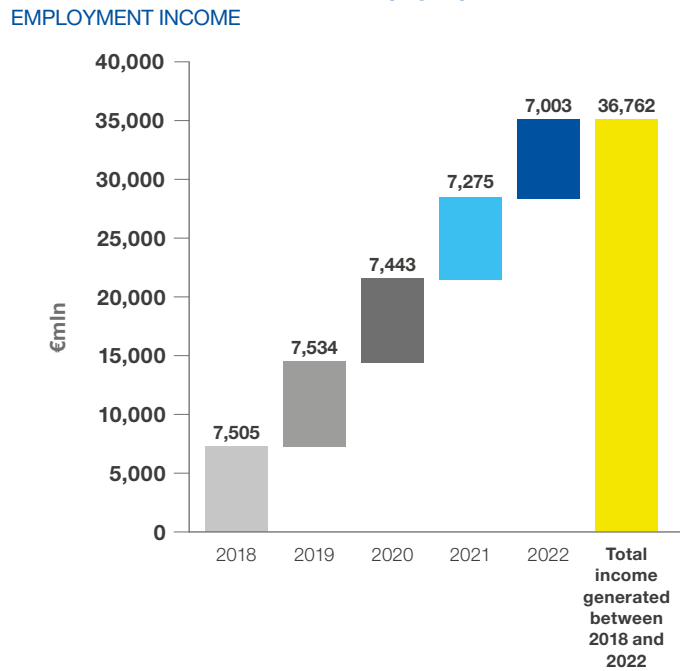
The commitment that Poste Italiane dedicates to serving the country system is not limited to 2022, but is embedded in a path of annual value creation. In fact, over the last five years, the Poste Italiane Group has generated overall impacts on the country of €62.1 billion in Gross Domestic Product (GDP), €36.8 billion in employment income, and €10 billion in tax revenue. In addition, the Group contributed an average of 185 thousand jobs between 2018 and 2022.



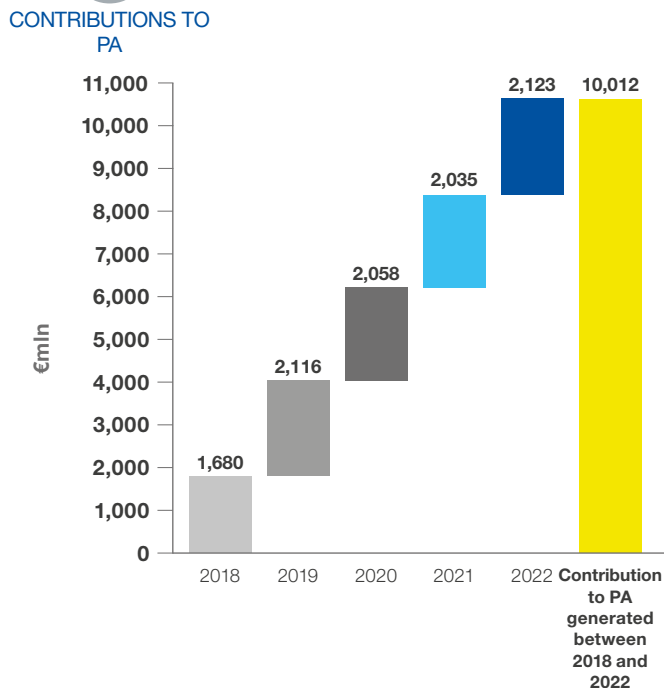
Contribution of Poste Italiane to gross domestic product 2018-2022



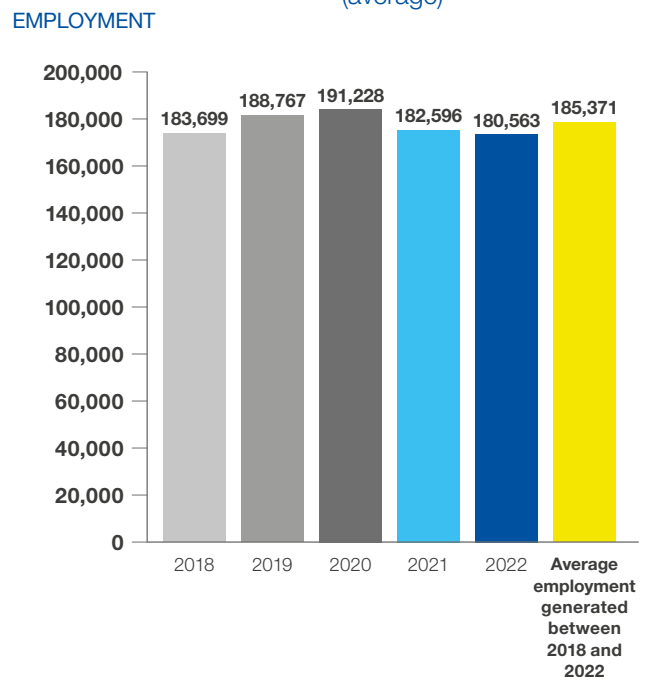
Contribution of Poste Italiane to employment income 2018-2022



Contribution of Poste Italiane to PA 2018-2022



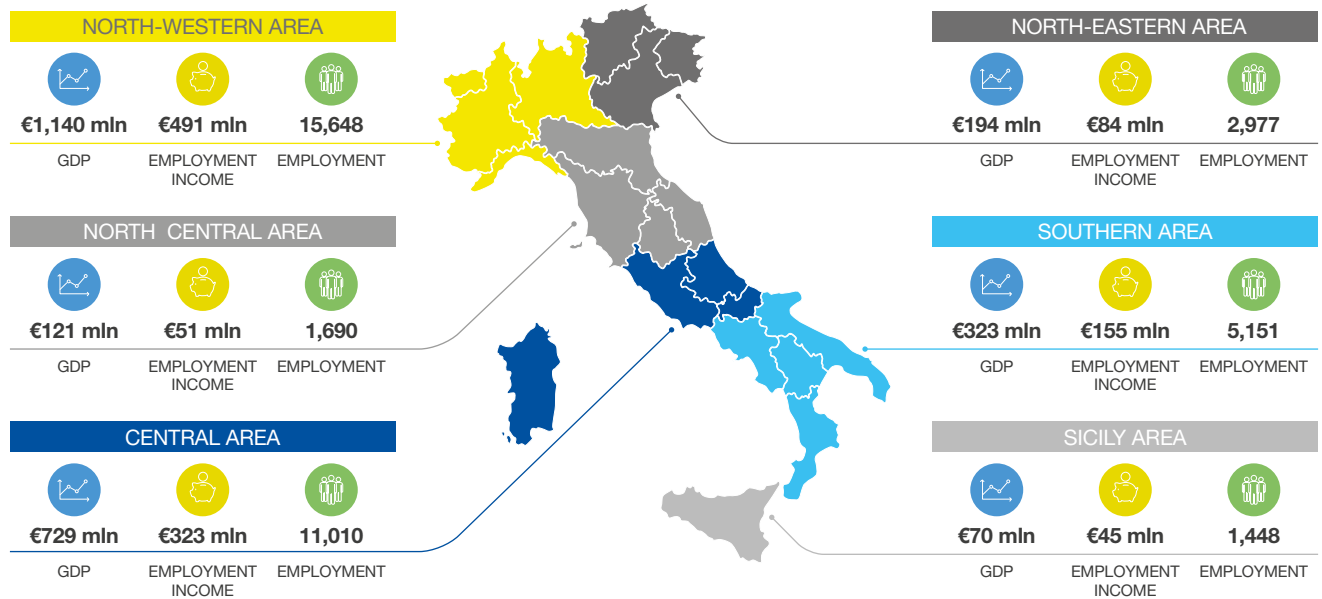
Contribution of Poste Italiane to employment – 2018-2022 (average)



Below are two focus areas of Poste Italiane's suppliers, respectively the impacts generated by Italian suppliers in the individual Territorial Areas and the indirect contributions generated by Italian SME suppliers.

Impacts generated in individual Territorial Areas in 2022

Considering the region of the registered office of suppliers, the indirect impacts generated by them in each Territorial Area in 2022 have been identified.



With reference to the various areas examined, there are values of Gross Domestic Product between €70 million and €1 billion. This results in an employment level of no less than one 1,500 people and total employment income between €45 million and €490 million approximately.

Impacts of Italian SME suppliers

Considering the parameters defined by the European Commission, the Italian suppliers that are characterised as Small and Medium Enterprises (SMEs) and the indirect impacts attributable to them have been identified.



In 2022, SMEs impacted on the level of Gross Domestic Product for a value of €1.1 billion, leading to the employment of 17,000 people and an income distribution of around €527 million. Finally, more than €340 million has been generated in terms of tax revenue.

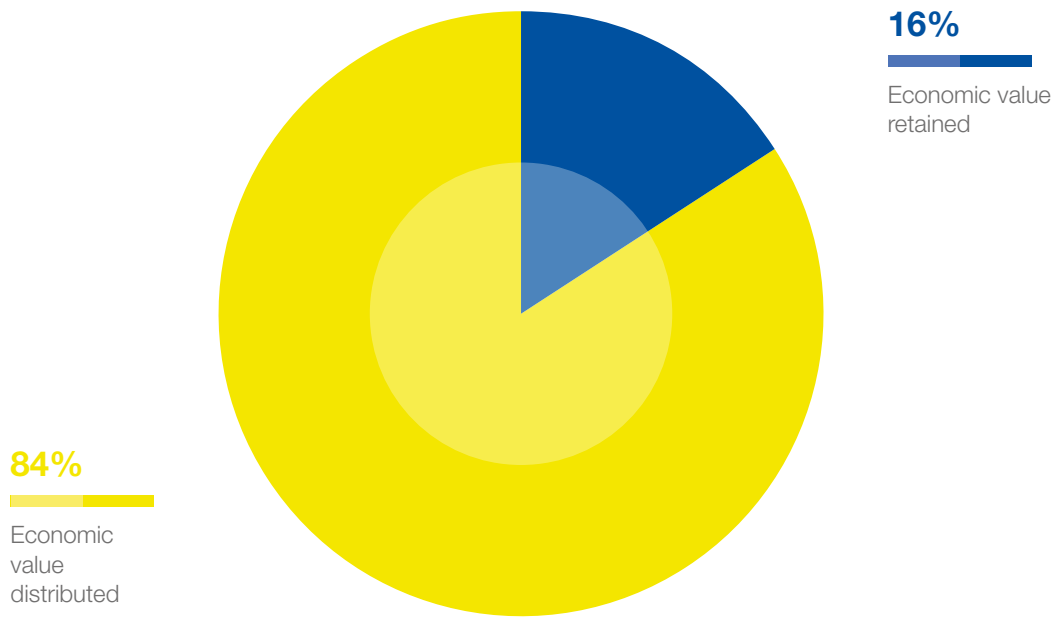
The economic value generated and distributed by the Poste Italiane Group

Poste Italiane also provides an overview of the economic value generated and distributed by the Company to its stakeholders such as suppliers, employees, lenders, the community, the public administration and shareholders. This value represents the wealth produced by the Company and its impact on key stakeholder categories, in accordance with the requirements of GRI Standards 201-1 reporting standard.

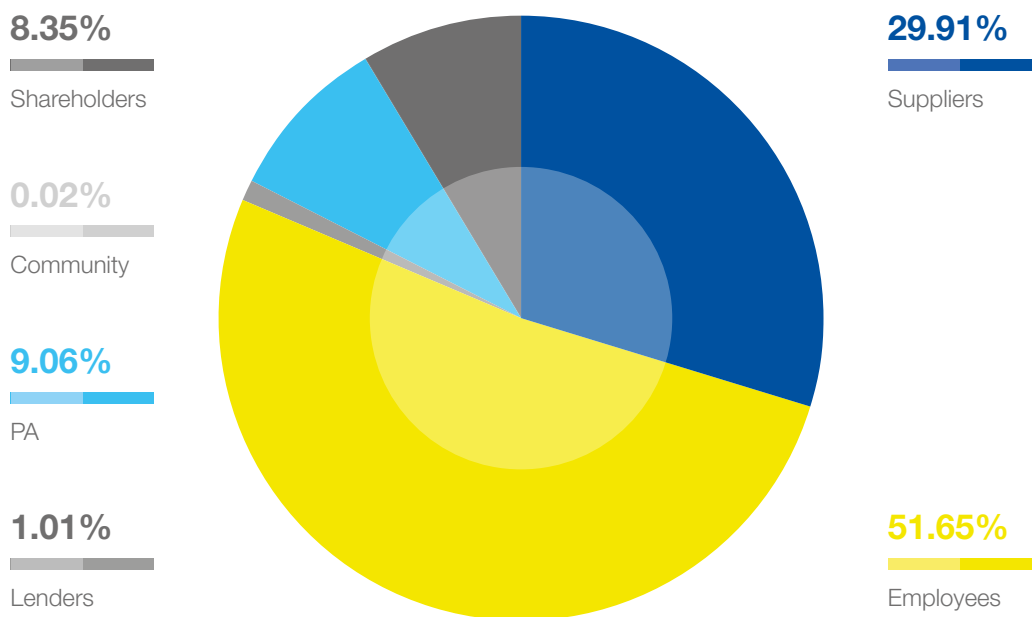
In 2022, more than 84% of the wealth produced by the Company was distributed to its stakeholders. In particular, employees and suppliers are among the stakeholder categories that benefit most from the wealth produced by the Company, accounting respectively for 51.65% and 29.91% of the total value distributed.

The economic value created in 2022 amounts to over **€11.9 billion, roughly 84% distributed** to stakeholders

Distribution of the economic value generated



Breakdown of the economic value distributed



< 2.3 Creating shared value to achieve the SDGs

NFS

Poste Italiane is an integral part of the Country's economic, social and production fabric and is a unique entity in Italy in terms of size, recognisability and widespread coverage. The Company's activities therefore generate significant impacts throughout the territory, also with a view to achieving the Sustainable Development Goals (SDGs).

The following illustration highlights the correlation between the outcomes of Poste Italiane's business model and the "social needs" of the Italian territory, identified through the analysis of the fifth edition of the SDGs Report (2022) prepared by ISTAT. The representation provides a description of the Group's impact on the UN SDGs.



Goal 1: End poverty in all its forms everywhere

Italy

- In 2021, about 5.6 million individuals (9.4%) are in **absolute poverty**. Compared with 2020, the incidence of poverty remained stable at national level, with a decrease in the North-West (-2.1 p.p.) and an increase in the North-East (+0.4 p.p.), the Centre (+0.7 p.p.), the South (+1.5 p.p.) and the Islands (+0.1 p.p.). **The incidence of poverty** decreased slightly for all age groups, except for the youngest (0-17 years) for whom it increased by 0.7 p.p.
- In 2021, the **cost of housing** is a difficult burden for 7.2% of the population, a figure that is stable compared to 2020 and at the lowest level of the period. Over the last decade, the distances between regions have widened slightly.
- The **risk of poverty or social exclusion** remains stable compared to 2021 (25.4%, +0.1 p.p.), but still high in the European comparison, placing Italy at the bottom of the rankings of EU countries. Compared to ten years earlier, regional gaps, on the whole, have not narrowed.

Posteitaliane



- In 2022, the Sponsorship Committee approved **120 initiatives**, giving priority to those with a significant social impact, seeking to strengthen Poste Italiane's presence in the territory, and in particular in the country's peripheral areas. Poste Italiane contributed around €351,000 in **charitable donations**, €1,547,450 in investments in the **community** in collaboration with non-profit organisations and local institutions and
- €55,000 in **commercial initiatives** with beneficial effects on communities, for a total of around €1,954,000.
- In **December 2022**, Poste Italiane helped to support the community living on the island of **Ischia**, affected by the flood of 26 November 2022, in returning to their daily lives.
- Thanks to the support of Poste Italiane, Italy's Civil Defence was able to make a total of over **140,000 payments** to over **30,000 refugees** from the **conflict in Ukraine**.



Goal 3: Ensure healthy lives and promote well-being for all at all

Italy

- In 2021, total **all-cause mortality** declined on 2020, while remaining at **high levels**, with 709,035 deaths, 37,000 fewer than in 2020 (-5.0%), but 63,000 more than the 2015-2019 average (+9.8%).
- Much of the excess in 2021 was due to **Covid-19** and was observed in the first quarter, when vaccination coverage was very low.
- The **pandemic** and the measures to contain it continue to influence **mobility and road accident** trends in 2021.
- The continuation of the health emergency led citizens to forgo many **health services**: 11% gave up because of financial problems or difficulties in accessing the service and the **effects of the pandemic** (compared to 9.6% in 2020 and 6.3% in 2019).

Posteitaliane



- In total, for Group employees, **deaths due to occupational accidents** (on the job and on the way to work) in 2022 decreased by about 20% compared to 2021.
- 68,930 employees** were **trained on Health and Safety** issues during 2022.
- Poste Italiane considers the absence of drug and psychotropic substance **addiction** and the absence of **alcohol addiction** among the activities subject to health prevention measures, as set out in the Risk Assessment Document.
- In relation to **Covid-19 coverage** by the **Health Fund**, the **per diem** for workers admitted to intensive care was agreed, with **retroactive effect** from June 2021 until 31 March 2022.



Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Italy

- The spaces available in public and private **early childhood services** in Italy covered 27.2% of children up to the age of two in academic year 2020/2021. The **gap** between the Centre-North and the South is wide.
- In 2021, the share of **young people** aged 18-24 leaving the education and training system **without having obtained a diploma** or qualification is 12.7% (517,000 young people), marginally lower than the previous year (14.2%).
- In academic year 2021/2022, the share of children in the fifth year of secondary school who did not achieve a sufficient degree of **literacy** was 48.5%, and inadequate **mathematical competence** was 49.9%.
- In 2021, the share of the population aged 30-34 in Italy that has completed **tertiary education** is 26.8%, down from the previous year (27.8%). The share is lowest in the south (20.7%) and among men (25%)
- During 2021, 9.9% of 25- and 64-year-olds had completed at least one **training activity** in the last four weeks (versus 7.1% in 2020 and 8.1% in 2019), largely making up for the loss in 2020, due to measures to stop the spread of **Covid-19**.

Posteitaliane



- In the two-year period 2021-2022, a total of more than **12 million hours of training** were provided, involving almost all professional figures.
- In 2022, **21.5%** of the Group's workforce had a **university** degree while **66.8%** held a **diploma**.
- **Collaboration** continued with leading universities and **business schools** for the further development of **innovative competences**.
- Poste Italiane continues to invest in the internal development of **STEM** skills and **roles**, including by promoting the inclusion of **young women** through this training.



Goal 5: Achieve gender equality and empower all women and girls

Italy

- In 2020, 263 **Anti-Violence Centres** (281 in 2019) and 242 Shelter Homes (257 in 2019) were active.
- In 2020, 116 **murders of women** were committed (111 in 2019). Of these, 83.6% occurred at **home**.
- In 2021, the ratio of the **employment rate of women** aged 25-49 with pre-school children to the employment rate of those without children stands at 73%, down from 2020 (-1.2 percentage points). The ratio is more unfavourable for women aged 25-34 (60.4%), for those with low educational qualifications (48.7%) and for those of foreign nationality (46.4%).
- In 2021, **Italy's representation of women in the European Parliament** is 39.5% (+0.5 p.p. compared to the EU27 average). The share of women elected to regional councils increased slightly in 2021.
- At the end of 2021, Italy occupies the second position (38.8%) after France (45.3%) in terms of the **presence of women on the boards of directors** and in senior management roles at large listed companies. **Female CEOs** (1.9%) and **Chairs** (3.5%) are still few, accounting for 2.4% of the total market value of listed companies and 20.7% of total capitalisation, respectively. .

Posteitaliane



- The presence of women in the Company by category is **32.40%** in **management positions**, **16.3%** in **senior management** and **20.8%** in **STEM positions**.
- Through the **Suspension of mortgage payments**, Poste Italiane confirmed its commitment to the **inclusion of female victims of violence** in 2022.
- The **Lifed project** – a digital programme aimed at strengthening parenting skills – continued in **2022**.
- Poste Italiane fully financed the **project Housing autonomy for women victims of violence**, which involved the delivery, in March 2022, of **10** refurbished and furnished **accommodations** for **40 female** victims of violence.
- Poste Italiane participated in **Parks - Liberi e Uguali** to create inclusive working environments that respect all employees, and in particular those belonging to the **LGBTQIA+ community**.
- **The Board of Directors** of Poste Italiane is **44.4%** made up of **women**.

6 CLEAN WATER AND SANITATION



Goal 6: Ensure availability and sustainable management of water and sanitation for

Italy

- In 2020 the **drinking water distribution networks** of provincial capitals and metropolitan cities dispensed 236 litres per inhabitant per day: approximately one litre less than in 2018.
- The **share of water fed into the network** that reaches end users in 2020 is 63.8% (0.9 percentage points higher than in 2018).
- In more than one of three capitals, **drinking water distribution network efficiency** levels are below 55%, while in one out of five capitals the values exceed 75%.
- In 2020, **drinking water distribution rationing measures** were adopted in eleven provincial capitals and metropolitan cities, all located in Southern Italy.
- The share of households saying they do not trust drinkingtap **water** remains high, though stable (28.5% in 2021).
- The share of households complaining of **irregularities in the water supply service** in their homes is 9.4% in 2021, slightly up from the previous year (8.9% in 2020).

Posteitaliane

- Poste Italiane promotes **efficiency in the use of resources** necessary to carry out business activities, whether on its own or through suppliers and business partners.
- In 2022 Poste Italiane's **water withdrawal** amounted to approximately **1,585 megalitres**, mainly from groundwater (3,821 MI) and third-party water resources (1,582 MI), confirming the positive trend in **water withdrawal reduction**.

7 AFFORDABLE AND CLEAN ENERGY



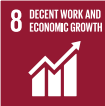
Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.

Italy

- In 2020, the total contribution from **renewable energy sources** to gross final energy consumption reaches 20.4% (+3.4 percentage points above the European and Italian target), marking an improvement of 7.4 p.p. over the last ten years.
- Although the **growth of renewables** has helped **reduce** Italy's foreign energy **dependence**, the share of net imports in Italy's gross energy supply is one of the highest in the EU27.
- In 2020, **final energy consumption** trends, which also reflect the effects of lockdown measures, declined by 8.9%. The **decrease** is less pronounced than in Spain, but above the **EU27 average level** and France and Germany.
- Interrupting the series of progressive reductions that had characterised the last ten years, 2020 marks a slight **increase in total energy intensity**, fuelled by the industrial sector (+6.3%), while services confirm the previous year's values.
- The number of **electric and hybrid cars** is growing consistently, reaching 36.4% of newly registered cars in 2021

Posteitaliane

- In 2022 around 99% of the **Group's electricity needs were met using 100% renewable sources**, certified by Guarantees of Origin.
- The **energy intensity** of Scope 1 and 2 direct and indirect GHG emissions **decreased** by about **19%** compared to 2021.
- In 2022 Poste Italiane continued to implement **initiatives aimed at reducing emissions**. In total, for annual investments of around **€21.7 million**, the projects yielded an annual savings of **12,630 tCO₂e** and annual monetary savings of more than **€2.7 million**.
- In 2022, Poste Italiane entered the **energy market** through the **Energia160** offer, aimed at Group employees and retirees.



Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Italy

- There was a marked **upturn in economic activity** in 2021. Annual changes in GDP by volume and GDP per inhabitant and GDP per person employed were substantial (+6.6%, +7.2%, and +6.0%, respectively).
- The economic recovery was mainly driven by the **construction** sector (with an increase in value added per employee of 14.5%) and **industry** narrowly defined (+11.8%), together with some service sectors, such as **accommodation and catering** (+23.6%) and **transport and storage** (+12.7%), which were significantly affected by the health emergency.
- The **unemployment rate** increased marginally (9.5%; +0.2 p.p.), also reflecting the recovery of job-seeking, which led to a reduction in inactivity. The unemployment rate remains well above European levels.

Posteitaliane



- In 2022 Poste Italiane generated impacts on the country of **€12.9 billion in GDP and €7 billion in employment income**, while also contributing to the creation of **181,000 jobs**.
- Each person at the Group contributed to the **creation of economic impacts for the region** amounting to €107 thousand in GDP, €58 thousand in income for families, and the employment of 1.5 people.
- In the same year, the Group **recruited 7,872 new employees**, three times as many as in 2021, of whom 53% were men and 47% women.
- On 1 March 2022, the Company signed an **Agreement with the Trade Unions**, in force until 31 March 2023, which regulates the application of **Agile Work** in Poste Italiane and in the Group Companies applying the National Collective Labour Agreement (CCNL), renewed on 23 June 2021.



Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Italy

- In 2020, **passenger transport** saw a **drop in usage** due to restrictive measures to fight the pandemic. The **logistics system** was also affected, albeit to a lesser extent than passenger transport.
- In 2020, the **CO₂ emissions** intensity of value added continued to decrease, falling by 2.4% compared to 2019 and by 5.1% compared to 2018.
- In 2021, **the manufacturing industry** resumed **growth** following a decline in 2020 due to the temporary closure of some activities during the lockdown.
- **Investment** in research and development, software, and intellectual property showed less responsiveness to the economic cycle in 2021 and their share fell sharply to 7.8%, 8.4% and 16.7%, respectively, a decrease of 1.2, 1.1 and 2.4 percentage points compared to 2019.
- In 2020, research and development **expenditure** decreased in absolute terms compared to the previous year, although its intensity increased to 1.51% of GDP.

Posteitaliane



- Poste Italiane has started a complete the **renewal of its vehicle fleet**, going from 11% green vehicles in 2016 to 37% in 2022. The aim is to **replace the entire fleet with low-emission** vehicles by 2024.
- In 2022, the **largest photovoltaic plant** built by Poste Italiane **in Lazio** and among the largest in Italy went into operation in Pomezia.
- Through its **"Poste Sicuri Online" anti-fraud campaign**, the Group presented guidelines in 2022 to prevent fraud against its customers.



Goal 10: Reduce inequalities within and among countries

Italy

- In 2021, the **per capita gross disposable income** of households residing in Italy grew (+3.8%) after a decline in the previous year. The increase in purchasing power was smaller (+2.1%).
- In 2020 the **net income inequality** indicator increased to 5.9, a full 0.2 points higher than in 2019. The per capita household incomes of the lowest-income 40% of the population decreased more than those of the total population (-2.1 and -0.2 in 2020, respectively).
- In 2020, the number of new **residence permits issued** to foreign nationals decreased further to 106,503, 39.9% less than in 2019. In contrast to the previous year, the number of permits issued for study purposes decreased the most (-58.2%), as an effect of prolonged border closures due to the Covid-19 pandemic.

Posteitaliane



- In 2022 Poste Italiane paid special attention to **the most vulnerable groups**, weakened by their physical, mental, family, economic, ethnic and social conditions.
- The Group continued the **programme** for communities in **small municipalities**, pledging to ensure continuity of service.
- The Group promoted the **Polis Project** to foster **economic, social and territorial cohesion** in Italy and end the **digital divide in small towns and inland areas**.
- Poste Italiane carried out numerous **corporate volunteering initiatives**, such as the partnership with Forum Terzo Settore to implement a corporate volunteering platform.
- To **support the community financially**, in April 2022 **Prestito BancoPosta Business Link Online** was launched in cooperation with Credimi SpA, allowing digital loans to be offered to sole proprietorships and small businesses.



Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable

Italy

- In 2021, 17.6% of the population complained of problems related to **structural deficiencies and dampness in housing**; the problem was most acute in southern Italy (19.9%).
- In 2021, users classified as frequent users of **public transport** aged 14 years and over accounted for less than 10% (15.1% in the pre-pandemic year), while students who only travel to their place of study by public transport are around 25% (28.5% in 2019).
- In 2020, the **share of municipal waste sent to landfills** continued to fall to 20.1%, which is still far from the EU target for 2035 (10%). Per capita volumes decrease in metropolitan capitals due to the pandemic.
- **Air pollution** levels continued to fall in 2020, particularly for PM2.5, but values remain high in large cities, with the resulting risks to human health.

Posteitaliane



- In 2022, Poste Italiane generated **37,245.3 tonnes of waste**, **36,438.8** of which were **recovered** and **806.5** of which were **disposed of**.
- The Group took part in the **Cresco Awards Sustainable Cities 2022 Prize**, selecting three small municipality projects that stand out on sustainable development.
- Poste Italiane continued to support local **initiatives**, carrying out local projects such as the inauguration of a new Post Office at the Fondazione Policlinico Universitario Campus Bio-Medico in Via Alvaro del Portillo 200, Rome.
- In **July 2022**, Poste Italiane inaugurated a new photovoltaic power plant in Palermo, capable of supplying the equivalent of one year's energy consumption of as many as 250 homes.



Goal 12: Ensure sustainable consumption and production patterns

Italy

- In 2020, the **fall in household consumption**, linked to actions to counter the spread of the pandemic, contributed to a significant **reduction in municipal waste per inhabitant**, which reached 487 kilograms per capita (-3.2% compared to 2019), lower than in the EU27 and the main European economies (with the exception of Spain).
- There were advances in **waste management and conversion of waste into new resources** in 2020. The circular material use rate (21.6%; +2.1 p.p. compared to the previous year), the municipal waste recycling rate (54.4%; +1.1 p.p.) and the municipal waste separate collection rate (63.0%; +1.7 p.p.) increased.
- Thanks to improvements in Italy's performance above the average EU27 profile, Italy is number-four in the European rankings by **circular material use rate** and number-six by **recycling rate**.
- In 2020, production activities in Italy generated 9.8 million tonnes of **hazardous special waste**, a decrease of 3% compared to 2019. However, the generation of hazardous special waste is increasing compared to 2014, as is the ratio of hazardous special waste to GDP.

Posteitaliane



- The total materials used (kg) by the Group in 2022 increased by 2% compared to 2021, while the total **renewable materials used increased by 3%**. The volume of **materials (paper, cardboard and ink/toner) used that originate from recycling** also increased. The trend confirms growth related to the development of volumes in e-commerce.
- In 2022, **Poste Italiane's Integrated Report** will reach its **fifth edition**, continuing the objective of sharing the Group's sustainability journey with its stakeholders.



Goal 13: Take urgent action to combat climate change and its impacts

Italy

- **Greenhouse gas emissions** continue to fall in Europe: in 2019 they were 24% lower than in 1990. Italy was among the five EU27 countries that contributed most to this reduction.
- In 2020, the Italian economy's **greenhouse gas emissions** fell by 9.8% compared to the previous year, partly due to the slowdown in economic activity caused by Covid-19 measures.
- There was a **high risk of landslides and flooding in many Italian regions**, another consequence of climate change. In 2020, 2.2% of Italy's resident population lived in areas with high **or very high landslide risk** and 11.5% in areas with medium flood risk.

Posteitaliane

- In 2019, the Group adopted an **Environmental Sustainability Policy**.
- The Group has set itself the goal of achieving **carbon neutrality by 2030**.
- Since 2019, Poste Italiane has been a member of the UN **Global Compact** (it is currently an advanced member) and a signatory of the letter presented by **We Mean Business Coalition**. In 2021, the Group became an official supporter of the **Task Force on Climate Related Disclosures**.
- In 2022, **€21.7m was invested** in projects to **reduce emissions** from the Group's activities.



Goal 16: Promote peaceful and inclusive societies geared towards sustainable development, ensure access to justice for all and build effective, accountable and inclusive institutions at all levels.

Italy

- In 2020, 289 intentional homicides were committed in Italy, or 0.5 per 100,000 inhabitants. The **homicide rate** has decreased significantly since 2004, mainly for men.
- As at 31 December 2021, there were 8,527 inmates **awaiting first trial**, or 15.8% of the prison population, lower in absolute terms than in the previous year, but higher as a percentage of total inmates.
- In 2021, the percentage of citizens complaining of difficulties in obtaining at least three **essential services** decreased significantly (from 6.2% to 5.5%).

Posteitaliane



- Poste Italiane updated its **Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001** to reflect internal organisational and operational developments.
- **ISO 37001** anti-corruption certification was extended to SDA and Poste Assicura.
- Thanks to the cooperation with the **Fire Department** of the Ministry of the Interior, Poste Italiane delivered **500 sleeping bags** to Ukrainian refugees accommodated in Latvia, and **two radiation detectors** to the embassies in Prague and Krakow, useful in the event of exposure of the population to radiation.
- Poste Italiane **confirmed its legality rating**, receiving a maximum score of three stars from AGCM.
- Following the Group's admittance into the **Collaborative Compliance regime**, it adopted a body of procedures governing how tax risk is managed.
- In 2020, Poste Italiane obtained **UNI ISO 26000** certification of adoption of sustainable development strategies and the promotion of virtuous choices in the ESG area.
- In 2021, the Group achieved certification pursuant to **ISO 20400** - Sustainable Procurement, an international standard that sets guidelines for the integration of social responsibility into procurement policies and processes.
- In 2022, the **Environmental Management System** certified according to **ISO 14001:2015** was extended to all sites in Italy with more than 300 employees.



Goal 17: Strengthen methods of implementation and re-launch the global partnership for sustainable development

Italy

- In 2021, **general government revenues** represented 43.5% of GDP, an increase of 0.7 percentage points over 2020.
- In 2020, the **ratio of Official Development Assistance (ODA)** to gross national income remained stable compared to the previous two years (0.22%). ODA to LDCs on GNI also remains unchanged from the previous year (0.06%).
- In 2021 **remittances from migrant workers in Italy** amounted to approximately €7.7 billion, up 14.3% on 2020. On average, during the period 2011-2020, the outflow of remittances was 0.36% of GDP, and in 2021 it reached 0.44%.
- In 2021, **regular Internet users** (aged 16 to 74) are 80.2%. Of these, 34.1% use the Internet to interact online with the public administration or public service providers.

Posteitaliane



- Poste Italiane is part of a **network of national and international associations** that discuss sustainability issues. These associations include the UN Global Compact, Principles for Responsible Investment (PRI), Principles for Sustainable Insurance, UN Women, Salone CSR and many others.
- Through **PostePay SpA**, Poste Italiane has maintained its agreements with **Open Fiber and TIM** to expand the portfolio of services aimed at the consumer and business market with **new ultrabroadband fibre-optic services** and to **reduce the digital divide in Italy**.
- In 2022, **PostePay** launched the PosteCasa Ultrafast Start product for the **ultra-broadband** market.
- In 2022, the Group contributed approximately **€2.1 billion in tax revenues**.

3. Outlook

Since the beginning of the year 2022, global economic activity has shown progressive signs of slowing down, related initially to the spread of Covid-19 variants and, subsequently, to the outbreak of the Russian-Ukrainian conflict in February. The unstable geopolitical situation continued throughout the year, accompanied by the energy crisis, largely a consequence of the conflict, and pressures on supply chains; these factors led to an escalation of energy prices, which affected those of other goods and services. This was compounded during the period by the repeated interest rate hikes decided by the major central banks to mitigate rising inflation. This context has led to growing uncertainty about the economic outlook, with inevitable risks of a deterioration in the macroeconomic scenario for 2023.

Against this backdrop, the Poste Italiane Group achieved record financial results in 2022, in line with the upgraded guidance communicated to the “financial community” in November 2022, which allowed for an increase in the dividend paid to shareholders for the year 2022 (DPS at €0.650, +10% y/y compared to the +7% y/y forecast by the dividend policy). The Poste Italiane Group, in addition to distinguishing itself through a diversified business structure that allows it to benefit from a constant natural balancing effect between the trends affecting its businesses, has historically demonstrated resilience in times of economic uncertainty and financial turbulence, indeed establishing itself as a “safe harbour” for savers, thanks to a portfolio of financial offerings characterised by products with reduced risk exposure and volatility. In this regard, it should be noted that the Group has negligible exposures to credit institutions recently involved in financial distress. The Group’s cost structure is flexible, with a significant component of variable costs correlated to revenue; the Group mainly sources and competes in the domestic market, has no production units located in the countries affected by the Russian-Ukrainian conflict, or neighbouring countries, and has minor commercial relations with these countries; therefore, it has no direct repercussions that could have a significant impact on its business or on its profitability. Lastly, the Group benefits from the effects of actions implemented during favourable market periods, aimed at mitigating price fluctuations of production inputs or hedging transactions against the risk of fluctuations in fuel prices and gas and energy supplies. The National Collective Labour Agreement is valid until the end of 2023.

On 30 March 2023, the strategy update for the current year was presented to the financial community, reviewing the outlook of the various Strategic Business Units. The objective of configuring Poste Italiane as a platform company evolving towards a diversified and integrated business model to offer Italians a single, omnichannel access point for an increasingly wide range of products/services was confirmed.

In the Mail, Parcels and Distribution Strategic Business Unit: after a 2022 of substantial stability in the parcels and logistics segment, a return to a growth path is expected, however conditioned by the uncertainty of the macroeconomic reference variables. In this scenario, the Group aims to accelerate the transformation path towards an “all-round logistics operator”: the acquisition of Plurima, aimed at entering the specific hospital logistics sector, the renewal of the partnership with Amazon for 5 years, and the recent partnership with DHL (announced on 10 March 2023), which confirms the Group’s commitment to developing its international business, are part of this strategy. The SBU, in the mail segment, will continue to adjust its offer and tariffs, managing the structural mail decline related to e-substitution.

In the Financial Services Strategic Business Unit, postal savings will remain at the centre of the Group’s financial services offering, with a renewed and competitive commercial proposition, confirming itself as a simple and transparent tool for savers; at the same time, the net interest income will continue to contribute to revenue supported by higher rates in a changed macro environment.

The Insurance Services Strategic Business Unit confirms its relevance for the group’s profitability also following the implementation of the IFRS17 accounting standard, with the recognition of a Contractual Service Margin (CSM) in transition of approximately €11 billion that will support sustainable profitability over time. The Group builds on its leading position in the life business and aims to develop the P&C business with an integrated modular offering of customised protection, assistance and service solutions. The acquisition of Net Insurance, which will be finalised during the second quarter, will help accelerate the growth and profitability of the protection business.

With regard to the Payments and Mobile Strategic Business Unit, the acquisition of LIS, a leader in proximity payments, will ensure an acceleration of the Group’s omnichannel strategy, with the development of new services and leveraging the complementary nature of the tobacconist network with post offices and digital channels. In addition, the new Poste Energia offer for electricity and gas was launched on the market in January 2023, now available on digital web and app channels, with over 150 thousand contracts signed by the end of March. The offer exemplifies the clarity of the business proposition and ease of use of Poste Italiane’s services, ensuring a unique omnichannel customer experience.

Continuing its commitment to the Group's digital transformation by supporting citizens, businesses and the PA in the digitalisation process, Poste Italiane confirms its role as a strategic pillar by effectively and efficiently connecting the country. The recent acquisition of Sourcesense, a company operating in the development of cloud-native solutions based on open source technology, aims to accelerate the Group's digital transformation with the internalisation of core competencies supporting a cutting-edge operating platform, while through the acquisition of Agile Lab, the Group will strengthen its presence in the modern "data industry", enhancing its capabilities to build "data-driven" businesses for internal use and for the market.

As part of the National Recovery and Resilience Plan, the Group will invest significant resources in the implementation of "Polis", a strategic project to support the country's social cohesion with particular reference to approximately 7,000 municipalities with a population of less than 15 thousand inhabitants by becoming the home of the public administration's digital services. Some 250 co-working spaces nationwide are also planned, as well as the implementation of numerous initiatives to support the country's energy transition.

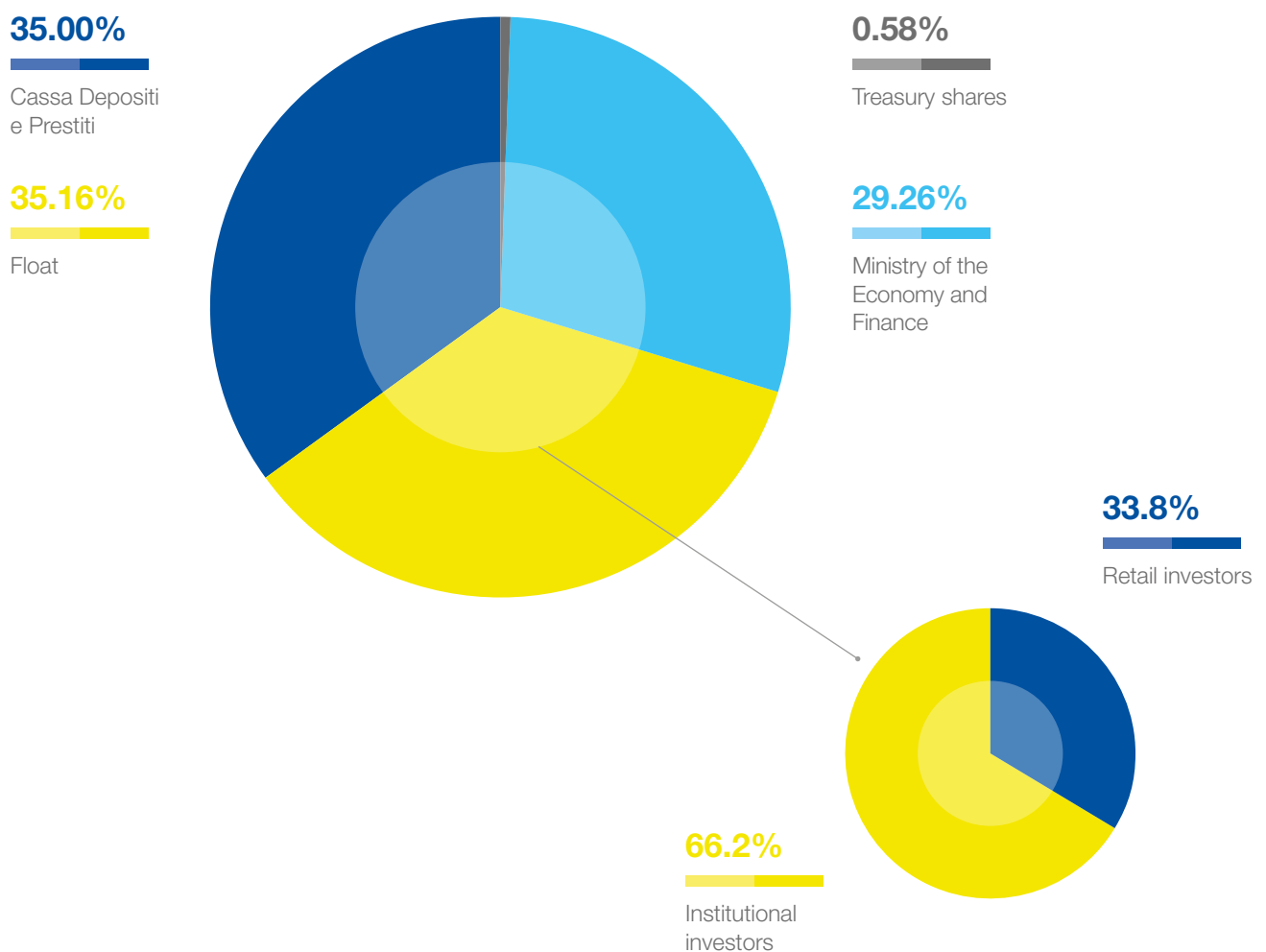
In the path of transition towards carbon neutrality by 2030, investments and strategic initiatives will continue, such as the renewal of the delivery fleet with low-emission vehicles, the installation of photovoltaic panels for energy supply, the modernisation of the fleet with low CO₂ emission vehicles, and enhancement of building efficiency; the replacement of current Postepay cards with cards made of eco-sustainable materials and with digital cards will also continue, as well as the development of specific offers aimed at enhancing customers' sustainable behaviour.

4. Business Model

- Poste Italiane's Ownership and Organisational Structure
- Poste Italiane's Business Model
- Group Structure
- Omnichannel approach and business segments

4.1 Poste Italiane's Ownership and Organisational Structure

4.1.1 Poste Italiane Ownership Structure



Poste Italiane has issued shares listed on the Mercato Telematico Azionario (Electronic Stock Exchange - MTA) organised and managed by Borsa Italiana SpA as of 27 October 2015. At 31 December 2022, the Company is 29.26% owned by the Ministry of the Economy and Finance (MEF) and 35% owned by Cassa Depositi e Prestiti SpA (CDP), also controlled by the MEF. The remaining shares are held by institutional and retail investors. A total of 33.9%² of the shares held by institutional investors³ of Poste Italiane SpA belong to investors who follow ESG (Environment, Social, Governance) criteria in their investment choices. The share capital of Poste Italiane SpA consists of 1,306,110,000 ordinary shares, of which 1,298,574,009 are outstanding at 31 December 2022 (7,535,991 treasury shares).

The Ordinary Shareholders' Meeting of 27 May 2022 authorised Poste Italiane's Board of Directors to purchase and subsequently sell treasury shares for a maximum of 2.6 million ordinary Company shares, with a maximum expenditure of up to €40 million. The purchase of treasury shares was authorised over a period of eighteen months starting from the date of Meeting's resolution but no time limit was instead set for the sale of the treasury shares purchased. In the period between 30 May and 13 June 2022, Poste Italiane concluded its share buyback programme by acquiring 2,600,000 treasury shares for a total value of about €25.3 million.

On 9 November 2022, Poste Italiane's Board of Directors, in light of the financial position and results of operations of Poste Italiane SpA at 30 June 2022, the performance for the following months, the business outlook and the related expected economic prospects at 31 December 2022, and in line with the Group's dividend policy, resolved to bring forward, as an interim dividend, part of the ordinary dividend for 2022. To this end, the Company has prepared a Report and Financial Statements pursuant to article 2433-bis of the Italian Civil Code, which show that the Company's financial position, results of operations and cash flows allow such distribution.

The opinion of the independent auditors was obtained on these documents. The interim dividend of €0.210 per share, gross of any legal withholding taxes, was paid with effect from 23 November 2022, with "ex-dividend date" of coupon no. 11 coinciding with 21 November 2022 and record date (i.e. the date on which the dividend was entitled to be paid) coinciding with 22 November 2022.

Based on the number of shares outstanding at 9 November 2022, which amounted to 1,298,574,009, the total amount of the interim dividend was around €273 million.

4.1.2. Poste Italiane's organisational structure

In line with the strategic guidelines set out in the Strategic Plan, the Group's activities are divided into four Strategic Business Units (also referred to as operating segments in Poste Italiane's financial statements): Mail, Parcels and Distribution; Financial Services; Insurance Services; Insurance Services and Payments and Mobile.

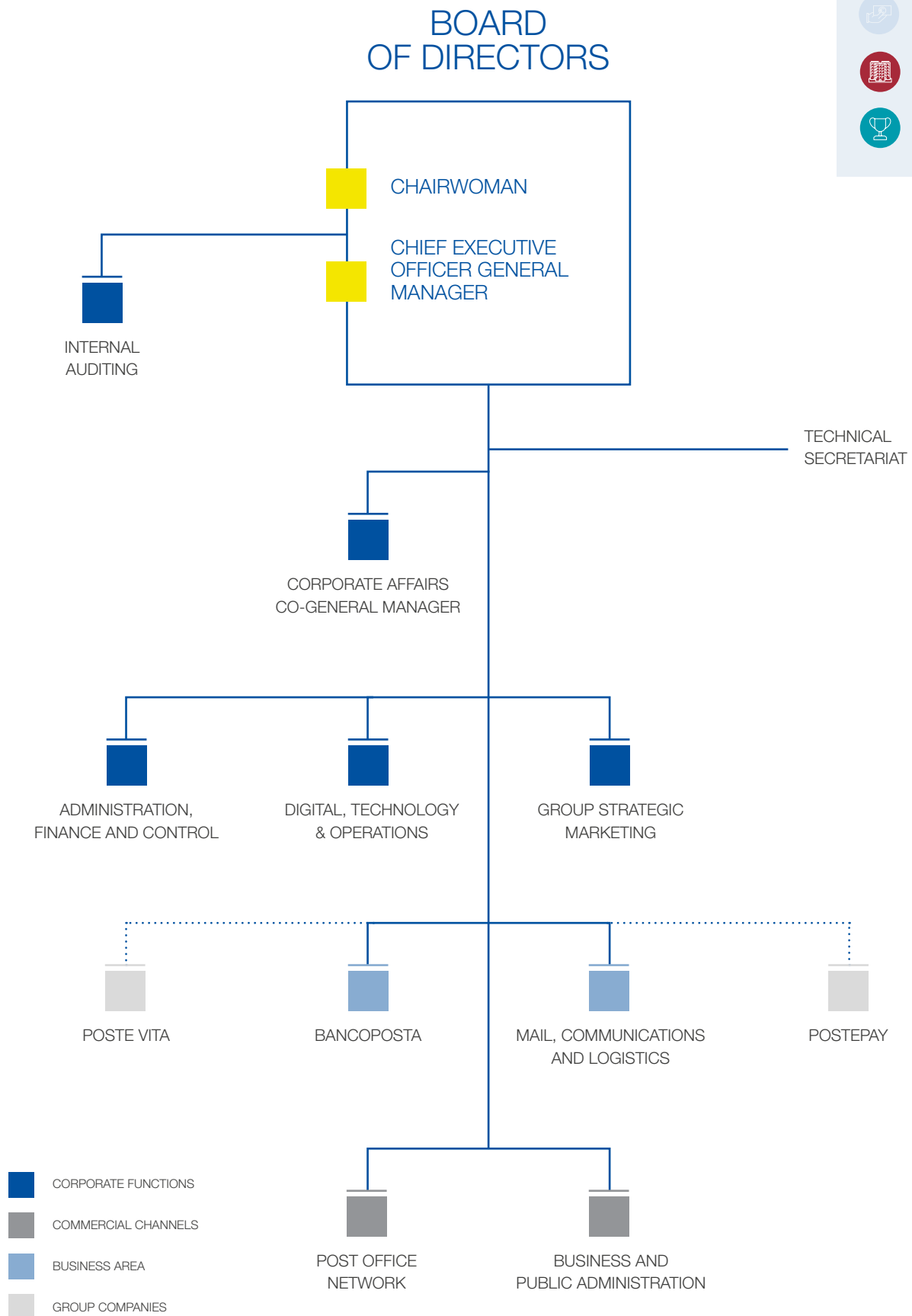


2. Source: Nasdaq Corporate Solutions.

3. Poste Italiane's institutional investors represent 23.3% of the share capital and 66.2% of the free float.

Below is Poste Italiane's organisational structure and:

MAIN RELATED TYPES OF CAPITAL



The organisation of Poste Italiane SpA envisages **business functions**⁴ specialising in the main areas of offer that cover the Group's 4 business sectors and **two commercial channels** responsible for sales of products/services, which are supported by **corporate functions** of guidance, governance, control and provision of services in support of **business processes**.

With particular reference to the corporate functions of Poste Italiane SpA, the **Corporate Affairs** function plays a fundamental role of guidance and cohesion of the corporate structure; moreover, in May 2020, the Head of Corporate Affairs was assigned the role and office of **Co-General Manager**.

During the first half of 2022, as part of the path of integration and development of synergies between the retail channel and the sales force dedicated to Small Economic Operators (POE) customers⁵, in the **Post Office Network** area, the POE territorial sales figures were brought back into the Post Office Network Macro Area sales functions by prevailing geographic competence.

During the third quarter of 2022, the **Group Strategic Marketing** function was created with the task of reviewing the development plans of the individual business lines in order to ensure consistency and ensure the coordination of the "go to market" by product and distribution channel.

In September 2022, the Human Resources and Organisation function was allocated to **Corporate Affairs**.

In December 2022, there was a comprehensive review of the Digital & Experience function in **Digital, Technology & Operations**, which is the enabler of the Group's innovation and omnichannel transformation.

New "Group Strategic Marketing" Function

4. These are the Mail, Communication and Logistics functions for the offer of mail, parcels and commercial communication services and BancoPosta as placement intermediary for the financial and insurance offer. The other two business areas are covered by PostePay for the payments, telephony and energy sales services offering and by Poste Vita Group for the insurance range.

5. POE: Customers with VAT registration and turnover < €1 million or number of employees < 10.

Page intentionally left blank

< 4.2 Poste Italiane's Business Model

NFS



The year 2022 marked a decisive point in the country's recovery after more than two years of the Covid-19 health crisis, during which Poste Italiane was able to further confirm its centrality in supporting the community and the territory in which it operates. Thanks to its widespread presence throughout the country, the Group was a point of reference for the country at a time of defining new post-pandemic balances, as well as humanitarian and energy crises due to the conflict in Ukraine. Poste Italiane has strengthened its collaboration with institutions, supporting the public administration on the one hand and small municipalities on the other, contributing to the country's digital and sustainable transition.

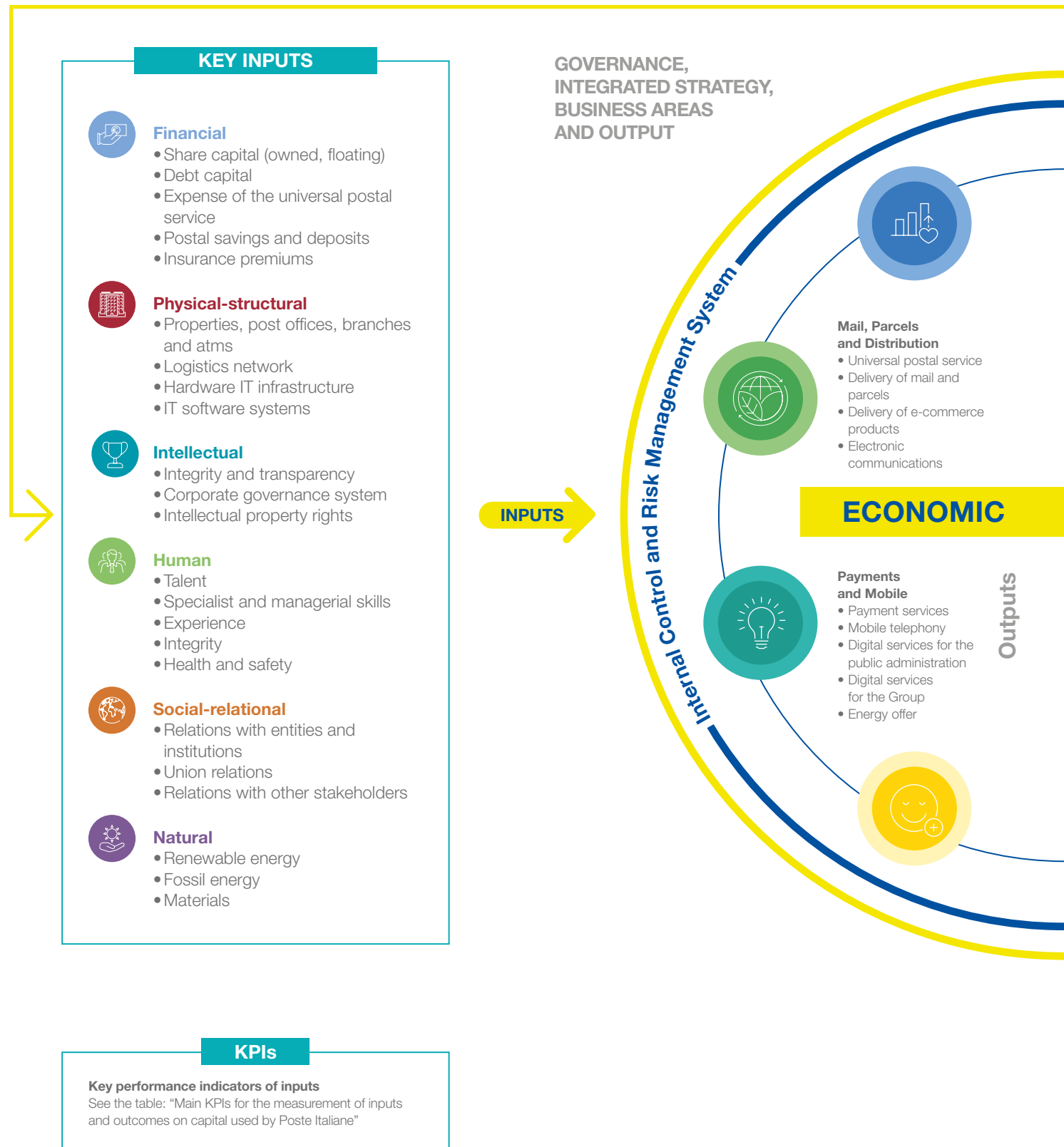
MAIN RELATED TYPES
OF CAPITAL

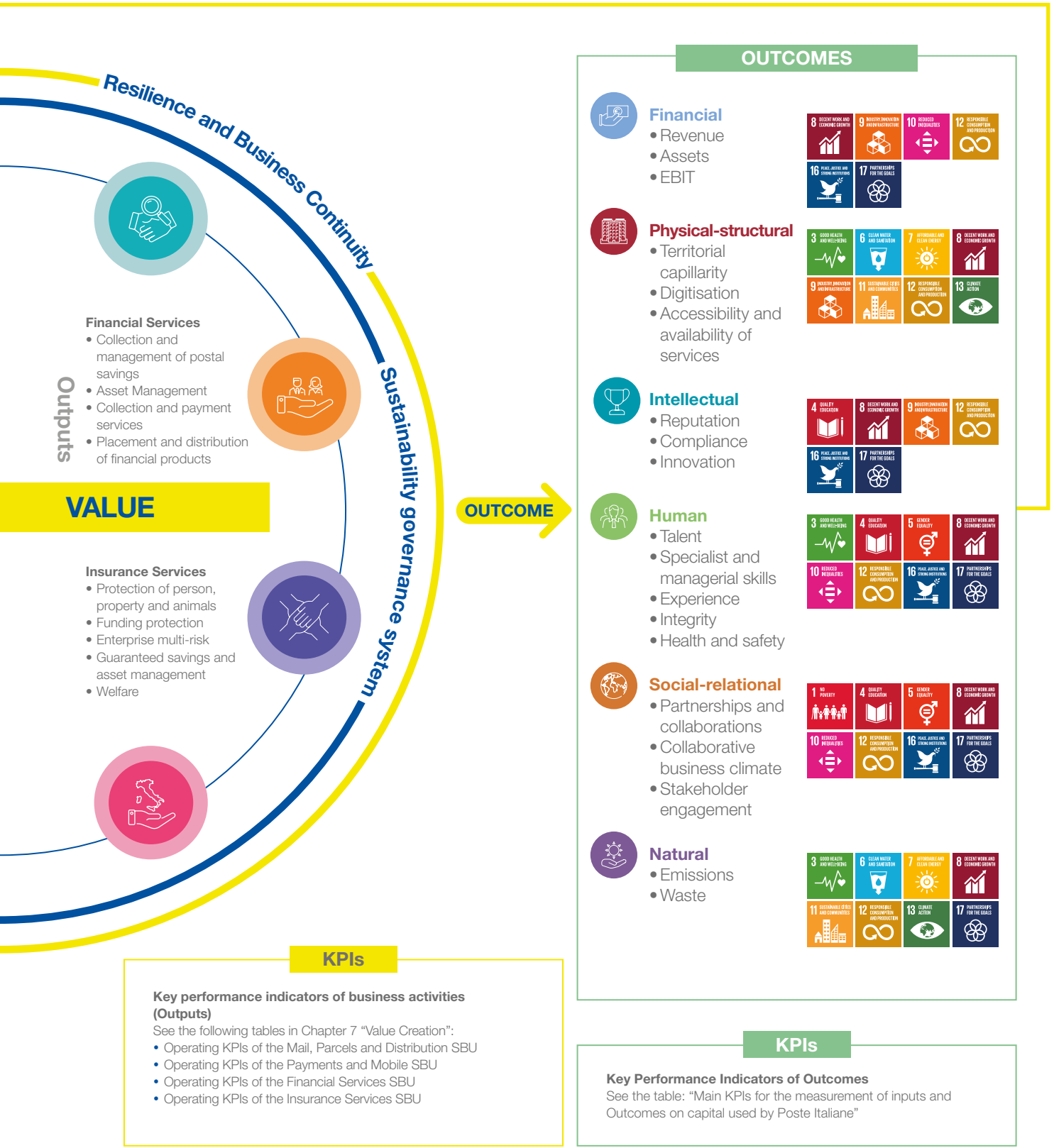
of Poste Italiane

Grow responsibly thanks to the decisive contribution of its people to the sustainable success, innovation, digitisation and social cohesion of the country

The figure shown below outlines Poste Italiane's business model, characterised by the interaction between strategy, value creation process and forms of financial and non-financial capital.

The value creation process at Poste Italiane











The main forms of capital Poste Italiane uses to create value over time

Poste Italiane's business is based on heterogeneous capitals characterised by their own identity and certain qualities. This feature makes it possible to both specifically analyse and measure them through performance indicators. The unique characteristics of each capital, including references to the paragraphs in this document where a broader description is given, are outlined in the following table.











Main KPIs for the measurement of Inputs and Outcomes on capital used by Poste Italiane

CAPITAL	DESCRIPTION	MEASUREMENT INDICATORS	REFERENCE TO PARAGRAPHS OF THE REPORT
 Financial	<ul style="list-style-type: none"> Sources of financing and ways of using financial resources 	<p>INPUT:</p> <ul style="list-style-type: none"> Business continuity plan resources Equity and liabilities <p>OUTCOME:</p> <ul style="list-style-type: none"> GRI 201-1 Economic value generated, distributed and retained FS11 Percentage of assets subject to positive and negative environmental or social screening 	<ul style="list-style-type: none"> Group financial position and cash flow Integration of ESG factors into investment policies Integration of ESG factors into insurance policies Indicators tables
 Physical-structural	<ul style="list-style-type: none"> Structures, equipment and infrastructure that have an impact on efficiency and effectiveness 	<p>INPUT:</p> <ul style="list-style-type: none"> Corporate fleet data Air transport fleet data GRI 2-6 Widespread presence <p>OUTCOME:</p> <ul style="list-style-type: none"> Number of digital services offered Number of contacts handled GRI 305 Emissions GRI 306 Waste GRI 305-4 Intensity of GHG emissions related to real estate facilities Wastewater reporting Dematerialisation of procedures and corresponding transactions 	<ul style="list-style-type: none"> Environmental impacts of real estate facilities Environmental impacts of logistics Innovation and digitisation of products, services and processes Indicators tables
 Intellectual	<ul style="list-style-type: none"> Intellectual property, procedural/organisational system, reputation 	<p>INPUT:</p> <ul style="list-style-type: none"> Business continuity plan resources GRI 205-1 Companies assessed for risks related to corruption and percentage of operations audited for risks related to corruption Specific training on procedures and policies of anti-corruption GRI 207-1 Approach to tax <p>OUTCOME:</p> <ul style="list-style-type: none"> GRI 205-3 Reports managed by the Whistleblowing Committee GRI 418 Customer Privacy IT security and cyber security breaches Number of customers involved in IT security breaches Cases of bribery and corruption and corrective actions Anti-competitive practices GRI 415-1 Political contributions 	<ul style="list-style-type: none"> Work with transparency and integrity CyberSecurity, IT Security and Privacy Innovation and digitisation of products, services and processes Indicators tables

CAPITAL	DESCRIPTION	MEASUREMENT INDICATORS	REFERENCE TO PARAGRAPHS OF THE REPORT
 <p>Human</p>	<ul style="list-style-type: none"> Personnel knowledge and skills 	<p>INPUT:</p> <ul style="list-style-type: none"> GRI 2-7 Number of personnel by contract type and gender GRI 2-8 Number of non-employees by contract type and gender GRI 401 Employment GRI 403-5 Worker training on occupational health and safety GRI 404 Training and Education GRI 405 Diversity and Equal Opportunity Number of participants in development programmes Average hours of training for employees by gender and category Training programmes and career development <p>OUTCOME:</p> <ul style="list-style-type: none"> Workforce trends (employee turnover) GRI 403-9 Occupational accidents Diversity Number of cases of non-compliance with labour standards Disputes 	<ul style="list-style-type: none"> Work with transparency and integrity Protection of human rights at the Company Equal career development opportunities Occupational health and safety Staff training and development Staff welfare and well-being Indicators tables
 <p>Social-relational</p>	<ul style="list-style-type: none"> Partnerships and stakeholder engagement 	<p>INPUT:</p> <ul style="list-style-type: none"> Suppliers with an ISO 14001 or EMAS certified environmental management system GRI 402 Labour/Management Relations GRI 203-1 Corporate giving and/or corporate citizenship initiatives Existing tenders that incorporate specific social criteria <p>OUTCOME:</p> <ul style="list-style-type: none"> Number of contacts handled Customer satisfaction GRI 203 Indirect economic impacts Quality of the Universal Postal Service Customer experience in Post Offices Customer complaints by type Monthly complaints Settlements New customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions FS14 ATMs for inclusion FS14 Post offices for cultural integration 	<ul style="list-style-type: none"> Protection of human rights at the Company Support for the socio-economic development of local communities Dialogue and transparency in relations with the authorities Relations with social partners Financial inclusion Quality and customer experience Legality and incorporation of ESG criteria within the procurement process Indicators tables
 <p>Natural</p>	<ul style="list-style-type: none"> Natural resources and ecosystem services 	<p>INPUT:</p> <ul style="list-style-type: none"> GRI 301 Materials GRI 302 Energy GRI 303 Water and Effluents Total cost of energy purchased for real estate facilities Existing tenders that incorporate specific environmental criteria <p>OUTCOME:</p> <ul style="list-style-type: none"> GRI 305 Emissions GRI 306 Waste GRI 305-4 Intensity of GHG emissions related to real estate facilities Wastewater reporting Weight of electricity consumption relating to real estate facilities by type of business 	<ul style="list-style-type: none"> Legality and incorporation of ESG criteria within the procurement process Environmental impacts of real estate facilities Environmental impacts of logistics Indicators tables

Poste Italiane's ESG Strategic Plan, built on 8 pillars related to the 18 material issues, identified through the materiality analysis process subsequently described in Chapter 5 "Strategy", is conducive to the promotion of a complete and effective disclosure of the Company's performance.

STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
 Integrity and transparency	Work with transparency and integrity		<ul style="list-style-type: none"> • GRI 205 Anti-corruption • GRI 207 Taxes • GRI 415 Public Policy 	 Intellectual  Financial
	Legality and incorporation of ESG criteria within the procurement process		<ul style="list-style-type: none"> • Existing tenders that incorporate specific environmental criteria 	 Natural  Financial
			<ul style="list-style-type: none"> • Existing tenders that incorporate specific social criteria 	 Human  Social-relational  Financial
	 People development	Staff training and development		<ul style="list-style-type: none"> • GRI 301 Materials
Staff welfare and well-being		 	<ul style="list-style-type: none"> • GRI 2 General Standards • GRI 401 Employment 	 Human
			Relations with social partners	
Occupational health and safety		 	<ul style="list-style-type: none"> • GRI 403 Occupational Health and Safety 	 Umano
 Diversity and inclusion	Protection of human rights at the Company	 	<ul style="list-style-type: none"> • GRI 405 Diversity and Equal Opportunity 	 Human  Social-relational
	Equal career development opportunities		<ul style="list-style-type: none"> • GRI 404 Training and Education 	

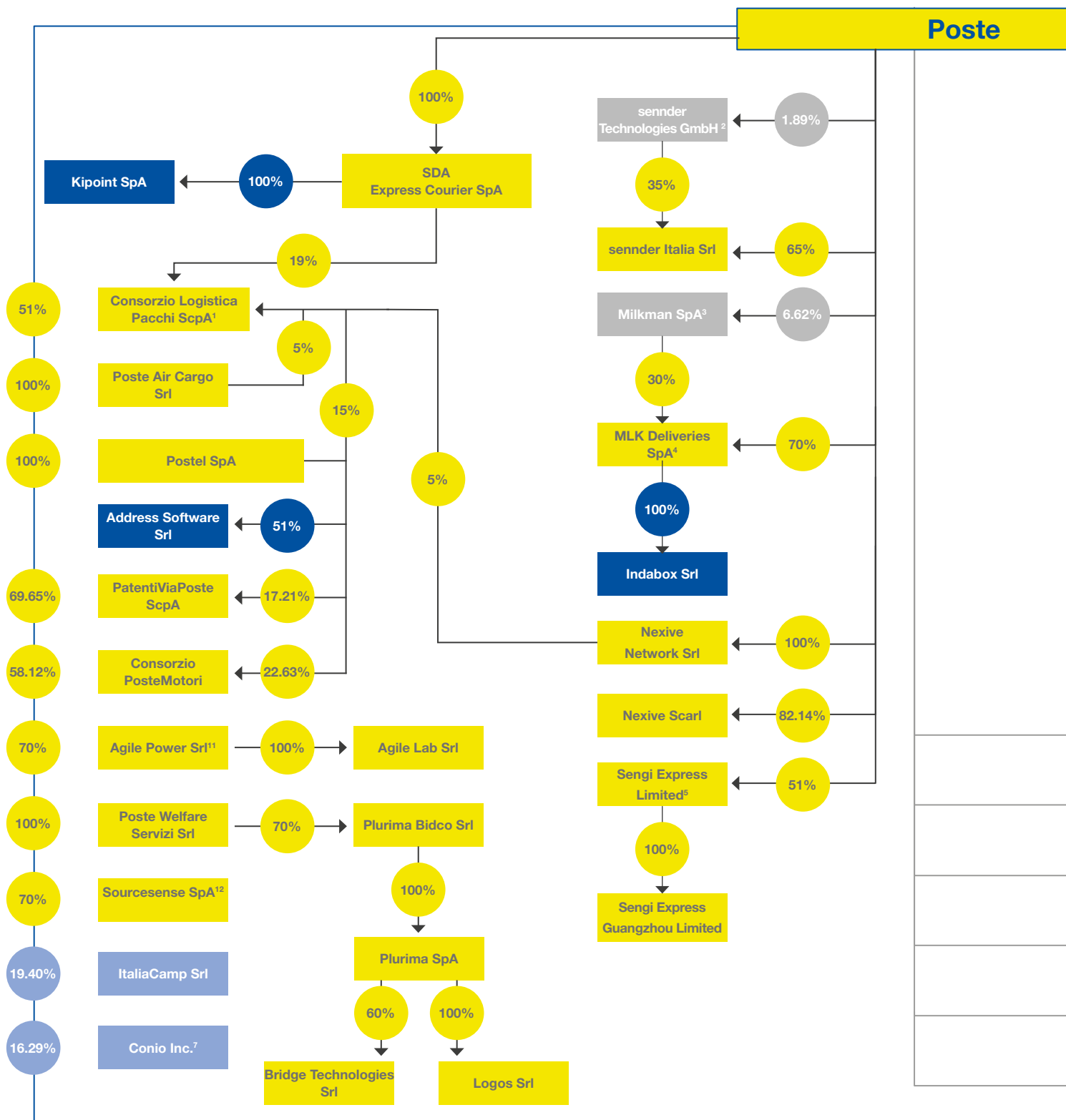
STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
 <p>Creating value for the country</p>	<p>Support for the socio-economic development of local communities</p>	   	<ul style="list-style-type: none"> • GRI 203 Indirect economic impacts 	 Social-relational
	<p>Dialogue and transparency in relations with the authorities</p>		<ul style="list-style-type: none"> • Monetary contributions related to activities with the ability to influence public policies 	
	<p>Financial inclusion</p>		<ul style="list-style-type: none"> • Incidence of new customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions 	 Social-relational  Financial

STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
 <p>Green transition</p>	Environmental impacts of logistics		<ul style="list-style-type: none"> • GRI 302 Energy • GRI 305 Emissions 	
				
				
				
				
			<ul style="list-style-type: none"> • GRI 302 Energy 	 <p>Physical-structural</p>
				
				
				
	Environmental impacts of real estate facilities		<ul style="list-style-type: none"> • GRI 303 Water and Effluents • GRI 306 Waste 	 <p>Natural</p>
				
				
		<ul style="list-style-type: none"> • GRI 305 Emissions 		
				
				
				

STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
 Customer experience	Quality and customer experience		<ul style="list-style-type: none"> • Quality of universal service • Customer experience in Post Offices • Customer complaints by type • Customer satisfaction • Settlements 	 Social-relational  Intellectual
	CyberSecurity, IT Security and Privacy		<ul style="list-style-type: none"> • GRI 418 Customer Privacy 	 Financial
 Innovation	Innovation and digitisation of products, services and processes	 	<ul style="list-style-type: none"> • Number of digital services offered • Number of digital transactions 	 Intellectual  Physical-structural  Financial
	Integration of ESG factors into investment policies Integration of ESG factors into insurance policies	 	<ul style="list-style-type: none"> • FS 11 Percentage of assets subject to positive and negative environmental/social screening • ESG products and services related to Asset Management 	 Social-relational  Financial  Human  Intellectual  Natural

< 4.3 Group Structure

At 31 December 2022, the Group held, directly and indirectly, equity investments in 51 companies and consortia, of which 36 are consolidated on a line-by-line basis, 3 are subsidiaries and valued using the equity method, 6 are associates and valued using the equity method and 6 represent minority stakes.

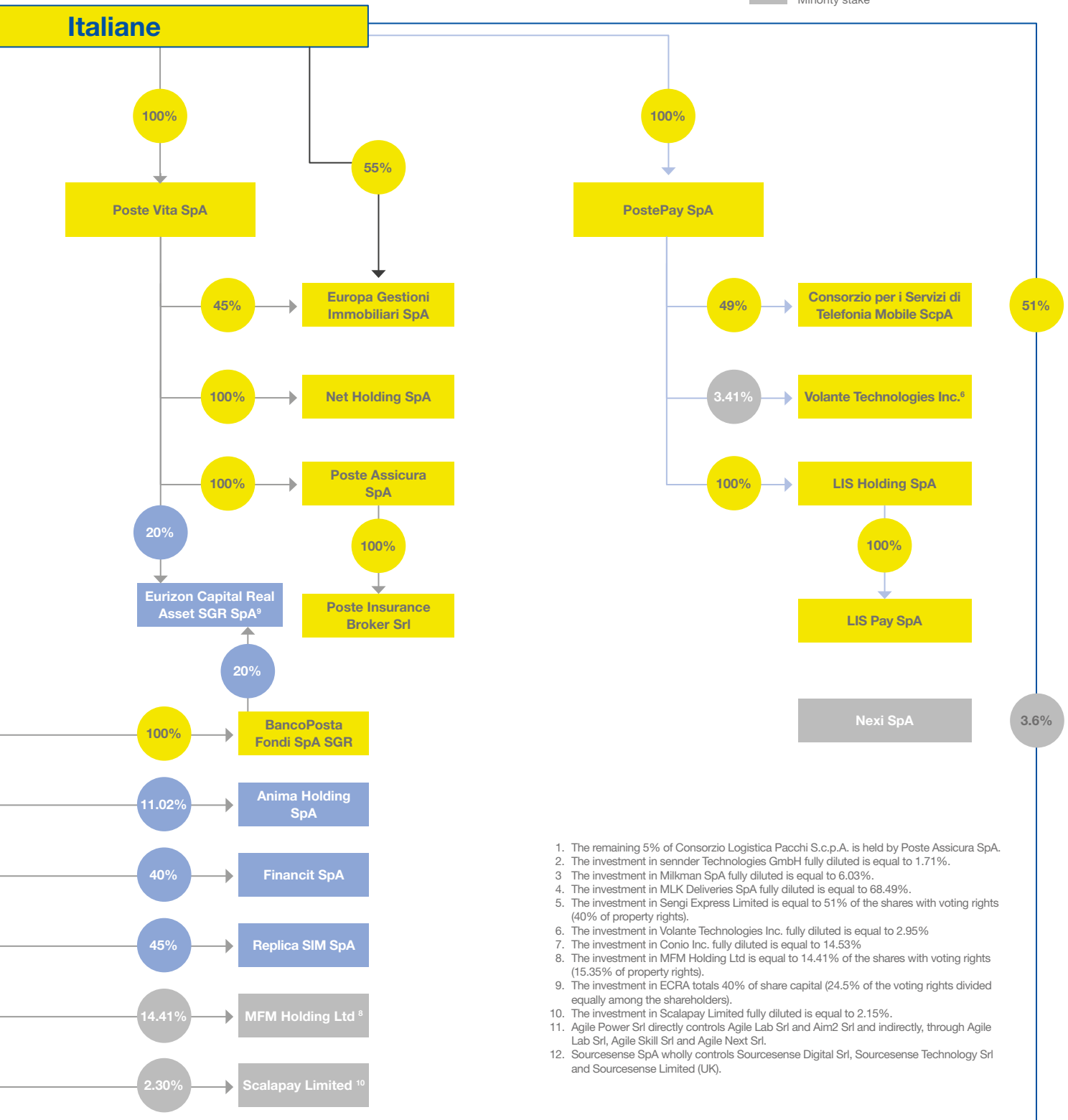


Key to business Units

- Mail, Parcels and Distribution
- Financial and Insurance Services
- Payments and Mobile

Key to investments

- Consolidated on a line-by-line basis
- Subsidiary accounted for at equity
- Associate accounted for at equity
- Minority stake



1. The remaining 5% of Consorzio Logistica Pacchi S.c.p.A. is held by Poste Assicura SpA.
2. The investment in sennder Technologies GmbH fully diluted is equal to 1.71%.
3. The investment in Milkman SpA fully diluted is equal to 6.03%.
4. The investment in MLK Deliveries SpA fully diluted is equal to 68.49%.
5. The investment in Sengi Express Limited is equal to 51% of the shares with voting rights (40% of property rights).
6. The investment in Volante Technologies Inc. fully diluted is equal to 2.95%
7. The investment in Conio Inc. fully diluted is equal to 14.53%
8. The investment in MFM Holding Ltd is equal to 14.41% of the shares with voting rights (15.35% of property rights).
9. The investment in ECRA totals 40% of share capital (24.5% of the voting rights divided equally among the shareholders).
10. The investment in Scalapay Limited fully diluted is equal to 2.15%.
11. Agile Power Srl directly controls Agile Lab Srl and Aim2 Srl and indirectly, through Agile Lab Srl, Agile Skill Srl and Agile Next Srl.
12. Sourcesense SpA wholly controls Sourcesense Digital Srl, Sourcesense Technology Srl and Sourcesense Limited (UK).

The following table describes the activities of the Group companies, including them within the respective Business Units described in the section "Omnichannel approach and business segments" to which reference should be made for more details. [Q](#)






Mail, Parcels and Distribution

SDA Express Courier SpA	A Group company that mainly carries out activities in the service of logistics processes in the Express Courier sector in relation to the Poste Italiane branded Parcels offer. It also offers dedicated logistics services with customised integrated logistics solutions.
Postel SpA	Company operating in the business communications sector mainly oriented towards companies and Public Administration, to which it provides a full suite of services from printing, delivery, electronic document management (GED), incorporating integrated Data Driven Marketing solutions.
Poste Air Cargo Srl	This company provides commercial air transport, cargo courier transport and insures, as the Group's sole provider, the air logistics in support of mail and parcel delivery.
Consorzio PosteMotori	This is a non-profit consortium that manages and reports on the payment of prices due by users for the cases within the competence of the Transport Department of the Ministry of Infrastructure and Transport (e.g. issue of "pink sheets", issue and renewal of copies of driving licences, registrations, MOTs, etc.). As provided for in the Contract of Assignment prot. 5266 of 13 July 2021 the activities covered by the same ended on 31 March 2022.
Consorzio Logistica Pacchi ScpA	This consortium coordinates the activities of the consortium members (Poste Italiane, SDA, Postel, Poste Air Cargo, Poste Assicura and Nexive Network) in transport overland and by air of postal bills, integrated logistics, printing and envelope filling, electronic document management, e-commerce, marketing and telemarketing.
PatentiViaPoste ScpA	Non-profit consortium that provides centralised printing services, the dispatch and delivery of new licences and copies of log books. The contracted activities are terminated during 2022 with the exception of the Driver's Licence Delivery service extended to 30 June 2023.
Address Software Srl	Company that develops, for Postel SpA and Poste Italiane SpA, application software packages for the processing of personal and territorial data (normalisation of addresses, data cleaning and geo-marketing).
Europa Gestioni Immobiliari SpA	This company manages and optimises Poste's real estate assets that are not instrumental; it carries out town planning and construction transformations, in order to assure the relative marketing (new leases and sales).
ItaliaCamp Srl	Organisation that develops social innovation processes with a positive impact for the country, creating connections between institutions, companies, associations and universities.
Indabox Srl	This company develops IT and telematic systems offering logistics support to e-commerce via the web, offering customers a service for the collection of parcels purchased on-line from authorised retailers.
Kipoint SpA	Through a network of franchise stores, this company sells national and international deliveries, packaging and packing. Kipoint is also Punto Poste and Indabox. In addition, following the stipulation of the contract with Grandi Stazioni, it also manages luggage deposits at major railway stations.
Conio Inc.	This US company creates and offers innovative services in digital currencies. It controls 100% of Conio Srl which is involved in the research, development and testing of results consisting of innovative electronic payment technology solutions (cryptocurrencies, bitcoin).

sennder Italia Srl	The Company carries out national and international long-distance road transport activities. The business model is based on highly digitised processes and proprietary IT platforms, creating optimised management of processes and distances travelled.
MLK Deliveries SpA (30% owned by Milkman SpA)	Company that carries out home delivery activities for e-commerce through innovative and technologically advanced delivery services, such as Scheduled Delivery, which allows customers to customise deliveries by choosing the date and time of receipt and Same Day (the same day on which the purchase is made) and to avail of a detailed tracking service. The Company exclusively uses the technology of Milkman SpA.
Sengi Express Limited	Company based in Hong Kong that deals with the creation and management of cross-border logistics solutions for Chinese e-commerce players active in the Italian market. It offers a complete range of services to Chinese e-commerce operators, tailored to the specific needs of individual merchants, with competitive commercial solutions for each stage of the logistics chain connecting China to Italy.
Sengi Express Guangzhou Limited (wholly-owned by Sengi Express Limited)	Company, based in China, of Sengi Express Limited to which it provides business support services (operations, IT services, back office, administrative services, etc.).
Nexive Network Srl	Operating Company which, as of 1 October 2021, carries out the management and coordination of the new delivery network, made up of Nexive's external partners, used to support the "last mile" phase of Poste Italiane's delivery process for postal products and small parcels.
Nexive Scarl	Consortium company that coordinates the activities of consortium members for postal delivery activities mainly for Public Administration customers, awarded through participation in public tenders.
Plurima Bidco Srl	A holding company engaged in the holding and management of equity investments set up for the acquisition of Plurima SpA , which operates in the field of hospital logistics and document custody and management services for public and private hospitals. As of 1 January 2023, Plurima Bidco Srl was merged by incorporation into Plurima SpA.
Poste Welfare Servizi Srl	Company that manages Supplementary Health Funds, services for the acquisition and validation of databases, services and liquidation of services on behalf of private health funds; it also supplies services for the management of Poste Vita Group health and welfare products. Following the transfer in January 2022 by Poste Vita in favour of Poste Italiane of 100% of the shares held in Poste Welfare Servizi, said company, as from 2022, is included within the Mail, Parcels and Distribution Strategic Business Unit.
Agile Power Srl	Company developing applications in Big Data and Machine Learning. It wholly and directly owns Agile Lab Srl , which specialises in Data Management, offering tailor-made technology solutions that exploit artificial intelligence, as well as services involving the reselling of open source.
Sourcesense SpA	Sourcesense is a company operating in the Information Technologies sector in Italy and the UK with significant expertise in developing cloud-native solutions based on open source technology. It wholly owns Sourcesense Digital Srl, Sourcesense Technology Srl and Sourcesense Limited (UK) .



Financial Services

BancoPosta RFC	<p>On 14/04/2011, Poste Italiane SpA's Shareholders' Meeting resolved to set up assets for BancoPosta business as governed by Presidential Decree 144 of 14 March 2001 and determined the assets and legal relations included therein and the rules of organisation, management and control. On 1 October 2018, the set of activities, assets, goods and legal relations constituting the electronic money and payment services business unit was contributed to Ring-Fenced Capital within the subsidiary PostePay SpA in order to enable the latter to operate as an Electronic Money Institution (EMI).</p> <p>On 28 May 2021, Poste Italiane's Extraordinary Shareholders' Meeting approved the removal of the restriction on the allocation of BancoPosta RFC regarding activities, assets and legal relations constituting the "Debit Business" in order to confer the latter in favour of PostePay SpA, effective 1 October 2021.</p>
BancoPosta Fondi SpA SGR	Asset management company that operates through the establishment and management of mutual investment funds  and the individual portfolio management service relating to institutional mandates assigned to the Group.
Anima Holding SpA	Investment holding company in the asset management sector. It wholly owns Anima SGR, which, in turn, wholly owns Anima Asset Management Ltd.
Moneyfarm Holding LTD	Digital asset management company, specialised in ETF  (Exchange Traded Funds) portfolios.
Financit SpA	Part of the BNP Paribas Group, this company operates in the salary and pension-backed loan  and delegation of payment sector.
Replica SIM SpA	Securities brokerage company, active in proprietary and third-party brokerage and asset management as investment manager and execution broker for the management of some investment funds.
Eurizon Capital Real Asset SGR S.p.A	A company specialising in investments supporting the real economy, it sets up and manages Alternative Investment Funds (AIFs) for private and institutional clients.
Scalapay Limited	A company operating in several European countries in the Buy Now Pay Later ("BNPL") market on on-line and physical channels, allowing end customers to pay for a product/service in three interest-free monthly instalments.



Insurance Services

Poste Vita SpA	Insurance company that provides insurance and reinsurance in Life classes.
Poste Assicura SpA	Insurance company that provides personal protection (health and accident), property protection (home and assets) and credit protection (insurance of loans and mortgages from unforeseen events).
Poste Insurance Broker Srl	Insurance broker for the distribution and brokerage of insurance and reinsurance.
Net Holding SpA	Holding company engaged in the holding and management of equity investments set up for the acquisition of Net Insurance SpA (an insurance company whose offer is dedicated to insurance coverage related to the world of credit and, in particular, to salary and pension-backed loans, protection and to insurtech through agreements with technology partners).



Payments and Mobile

PostePay SpA	A company that integrates electronic money and payment services, acting as an Electronic Money Institution (EMI) and Mobile Virtual Network Operator (MVNO) with the PosteMobile brand, and sale of energy (electricity and gas) through the Poste Energia service.
LIS Holding SpA	A company operating in the Italian proximity payments market offering services including pay slips, prepaid payment cards, phone top-ups and vouchers and other solutions for merchants and businesses. It wholly owns LIS Pay SpA , an electronic money institution that provides payment and e-money services through the PUNTOLIS network.
Consorzio per i Servizi di Telefonia Mobile ScpA	Consortium for the supply of services relating to mobile telephony and integrated messaging services (device info services connected with financial instruments) exclusively for Poste Italiane.
Nexi SpA	A company that carries out activities in the field of digital payments (PayTech), offers services and technology infrastructure for banks, enterprises and public administration. It operates in three market segments: Merchant Services & Solutions, Cards & Digital Payments e Digital Banking & Corporate Solutions.
Volante Technologies Inc.	American company specialising in the development of technological solutions underlying the payment and financial messaging processes on cloud and on-premise for the acceleration of digital transformation and the modernisation of financial services.

Below are the main transactions that took place during the period:





Mail, Parcels and Distribution

Plurima SpA	<p>On 18 March 2022, Poste Italiane signed a binding agreement with Opus Srl and the private equity operator Siparex to acquire a majority stake in Plurima SpA ("Plurima") for a consideration based on a total enterprise value of the Company of €130 million.</p> <p>The closing took place on 2 May 2022. The transaction was carried out through Poste Welfare Servizi Srl ("PWS"), a wholly-owned subsidiary of Poste Italiane, and financed with available cash resources. With the completion of the transaction, PWS holds 70% of the share capital of Plurima Bidco Srl (Bidco), which in turn owns 100% of Plurima.</p> <p>Plurima is a market leader in Italy in hospital logistics and document storage and management services for public and private hospitals. It operates through 41 logistics facilities and a fleet of around 300 vehicles. In light of the experience gained by PWS in the health sector with the provision of the Vaccine Platform services, it will be possible to further strengthen its role as a centre of excellence in the health sector by creating synergies with the services provided by Plurima.</p>	Plurima: majority stake acquired
--------------------	--	---



Payments and Mobile

<p>LIS Holding SpA</p>	<p>On 14 September 2022, PostePay, following the authorisations received from the AGCM and the Bank of Italy, completed the acquisition of 100% of LIS Holding SpA (together with its subsidiary LIS Pay SpA, "LIS") at a price of €700 million determined on the basis of an enterprise value of €630 million and a conventionally agreed net available cash of €70 million.</p> <p>LIS offers a wide range of services through the management of a technology platform made available to affiliated merchants consisting of approximately 50 thousand non-specialised points of sale⁶, of which approximately 32 thousand tobacconists, located throughout the country. LIS's platform supports and enables the provision at affiliated merchants of mainly collection and payment services (payment of pay slips, MAV, PagoPA and collection of pre-paid card top-ups, telephone top-ups, etc.).</p> <p>The transaction consolidates PostePay's growth in the proximity payments market and strengthens its acquiring services  and the products offered to SMEs in line with the omnichannel strategy outlined in the Strategic Plan.</p>	<p>100% acquired of the company LIS Holding SpA</p>
<p>Tink AB</p>	<p>On 23 June 2021, the Board of Directors of PostePay SpA approved the signing of binding agreements for the sale of the interest held by PostePay SpA in Tink AB, a fintech operator specialising in open banking  technology solutions, for a consideration of approximately €77 million, as part of the announced sale of 100% of Tink AB to Visa Open Connect Limited, a Visa Group company. The transaction was agreed on the basis of an enterprise value valuation of Tink AB of €1.8 billion.</p> <p>PostePay SpA's total investment in Tink amounted to €22.1 million, representing a 4.7% interest in the company on a fully diluted basis.</p> <p>The Poste Italiane Group will continue to collaborate with Tink to accelerate the expansion of the Group's digital service offering.</p> <p>The closing of the transaction was completed on 10 March 2022.</p>	

6. Active points of sale at 31 December 2022.

Other transactions

On 26 January 2022, **MFM Holding Ltd (Moneyfarm)** carried out a capital increase worth about €53 million, subscribed for about €44 million by M&G plc, a listed asset manager based in the United Kingdom, and pro-rata by Poste Italiane with an investment of about €9 million. The order not to dilute its own shareholding of about 14%.

In addition, on 24 November 2022, binding agreements were signed for Poste Italiane to participate, with an investment of approximately €3 million, in a further capital increase promoted by Moneyfarm in order to finance part of the purchase price of 100% of **Profile Financial Solutions Ltd**, a company active in the pension fund consolidation business in the UK under the Profile Pensions brand. The transaction is expected to be closed in the second quarter of 2023.

On 25 June 2021, Poste Vita and BancoPosta Fondi SGR signed definitive agreements for the acquisition of 40% of the share capital, including 24.50% of voting shares, of **Eurizon Capital Real Asset SGR SpA (“ECRA”)**, a company specialising in investments supporting the real economy controlled by Eurizon (Intesa Sanpaolo Group).


At the same time as the subscription of the capital increase, a portfolio management mandate was finalised between the parties for the transfer to ECRA of the management of a number of alternative investment funds, thus gaining a global platform that will allow the development of an integrated management model throughout the investment life cycle. The closing of the transaction was completed on 31 January 2022. It should be noted that ECRA continues to be controlled and consolidated by Intesa Sanpaolo SpA.

On 8 April 2022, Poste Italiane, with a total investment of €25 million, acquired 2.30% (2.15% on a fully diluted basis) of the share capital of **Scalapay Limited**, a company that operates in several European countries in the Buy Now Pay Later (“BNPL”) market on on-line and physical channels, allowing end customers to pay for a product/service in three monthly instalments without interest, against a commission paid by **merchants** .

On 24 June 2022, Poste Italiane’s BoD approved the promotion, in agreement with certain shareholders of **Sourcesense SpA (“Sourcesense”)**, of a voluntary cash takeover bid (OPA) on all the shares and warrants issued by the company. Sourcesense is a company operating in the Information Technologies sector in Italy and the UK with significant expertise in developing cloud-native solutions based on open source technology.

Sourcesense:
Takeover bid
finalised, giving
Poste 70%
control

At the end of the offer period (12 September-21 October 2022), also taking into account the instruments subject to the acceptance and non-acceptance commitment subscribed by the shareholders of Sourcesense who acted in concert with the takeover bid, a number of shares corresponding to 98.37% of the share capital of the issuer and a number of warrants corresponding to 96.03% of those issued were tendered. As a result of the above, the legal and statutory prerequisites have been created for Poste Italiane to exercise the Squeeze-out Right pursuant to Article 111 of the Consolidated Law on Finance and the Squeeze-out Obligation pursuant to Article 108, paragraph 1, of the Consolidated Law on Finance (“squeeze out”), on the remaining shares and warrants.

The transaction will enable Poste Italiane to strengthen its internal development capabilities of applications based on **cloud**  and open source technology, significantly increasing the level of internalisation of activities and evolving towards a “product factory” model, limiting the use of external personnel to specialised technology support and non-core activities.

On 4 November 2022, the squeeze-out procedure was finalised, as a result of which Poste Italiane holds a controlling stake in Sourcesense of 70%, and the shareholders who acted in concert with Poste Italiane have a minority stake of 30%.

On 24 January 2023, Sourcesense finalised the acquisition of **Eco-Mind Ingegneria Informatica Srl** and its subsidiary **HeadApp Srl**, IT companies operating as software factories specialising in the design and development of business, mobile and cloud-native solutions and augmented and virtual reality solutions, for a consideration of €1.1 million.

On 5 August 2022, Poste Italiane signed a binding agreement to **acquire a 70% stake in the Agile Lab group**, accompanied by a strategic partnership with the founding partners who will retain the remaining 30%.

Agile Lab is a specialised data management group, offering tailor-made technology solutions that exploit artificial intelligence, as well as services involving the reselling of open source software products developed by technology partners.

Agile Lab:
majority stake
acquired

The transaction represents an important opportunity for the Poste Italiane Group to accelerate the process of internalising software development activities in support of the business, reducing costs and time to market with solutions which also have the potential to be offered to the market. The closing of the transaction, completed on 13 October 2022 involved a consideration of approximately €18 million for 70% of Agile Lab. The remaining 30% of the share capital will be subject to call and put options to be activated as from 30 April 2026, which will allow Poste Italiane to acquire a 100% stake in the medium term.

Net Insurance:
promotion of a
takeover bid on the
company of shares
and warrants

On 28 September 2022, the Board of Directors of Poste Vita approved the promotion of a voluntary total cash takeover bid for ordinary shares and warrants of **Net Insurance SpA** (“Net Insurance”), in consultation with certain shareholders. Following the authorisations received from CONSOB, IVASS and AGCM, the acceptance period for the offers promoted by a corporate vehicle directly controlled by Poste Vita (“Net Holding”) began on 27 February 2023. The acceptance period for the offers will end on 6 April 2023. The transaction is expected to be completed by the first half of 2023.

The consideration that has been offered for each share is €9.50 (corresponding to a premium of 28% on the weighted average of the official daily prices of Borsa Italiana for the last month) and the consideration that was offered for each warrant is €4.81 (corresponding to a premium of 60% on the weighted average of the official daily prices of Borsa Italiana for the last month).

Net Insurance, a company with shares traded on the regulated market known as Euronext STAR Milan (“ESM”) organised and managed by Borsa Italiana SpA, is an insurance company whose offer is dedicated to insurance coverage related to the credit sector and, in particular, of salary and pension-backed loans, protection and insurtech⁷, thanks to agreements with technology partners.

The transaction is aimed at the acquisition of control of Net Insurance by the insurance group headed by Poste Vita and will enable it to achieve significant growth in the P&C/protection insurance segment. Specifically, Poste Vita intends to identify Net Insurance as: (i) the insurance group’s “competence centre” for insurance products linked to the Salary-Backed Loans and (ii) reference product factory with regard to the distribution of insurance products on third-party networks, with particular reference to banking networks.

The transaction is also aimed at establishing a long-term strategic and commercial partnership with IBL Banca SpA (“IBL”), through the 40% stake it will acquire in Net Holding upon completion of the transaction, which will be further strengthened by the commercial commitments between IBL and Net Insurance.

Intra-group transactions

On 24 February 2022, the sale by Poste Vita, in favour of Poste Italiane, of 100% of the shares held in **Poste Welfare Servizi** became effective, implementing a process of reorganisation of the Poste Italiane Group aimed at strengthening the role of Poste Welfare Servizi as a centre of excellence in the health sector.

On 24 June 2022, Poste Italiane’s Board of Directors and the Shareholders’ Meeting of **PSIA Srl** (“PSIA”) approved the **merger by incorporation of PSIA into Poste Italiane**, which became effective on 1 November 2022. The merger is part of a corporate reorganisation that will allow Poste Italiane to directly hold shares in the listed company NEXI SpA, thereby simplifying the structure of the Group.

To this end, on 29 September 2022, the **reverse merger of Plurima Bidco Srl into Plurima** was approved by the Shareholders’ Meetings of the two companies. The transaction, which provided for the application of the regulatory simplifications for mergers of wholly-owned companies, became effective as of 1 January 2023.

On 1 October 2022, the **sale by BancoPosta Fondi SGR** of its Information Communication Technology (ICT) management **business unit** to Poste Italiane became effective. The transaction is part of the process of making Poste Group processes more efficient by centralising the management of the subsidiaries’ information systems at the Parent Company.

7. Insurtech identifies the entire digitisation process of the insurance industry, from policy underwriting to claims management, through the use of technologies such as Big Data Analytics, Artificial Intelligence and Application Program Interfaces (APIs).

< 4.4 Omnichannel approach and Group operating segments

- Omnichannel Strategy
- Mail, Parcels and Distribution Strategic Business Unit
- Financial Services Strategic Business Unit
- Insurance Services Strategic Business Unit
- Payments and Mobile Strategic Business Unit

4.4.1 Omnichannel Strategy

NFS

The **digital transformation** undertaken by Poste Italiane in recent years has involved not only its own offer, but also the distribution model which, through an omnichannel strategy, allows the Company the possibility to provide services in step with the changed needs of its customers.



Digital channels, and more generally remote channels, support the physical channel, Poste Italiane's historical asset, every day in the management of customer relations. In 2022, Poste Italiane's omnichannel interaction platform reached more than 20 million interactions per day.

>20 mln

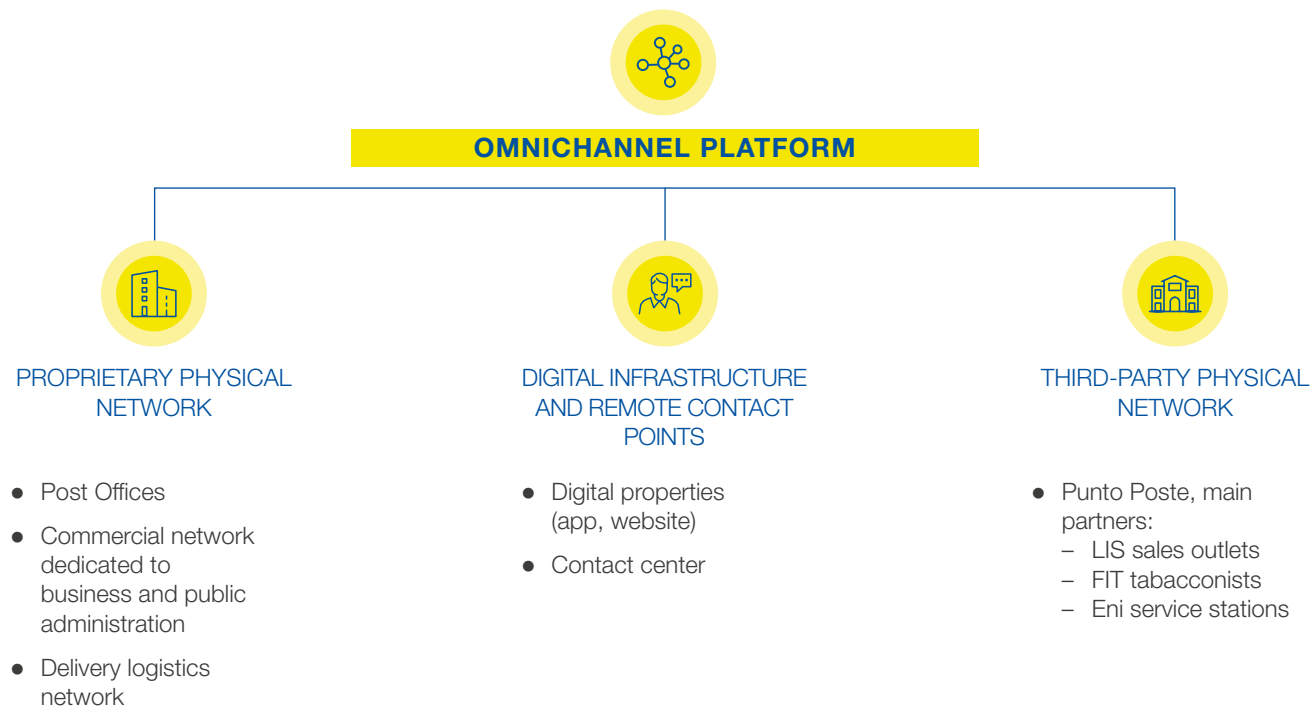
daily interactions as part of omnichannel

The pandemic encouraged the acceleration of the transition to the new operating model, enabling the Company to respond quickly to changes in the market by leveraging its digital platforms, that exploit the opportunities arising from technological innovation to create new personalised products and services and by opening up additional channels of communication with its customers.

The Group's integrated multi-channel platform provides for the monitoring of customers and the provision of services through **3 channels**:

- the **proprietary physical network**: this consists of the Post Offices, the sales force for business customers and the logistics network for mail and parcel delivery;
- a **digital infrastructure and remote contact points**: made up of all the Group's **digital properties**  and the contact centre, capable of serving the entire national population;
- the **third-party physical network**: consisting of approximately 58 thousand points, the result of commercial partnership agreements for the marketing of Group products and services managed also through the recent acquisition of the company LIS. For further details, please refer to the section 'Group structure'. 

Below is a representation of the Group's omnichannel platform:



4.4.1.1 Physical network of Post Offices

The post office network is governed by the Post office network business function organised into Macro Areas, Branches and Post Offices covering the whole country.

12,755
Post Offices

	31 December 2022		31 December 2021	
	Unit	Personnel	Unit	Personnel
Macro Areas Post Office Network	6	1.1	6	0.4
Branch offices	132	3.6	132	3.6
Post Offices	12,755	49.3	12,761	48.7
Total	12,893	54.0	12,899	52.7

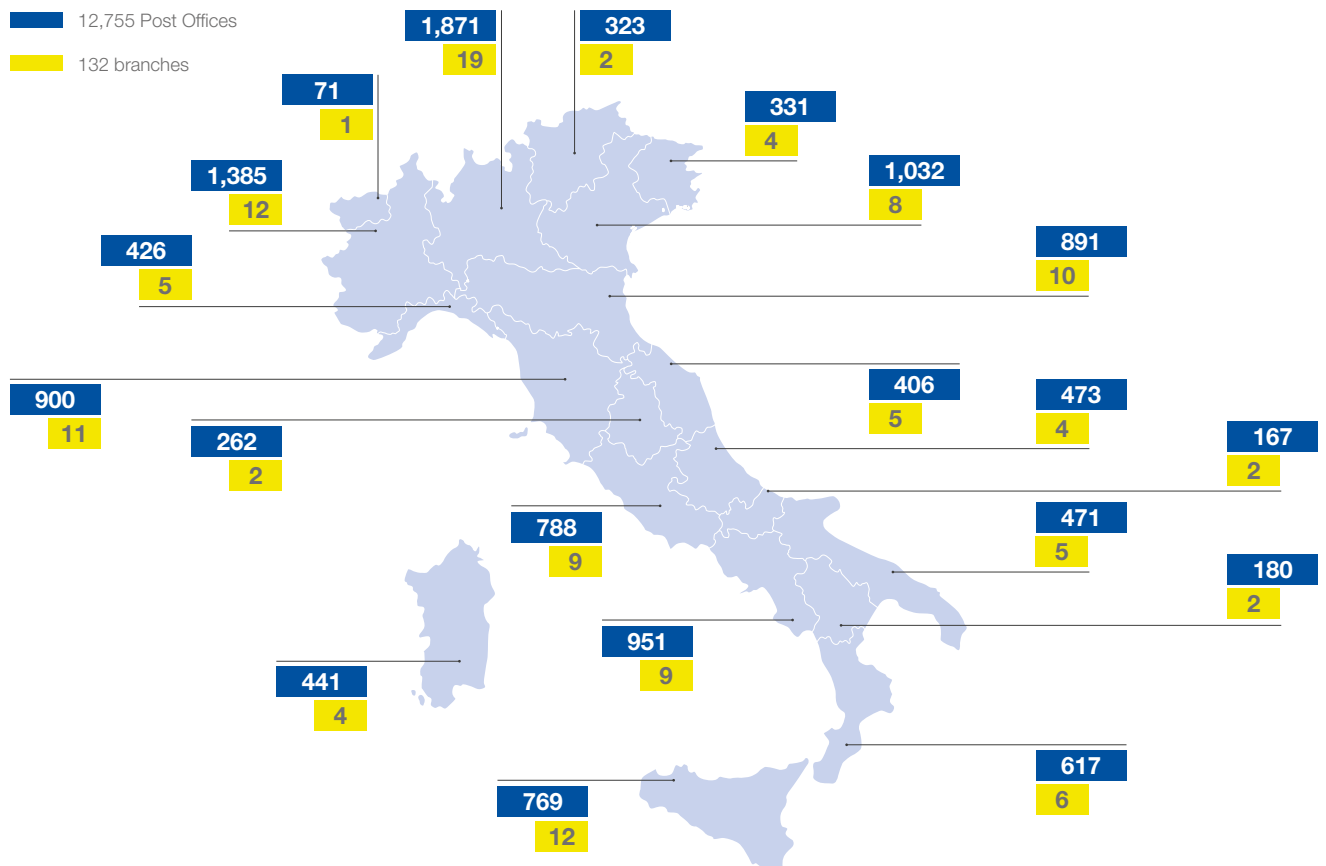
All workforce data is shown in full-time equivalent terms in thousands.

The performance of the workforce reflects the management dynamics during the period. In particular, within the Post Offices, the change reflects new hires and internal promotions from other areas/functions offset, only partially, by terminations of employment during the year. The increase in staff in the Macro Areas is mainly attributable to the organisational change that saw the transfer of the POE segment from the Business and Public Administration function to the Post office network function, as described above in the section "Ownership and Organisational Structure".

Macro Areas Post Office Network



Geographical distribution of Post Offices and branch offices



In order to better support the evolution of the front end, to support the enrichment and dynamism of the offer, the process of enhancing skills through the establishment of the Front End Operator⁸ continues in order to better manage innovative businesses (Third-Party Motor Liability, Fibre and Energy) and an innovative offer format will be implemented on a panel of about 1,250 post offices. At 31 December 2022, more than 1,000 Post Offices have been completed with a new layout aimed at improving the customer experience and comfort (of which 460 POs with Corners, 575 POs with Lowered Counter Posts and 2 POs with New Corner Layout).



In order to increase commercial effectiveness towards digital customers who do not go to Post Offices, a “pilot” project is under way in three Territorial Branches with the introduction of the **Remote Consultant Specialist**, who sends customers dedicated savings and investment proposals and contacts them to inform them of the possibility of subscribing to the proposals received digitally (reserved area of the website using advanced electronic signature).

In order to implement the full integration of the commercial channel dedicated to **Small Economic Operators** within the Post office network commercial channel, **the organisational model** of the function was **developed** with the aim of ensuring unitary governance of the commercial chain, maximising synergies between the business and retail networks.

The network of Reception Operators was strengthened in about 220 post offices with the aim of supporting the counter operations and improving the customer experience, and the number of Multi-ethnic Post Offices⁹ was extended to 35 in order to take into account the unique area characteristics and the needs of areas with a higher density of foreign citizens.

8. The Front End Operator is the professional figure in the PuntoPosteCasa&Famiglia network who focuses on the sale of products such as third-party motor liability, energy and fibre.

9. Post office with multilingual staff offering services focused on the needs of foreign citizens.

P O L I S

DAI PICCOLI CENTRI SI FA GRANDE L'ITALIA

Polis Project – Home of Digital Services

Within the framework of the “**National Plan for Complementary Investments**” (Law Decree no. 59 of 6 May 2021, converted, with amendments, into Law no. 101 of 1 July 2021) of the **National Recovery and Resilience Plan** (PNRR), with the aim of promoting the economic, social and territorial cohesion of the country and overcoming the digital divide in small towns and inland areas, the **Polis Project - Home of Digital Services** was approved.



The two lines of intervention

- **Sportello Unico (One-stop shop)**: makes provision for the digital renovation and upgrading by 2026 of **6,933 Post Offices** to enable Italians resident in municipalities with **fewer than 15,000 inhabitants**, equipped with at least one Post Office, to easily use the services of the Public Administration. The Post Office will be transformed into a **hub** for physical and digital services, through the introduction of new technologies and tools to enable complete, fast, easy and digital use of services 24 hours a day.
- **Spaces for Italy**: envisages the creation of a national network of **co-working*** and training spaces with a widespread presence in Italy. Workstations, meeting spaces, shared services, event and training areas will be open to private individuals, companies and public administration, universities and research centres.

Initiatives planned until 2026

€1.2 bn	€0.8 bn	6,933	250
Financial plan of investments	Public Funds within the National Plan Complementary to the NRRP	Affected Post Offices with < 15,000 inhabitants	Co-working spaces
5,000	1,000	4,000	7,000
Charging stations	Photovoltaic plants	Digital showcases	Advanced ATMs
	4,000	1,000	
	Self-service kiosks	Equipped outdoor spaces	

Some PA services that can be provided at the One-stop shop

Identity Documents

- Electronic Identity
- Passport
- National Services Card
- Health Card
- Tax Code
- Duplicate Driving Licence

Personal Identity Certificates

- Card Birth Certificate
- Citizenship
- Residence
- Civil Status
- Family Status

Judicial Certificates

- Criminal Records
- Acts of voluntary jurisdiction

Social Security Certificates

- OBIS/M Model
- Pay slips Pensions
- Single Certification Compulsory

Services to Regions and other services

- Reservation on the single regional CUP
- Self-declaration of income exemptions
- Insurance for Housewives
- Waiver/exemption of RAI fee

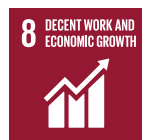
2022 Initiatives

- **One-stop shop:** The renovation and technological upgrading of the Post Offices was launched after the authorisation from the European Commission, received in October 2022. During 2022, design activities and works at 27 sites were finalised. At 31 December 2022, work was completed on 4 Post Offices.
- **Spaces for Italy:** During the course of 2022, both the preparatory activities for the definition of the business model and those related to the definition of the perimeter of the 250 co-working spaces were carried out. Approximately 400 assets were analysed and the development of the initiative was planned over the next 4 years (2023-2026). Renovation work was started for the subsequent opening of the relevant co-working spaces.

Sustainable Development Goals

With the Polis Project, Poste Italiane intends to play a leading role in the country's recovery for the benefit of citizens and their participation in public life by adopting a responsible approach in order to reduce its environmental footprint and contribute to the low-carbon transition of the economy and the entire country. The initiative is consistent with Poste Italiane's broader strategy of sustainable, digital and inclusive development.

The Polis Project generates significant impacts throughout the territory, also with a view to achieving the Sustainable Development Goals (SDGs):



On **30 January 2023**, in the presence of the President of the Republic, the President of the Council, the Secretary of State of the Holy See, numerous government representatives, and institutions, the Polis Project was presented in Rome by the Chairwoman and CEO of the Company, to the 7,000 mayors of the municipalities involved, which in Italy represent **90% of the municipalities** with a land area equal to 80% of the country and in which **16 million** people live.

For more information on the project, please refer to the website under **Progetto Polis**.

* Working concept consisting of a workspace shared by several companies or independent professionals. In this environment, people can work together, share ideas and resources and develop professional relationships.

4.4.1.2 Physical network - Business and Public Administration

The commercial supervision and sale of the Group's products and services to businesses and Central and Local Public Administration is guaranteed by Poste Italiane's Business and Public Administration function.

The organisation of the sales force guarantees **territorial coverage focused by product sector**, through:

- 3 Sales Macro Areas (Lombardy North West, Central North and North East, Central South), with exclusive commercial responsibility for mail and communication revenue;
- 2 Sales areas dedicated to the commercial management of products/services of logistics and parcels and specialised by industry;
- 1 Commercial area specialising in the offer of financial and insurance products for large business customers and Public Administration;
- 1 Commercial area for Central and Local Public Administration related to Metropolitan Regions and Cities.

Macro Areas Business and Public Administration



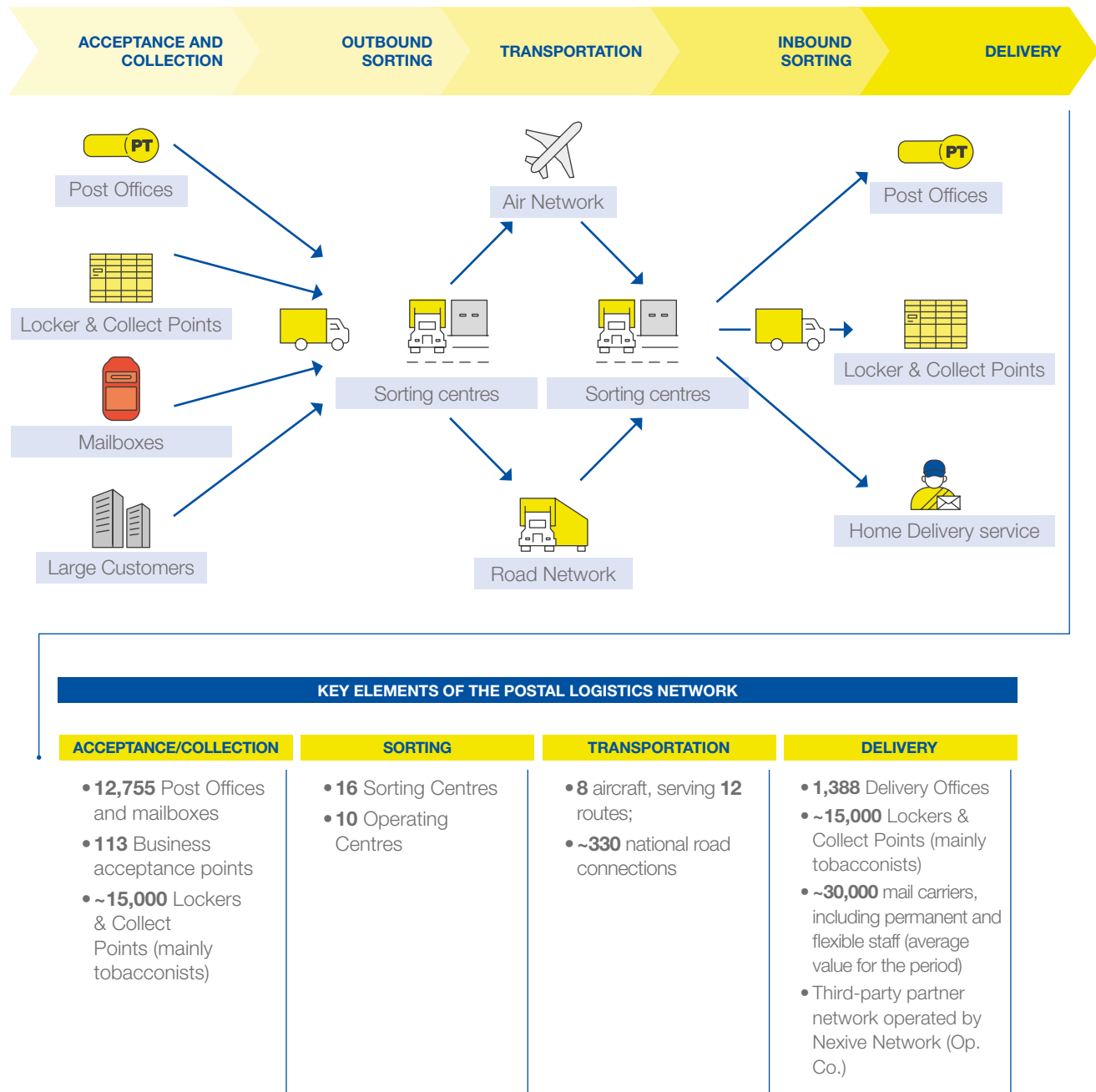
4.4.1.3 Logistics network

The Group's mail and parcel services are provided through two integrated and synergistic logistics networks: the **postal logistics network** for the management of mail, now evolved to also allow the management of small parcels and the **parcel logistics network** able to handle all types of parcel.

The integration between the two networks was strengthened already in 2020 by increasing the interchange of small parcel volumes between the two networks (carriable parcels, i.e. under 5 kilos) using cost-effectiveness as distinguishing factor. The delivery of these products in Italy can be carried out indistinctly by the postal and parcel logistics network according to a dynamic approach, aimed at maximising efficiency for each area.

Postal logistics network activities

The postal logistics network accepts, sorts and delivers mail products and small parcels (carriable parcels). The following chart provides an overview of the postal logistics network value chain and the main quantitative drivers.



The organisational model for the postal logistics network consists of 6 centrally coordinated Logistics Macro Areas, which handle all stages of the value chain: acceptance and collection, outbound sorting, transport, inbound sorting and delivery. At the same time, this model makes it possible to have a single management system for the entire territory and to be able to adapt it to each specific situation with targeted interventions.

The model's Macro Areas are shown below.



The development of the workforce for the year 2022, shown in the table below, reflects a trend in line with or down from the previous year in all organisational areas.

	31 December 2022		31 December 2021	
	Unit	Personnel	Unit	Personnel
Macro Areas for Logistics*	6	1.3	6	1.3
Sorting Centres	16	7.0	16	7.1
Operating Centres	10	1.0	10	1.0
Delivery Centres**	1,388	37.7	1,430	37.8
Total	1,420	46.9	1,462	47.2

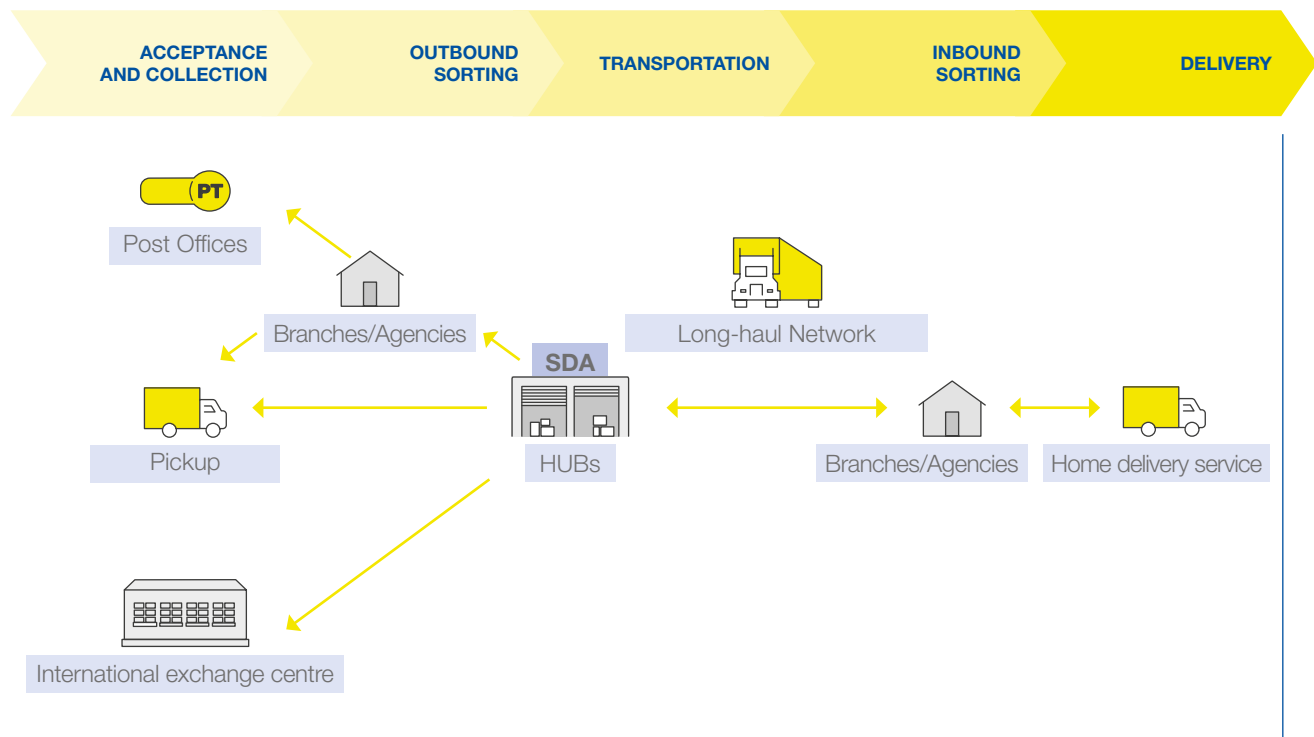
All workforce data (permanent and flexible) is shown in full-time equivalent terms in thousands.

* These areas, whilst coinciding geographically with the Post Office Network - Macro Areas, from 2018 have their own, separate organisations in terms of processes and competences.

** Delivery staff include 31.6k postmen and women and delivery supervisors (31.4k at 31 December 2021).

Parcel logistics network activities



Larger or non-carriable parcels and express courier products are delivered via the network of the subsidiaries SDA Express Courier, MLK Deliveries and Nexive. The logistics flow is shown below.








KEY ELEMENTS OF THE LOGISTICS NETWORK

ACCEPTANCE/COLLECTION	SORTING	TRANSPORTATION	DELIVERY
<ul style="list-style-type: none"> • 12,755 Post Offices • ~ 5,700 pick-up lines • ~ 90 Branches/Agencies 	<ul style="list-style-type: none"> • 4 Automated hubs • 5 Mini hubs 	<ul style="list-style-type: none"> • ~900 road transport lines 	<ul style="list-style-type: none"> • ~ 5,700 SDA delivery lines • ~ 270 MLK delivery lines • Third-party partner network operated by Nexive Network (Op. Co.)

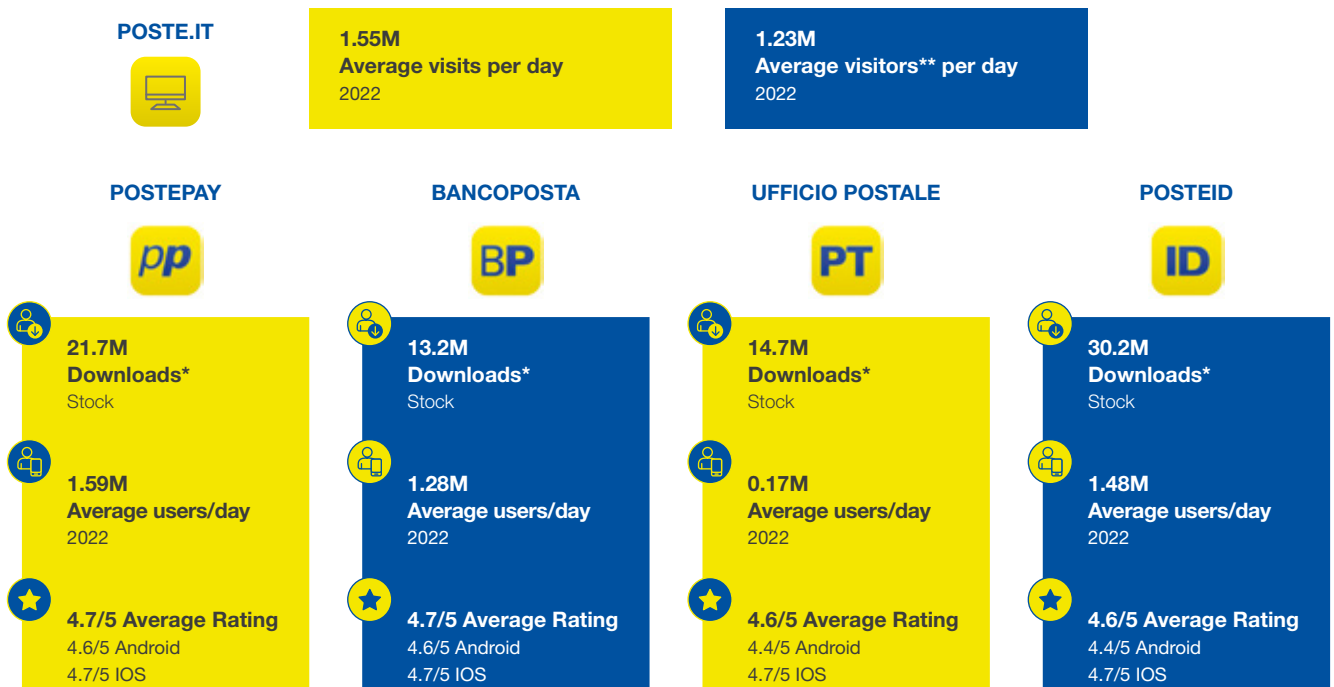
4.4.1.4 Digital infrastructure and remote contact points - web, app and contact centre

To support the Group's digital transformation, a technology engine based on hybrid **cloud** , **open API**  and exponential technologies¹⁰ has been implemented and applied to all the Group's activities and infrastructures. The Group has implemented a programme of "digital transformation" of all its service and offer models in order to guarantee its customers full digital contact experiences. This programme has accelerated significantly since 2021, in view of the effects of the current health emergency, in order to make the Group's products fully accessible to customers in completely safe conditions.

The Group's **Digital Properties** are as follows:

-  **poste.it website:** poste.it is the Group's consumer and business portal, where the range of services offered to customers is available. The portal also allows customers to consult and manage the products in their possession.
-  **Postepay app:** app for purchasing and managing Postepay payment cards, telco products and the Energy offer; payments can also be made via the app on the move.
-  **BancoPosta app:** app to purchase and manage the Group's financial/insurance offer on the move: accounts, postal savings and insurance policies.
-  **Post Office app:** app that allows you to locate the Post Office and book an appointment, reducing waiting time. Via the app it is possible to check the status of a shipment, book a pick-up at the Post Office or send parcels or mail.
-  **PosteID app:** Poste Italiane's Digital Identity app (SPID - *Sistema Pubblico d'Identità Digitale*).

During the period, the Group worked to strengthen the digital sales channel, expanding the range of products and services that can be purchased directly through the digital properties.



Source: Webtrends, Adobe Analytics, Store iOS, Android, Windows, internal elaboration (DTO).

Notes:

* iOS and Android users who have downloaded the app.

** The number of visitors represents the count of the individual cookies (browsers) that visited the site during the observation period. The same user who visits the site using different browsers and/or different devices (PC/mobile) is counted several times.

10. Exponential technologies are those technologies that rapidly accelerate and shape major industries and all aspects of everyday life. Key exponential technologies include Artificial Intelligence and Data Science, Internet of Things, Virtual & Augmented Reality.

Poste Italiane's digital web and app channels are the access point to on-line services for 36.8 million retail users (33.8 million at 31 December 2021) and position themselves as both direct sales and after-sales channels. 68% of Poste Italiane's interactions and 36% of its transactions are handled every day via remote channels (around 20% via digital channels). The average daily web and app users for 2022 was 5.8 million (4.3 million average daily users in 2021). Digital channel transactions also grew, and in 2022 amounted to 152.6 million for a transaction value of €40.3 billion (124.7 million transactions in 2021 for a transaction value of €32.7 billion).

>36%

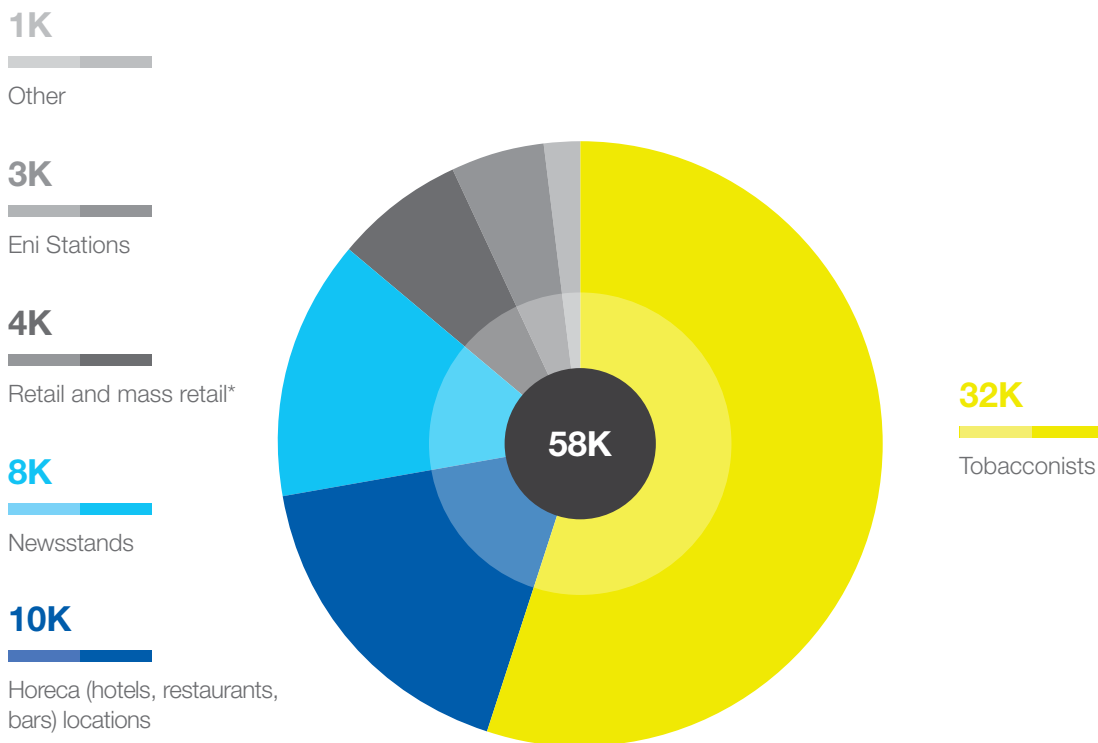
of daily operations in 2022 took place on the new channels

For more details on the performance of digital channels in the period, please refer to the section "Digital and third-party networks in the Group's omnichannel strategy". [Q](#)

4.4.1.5 Third-party physical network

Third-party networks play a crucial role in the Group's omnichannel strategy. They have been strengthened to provide Poste Italiane customers with a valid alternative to the post offices for access to transactional services. The objective is to create a platform for the integration of the Group's products with new third-party distribution channels and to use third-party services within the Group's commercial offerings, also introducing innovative services with high added value. Poste Italiane contracted an extensive network of contact points, which was further strengthened during the year with the acquisition of LIS, and counts 58 thousand contact points at 31 December 2022.

Third-party networks



* Organized Distribution & Large Organized Retailers.

The acquisition of LIS in September 2022 increased the operations of the omnichannel platform, increasing average daily customer interactions by about 0.6 million.

In particular, operations increased significantly in the third-party network channel, which was supplemented by the new products handled following the acquisition (telephone top-ups of other operators, pagoPA and other services), reaching about one million average daily transactions (+161% compared to 2021), of which LIS accounts for about 88%.

The omnichannel importance of proximity networks is confirmed by the significant growth of parcel management (acceptance and delivery) on the third-party networks, which with 17.2 million parcels handled in 2022 shows 173% growth over 2021.

During the year 2022, the PuntoPoste¹¹ network expanded with the entry of more than 1,600 new points. At 31 December 2022, the Punto Poste network had more than 15,000 contact points.

>15,000

Points for accepting and collecting parcels of the Punto Poste Network

< 4.4.2 Mail, Parcels and Distribution Strategic Business Unit

Macroeconomic environment

During 2022, the world economy was affected by the repercussions of Russia's invasion of Ukraine and the new lockdown measures taken in China until November, in response to the new wave of Covid-19. The outbreak of the Russian-Ukrainian conflict put pressure on global supply chains and commodity markets, fuelling inflationary dynamics on a global scale.

In the major advanced economies, the slowdown in economic activity in 2022 is attributable to weakening demand and the start of a cycle of tightening of restrictive monetary policies adopted by major central banks to counter rising inflationary pressures.

The easing of pandemic-related restrictions and supply-side bottlenecks, starting in spring, boosted activity until the third quarter, but in recent months uncertainty among economic actors has increased and cyclical indicators point to a worsening of the cyclical phase.

The International Monetary Fund estimates¹² that world output will decelerate to 2.9% in 2023 (from 3.4% in 2022). The slowdown will be more pronounced in the euro area, for which the Fund estimates growth of 0.7% in 2023. The European Commission's estimate in November is just 0.3%.

The dynamics of the global economy, already characterised by slowing, if not contracting, areas, will depend heavily in the coming months on an effective calibration of monetary policy, the evolution of the conflict and the emergence of possible new supply bottlenecks, linked to new pandemic waves in China.

Inflation continued to remain at high levels during the year; in November 2022, inflation in the euro area reached 10% and the ECB believes it will remain above the 2% target for a prolonged period of time. At its December 2022 meeting, the Governing Council raised the three key interest rates¹³ by 50 basis points for the fourth consecutive time, permanently abandoning the accommodative monetary policy stance maintained during the pandemic period.

+3.7%

Italian GDP growth in 2022

In July 2022, the ECB announced the Transmission Protection Instrument (TPI), an instrument that will support an effective transmission of monetary policy in all euro area countries, again to fulfil the primary objective of ensuring price stability.

After the deep recession of 2020, the **Italian economy** recorded a vigorous recovery, with seven consecutive quarters of higher-than-expected growth, which in the third quarter of 2022 brought GDP 0.5 percentage points above the level of the previous quarter and 2.6% above the level of the third quarter of 2021, thanks to the increase in consumption of services and durable goods and the still very favourable trend in investments in capital goods¹⁴. Gross domestic product decreased by 0.1% in Q4 2022 compared to the previous quarter and grew by 1.4% compared to Q4 2021¹⁵, consolidating growth for 2022 that remains sustained at 3.7% for the whole year.

11. The Punto Poste network consists of Pick-up Points - businesses offering parcel pick-up and delivery services - and Lockers, self-service points with extended opening hours. The network includes around 14,000 tobacconists licensed to provide mail and parcel services.

12. World Economic Outlook Update - January 2023.

13. The interest rates on the main refinancing operations, the marginal lending facility and the deposit facility were raised to 2.50%, 2.75% and 2.00% respectively, with effect from 21 December 2022.

14. ISTAT - Quarterly economic accounts - Q3 2022.

15. ISTAT - Quarterly economic accounts - Q4 2022, published on 3 March 2023.

The unemployment rate dropped by more than one percentage point during the year and remained stable in the last quarter of 2022 at 7.8%¹⁶.

In October and November 2022, harmonised inflation peaked at 12.6% from 9.4% in September to 12.3% y/y in December, with an annual average of 8.7%.

In the Update Note to the DEF¹⁷, approved by the Council of Ministers in December, the government revised upwards the path of the household consumption deflator¹⁸ and that of GDP. Growth has also been revised upwards for 2022, with the trend level of Gross Domestic Product (GDP) increasing to 3.7% from the 3.3% projected by the DEF in September. By contrast, the forecast for 2023 drops substantially, from 2.4% to 0.4%.

Tax and social security receipts in the first eight months of 2022 were higher than expected, despite impressive energy cost mitigation measures. As a result of the change introduced in the accounting treatment of tax credits by ISTAT, the general government net debt for 2022¹⁹ in relation to GDP, at 8.0% of GDP, increased compared to the government's forecast (5.1% of GDP). According to the new projections²⁰ the high nominal growth of the economy expected this year and the improvement in the primary balance will lead to a descent of the gross debt-to-GDP ratio more pronounced than in the DEF, going from 149.8% in 2021 to 144.7% in 2022 (147% in the DEF).

The **postal services market** is going through a period of radical change, primarily linked to the digital transformation, which has influenced the volume of letters and parcels in circulation. At the macro-trend level, the continuing structural decline in traditional mail volumes, replaced by digital forms of communication (e-mail, instant messaging, etc.), is accompanied by an increase in the volume of parcels sent.

In particular, for the letter mail market, after the substantial drop in 2020 volumes (-19% compared to 2019), 2021 confirmed a trend of substantial stability (+0.2% compared to 2020)²¹. In 2022, the market decreased further (-5.3% compared to 2021)²¹, mainly as a consequence of e-substitution effects.

The parcel sector experienced a period of uncertainty in 2022, but this did not affect the value of the market, which grew strongly in the pandemic years. The effects conditioning the continuation of the growth trend recorded in recent years can be summarised as the generalised increase in costs brought about by the Russian-Ukrainian conflict, the rise in inflation with the consequent decrease in consumer purchasing power, and the lower propensity for private purchases (including on-line). This trend is also visible on a global level, as witnessed by the results of several leading companies.

For the Italian parcel sector, estimates for 2022²² therefore point to a stable market value compared to 2021.

16. ISTAT Employment and unemployment (provisional data) - December 2022, published on 31 January 2023.

17. Economic and Financial Document.

18. Multiplication factor used to formally eliminate the effect of inflation on values.

19. ISTAT - GDP and general government debt - Year 2022, published on 1 March 2023.

20. ISTAT - GDP and general government debt 2020-2022, published on 1 March 2023.

21. Internal calculations based on Agcom data (quarterly observatories and annual report 2022) and the latest available financial statements of companies operating in the postal sector.

22. Source: Internal calculations on Cerved Databank data.

Regulatory context and evolution of the regulatory scenario

Expense of the Universal Postal Service

On **30 December 2019**, Poste Italiane and the Ministry of Economic Development signed the new **Contratto di Programma (Service Contract)** for the years **2020-2024**; it is effective from 1 January 2020 to 31 December 2024.

On 1 December 2020, the European Commission approved the compensation for public service obligations provided for in the 2020-2024 Service Contract in the amount of **€262 million per year**. The compensation system for the public service obligations undertaken by the Company was deemed to be fully compliant with the applicable EU rules on State aid.

On 1 July 2021, **AGCom Resolution 199/21/CONS** was published, concluding the procedure to verify the **net cost of the universal postal service incurred by Poste Italiane for the years 2017, 2018 and 2019**. In particular, the burden of the universal postal service for these years has been quantified at €354.5, €334.5 and €175 million respectively. For the 2019 financial year, although the quantified charge (€175 million) is lower than the authorised offsets (€262 million), the charge for the provision of the universal postal service over the entire period (i.e., the previous 2016-2019 Service Contract) is in any case higher than the offsets authorised by the European Commission. The Authority also established that the universal service charge for the years 2017, 2018 and 2019 is inequitable and that, for the same years, in continuity with what was established in previous years, the Compensation Fund referred to in article 10 of Legislative Decree no. 261/1999 is not established. Poste Italiane appealed the aforementioned measure on 22 September 2021 before the Lazio Regional Administrative Court (TAR).

The Regional Administrative Court, in ruling no. 11416/2022 published on 5 September 2022, partially upheld the appeal on the verification of the responsibility for the years 2011-2012 by acknowledging the non-activation of the compensation fund for the year 2011. Poste Italiane and AGCom appealed the Regional Administrative Court ruling to the Council of State and the hearing on the merits has been set for 18 May 2023.

With **AGCom Resolution 28/23/CONS**, published on 24 February 2023, the Authority initiated the verification procedure for calculating the net cost of the universal postal service for the years 2020 and 2021.

Publisher tariff subsidies

Law Decree no. 162 of 30 December 2019 - as converted by Law no. 8 of 28 February 2020 - ordered that reimbursements of publisher tariff subsidies to Poste Italiane continue "for a duration equal to that of the universal postal service" (i.e. until April 2026). The application of the regulation is subject to approval by the European Commission.

In August 2020, the **procedure was initiated for pre-notification of the Service of General Economic Interest (SGEI)** to the Commission for the period 2020-2026.

The 2022 Budget Law (Law no. 234 of 30 December 2021) left unchanged the appropriations for the years **2022 and 2023**, amounting to **€52.5 million, and provided for the same amount for 2024**.

The 2023 Budget Law (Law no. 197 of 30 December 2022) stipulated that the reimbursement of publishing postal subsidies would be made through the resources of the Fund for Pluralism and Innovation in Information. To this end, the Fund was supplemented with the amount of **€75.9 million for the year 2023 and €55 million as of 2024**, instead of the amounts provided for in the previous Budget Law

(AGCom - the Italian
Communications
Authority)

AGCom Tariff
Manoeuvre

With **AGCom Resolution 454/22/CONS** of 30 December 2022, the **new universal basic tariffs of the subsidised publishing products** included in the **Universal Service** were defined. The Resolution provided for a gradual increase in basic tariffs as of 1 September 2022, with further increases as from 1 January 2024, 2025 and 2026, with no impact on the subsidised tariffs paid by senders and with a consequent increase in the compensation received by Poste Italiane per item sent at the subsidised tariff.

With **AGCom Resolution 171/22/CONS** “Final measure for the analysis of the market for mail delivery services and determination of the maximum tariffs for universal postal services - assessment of the level of competition and definition of regulatory remedies” of 6 June 2022, the **new tariffs for the Universal Service** were defined; the Resolution accepts most of the proposals formulated by the Company regarding tariff variations, including the proposal to eliminate the ban on price increases up to 2024 proposed by AGCom during the public consultation; further future variations may therefore be proposed to the Authority. The new tariffs entered into force progressively as from 27 June 2022.

(AGCom - the Italian
Communications
Authority)

Access Obligations

AGCom amended and supplemented the current **access obligations** defined by AGCM itself in the context of the acquisition of Nexive, with particular reference to the Post Offices (the number of which was increased from 2,000 to 4,000) and to the economic conditions of certain offers (which were reduced). In October 2022, at the Authority's request, Poste Italiane published revised wholesale offers in accordance with the provisions of AGCOM Resolution 171/22/CONS. For the purpose of approving these latest offers, **AGCom**, in **Resolution 391/22/CONS**, published on 23 November 2022, initiated a public consultation, to which the Company responded by sending its position on 23 December on all of the topics covered by the Authority's evaluations.

With **AGCom Resolution 30/23/CONS**, published on 22 February 2023, the Authority approved Poste Italiane's offers for wholesale access services

Competition in
the parcel delivery
market

Following a well-structured consultation process, initiated in August 2021 by Resolution 255/21/CONS, the Authority concluded, with **Resolution 94/22/CONS** of 5 May 2022, the process of identifying the relevant markets for parcel delivery services and assessing the level of competitiveness.

With the resolution, **specific information obligations** are imposed on Amazon, as an “operator with significant market power” in the B2C segment, and certain obligations are imposed on other operators, including Poste Italiane, present in the market for medium to large parcel deliveries.

In particular, operators will have to annually provide information concerning the economic conditions of the services offered to the public and the reference conditions for the different categories of business customers, the contracts in force that regulate commercial relations with companies in the sector, and the standard employment contracts for personnel.

On 15 December 2022, AGCom notified the annual information request, to which Poste Italiane will give feedback by 31 March 2023.

Replicability of offers (EU2 areas)

With **Resolution 27/22/CONS** of 4 February 2022 “**Revision of the criteria for defining EU2 areas and identification of the relevant ZIP codes**”, AGCom concluded the procedure for the revision of the criteria for defining “EU2 Areas”²³ with the identification of the EU2 ZIP codes for both unrecorded mail and recorded mail. The new perimeter defined by the Authority will be used, in particular, for the purposes of identifying the territorial coverage of the wholesale offers for access to its network referred to in the AGCM proceeding C12333, (measure no. 28497 of 22 December 2020 with which certain behavioural measures were prescribed for Poste Italiane as a result of the approval of the merger between Poste Italiane SpA and Nexive Group Srl), as well as for the purposes of the replicability test of Poste Italiane’s multiple mailing offers, governed by AGCom Resolution 452/18/CONS.

On 19 September 2022, AGCom initiated, with **Resolution 309/22/CONS**, the preliminary proceedings relating to the revision of the **replicability test**, i.e. the test that Poste Italiane is required to carry out before submitting all mail offers (submitted in public and private tenders) worth more than €500,000 and to notify the Authority within the next 30 days, demonstrating that the Company’s offer is “replicable” by a hypothetical efficient competitor.

The time limit for the proceedings is set at 180 days from the date of publication of the resolution. Poste Italiane sent its contribution.

Mailboxes

In accordance with article 2, paragraph 7, of the 2020-2024 Service Contract, on 24 June 2020, Poste Italiane submitted to AGCom a proposal to **adjust the number of mailboxes to the changed size of the market and customer needs**, taking into account the trend in postal volumes and actual use by users.

Following the conclusion of the public consultation and, also following the comments sent by Poste Italiane, **Resolution no. 308/22/CONS** was published on 27 September 2022, which **redefined the criteria for the distribution of mailboxes**, adopting, in particular, that of the distance from the nearest box by percentage of the resident population. In accordance with the provisions of the aforementioned Resolution, on 29 November 2022, Poste Italiane sent the relevant Implementation Plan to the Authority, which, once the implementation period (24 months) has been completed, will, when fully implemented, enable the targets set out in the Resolution to be achieved. Further discussions are under way with the Authority, to which Poste Italiane must send an update on the progressive implementation of the Plan.

Digital notification of PA documents

New platform

Law Decree no. 76 of 16 July 2020 (Simplifications Decree), converted into Law no. 120 of 11 September 2020, by means of Article 26, as amended, regulates the **implementation of the platform for the digital notification of Public Administration documents**. The operator of the platform will be the company PagoPA, which may entrust its implementation, in whole or in part, to Poste Italiane as Universal Service Provider.

The technical and operational modalities for the operation of the platform were defined by Decree no. 58 of 8 February 2022 of the Ministry for Technological Innovation and Digital Transition, published in Official Journal no. 130 of 6 June 2022.

The costs, criteria and modalities for the distribution and reimbursement of the costs for the service of documents via the platform referred to in Art. 26, paragraph 14 of Law Decree no. 76 of 16 July 2020 were identified by the Decree of 30 May 2022 of the Ministry for Technological Innovation and Digital Transition, published in Official Journal General Series no. 180 of 3 August 2022. The decree states that the amount of the costs of notification for the addressee of the document served is set at €2.00 for each notification effected via the platform. A portion of the amount, to be negotiated with PagoPa, will be paid to Poste Italiane as the platform provider. There is also an additional charge of €1.40 to Poste Italiane as universal service provider in cases of delivery of the hard copy of the documents to be served.

Poste Italiane, at the request of PagoPA, is contributing to the **implementation of the platform**, also through the use of its own services, on the basis of an agreement, currently being finalised, that will govern the scope of services, responsibilities and economic remuneration.

23. EU2 areas: extra-urban delivery areas where there are no competitors of Poste Italiane.

Regulation of public procurement of postal services

In May 2022, following an extensive consultation process that began in 2020, the measure of the **National Authority for Anti-Corruption (ANAC) and AGCom** was published in the Official Journal, containing the “**Guidelines for the assignment of public procurement of postal services**” (**ANAC Resolution no. 185/2022 of 13 April 2022**). The document contains operational guidelines for both sub-contractor organisations that have to draw up calls for tenders and for postal operators wishing to participate in public procurement procedures for the awarding of postal services. The document, in force since 19 May 2022, although not binding, will form the **basis for the construction of public tenders for postal services** and will provide economic operators with the interpretative guidelines for formulating offers.

(AGCM - the Italian Antitrust Authority)

Obligations of Nexive Group Srl

As part of the acquisition of Nexive, finalised in January 2021, and the related commitments on the part of Poste Italiane, in relation to the compliance checks by the Authority, technical discussions took place regarding the interpretation of the **behavioural measure of maintaining the offering portfolio in the two years following the transaction**.

In December 2022, Poste Italiane sent the annual report on compliance with the behavioural measures prescribed by the AGCM.

As part of the compliance checks by the AGCM, technical discussions took place about the interpretation of the behavioural measure related to the maintenance of the offering portfolio in the two years following the transaction.

Following the public consultation launched on 23 November 2022 on wholesale access offers, by means of **AGCom Resolution 30/23/CONS**, published on 22 February 2023, the Authority approved the offers of Poste Italiane relating to wholesale access services.

Quality standards for the universal postal service

Starting from 2021, the **new quality standards** defined by **AGCom Resolution 331/20/CONS of 31 July 2020**, shall apply for the universal postal service, relating to the **continuity and reliability of the services provided in Post Offices**, i.e.: a) regular opening/closing at national and regional level, b) progressive removal of architectural barriers in Post Offices that can be adapted. In addition, average wait times for counter service provision have been defined, the principle of counter priority for vulnerable groups (the disabled, pregnant women, etc.) and the procedures for accepting complaints about the postal service made at the offices have been strengthened. Compliance with quality objectives, from May 2022, is monitored by IZI SpA.

(AGCOM - the Italian Communications Authority)

Revision of special licence regulation

In August 2022, AGCom initiated proceedings for the revision of **Resolution 77/18/CONS** on the issuance of licences to perform the service of notification of judicial documents and traffic violations by post.

Poste Italiane sent its comments on the issues raised by the Authority in the submission. With **Resolution no. 455/22/CONS**, published on 30 December 2022, AGCom announced the **public consultation** on proposals to amend the Regulation with the aim of increasing the level of competitiveness of the postal notification system.

The Company sent the reply document with a description of its position.

European Commission

Postal charges in customs clearance of low-value shipments

The European Commission initiated a verification procedure (EU Pilot 2022_10346) vis-à-vis Italy with regard to postal charges for customs representation in the customs clearance of low-value postal shipments imported into the European Union.

The Company is cooperating with the Italian authorities in order to provide the European Commission with the requested information.

Other information

Tax credits








With reference to the tax credit purchase service by Poste Italiane launched in 2020 and dedicated to BancoPosta current account holders, following in-depth investigations conducted on the tax credits acquired, also with the support of external legal, tax and accounting consultants, a total provision for these risks of €320 million was recognised under the liability item “Provisions for risks and charges”. For further details, please refer to the notes to the consolidated financial statements.

For the main pending proceedings and relations with the Authorities, please refer to the chapter “Proceedings pending and principal relations with the Authorities” in the section “Poste Italiane’s Financial Statements”.

Operating review

Also in 2022, the Group continued with the process of reorganising its transport, sorting, delivery activities and improving the customer experience, in line with the long-term objectives outlined in the Strategic Plan, such as increasing efficiency, flexibility and quality in order to seize the opportunities arising from the development of e-commerce.

The following table shows the main activities of the Mail, Parcels and Distribution Strategic Business Unit for the period:

SEGMENT	OPERATING REVIEW	PILLAR
Parcels / Logistics >	The parcel offer has been enriched with a new feature that will allow sellers, users of Second Hand platforms ²⁴ , to send parcels from proximity points (post offices, shops and tobacconists of the Punto Poste network), also in paperless mode, i.e. without the need to print the label.	
	The extension of the Home delivery of medicines service continued in large cities and medium-small Municipalities, which are offered in instant mode (within 90 minutes of purchase), scheduled (at the desired time) or next day (day after purchase). The service is active in more than 170 Municipalities.	
	 In May 2022, a majority share of the company Plurima , a leading Italian company in the healthcare logistics sector, was acquired.	
Mail >	<p>>400</p> <p>Smart mailboxes optimising the collection of mail</p> 	
	<p>Project "Smart Letter Boxes"²⁵. During 2022, 13 new mailboxes with screen were installed in Naples, which augment the 405 mailboxes installed from the start of the programme.</p> <p>As of June 2022, a tariff manoeuvre was initiated, which affected some Mail and Notification services. The price changes concern both some products belonging to Universal Services and additional ones²⁶, with a view to consistency of offer. The preparatory activities for a further tariff manoeuvre planned for 2023 were started, and with Resolution 29/23/CONS, published on 14 February 2023, AGCom initiated the procedure for the determination of new maximum tariffs for universal postal services.</p> <p>For more information, please refer to the section 'Regulatory context and evolution of the regulatory scenario' of the Mail, Parcels and Distribution SBU.</p>	

24. The second hand economy is a form of circular economy that enables the re-marketing of goods, mainly online.

25. This project involves replacing 10,500 traditional mailboxes with Smart boxes equipped with sensors to detect the presence of mail, environmental sensors to detect temperature, humidity and pollution and, for some, e-ink (electronic ink) screens to transmit advertising messages for the Group's products and services.

26. More information on the tariff changes introduced can be found at the following web address: <https://www.poste.it/variazione-tariffe-servizi-postali-universali.html>.

Small Municipalities Project

With reference to the programme launched in November 2018 in favour of the communities of Small Municipalities, aimed at promoting specific initiatives to support the development of the territory, Poste Italiane has achieved all the objectives presented at the time.

Zero
Post Offices closed in 2022

The following is the summary of the main initiatives and results at 31 December 2022:

- there have been no post office closures
- a central office now provides dedicated support for small municipalities
- 1,559 new **ATMs**  have been installed in 1,536 municipalities
- 1,104 architectural barriers have been removed in 1,041 municipalities
- 9,833 high-definition video surveillance cameras installed in 3,173 municipalities
- The treasury service was activated in the municipalities that requested it
- 11,962 red mailboxes have been installed in 5,296 municipalities; 19 murals have been created to improve the urban decorum of the peripheral post offices
- 488 financial, digital and postal education events provided in 484 municipalities
- 3,270 Schools licensed by the “Il Risparmio che fa scuola” programme in 2,684 municipalities
- 803 **POS**  activated in 488 municipalities
- 303 smart mailboxes installed in 232 municipalities
- 2,645 municipalities served by New Green Fleet

< 4.4.3 Financial Services Strategic Business Unit

Market context

Financial markets

Overall, 2022 was a particularly difficult year for both equity and bond investors. The capital markets reflected this scenario in their stock prices, with bond and share prices falling simultaneously, an event that has occurred only once in the last 50 years (1994); global stock markets have lost 19.4% since the beginning of the year²⁷, while bond markets have fallen by 13.7%²⁸. Stock market performance was driven by a decline in market²⁹ multiples while earnings estimates remained relatively stable in both the EU and the US, helped in part by the energy sector and the ability of some companies to pass on to their customers the increased production costs resulting from higher commodity prices. In 2022, the S&P 500 and Nikkei 225 indexes³⁰ lost roughly 20% and 9%, respectively, while the EuroStoxx 50 lost around 12%.

The cycle of central bank rate hikes has led to a significant repricing of the European bond segment: the yield on the 10-year multi-year Treasury bond (BTP), which stood at around 1.2% at the start of the year, has progressively increased, reaching 4.8% in October, the highest level of the year. At the same time, the BTP-BUND spread also rose, reaching 250 basis points in October. From mid-October to mid-December, yields on long-term government bonds in the major advanced economies (in particular, the US, Europe, the UK) fell significantly, returning to values close to the yields recorded in the first half of 2022. Contributing to this development was the easing of the central banks' monetary policy tightening process, which changed traders' expectations regarding the pace and duration of the monetary tightening process. Expectations of a more decisive tightening of monetary policies spread following the December meetings of the central banks of the major advanced economies and the 10-year BTP ended 2022 with a yield of 4.7% and the BTP-Bund spread in the 210 basis point area.

In the Italian stock market, the **FTSE MIB**  declined by 13% year-on-year in 2022³¹.

Corporate bonds, against this backdrop of uncertainty and rising yields, rose for much of the year, particularly on the more speculative component. Towards the end of the year, however, credit spreads partially retraced, helped by a generalised reduction in volatility and a return of interest for the asset class by investors, given the levels reached by spreads in the autumn.

Below is a table that represents the precise returns expressed in percentage terms at the end of the period for BTP government bonds and Interest Rate Swaps³².

	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022
BTP 10Y	1.17	2.04	3.26	4.52	4.72
SWAP 10Y	0.30	1.19	2.17	3.08	3.20
BTP 15Y	1.54	2.18	3.44	4.40	4.75
SWAP 15Y	0.49	1.29	2.35	3.07	3.14
BTP 30Y	1.99	2.49	3.67	4.34	4.79
SWAP 30Y	0.48	1.02	1.98	2.40	2.53

The following graph shows the trend of the 10-year BTP-Bund spread in recent years with the values recorded up to 31 December 2022.

27. MCSI World index

28. FTSE World Government Fixed income Index.

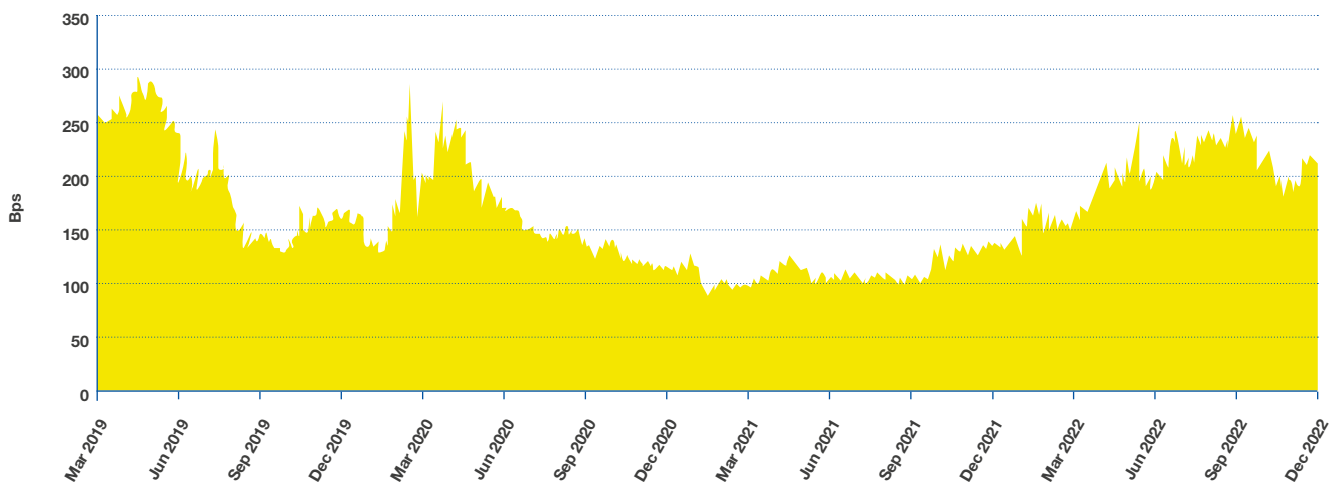
29. Market multiples are ratios between the market prices (quotations) of an equity instrument and a given financial statement size. The most commonly used financial statement quantities are profits, carrying amount of equity, sales. Source: Glossary of the Italian Stock Exchange.

30. Source: Bloomberg.

31. Source: Bloomberg.

32. Source: Bloomberg.

Spread BTP Vs BUND 10 yrs



Banking system

Based on the estimates provided by the Italian Banking Association (ABI), at the end of 2022³³ **customer deposits** of total banks in Italy, represented by resident customer deposits (current accounts, certificates of deposit and repurchase agreements) and bonds, decreased by 1.2% year-on-year to about €2,044 billion: compared to December 2021, deposits decreased by about €24 billion, while bond deposits remained essentially unchanged at around €209 billion.

In December 2022, the **average cost of bank funding** (which includes the return on deposits, bonds and repos from households and non-financial companies) was around 0.62% (0.44% in December 2021).

Bank loans in 2022 increased by about €6 billion and the aggregate of loans to the private sector in December 2022 stood at €1,479 billion, a positive annual change of 1.8%. The component of loans to households and non-financial companies was slightly more dynamic, increasing by 2.1% year-on-year in December 2022.

During 2022 there was an acceleration in the trend of interest rates on outstanding loans to households (from 2.13% to 3.22%), similarly for rates on new business transactions (from 1.18% to 3.44%) and for new loans to households for house purchases (from 1.4% to 3.09%).

Asset Management

Assogestioni data show total assets of €2,212 billion at 31 December 2022³⁴, down 14.7% from €2,594 billion at the end of 2021 (a result strongly influenced by the negative performance of the financial markets during the reporting period).

In terms of net funding, the asset management industry has a positive balance of approximately €14.9 billion in 2022 (compared to €93 billion in 2021).

€2,212 billion
total equity in Italian managed
asset in 2022

33. ABI - Economy and Financial-Credit Markets - January 2023.

34. Assogestioni, Quarterly Asset Management Map - Q4 2022, published on 22 February 2023.

Regulatory context

EU Council

Restriction for the
Russian-Ukrainian
conflict

As part of the restrictions adopted by the European Union in response to Russia's military aggression in Ukraine, with reference to the investment services sector, Council Regulation (EU) 2022/328 of 25 February 2022 introduced a ban after 12 April 2022 on the sale of euro-denominated securities or units of collective investment undertakings to any Russian citizen or natural person resident in Russia, or to any legal person, entity or body established in Russia. As of July 2022, the control initiatives identified to restrict the operation of the entities within the perimeter of the restrictions are applied gradually.

Bank of Italy

Circular no. 285 of
17 December 2013

Remuneration Guidelines for BancoPosta RFC, annexed to the 2022 Report on the Remuneration Policy submitted to the Shareholders' Meeting of 27 May 2022 incorporate the changes contained within the Bank of Italy's 37th Update of 25 November 2021 of Circular no. 285 of 17 December 2013 on remuneration and incentive policies and practices in banks and banking groups.

On 23 February 2022, the Bank of Italy published the 38th update of Circular no. 285 of 17 December 2013 amending the rules on capital reserves of banks and the introduction of the systemic risk buffer and macro-prudential measures based on client or funding characteristics.

The update has no impact on BancoPosta.

On 12 July 2022, the Bank of Italy published the 39th Update of the same Circular to adapt the provisions on the intervention powers granted to the Authority in defining the capital requirements of supervised intermediaries.

On 2 November 2022, the Bank of Italy published the 40th update of the aforementioned Circular to implement the "Guidelines on information and communications technology (ICT) and security risk management" (EBA/GL/2019/04) issued by the EBA. The main new features relate to an increased focus on ICT risk, and a strengthening of the business continuity capabilities of intermediaries.

BancoPosta had already complied with these EBA Guidelines and, as a result, is largely in compliance.

Finally, on 20 December 2022, the Bank of Italy issued its 41st update. The amendments, concerning the regulation of capital buffers for systemically important institutions and public disclosure for impaired exposures, have no impact on BancoPosta.

Bank of Italy


Guidelines on
governance and
control mechanisms
for retail banking
products

On 1 April 2021, the Bank of Italy published the document "Guidelines for intermediaries on governance and control mechanisms for retail banking products (POG)", which requires banks and intermediaries to take appropriate steps to raise the level of regulatory compliance and the quality of customer relations. The Company has incorporated some best practices indicated by the EBA in its Product Governance procedure.

Delegated Regulation (EU) 2022/2360

Strong Customer
Authentication (SCA)

Following consultation on 5 December 2022, Commission Delegated Regulation (EU) 2022/2360 of 3 August 2022 amending Delegated Regulation (EU) 2018/389 with regard to strong customer authentication and common and secure open standards of communication was published in the Official Journal of the European Union.

The changes introduced concern, on the one hand, the compulsory exemption from strong authentication (Strong Customer Authentication - [SCA](#) ) of the customer for the specific case where access to the data is through an Account Information Service Provider and, on the other hand, that strong customer authentication must be renewed 180 days after the last time the user had on-line access to payment account information and strong authentication was applied.

BancoPosta will implement these changes.

CONSOB**Revocation of communications**

On 3 February 2022, CONSOB, with a view to ensuring coordination between the current European regulations and the previous indications provided by it, revoked the following communications:

i) Communication no. 9019104 of 2 March 2009 on "The Intermediary's Duty to behave with fairness and transparency when distributing illiquid financial products"; ii) Communication no. 0097996 of 22 December 2014, concerning "Communication on the distribution of complex financial products to retail customers".

Following the in-depth analyses carried out, the classification model of BancoPosta's range of offerings was found to be compliant and therefore no action is required.

Bank of Italy**Supervisory expectations on climate and environmental risks**

On 8 April 2022, the Bank of Italy published the "Supervisory expectations on climate and environmental risks", containing non-binding supervisory expectations on integration of climate and environmental risks in corporate strategies, governance, control and risk management systems and market disclosures by supervised intermediaries.

BancoPosta identified the risks and found the impact to be low.

ESG**Investment Services Disclosure**

In July 2022, with reference to ESG regulations in the area of investment services, Delegated Regulation (EU) 2022/1288 on the disclosure obligations for financial operators on sustainability issues in pre-contractual/contractual documents and periodic product reports and websites.

The Regulation entered into force on 1 January 2023.

Changes are being made to the sustainability pages of the website to highlight that the Company, in providing the consultancy service, takes into account the main effects of the sustainability factors consistent with the methodologies declared by the companies issuing the financial/insurance products.

European Commission**PSD2 – Documents under Consultation**

On 10 May 2022, the European Commission published three consultation documents³⁵ on the possible revision of the PSD2 directive and the further possible development of open finance.

BancoPosta, together with PostePay, is monitoring the evolution of the regulatory context to ascertain the possible impacts and the relevant obligations.

European Commission**Consumer protection with regard to distance contracts for financial services**


On 11 May 2022, the European Commission published the Proposal for a Directive amending Directive 2011/83/EU on distance contracts for financial services, which will strengthen consumer rights and facilitate the cross-border provision of financial services in the single market. In particular, the proposal aims to: (i) make it easier to exercise the right of withdrawal; (ii) regulate the content, modalities and timing of the pre-contractual information; (iii) provide special rules for consumer protection; (iv) increase the powers of the competent authorities by tightening the penalties for violations of the regulations.

BancoPosta is monitoring regulatory developments while awaiting the approval of the measure by the European Parliament and the European Council and its subsequent publication in the Official Journal of the European Union.

35. The three consultation documents are as follows:

- i. "Targeted consultation on the review of the revised payment services directive (PSD2)", aimed at gathering views on the possible revision of PSD2. It includes specific questions on the more technical topics of the Directive, which therefore require more in-depth knowledge and/or experience in the field of payment services;
- ii. "Targeted consultation on open finance framework and data sharing in the financial sector", which speculates on the further possible development of open finance and assesses the use of aggregated supervisory data for research and innovation as well as the sharing of financial firms' data for risk monitoring or compliance purposes;
- iii. "Public consultation on the review of the revised payment services directive (PSD2) and on open finance", which includes general questions on the revision of the PSD2 directive and is addressed to stakeholders who do not necessarily have specific and technical knowledge in the area of payment services.

European regulations Sustainable Finance

CONSOB, by means of Resolution 22430 of 28 July 2022, amended the "Intermediaries Regulation" in light of the updates to the **MiFID II**  and IDD Directives, on the subject of sustainable finance. In September 2022, ESMA published the Final Report "Guidelines on certain aspects of the MiFID II suitability requirements" in order to integrate sustainability factors into the provision of financial advice and related organisational requirements for authorised intermediaries. The forecasts in the Final Report confirm the developments being implemented by the Group; any minor changes or further developments that may be necessary will be subject to evaluation and sharing between the Group and the companies issuing the financial/insurance products.

In August and November 2022, the delegated acts³⁶ of the European Commission became applicable, supplementing the regulatory framework of the MiFID II Directive³⁷, in order to include sustainability aspects, both in the provision of the advisory service and related organisational requirements and in the product governance process.

The Company has carried out some initiatives and planned further ones in order to implement the above-mentioned provisions.

ESMA Impacts of inflation

In September, ESMA published the Public Statement³⁸ in which it drew the attention of investment firms to the impact of inflation in the context of the provision of retail investment services. In particular, the Authority requires them to consider inflation and inflation risk:

- in the information they have to provide to customers and potential customers;
- in assessing the suitability of the customer;
- in product governance processes.

Investigations conducted by the Company have shown that specific safeguards are already in place as part of the product governance process.


EIOPA Thematic Review on financing/policy bundling

On 4 October 2022, the European Insurance and Occupational Pensions Authority (EIOPA) published, based on the outcome of the Thematic Review of July 2021 on the bundling of credit protection policies and loans, a "Warning Notice" in which it highlights the main critical issues identified.

On the basis of the results of the analyses carried out, for the aspects falling within BancoPosta's remit, no further adjustments need to be made with respect to the existing controls.

European Commission Instant payments

On 26 October 2022, the European Commission published a proposal for a Regulation³⁹ concerning instant euro payments. The proposal aims to:

- make such payments universally available, with an obligation for payment service providers (**PSPs**)  in the European Union, which already offer euro credit transfers, to also provide the instant version within a defined period;
- equalise the price applied to such payments with that applied to traditional credit transfers.

BancoPosta is monitoring regulatory developments in order to ascertain the possible impacts and the related obligations.

36. Delegated Regulation (EU) 2021/1253 supplementing the Delegated Regulation (EU) 2017/565 supplementing MiFID II Directive; the Delegated Directive (EU) 2021/1269 provides for amendments to the Delegated Directive (EU) 2017/593 with regard to the integration of ESG factors in product governance requirements.

37. The delegated acts supplement the MiFID II regulatory framework by transposing certain existing legislation (Regulation 2019/2088, Guidance on product governance requirements under MiFID II and Guidance on certain aspects of MiFID II suitability requirements).

38. Public Statement to investment firms on the impact of inflation in the context of investment services to retail customers (27 September 2022 ESMA35-43-3328).

39. "Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) no. 260/2012 and (EU) 2021/1230 as regards instant credit transfers in euro".

Banca d'Italia

Banking
Transparency –
Buy Now Pay Later

On 28 October 2022, the Bank of Italy published a communication on “BNPL - Buy Now Pay Later”⁴⁰. The communication draws attention to the possible risks and protections afforded to customers with regard to banking transparency.

BancoPosta, in conjunction with Postepay, takes these indications into account in its reference project activities and is monitoring possible regulatory developments concerning this form of credit.

European Parliament

Regulatory
developments on
digital transactions

On 27 December 2022, as part of the strengthening of the resilience of digital operations, the following legislative acts were published in the Official Journal of the European Union⁴¹ mainly related to: ICT governance, cybersecurity and business continuity.

In this regard, BancoPosta has initiated a specific assessment to identify and implement the necessary initiatives to ensure compliance with the new provisions.

EBA

Capital Requirements
Directive

The European Bank Authority (EBA), on 20 October 2022, in line with the Capital Requirements Directive's request regarding the assessment of interest rate risk, published updated Guidelines, replacing the 2018 Guidelines, specifying additional criteria⁴² for the assessment and monitoring by institutions of credit spread risk arising from non-trading book business (Credit Spread Risk in the Banking Book - CSRBB).

The guidelines will be translated into the official languages of the European Union and published on the EBA website. The deadline within which the competent authorities will have to communicate, if they comply with the guidelines, will be two months after the publication of the translations.

**Law. Decree no.
82/2022**

Accessibility
requirements for
products and services

On 1 July 2022, Legislative Decree no. 82 of 27 May 2022, implementing Directive (EU) 2019/882 of the European Parliament and of the Council of 17 April 2019 on the accessibility requirements for products and services to be placed on the market from 28 June 2025, was published in the Official Journal. The provisions contained in the aforementioned decree aim to guarantee the right of access to services and products by persons with disabilities and include, among others, consumer banking services. BancoPosta, in conjunction with PostePay, is pursuing appropriate investigations in order to provide specific support as part of the Company's broader accessibility initiative, which has already been launched.

**BANK OF ITALY –
CONSOB**

Single Provision on
Post-Trading

In October 2022, the Bank of Italy and CONSOB published the update of the Single Provision on post-trading in transposition of the Shareholder Rights Directive 2 (SHRD II or Directive EU 2017/828 and Implementing Regulation (EU) 2018/1212) on encouraging long-term shareholder engagement with respect to identification, transmission of information and facilitating the exercise of rights.

BancoPosta is carrying out the necessary investigations for the topics of interest.

40. Form of credit through which consumers purchase goods or services by paying the price later, even in instalments, not subject to specific regulation.

41. The legislative acts of relevance to BancoPosta and entering into force on 16 January 2023 are as follows:

- the **Regulation (EU) of the European Parliament and of the Council 2022/2254 - DORA** (Digital Operational Resilience Act), with mandatory application for EU states from 17 January 2025. The impacts extend from ICT governance to risk management (including risks from third parties), to resilience testing, to incident management and reporting to the authorities;
- **Directive (EU) 2022/2556 of the European Parliament and of the Council as regards digital operational resilience for the financial sector**, to be transposed by 17 January 2025. The Directive provides for the harmonisation of previous directives with the DORA Regulation, including the PSD2 Directive;
- **Directive (EU) 2022/2555 of the European Parliament and of the Council** on measures for a high common level of **cybersecurity across the Union** (NIS 2), to be transposed by 18 October 2024. The impacts mainly concern organisational, process and systems interventions for managing cybersecurity, business continuity and ICT incidents.

42. The Guidelines provide the definition and scope of the CSRBB. They contain sections on the CSRBB with specific provisions on the identification, assessment and monitoring of the CSRBB, as well as criteria for determining whether the internal systems implemented by institutions to assess Interest-Rate Risk in the Banking Book (IRBB) are not satisfactory, in which case a competent authority may require an institution to use the standardised methodology.

Other information

Bank of Italy

On 10 January 2022, the Bank of Italy, following a whistleblowing report, sent a request for an update on potential criticalities in the training activities of newly recruited consultants and alleged operational practices inconsistent with **IT security criteria** . The reply report was sent on 10 March 2022.

On 20 May 2022, the Authority sent BancoPosta RFC the Measure concluding the proceedings relating to the imposition of **additional capital requirements** pursuant to Article 53-bis, paragraph 1, letter d) of Legislative Decree no. 385 of 1 September 1993 (TUB - Consolidated Law on Banking).

Specifically, as of the supervisory reporting on 30 June 2022, BancoPosta will have to hold the following minimum capital requirements: (i) CET 1 ratio: 7.80%; (ii) Tier 1 ratio: 9.55%; (iii) Total Capital Ratio: 11.95%. Moreover, in order to ensure compliance with the binding measures outlined above and to ensure that BancoPosta's own funds can absorb any losses arising from stress scenarios, taking into account the results of the stress tests carried out by the intermediary as part of the ICAAP (Internal Capital Adequacy Assessment Process), the Bank of Italy has identified the following levels of capital that BancoPosta will be required to maintain: (i) CET 1 ratio: 8.55%; (ii) Tier 1 ratio: 10.30%; (iii) Total Capital Ratio: 12.70%.

Compliance with these requirements did not result in the need for additional capital contributions by BancoPosta.

On 20 July 2022, the Authority sent a notice to Poste Italiane SpA– BancoPosta RFC and PostePay concerning the manner in which the funds received by PostePay in respect of the issuance of electronic money should be managed. It should be noted that the Supervisory Provisions for EMI provide that such funding may be deposited with a bank authorised to operate in Italy, invested in qualified debt securities or particular units of harmonised mutual funds. Since the creation of PostePay, these sums are deposited in a postal current account (protection account) and contribute to the funds from private customers of BancoPosta RFC, which are invested in euro area government bonds. In this regard, the Authority initiated discussions with BancoPosta and PostePay in 2021, in view of the fact that BancoPosta was not deemed to be an entity that could be assimilated to the concept of "credit institution" under the relevant European legislation. In the face of a proposed alternative approach, aimed at equating the deposit with BancoPosta of the sums collected by PostePay with a direct investment in qualified debt securities, in the aforementioned communication the Authority asked BancoPosta and PostePay for further observations, aimed at identifying an operational solution that would allow full alignment with the relevant regulatory provisions. Upon completion of the further investigations requested, a transitional solution was identified, also on the basis of the discussions with the Authority. Feedback will be provided by BancoPosta by the second quarter of 2023.

The Bank of Italy, from 14 March 2022 to 15 July 2022, conducted an inspection at Poste Italiane SpA - BancoPosta RFC, on profitability and the business model, governance and control systems, interest rate risk management methods including related internal modelling, new tax credit business and associated risks. For further details, please refer to the chapter "Proceedings pending and principal relations with the Authorities" in the section "Poste Italiane's Financial Statements".

On 10 August 2022, the Bank of Italy launched a survey on the use of DLT (Distributed Ledger Technology) and crypto-assets, in order to have an updated and complete picture of the spread of these technologies in the Italian banking and financial system. BancoPosta, in coordination with PostePay (also a recipient of the questionnaire), replied on 13 September 2022.

CONSOB

In March 2022, CONSOB launched a second⁴³ thematic survey concerning the provision of **cryptocurrency services by intermediaries**, with a focus on investments/financial instruments with underlying cryptocurrencies placed on behalf of customers together with any project activities planned on the matter over the next three years. The feedback was provided on 1 April 2022.

In April 2022, the Authority launched a thematic investigation into the ways in which intermediaries comply with their **ex-post disclosure obligations to retail customers on costs and charges incurred**. The feedback was provided on 4 July 2022.

On **6 July 2022**, CONSOB sent a request for an update on specific aspects (customer profiling and concentration risk), previously addressed in the feedback provided (on 16 July 2021 and 11 February 2022 respectively), following the technical report with the results of the **inspections** conducted by the Authority from January to October 2020. The reply was provided on 3 August 2022.



On 26 January 2023, CONSOB sent a further request for an update on the feedback provided in August. The reply was provided on 10 March 2023.

For the main pending proceedings and further relations with the Authorities, please refer to the chapter "Proceedings pending and principal relations with the Authorities" in the section "Poste Italiane's Financial Statements".

43. The first survey on this subject was launched by CONSOB in March 2021 and was answered on 19 April 2021.

Operating review







The following table shows the main activities of the Financial Services Strategic Business Unit during the period:

SEGMENT	OPERATING REVIEW	PILLAR
Postal savings >	<p>During the period, following changes in the macroeconomic environment, Cassa Depositi e Prestiti modified its range of Interest-bearing Postal Certificates, increasing yields and resuming the placement of different types of certificates: the 3x2 certificate, the 3-year Plus certificate, the Rinnova certificate (dedicated to customers who have redeemed expired Interest-bearing Postal Certificates) and the Soluzione Eredità certificate (dedicated to beneficiaries of an inheritance procedure concluded in Poste Italiane) and suspending the issue of the 5x5 certificate and the Obiettivo 65 certificate.</p> <p>In July and August, the 3 years Premium Certificate was placed for customers, contributing fresh liquidity.</p> <p>In addition, the marketing of the Risparmio Sostenibile Certificate was launched, which offers the possibility of obtaining a premium at maturity linked to the performance of an ESG-linked⁴⁴ equity index.</p>	
Current accounts >	<p>The distance sale⁴⁵ of the "Conto BancoPosta Affari" and "BPIOL - BancoPostalImpreseOnline" has begun, which will be enhanced with the addition of other ancillary products (loans) to the current account. The introduction of distance selling is also planned for the "Conto BancoPosta Business Link".</p>	

44. STOXX® Europe 600 ESG-X index which includes some of the companies belonging to the STOXX® Europe 600 basket, one of the main European equity benchmarks representing the 600 largest capitalised European companies. In particular - for the purpose of forming the STOXX® Europe 600 ESG-X Index - companies that do not comply with the Sustainable Development Goals of the UN 2030 Agenda and are involved in the handling of controversial weapons, tobacco production or companies whose revenue derives from the exploration or mining of thermal coal or that generate energy through the use of thermal coal are excluded from the STOXX® Europe 600 basket of companies.

45. Distance selling involves the management, promotion and placement of banking and financial products and services, including the Business and BPIOL account, to POE and Business customers by means of remote communication techniques, electronic (mail/certified e-mail), PEC to PEC document exchange and digitally signed contracts involving customer, seller and back office. The Off-Premises Offer is aimed at the same targets but involves sales through the presence of the salesperson at the customer's premises and the use of automated tools for signing contracts.

SEGMENT	OPERATING REVIEW	PILLAR
<p>Asset management ></p>	<p>January 2022 saw the launch of distribution of the Fund "BancoPosta Focus Ambiente Marzo 2028", a balanced bond product targeting the potential growth of economic sectors related to environmental protection.</p>  <p>The distribution of the fund "Focus Nuovi Consumi 2028" also kicked off, which provides equity exposure linked to the emerging theme of new consumption (such as e-commerce).</p>  <p>As of May 2022, for the three Funds "Azionario Flessibile", "Orizzonte Reddito" and "Azionario Internazionale", the investment policy was integrated to also take into account environmental, social and governance sustainability factors.</p> <p>The Fund "BancoPosta Obbligazionario Italia 6 anni" was launched, which aims to achieve - over a time horizon of approximately 6 years (maturity 31 December 2028) - a portfolio return in line with that expressed on average by corporate and government bond financial instruments of similar duration, through an investment in euro-denominated securities mainly of Italian issuers.</p>  <p>The Fund "BancoPosta Investo Protetto 2028" has been launched. This is a flexible fund with a duration of around 6 years that combines two components, one bond and one equity, and aims to protect the capital invested while taking advantage of growth opportunities offered by the financial markets.</p> 	<p>PILLAR</p> 
	<p>The placement of "Poste Gestione Patrimoniale", a portfolio management arrangement in collaboration with Moneyfarm, has been launched. It features 4 diversified ETF investment lines, calibrated according to customers' risk propensity and investment objectives, and characterised by an investment policy geared towards ESG factors.</p> 	<p>PILLAR</p> 
<p>Asset under Administration ></p>	<p>In June 2022, Poste Italiane participated in the placement of the 17th issue of the Buono del Tesoro Poliennale (BTP) Italia, (BTP, Multi-year Treasury Bond Italy), a security linked to Italian inflation trends with the new features of the double loyalty bonus (paid on two occasions, during and at the end of the bond life) and with a duration of 8 years; in November 2022, the Company participated in the placement of the 18th issue of the BTP Italia, also indexed to Italian inflation and with duration of 6 years.</p>  	<p>PILLAR</p> 

SEGMENT	OPERATING REVIEW	PILLAR
	<p>Together with the Partners for whom the financing products are distributed, the initiatives continued in 2022 as envisaged by the regulations and those adopted on a voluntary basis during 2020 in relation to the health emergency, in support of businesses in difficulty, as well as in relation to access to credit, to protect households and small and medium-sized businesses. In addition, in support of women who are victims of gender-based violence, an initiative⁴⁶ has been launched, in cooperation with the financing banks, allowing the suspension of mortgage instalment payments.</p>	
	<p>During the year, the "Prestito BancoPosta Consolidamento" was launched, which allows customers, by extinguishing outstanding loans with one or more institutions, to merge them into a single monthly commitment (a single instalment).</p>	
<p>Distribution of third-party products ></p>	<p>The "Prestito Green" offer has been renewed, which is useful for financing home renovations (e.g. photovoltaic system) or the purchase of a hybrid or electric car.</p>	
	<p>With reference to the "Quinto BancoPosta"⁴⁷ product, new features have been integrated known as "Anticipo"⁴⁸ and "Consolido" which allow customers respectively to request an advance on the amount financed and to pay off the outstanding instalments of other loans while keeping a single instalment.</p>	
	<p>April 2022 saw the launch, with regard to loans for business customers, in cooperation with Credimi SpA, of the "Prestito BancoPosta Business Link Online", as well as a new range of fully digital loans dedicated to sole proprietorships and companies.</p>	 

46. Poste Italiane has long been active in the economic and social inclusion of women who are victims of violence, and this initiative is aimed at women on certified protection schemes who are in economic difficulty. In agreement with the partner banks, in order to reach potentially interested people who are not easily accessible, the Company advertised this possibility through internal and external channels (in addition to the local area offices, associations dealing with gender-based violence were also involved).

47. This is the loan for civil servants and pensioners, which can be used to pay off other loans with a repayment of up to one fifth of salary or pension.


48. The "Advance" functionality allows you to request an advance of part of the financed amount. This amount can be disbursed after the positive approval of the case and before the approval of the Transferred Third Party Administration (one's employer or social security institution), thus eliminating the waiting time for this document, which is only necessary for the disbursement of the balance to the customer.

< 4.4.4 Insurance Services Strategic Business Unit

Market context

Life business

The **new individual life insurance policies** in the Italian market, based on the latest available data⁴⁹, amounted to approximately €76.8 billion at the end of December 2022, a negative change of 12.8% compared to 2021. If new Life premiums reported by EU companies is also taken into account, the figure reached €88.1 billion, down 16.4% compared to 2021.

Analysing the data by line of business, premiums from **Branch I**, which confirmed its leading role in the life business with a 66% share of the total at the end of December 2022 (up from 59% in 2021) amounted to €50.3 billion at the end of December 2022, -3.3% compared to the previous year. Compared to the figure at the end of December 2021, premium income from **Branch III** products (in the form of exclusive **unit linked products** ) fell by 30.5% with inflows of €23.6 billion. Although residual, inflows from capitalisation products amounted to €1.1 billion and increased by 8.6% during the period compared to the end of December 2021, mainly attributable to the performance of collective policies (+26%). The volumes of new premiums relating to long-term health policies (**Class IV**) continued to be limited (approximately €85 million), and up (+8.9%) compared to 2021.

New contributions relating to the management of **pension funds**  recorded inflows of €1.6 billion, an increase (+80%) compared to 2021.

Single premiums continued to be the preferred form of payment for policyholders, representing 94.4% of total premiums written and 58.7% of policies by number.

With regard to the **distribution channel**, 63.3% of new business was brokered through banks and post offices until the end of December 2022, with premium revenue of €48.6 billion, a decrease (-9.3%) compared to 2021. On the other hand, with regard to the entire agency channel, the volume of new business distributed reached €15.5 billion, marking a decline in volumes of 6.8% compared to 2021 and with an incidence on total intermediated business of 20.2%.

The performance of new business obtained through qualified financial consultants was €11.2 billion, down considerably (-28.8%) compared with the amount placed in the previous year and with an incidence compared to the total of intermediated premiums equal to 14.6%.

Finally, the broker and distance sales channel recorded a decline of 31.9% in the period compared to 2021, with a volume of premiums placed of €1.4 billion (or 1.9% of the total brokered).

49. ANIA Report - Year XVIII - no. 12 - published on 6 February 2023.

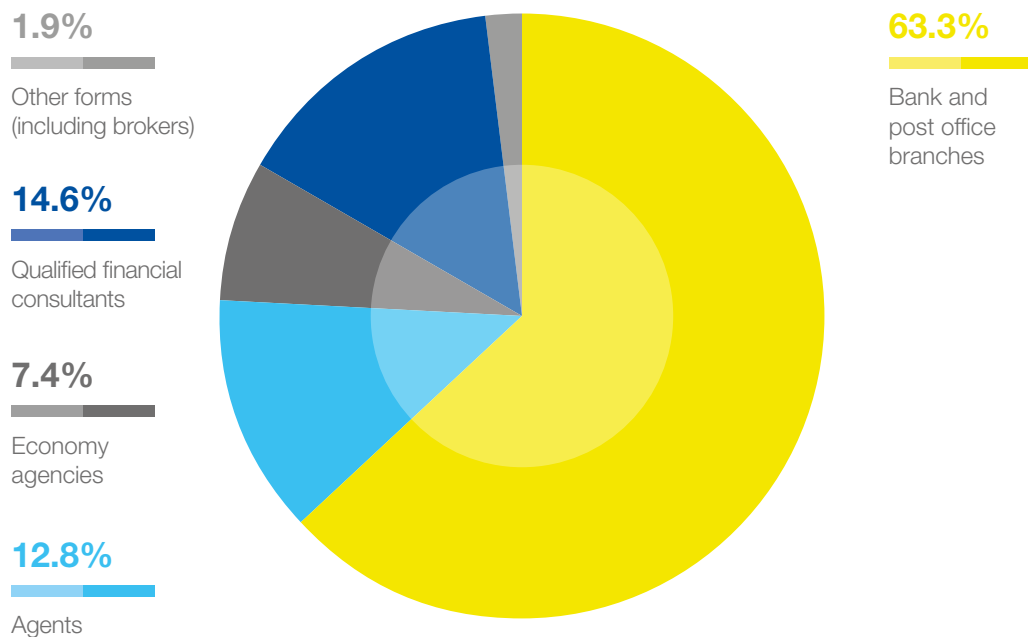
New Life individual business by class*

(figures updated to December 2022 in €m)

Premiums by class/product	Premiums YTD	% change 2022 vs 2021
Life – class I	50,331	-3.3%
Unit Linked – class III	23,649	-30.5%
Capitalisations – class V	1,137	8.6%
Class VI pension funds	1,583	80.0%
Illness class IV	85	8.9%
Italian insurers – non-EU	76,785	-12.8%
EU insurer**	11,285	-34.7%
Total	88,070	-16.4%

* Source: ANIA.

** The term "EU insurers" refers to the Italian subsidiaries of undertakings with a registered office in an EU country operating under the right of establishment and freedom to provide services. The figures refer solely to undertakings taking part in the survey.

New Life individual business by distribution channel**P&C business**

As regards the **P&C insurance market**, based on the available official data⁵⁰ at the end of the third quarter of 2022, total direct Italian premiums, also including policies sold by Italian and overseas undertakings, amounted to €29 billion, up 6.3% compared with the same period of 2021, when the sector recorded growth of 2.8%. The aforementioned increase is attributable, in particular, to the recovery of the Non-Motor class (+11.6%), while premiums in the Motor class remained broadly stable (-0.5%). With reference to the latter, there was a 2% decrease in premiums for **motor third party liability** insurance, while premiums for the **land vehicle hull** insurance line grew by 5.1%.

50. ANIA Report - Year VIII - no. 31 - published on 29 November 2022.

With regard to the **Non-Motor class**, all the main insurance classes contributed to the aforementioned 11.6% growth during the period: i) **Health insurance** with a volume of €2,585 million and growth of 14.5%; ii) **Personal injuries** class with premiums of €2,692 million and an increase of 5.4%; iii) **General TPL class** with premiums of €3,424 million and an increase of 12.1%; iv) **Other damage** to property class with an increase of 10.6% and total volumes of €2,812 million; v) finally, **Fire and natural elements class** with a total production of €2,016 million and an increase of 7.1%.

As regards the **distribution channels**, the agency one is confirmed as the leader with a market share of 73% in line with the figure recorded in the same period of 2021. Brokers represent the second P&C premium distribution channel with a market share of 8.7% (8.4% at the end of September 2021), while bank and post office branches recorded a market share of 9.2% (8.3% in the first nine months of 2021).

As regards direct sales as a whole (including distance, telephone and internet sales), at the end of September 2022, there was an incidence of 8.7% (down compared to 9.5% in the corresponding period of 2021). The remaining 0.4% (equivalent to the figure at the end of September 2021) relates to premiums brokered by qualified financial consultants.

Direct P&C premiums by class*

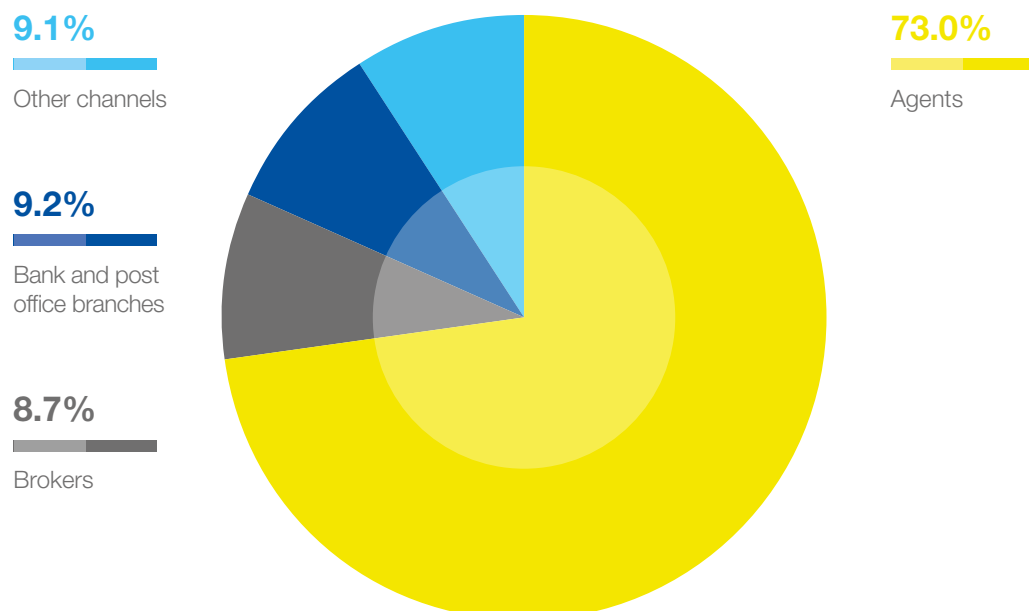
(data updated to September 2022 in €m)

Premiums by class**	Premiums YTD	% change Q3 2022 vs Q3 2021
Total motor segment	11,918	-0.5%
Other P&C classes	17,119	11.6%
Total P&C classes	29,037	6.3%

* Source: ANIA.

** Premiums refer to Italian and non-EU undertakings and EU undertakings.

Distribution of direct P&C premiums by distribution channel***



Source: ANIA.

*** Italian insurers and non-EU insurer representatives operating as an establishment.

Regulatory context

IVASS - (the insurance regulator)

Letter to the market of 9 March 2022

For financial stability monitoring purposes, IVASS required Companies to provide by 15 March 2022, information on the look-through⁵¹ of collective investment undertakings or investments in the form of funds, including when they are equity investments. Poste Vita SpA provided the above information on 15 March, as requested. Moreover, in the same communication, IVASS draws attention to possible cyber attacks, inviting the Companies to promptly notify the Authority, as required by Article 16 paragraph 4 of IVASS Regulation no. 38/2018, of any event that represents a serious cybersecurity incident and also requires them to intensify their monitoring and defence activities in relation to possible malware activities, adopting all the risk mitigation measures that may be necessary.

The companies Poste Vita SpA and Poste Assicura SpA continue to monitor possible cyber attacks.

IVASS - (the insurance regulator)

Provision no. 121 of 7 June 2022

IVASS has hereby amended ISVAP Regulation no. 7 of 13 July 2007⁵³ and its annexes in order, above all, to incorporate the changes introduced by IFRS 17 on the presentation and disclosure of accounting items relating to insurance contracts. The above changes came into force on 1 January 2023."

In its letter to the market of 3 January 2023 - IAS/IFRS Consolidated Financial Statements - Disclosures on the Transition to IFRS 17 as per Annex 4 of Reg. no. 7/2007 as amended by Measure 121/2022, IVASS provided guidance on the transition to the new IFRS 17 standard. The current Appendix 6 of Regulation no. 7/2007 has been replaced by the new Appendix 4 "Report on the consolidated financial statements items relating to insurance contracts", which provides that, with reference to the financial year 2023 only, a disclosure on the transition to the new standard must be provided, distinguishing between insurance contracts issued, outward reinsurance and investment contracts issued with discretionary participation features. This information must be submitted to the Institute together with the documentation relating to the consolidated half-yearly report.

IVASS - (the insurance regulator)

Provision no. 52 of 30 August 2022

The Regulation implements Law Decree no. 73 of 21 June 2022, converted with amendments into Law no. 122 of 4 August 2022, which, in view of the exceptional situation of turbulence in the financial markets, allows companies that do not adopt international accounting standards to derogate from the Italian Civil Code rules on the **valuation criteria for "non-durable" securities**, and therefore gives companies the option of valuing non-durable securities on the basis of the value resulting from the last annual financial statements.

Poste Vita opted to apply the waiver⁵⁴ permitted by the Regulation for the purpose of preparing the statutory financial statements at 31 December 2022.

51. Understood as detailing the composition of the fund in terms of asset class.

52. Malware (contraction of the English "malicious software") refers to any type of malicious or disruptive software created to secretly access a device without the user's knowledge.

53. Regulation concerning the layouts for the financial statements of insurance and reinsurance undertakings required to adopt the international accounting standards referred to in Title VIII (Financial Statements and Accounting Records), Chapter I (General Provisions on Financial Statements), Chapter II (Separate Financial Statements), Chapter III (Consolidated Financial Statements) and Chapter V (Statutory Audits) of Legislative Decree no. 209 of 7 September 2005 (Private Insurance Code).

54. The waiver of the measurement criteria provided for by the aforementioned regulation allowed Poste Vita to sterilise an amount of capital losses equal to €5,184.2 million (equal to €3,586.4 million net of the related tax effects) and to set up an unavailable reserve net of existing commitments to policyholders referred to the financial year and up to five subsequent years and net of tax effects for €262.9 million.

**BANK OF ITALY/
CONSOB/IVASS**

Disclosure on the transition to IFRS 17 and IFRS 9

The BANK OF ITALY, CONSOB and IVASS published a press release concerning the disclosures to be made in the 2022 financial statements on the transition to IFRS 17 and IFRS 9. In particular, companies that prepare their financial statements - separate or consolidated - in accordance with IAS/IFRS started to apply IFRS 17 "Insurance Contracts" as of 1 January 2023 and, as of the same date, many insurance companies have also started to adopt IFRS 9 "Financial Instruments".

International Accounting Standard IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" requires the company to provide, in the case of standards issued but not entered into force, "known or reasonably estimable information relevant to assessing the possible impact that the application of the new Standard or Interpretation will have on the financial statements of the entity in the year of initial application".

The information is both qualitative and quantitative.

For the information provided in this regard, please refer to the section "New accounting standards and interpretations and those soon to be effective" in the section "Poste Italiane's Financial Statements at 31 December 2022".

**IVASS - (the
insurance regulator)**

Regulation no. 54 of 29 November 2022

The **Regulation** governs the **procedural profiles** with which IVASS must comply in the production of acts of a regulatory nature and of general content falling within its competence, pursuant to Article 23 of Law no. 262 of 28 December 2005" (the "**Savings Law**"), which introduces a general and uniform regime for regulatory proceedings falling within the competence of IVASS and of the other Supervisory Authorities of the financial sector, with the aim of **guaranteeing uniform protection** and **safeguards for savers** also by introducing instruments that favour the transparency of regulatory options and the participation of stakeholders in the regulatory production process.

**IVASS - (the
insurance regulator)**

Letter to the market of 6 December 2022: **Dormant Policies**

New request for the tax codes of policyholders to cross-reference with the Tax Registry in order to ascertain the possible death of policyholders - New request for the tax codes of policyholders to cross-reference with the Tax Registry in order to ascertain the possible death of policyholders - IVASS has announced that, pending the definition of the procedures for direct access by insurance companies to the information from the Tax Registry or the ANPR (National Resident Population Registry) provided for in the legislation on **dormant policies**, the Authority also offers this year to companies, in the interest of policy beneficiaries, the cross-referencing service between tax codes of policyholders and the Tax Registry, in cooperation with the Italian Revenue Agency, **in order to verify the existence of life and accidents policies**⁵⁵.

It therefore requests the companies involved to provide, by 20 December 2022⁵⁶ the lists of the tax codes of the policyholders of the above-mentioned contracts in force on 30 November 2022 held in their portfolios and issued during the year.

The Companies Poste Vita SpA and Poste Assicura SpA sent the data requested within the stipulated deadlines.

55. Limited to contracts providing benefits in the event of the policyholder's death resulting from an accident.

56. The deadline, originally set for 16 December, was extended to 20 December 2022 by a letter sent by IVASS to the Companies on 9 December 2022.

IVASS - (the insurance regulator)

Temporary suspension of capital losses for non-durable securities

Consultation Document no. 1/2023 contains the intended changes:

- to **IVASS Regulation no. 52/2022**, following the entry into force of Decree Aid Quater⁵⁷ by virtue of which only insurance companies were allowed to deduct from the amount of the unavailable reserve the portion, attributable to policyholders, of the non-impairment of securities, referring to the year of the financial statements and up to the five subsequent years (**Shadow accounting** [🔗](#)). The amendment has the effect of tying up a smaller part of the company's equity allowing for a higher distribution of profits;
- to **ISVAP Regulation no. 38/2011**, in particular, Article 8, paragraph 2, to clarify that, in determining the minimum amount of assets to be compared to the mathematical provisions of policies pertaining to a separately managed account, companies must refer to Local Gaap criteria even if they prepare their financial statements in accordance with international accounting standards. Poste Vita already draws up its financial statements according to Local Gaap accounting standards, therefore it is not impacted by the aforementioned legislation.

Following the conclusion of the consultation procedure, IVASS issued the Measure no. 127 of 14/02/2023., which made amendments to IVASS Regulation no. 52/2022 and ISVAP Regulation no. 38/2011 for the implementation of the **provisions on the temporary suspension of capital losses for non-durable securities**, following the amendments to Law Decree Aiuti Quater, through which the legislator, for insurance companies only, provided for the possibility of deducting from the amount of the unavailable reserve the portion, attributable to the policyholders, of the non-impairment of securities, referring to the year of the financial statements and up to the five subsequent years (shadow accounting). This amendment has the effect of tying up a smaller part of the company's equity allowing for a higher distribution of profits.

This intervention also made amendments to ISVAP Regulation no. 38/2011 to clarify that, in determining the minimum amount of assets to be compared to the mathematical provisions of policies pertaining to a separately managed account, companies must refer to Local Gaap criteria even if they prepare their financial statements in accordance with international accounting standards.

Other information

IVASS - (the insurance regulator)

With regard to the inspection aimed at verifying compliance with **anti-money laundering** regulations, jointly at Poste Vita and Poste Italiane - BancoPosta, which was completed on 18 June 2021 and the results of which were notified to Poste Vita SpA at the Board of Directors' meeting of 30 September 2021, it is reported that at 31 December 2022, all the actions identified had been completed within the planned time-frame.

With regard to the IVASS inspection - concerning profiles of governance, management and control of investments and financial risks concluded on 7 May 2021 - it should be noted that the related action plan, approved by the Company's Board of Directors on 22 October 2021, was fully completed in accordance with the time-frame envisaged in the plan.


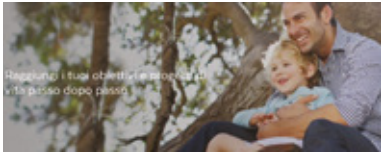




On 7 March 2023, the company Poste Vita was notified by the Supervisory Authority of the start of an inspection to verify the management process of dormant policies.

For the main pending proceedings and further relations with the Authorities, please refer to the chapter "Proceedings pending and principal relations with the Authorities" in the section "Poste Italiane's Financial Statements".

57. Law Decree no. 176 of 18 November 2022, converted, with amendments, into Law no. 6 of 13 January 2023, which amended Article 45, paragraph 3-*decies* of Law Decree no. 73 of 21 June 2022, converted, with amendments, into Law no. 122 of 4 August 2022.

Operating review

The following table shows the main activities of the Insurance Services Strategic Business Unit during the period.

SEGMENT	OPERATING REVIEW	PILLAR
Life >	<p>The Multi-class  policy “Poste Progetto Dinamico Bonus” was launched (restyling of the policy Poste Progetto Dinamico) dedicated to customers who bring in new liquidity and which provides for the possibility of repayment in the form of a bonus, starting from the 18th month from the effective date of the contract, of the cost charged on the initial single premium.</p> 	
	<p>The multi-class “Poste Progetto Capitale” recurring-premium policy with a term of 10 years has been launched, combining the stability of the Separately Managed Account  Posta ValorePiù (class I) and the potential of the two available Internal Insurance Funds (one of which ESG).</p> <p>There is also the possibility of repayment of the cost charged on the initial premium in the form of two bonuses: (i) one from the fifth year; (ii) the other at the end of the ten-year product life.</p> <p>The multi-branch policy “Poste Progetto Valore 360” has been launched, with the option for subscribers to extend the protection component with the <i>Temporanea Caso Morte</i> (TCM) “Poste Protezione Affetti 360”. The Multiramo product includes three investment lines, all with a 30% Separately Managed Account component and a 70% component tied to one of three Internal Insurance Funds that promote ESG and diversified characteristics according to the customer's risk/return profile.</p>	
	<p>The new collective policy “Poste Welfare Infortuni”, dedicated to covering the risks of occupational and non-occupational accidents of the contracting companies' employees, was launched in this business segment.</p>	
P&C >	<p>As part of the restyling of the asset line of the modular policy “Poste Vivere Protetti⁵⁸”, the new “Protezione digitale” cover has been launched, which extends the protection of the household to damages that may be suffered/created by activities that take place on-line.</p>	

58. The modular policy “Poste Vivere Protetti” complements the protection coverage available to retail customers, to protect their health, home and pets. Modules and related coverages can always be added or removed as customers' needs change, and the coverages, which are indicated in the policy, always form a single contract.


< 4.4.5 Payments And Mobile Strategic Business Unit

Market context

The latest available data⁵⁹ on the Italian payment card market show significant growth of the total domestic transactions, which in September 2022 were close to €265 billion, an increase of 17% compared to September 2021 due to the recovery in consumption. The number of transactions grew by 18% over the same period last year to 5.6 billion, a sign of an increasingly consolidated daily use of cards, also thanks to a greater propensity and acceptance of the use of **digital payments**  by merchants (e-commerce and **contactless** payments ). **Debit card transactions**  grew by 24% compared to September 2021 and accounted for more than half of the total transactions (about 60%), with transactions exceeding €155 billion (+21% compared to September 2021). Also **prepaid cards**  are advancing at a fast pace (+18% of transactions and +19% in terms of value compared to September 2021), for a total amount of more than €46 billion, thanks to the steady development of e-commerce and increased penetration at physical points. The first nine months of 2022 were also positive for **credit cards** , ending the period on an upward trend with transactions up 3.9% and value up 8.3% compared to September 2021, with a total amount of almost €64 billion and an average ticket at levels recorded at the end of 2021.

~€265 billion
value of card transactions
in the first 9 months of 2022 in
Italy: +17% year-on-year

At 30 September 2022, the number of **active cards** on the market exceeded **93 million**, up 1.5% compared to the stock of active cards at 31 December 2021: the greatest growth was recorded on debit cards, which grew by 2% compared to 31 December 2021, totalling almost 48 million active cards. Also on the rise is the stock of prepaid cards, surpassing 30 million (+1% compared to the figure at the end of December 2021) and growth also resumed in credit cards (+0.4% compared to 31 December 2021) with over 15 million active cards.

According to the latest available figures⁶⁰, **Mobile telephony market** penetration, in terms of total mobile lines, stands at approximately 181% of the population, with MVNOs (Mobile Virtual Network Operators) accounting for 14.8⁶¹. Total lines at 30 September 2022 amounted to 107.1 million (+1,3% compared to the same period in 2021) including 28.6 million **Machine to Machine (M2M)**  SIMs (+2.8% compared to the same period of 2021).

During the year, the **energy market** was heavily impacted by the international geopolitical context: firstly, the Covid-19 pandemic and, in recent months, the Russian-Ukrainian conflict are influencing the markets and prices of raw materials, primarily gas, with significant repercussions on the electricity⁶² market. The price of wholesale gas, already from the last quarter of 2021, has risen sharply as a result of the recovery related to the improvement of the pandemic scenario and the increase in international tensions, which escalated in February 2022 in the above-mentioned conflict. The price of gas surpassed the level recorded in the first half of 2021 by more than 500%⁶³; the third quarter of 2022 was also characterised by a scenario of significant tensions on energy commodity prices, which were even higher than in the second quarter of the year: the very high purchase costs and elevated price volatility are also related to uncertainties about the reliability of gas supplies from Russia.

During the summer, European gas stocks grew rapidly while alternative sources to gas (hydro, nuclear and coal) had to significantly reduce their production due to high temperatures and water shortages; the European institutions announced measures⁶⁴ to deal with high energy prices and the risk of gas shortages as the winter season approached (plan to reduce electricity and gas consumption, intervention in the regulation and operation of energy markets, evaluation of “price cap” mechanisms for energy prices).

In the fourth quarter of 2022, the price of gas fell to around €80 per megawatt-hour, thanks to the achievement of the storage targets of the major European countries, although it was seven times higher than the level observed at the beginning of 2021.

In order to cope with rising commodity prices, the Government issued a series of emergency measures with the aim of mitigating the energy expenditure of households and businesses, in particular by making changes to general system charges and social bonuses for economically disadvantaged households and customers in serious health conditions. For more details on the regulatory interventions implemented, see below.

59. Source: Internal processing and estimates on Bank of Italy data (supervisory reporting flows).

60. Source: Agcom Communications Observatory no. 4/2022, Operators' Report.

61. Source: Internal PostePay SpA estimate on Human to Human SIMs.

62. Rising gas prices have also driven up electricity prices, since in Italy and many other European countries the marginal price of electricity is defined by the generation costs of natural gas-fired thermal power plants.


63. Source: Energy Exchange quotations - Title Transfer Facility (TTF).

64. Source: <https://italy.representation.ec.europa.eu> and <https://www.eunews.it/2022/09/14/energia-von-der-leyen-gas/>.

Regulatory context

Below are the main regulatory initiatives that will be updated in the course of 2022.

Electronic money

Please refer to the regulatory framework of the Financial Services SBU for more details. 

TLC Terminating voice calls

Within the framework of the **Regulation**, published in the Official Journal on 22 April 2021, regarding a **single maximum termination rate for calls** to mobile and fixed networks in the European Union, it is envisaged that the rates applicable in Italy will be as follows:

- from 1 July 2021 €0.07 cents per minute (excluding VAT) for fixed termination;
- from 1 January 2022 €0.55 cents per minute (excluding VAT) for mobile termination (from 1 January 2023 reduced to €0.4 cents per minute excluding VAT).

PostePay adopted the tariff regime within the time-frame provided by the regulatory framework.

TLC International Roaming

On 24 February 2021, the European Commission proposed to extend the existing International Roaming Regulation for an additional 10 years (until 30 June 2032), while reducing the maximum wholesale rates charged between operators to ensure the sustainability of the provision of retail roaming services at domestic prices, while also introducing new measures to increase transparency and ensure an effective roaming experience at domestic rates ("roam-like-at-home") in terms of quality of service and access to emergency roaming services. The reduction of the wholesale caps has a relevant impact for a mobile virtual network operator (MVNO) such as PostePay, which purchases roaming services from a mobile network operator (MNO), insofar as it allows the provision of services (roam-like-at-home) to their respective customers while ensuring the recovery of costs incurred at wholesale level. The current EU Regulation will cease to have effect from 30 June 2022.

The new Regulation came into force on 1 July 2022, and BEREC (Body of European Regulators for Electronic Communications) subsequently published guidelines to define certain aspects of the implementation of the new rules. The text of the new regulation was approved by the Parliament on 24 March 2022 and by the Council on 6 April 2022 (Regulation 2022/612 was published in the Official Journal of the European Union on 13 April 2022). The text confirms the basic principles of the existing Regulation and provides for progressive reductions in wholesale price caps for data, voice and SMS roaming services consistent with the Company's estimates; it also provides for additional transparency, customer protection and service quality assurance measures.

PostePay has ensured the compliance of its services with the Regulation in accordance with the established time-frame.

TLC

Grants for Electronic
Communication
Operators

Under the EU Directive 2015/2366 (PSD2) and Legislative Decree no. 218/2017, it is set forth that providers of electronic communications networks or services, operating under the exemption⁶⁵ regime from the full application of PSD2, may offer end-customers electronic communication services that enable payment transactions by charging the costs of accessing the services either on the bill (postpaid electronic communication services) or on the prepaid telephone account (prepaid/rechargeable electronic communication services).

Operators will also have to notify the competent authorities that they are operating under an exemption regime so that they can assess whether or not the requirements are met (Article 37, Directive 2015/2366).

On 5 April 2022, the Bank of Italy issued the “Measure implementing Article 2, paragraph 4-bis, of Legislative Decree no. 11 of 27 January 2010, concerning payment services”, repealing the obligation for providers of electronic communication networks or services to report annually to the Bank of Italy the “number of users of the services and the total value of payment transactions”. This amendment is effective as of 17 April 2022.

The obligations of first notification, at the registration stage, and of updating the information, as well as the possibility for the Bank of Italy to request - should it deem it necessary - a new notification containing updated information remain unaffected.

Therefore, as of 17 April 2022, PostePay is no longer required to report this information annually.

ENERGY

2022/2023 Budget
Law

In order to **contain price increases in the electricity and natural gas sectors**, Law Decree no. 234 of 30 December 2021, the 2022 Budget Law, made provision for the following for the first quarter of 2022:

- the zeroing of general charges for domestic electric and other customers;
- the reduction of general charges for the natural gas sector;
- an increase in the amounts of social bonuses for electricity and gas.

The aforementioned decree also provided for the reduction of VAT to 5% for the supply of gas for domestic use and the obligation for electricity and gas sales companies to offer domestic customers an interest-free instalment plan in the event of non-payment of bills issued in the period between 1 January and 30 June 2022.

These concessions were substantially extended to the third and fourth quarters of 2022 and the first quarter of 2023⁶⁶ (Law Decree no. 17 of 1 March 2022, Law Decree no. 21 of 21 March 2022, Law Decree no. 80 of 30 June 2022, “Aiuti Bis” Law Decree no. 115 of 9 August 2022 and Law Decree no. 197 of 29 December 2022. **2023 Budget Law**). The “**Aiuti Bis**” **Law Decree** also intervenes by suspending, until 30 April 2023, the effectiveness of contractual clauses that allow electricity and gas sellers to unilaterally change the general terms and conditions of contracts relating to price definition (changes notified to customers before 10 August 2022 are also rendered ineffective, unless they have already been finalised by that date).

The aforementioned decree, in view of the end of regulated gas prices, initially scheduled for 1 January 2023 (Law Decree no. 176 of 18 November 2022, so called “Aiuti Quater”, extended the deadline to 10 January 2024, aligning it with the deadline for the “Maggior Tutela elettrica”) also redefined the perimeter of “vulnerable”⁶⁷ customers providing that from 1 January 2023, suppliers must make available an offer for the supply of natural gas at contractual and economic conditions that will be defined by ARERA with one or more ad hoc measures. In particular, the economic conditions will have to reflect the actual cost of supply on the wholesale market and the efficient costs of marketing.

65. Exempt payment transactions are permitted for the purchase of digital content and voice technology services (regardless of the device used); the performance of charitable activities or the purchase of tickets (made from or via an electronic device), provided that, per individual customer (postpaid or rechargeable): the value of each individual payment transaction is no more than €50; the total value of the payment transactions is no more than €300 per month.

66. The tariff concessions envisaged to curb the effects of customer bill increases have been extended, although the zeroing of general electricity sector charges has been limited to customers with available power up to 16.5 kW. In addition, the band of beneficiaries eligible for social bonuses has been widened because the ISEE level required to benefit from them, for 2023, rises to €15,000 (from the previous €12,000), and the threshold to €20,000 for large families.

67. The new perimeter of “vulnerable” customers also includes those in economically disadvantaged conditions, persons with disabilities, customers with utilities on non-interconnected minor islands or in emergency housing facilities following calamitous events, and customers over 75 years of age.

ENERGY**ARERA Initiatives**

The above-mentioned government interventions were implemented, to the extent of their competence, by the Regulatory Authority for Energy Networks and Environment (ARERA), with Resolutions 635/2021/R/com of 30 December 2021, 141/2022/R/com of 30 March 2022 and 241/2022/R/com of 31 May 2022.

With Resolution 636/2021/R/com of 30 December 2021, ARERA implemented the provisions concerning the aforementioned obligation to pay bills in instalments for domestic end users of electricity and natural gas.

During the course of 2022 ARERA issued further significant measures for the sector incorporating electricity and natural gas sales to end customers, among which the following are highlighted:

- resolutions 146/2022/R/eel and 147/2022/R/gas updated, for 2022, the value of the marketing and sales components of electricity and natural gas, respectively, for customers served in the protected service⁶⁸. The valuation of these components has an impact not only for sellers operating in the protected market and that bill these costs to the extent determined by ARERA, but also for those operating in the free market, where the regulated prices serve in any case as a term of reference in the process of defining the prices of offers;
- resolution 135/2022/R/com standardised the way “offer codes”⁶⁹ are defined so as to contain summary information on certain characteristics of the offer, easily identifiable and usable for the collection of information also at an aggregate level on the characteristics of the offers subscribed to by customers;
- resolution 374/2022/R/gas, which came into force on 1 October 2022, modified the methods for determining the price of gas for customers belonging to the protected market, providing that the price of gas is indexed to the Virtual Trading Point⁷⁰, i.e. the reference price of gas on the Italian wholesale market. As a result of this change, reference is no longer made to quotations recorded at the Title Transfer Facility (TTF)⁷¹ hub and forward quotations, but rather to the monthly average of actual prices on the Italian wholesale market, and the frequency of price updates is increased (from quarterly to monthly);
- resolution no. 637/2022/R/com, contains further changes to the mandatory information content of customer bills, with development obligations on the part of operators starting in 2023. In particular, a number of changes are made to the way readings are presented in the bill, to the information on how details and the Guide to Reading Your Bill are made available, to the unbundling of cost items relating to electricity system charges, and finally, a special space is provided for communications from ARERA.

Other information

BANK OF ITALY

During the last quarter of 2022, the Bank of Italy conducted two inspections of PostePay SpA - EMI RFC.

In February 2023, the Bank of Italy initiated an inspection at PostePay SpA - EMI RFC, pursuant to Article 146, Legislative Decree no. 385 of 1 September 1993.

For further details, please refer to the chapter “Proceedings pending and principal relations with the Authorities” in the section “Poste Italiane’s Financial Statements”.

For the main pending proceedings and relations with the Authorities, please refer to the chapter “Proceedings pending and principal relations with the Authorities” in the section “Poste Italiane’s Financial Statements”.

68. Customers supplied in the protected market at economic and contractual conditions regulated by ARERA and who have therefore not yet subscribed to an offer in the free market.



69. The unique code with which each operator identifies the commercial offer subscribed to by the customer.

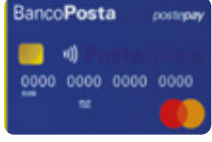





70. The virtual trading point is the main meeting point between supply and demand in the Italian gas market.

71. The Title Transfer Facility is one of the main wholesale markets for natural gas in Europe and therefore a reference for gas pricing in the end market.

Operating review

The following table shows the main activities of the Payments and Mobile Strategic Business Unit for the period.


SEGMENT	OPERATING REVIEW	PILLAR
Energy >	<p>On 15 June 2022, the Group entered the energy market with a 100% green offer for electricity and a 100% CO₂-compensated offer for gas, dedicated to Group employees and pensioners.</p> <p>During the second half of 2022, preparatory activities continued for the launch of the initiative on the mass market, which took place in January 2023 in the post office network and in February on digital channels.</p>	 
Electronic Money/ Collections and Payments >	<p>In September 2022, 100% of LIS Holding (and its subsidiary LIS Pay) was acquired, which will enable the Poste Italiane Group to consolidate its leadership in the payments market and in the digital services ecosystem, in line with the integrated omnichannel strategy of the Strategic Plan.</p> <p>During the fourth quarter of 2022, the process of embedding LIS within the Group was finalised and the process of expanding the services offered on the LIS point-of-sale network in line with the Poste Italiane Group's omnichannel strategy was initiated.</p>	 

SEGMENT	OPERATING PERIOD	PILLAR
Electronic money >	<p>In March 2022, the new PostePay debit card for the Premium⁷² customer target group was launched. The new card, with a special design and packaging, will be associated with exclusive features that are available from December 2022 (e.g. cash withdrawals beyond standard limits) and others that will come on stream from 2023, such as transfers beyond standard limits from digital channels.</p> 	
	<p>In order to expand the range of products offered to Premium customers, two new credit cards were introduced in December 2022: Premium⁷³ and Premium Blu⁷⁴. The new cards feature a special card design and value-added services compared to the current offer.</p>	
	<p>In line with the ESG strategic objectives, the migration (renewals, replacements and first issues) of the Postepay card suite to cards made from environmentally sustainable material, which started in 2021 with the Postepay Green, the Postepay Debit Card and the Postepay Evolution, continued during 2022.</p>	
	<p>As part of the Postepay Code⁷⁵  service the Postepay Cashback initiative continued in 2022⁷⁶. As of July 2022, the user experience of the Code payment mode was evolved with the launch of "QR Code Web", the solution that allows the cardholder to frame the automatically generated QR code on the payment page, without additional clicks.</p>	
	<p>With regard to the Small Economic Operator (POEs) Segment, the Codice, Pos Fisico⁷⁷ and Mobile Pos⁷⁸ services were made available during the year. As of November 2022, the sale of the Postepay Evolution Business card from the FEU started. The latter enables the joint sale of acquiring services with other products (e.g. current account, Postepay Evolution Business card) through an optimised sales process.</p>	

72. Customers with assets over 400k, with capital diversification, estate management and succession planning needs.

73. The Premium card differs from the standard card not only in design, but also in the presence of richer insurance coverage.





74. The Premium Blu card differs from the standard card not only in design, but also in the presence of additional insurance coverage compared to the Premium product and 3 free admissions per year at all airport key lounges.

75. An innovative acceptance service that allows participating merchants to collect payments ordered by the customer directly from their Postepay app, by framing the **QR code**  (a two-dimensional bar code that stores information that can be read by a mobile phone, using a special application) displayed by the merchant.

76. Service that grants €1 cashback for Postepay Code transactions of at least €10. In order to further stimulate the growth of Postepay Code transactions, a cashback of €3 was provided in February and March and from July to December 2022.

77. Service enabling the merchant to accept payments with debit, credit and prepaid cards through the leased POS terminal installed at affiliated points of sale.

78. Service enabling the merchant to accept payments with debit, credit and prepaid cards, on the move through the use of a smartphone or tablet, on which the "PosteBusiness" payment app has been installed, connected via Bluetooth with the "Mobile POS" device for capturing card data.

SEGMENT	OPERATING REVIEW	PILLAR
<p>Telecommunications ></p>	<p>During 2022, commercial actions continued aimed at increasing penetration in the ultrabroadband market with the offer of PosteCasa Ultraveloce, the “data-only” solution, subscribable online, with a “full-digital” and post office process, which enables surfing from home at fibre speeds of up to 1Gbps with no limits. The offer also includes a second connection on the mobile network to surf immediately without a Giga limit and take WiFi everywhere, and includes a WiFi modem and a USB stick on loan for free. The offer strategy was diversified on the basis of the acquisition channel (online and post offices) and a dedicated offer for Group employees.</p> <p>The fourth quarter of 2022 saw the launch of the PosteCasa Ultraveloce Start product, which can be subscribed to at post offices and provides only the fibre data connection, leaving the customer the flexibility to choose whether to also request the second connection on the mobile network with a 4G USB stick.</p> <p>Both offers have been enriched with the voice service⁷⁹, which can be added at the customer’s request.</p>	 
	<p>In August 2022, in line with the Group’s ESG strategic objectives and specifically PostePay’s “green” objectives, the new ECO SIMs⁸⁰ were launched.</p>	 

79. The Voce service is an optional fixed voice telephony service provided over the mobile radio network that includes unlimited calls to national fixed and mobile numbers every month.

80. The SIM ECO presents innovative features since all the elements that make up the kit, both the SIM Card and the Packaging (Envelope and Card Carrier), are made with materials and methods geared towards environmental sustainability. Specifically, it is half the size, made of recycled plastic and the card carrier and envelope carry Forest Stewardship Council (FSC) Certification.



LIS Holding SpA (LIS) is a company that offers a wide range of mainly **collection and payment** services (payment of pay slips, MAV, PagoPA and collection of prepaid card reloads, telephone top-ups, as well as solutions for merchants and businesses, etc.), using a **proprietary paytech platform** and distinctive skills.

At 31 December 2022 it is active in the Italian proximity payments market, through a network of about 50 thousand affiliated points of sale, and also provides integrated management of all back-office activities at the point of sale and of payment and commercial services provided to customers.

Thanks to the acquisition of LIS and in line with the Group's **integrated omnichannel strategy**, PostePay will consolidate its leadership in the payments market and in the ecosystem of digital services, leveraging LIS's technological know-how to expand its product offering and strengthen its solutions dedicated to Small and Medium Enterprises.

In the latter part of the year, PostePay and LIS started the process of defining the plan to expand the services offered on the third-party network as well, in order to enhance the hybrid **customer experience** at the different contact points (digital and physical).

5. Strategy

- Integrating sustainability within Poste Italiane's strategy
- Poste Italiane's sustainability strategy
- Poste Italiane's sustainability path

NFS

MAIN RELATED TYPES
OF CAPITAL

5.1 Integrating sustainability within Poste Italiane's strategy

NFS

To be sustainable for Poste Italiane means defining a clear strategy on ESG issues and structurally incorporating them within the objectives set in the "Strategic Plan"⁸¹. Within the plan, €3.1 billion of investment is planned in strategic assets, in order to achieve financial objectives. Complementing these is the "Polis Project", which, within the framework of the PNRR (National Recovery and Resilience Plan), aims both to renovate and modernise post offices and to enhance the Group's real estate with co-working initiatives.

Strategic Plan

MAIL, PARCELS AND
DISTRIBUTION

The strategic objective of the Mail, Parcels and Distribution segment is to accelerate its transformation from a pure mail operator to a full logistics operator, ensuring the economic and environmental sustainability of its operations. Implementation of the strategy is based on streamlining of the distribution networks, including the integration of Nexive, acquired at the end of 2020, consolidation of leadership in the B2C market and growth in the C2X and B2B segments through the introduction of specific offers and initiatives aimed at improving the customer experience. With this in mind, the acquisition of Plurima strengthens the contract logistics division. Through the implementation of these strategic directions, the segment aims to achieve an operating profit in 2024.

FINANCIAL OBJECTIVES

- Revenue: €3.9 billion (2019: €3.5 billion), with an increase in revenue from the Parcels segment, and easing of the decline in the Mail segment.
- Revenue of the Parcels segment: €2.0 billion (2019: €0.85 billion).
- EBIT: expected operating profit by 2024.

OPERATING OBJECTIVES

- Double the volume of automatically sorted parcels.
- B2C parcels market share: 38% by 2024.
- C2X market share: 57% by 2024 (2019: 41%).

81. The financial and operating objectives shown in the tables refer to 2024.



PAYMENTS AND MOBILE

The Payments and Mobile area aims to establish itself as a complete and omnichannel platform for its customers, flanking the traditional business lines of payments and telecommunications with an offer dedicated to Energy from 2022, a market which the Company will enter by taking advantage of its liberalisation. The acquisition of LIS, from this perspective, further contributes to the Group's omnichannel strategy. The expansion of products, together with the ability to exploit physical and digital channels and third-party networks, makes it possible to fully exploit cross-selling opportunities for customers, thereby increasing value for Poste Italiane as a whole.

FINANCIAL OBJECTIVES

- Revenue: €1.9 billion (2019: € 0.7 billion).
- EBIT: €0.4 billion (2019: €0.2 billion), with CAGR of 1%.

OPERATING OBJECTIVES

- Expected Postepay Evolution portfolio of 11.6 million cards issued.
- Expected card transactions with a CAGR up 14%, to reach €2.7 billion.



FINANCIAL SERVICES

Financial Services aims to further evolve its service model by combining the traditional physical model with the opportunities provided by technological innovation. The priorities of the Strategic Plan include growth in wealth management, thanks to the diversification of customer portfolios to optimise their risk-return profile, the integration of P&C policies within the advisory model and a renewed focus on loans, with particular emphasis on the salary-backed loan segment, also thanks to partnerships signed with leading operators in the sector. The business related to the purchase of building bonus tax credits represents an opportunity to diversify the investment portfolio.

FINANCIAL OBJECTIVES

- Revenue: €6.1 billion (2019: €5.8 billion).
- EBIT: €0.7 billion (2019: €0.9 billion).
- *Common Equity Tier 1 Capital*: 17%.

OPERATING OBJECTIVES


- Total financial assets: a rise to €615 billion from €569 billion in 2020, with increased penetration of life products



INSURANCE SERVICES

In Insurance Services, Poste Italiane aims to establish itself as an insurance operator capable of serving all customers' investment and protection needs. Poste Vita aims to confirm its position as leader in the Life insurance sector, continuing to offer customers safe products that are both more profitable and more capital efficient. Lastly, the P&C insurance strategy envisages an increase in profitability thanks to the modular offer, supplemented by car insurance, provided to customers without assuming risk thanks to distribution agreements signed with leading Italian insurance companies.

FINANCIAL OBJECTIVES

- Revenue: €2.7 billion (2019: €1.7 billion).
- EBIT: €1.3 billion (2019: €0.8 billion).
- Net profit: 5% CAGR in the period 2019-2024.
- **Solvency Ratio** : >200%.

OPERATING OBJECTIVES

- Gross premium revenue: €26.5 billion (2020: €16.7 billion).
- Double the average premium of the modular offer.
- 8,000 Post Offices enabled to sell car policies by 2024.

< 5.2 Poste Italiane's Sustainability Strategy

NFS

MAIN RELATED TYPES OF CAPITAL



Poste Italiane's Sustainability Strategy, consisting of the ESG Strategic Plan and a set of Sustainability Policies, is aimed at achieving national and international social and environmental development goals. This Strategy is consistent with Poste Italiane's activities and business criteria, within the broader strategic framework defined by the Group.

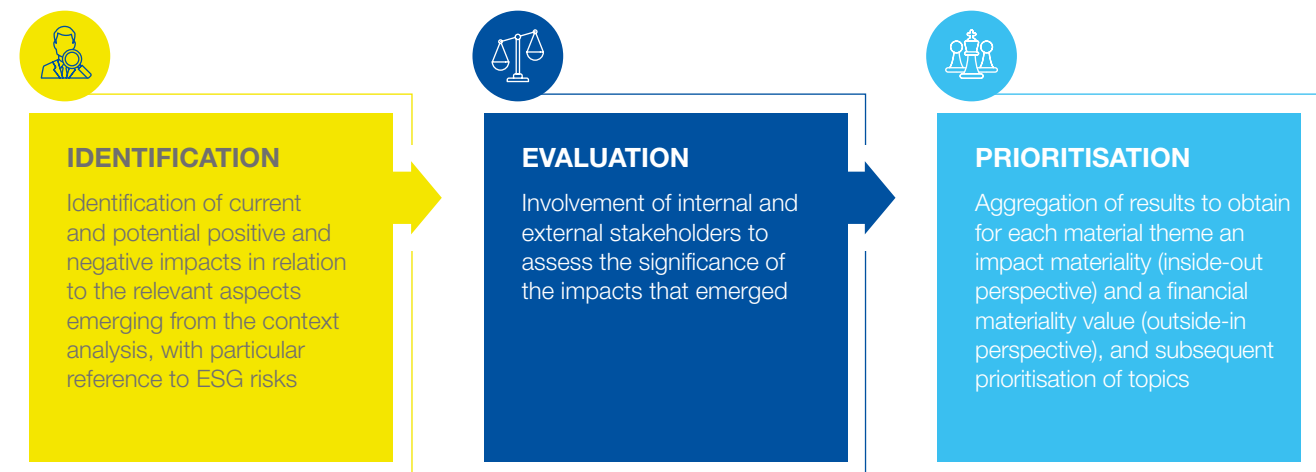
The ESG Strategic Plan encompasses all the specific objectives and targets, both qualitative and quantitative, that the Group has set for the purpose of continuously improving its sustainability performance. In addition, the policies adopted incorporate all the principles, qualitative objectives and different management methods, regulating in a synergistic manner the various issues that emerged from the materiality analysis and the areas required by Legislative Decree no. 254/2016 is not established.

Material sustainability themes for Poste Italiane

Poste Italiane has developed a materiality analysis process aimed at identifying priority issues, based on the significance of their related impacts, to be included in the Group's Sustainability Strategy and to be formalised in terms of policies and targets.

With a view to continuous improvement, Poste Italiane perfected what it started in 2021 by revising the materiality analysis methodology, aligning it with the forecasts contained in the 2021 update of the GRI standards for the inside-out perspective, and took into account the provisions of the EFRAG, albeit still in draft, for the outside-in perspective, by carrying out a dual materiality exercise in advance of the entry into force scheduled for FY 2024.




The definition process of material topics, last approved by the Board of Directors, consisted of the following 3 stages:



To identify current and potential positive and negative impacts, an in-depth scenario analysis was conducted on the Group's activities, its business relations, the sustainability context in which it operates and the expectations of its stakeholders. In particular, the analysis took into account the provisions of regulatory sources and the main international sustainability guidelines, the Strategic Plan and the Group's risk management model, as well as the requirements of the main questionnaires prepared by ESG rating agencies and analyses of current industry trends.

In the assessment phase, the significance of the identified impacts was defined through the direct involvement of stakeholders. Below is the list of impacts submitted for evaluation by the Group's stakeholders.

PILLARS	MATERIAL TOPICS	IMPACTS
Integrity and transparency 	Work with transparency and integrity	Increased awareness of the relevance of compliance issues Compliance of its internal control system
	Legality and incorporation of ESG criteria within the procurement process	Compliance with social and environmental standards along the value chain Raising supplier awareness of ESG issues
People development 	Staff training and development	Developing employees' skills Employee Engagement
	Staff welfare and well-being	Work-life balance Customer satisfaction
	Relations with social partners	Involvement of social partners Respect for workers' rights
	Occupational health and safety	Accidents, injuries and occupational illness Culture of safety
Diversity and inclusion 	Protection of human rights at the Company	Awareness of human rights issues Affirmation of an inclusive corporate culture
	Equal career development opportunities	Supporting parenting Gender pay gap
Creating value for the country 	Support for the socio-economic development of local communities	Well-being of citizens Social and economic development of local communities
	Dialogue and transparency in relations with the authorities	Opportunities for the country's development and growth Supporting institutions
	Financial inclusion	Financial Skills Development Digitalisation of financial services
Green transition 	Environmental impacts of real estate facilities	Production of building-related emissions Consumption of natural resources and production of waste
	Environmental impacts of logistics	Production of logistics-related emissions Consumption of natural resources and production of waste

PILLARS	MATERIAL TOPICS	IMPACTS
Customer experience 	Quality and customer experience	Customer satisfaction Modernisation of processes and services offered
	CyberSecurity, IT Security and Privacy	Data leakage and theft Breach of privacy
Innovation 	Innovation and digitisation of products, services and processes	Digital transformation of the country Development of innovative logistics systems
Sustainable finance 	Integration of ESG factors into investment policies	Sustainable growth of the country through its investing activities Responsible investment practices
	Integration of ESG factors into insurance policies	Sustainable growth of the country through its insurance products Responsible insurance practices

According to the inside-out perspective, the Company has considered the significant current or potential impacts on people and the environment directly related to its activities, products and services, including upstream and downstream activities in its value chain. On the other hand, the outside-in perspective took into account sustainability risks and opportunities that may positively or negatively influence future cash flows and thus create or erode corporate value in the short, medium or long term, affecting its development, performance and positioning.

Stakeholder engagement

In order to contribute to the creation of shared value for the Company and all its stakeholders, Poste Italiane integrates the variable visions and needs of those directly and indirectly involved in the Group's activities within its Sustainability Strategy. Consideration of stakeholders' requests allows the Group to strengthen its growth in terms of reputation and, at the same time, maintain a relationship of trust and transparency in the social and economic context in which it operates.

In order to identify all the stakeholders who influence or are in turn influenced by the process of achieving the Group's strategic objectives, Poste Italiane has conducted a thorough mapping of the categories of stakeholders with whom it interacts in the course of its activities, in accordance with the AA1000-Stakeholder Engagement International Standard (SES). The analysis enabled the identification of seven macro-categories of stakeholders, namely: Shareholders and Investors, Local Communities (trade associations, media, academia), Customers (consumer associations), Entities and Institutions (regulators, Fondimpresa), Suppliers (business partners), Personnel (Poste Italiane people, labour unions) and the Environment.

The seven macrocategories of stakeholders are shown in the following table, which indicates the main ways of engagement and communication related to each of them.

Poste Italiane's stakeholder engagement methods

CATEGORY OF STAKEHOLDER	PRINCIPAL ENGAGEMENT METHODS
Shareholders and investors	<ul style="list-style-type: none"> Shareholders' Meetings; Corporate Governance Report; Financial Reports and periodic presentations; roadshows and dedicated meetings; the Company's corporate website; press releases.
Customers	<ul style="list-style-type: none"> Customer experience systems; periodic customer satisfaction surveys.
Personnel	<ul style="list-style-type: none"> Internal communication tools (intranet, newsletters, mailing list, Postenews, etc.); internal and external events for staff; periodic meetings; first- and second-level bargaining; periodic satisfaction surveys.
Suppliers and business partners	<ul style="list-style-type: none"> Dedicated meetings.
Entities and Institutions	<ul style="list-style-type: none"> Conferences; dedicated meetings; corporate communication; periodic communications; organisation of events.
Local communities	<ul style="list-style-type: none"> Community projects; partnerships; press releases; sponsorships; donations; dialogue with local authorities; contacts during the launch of relevant projects, publication of documents, interviews, events.
Environment	<ul style="list-style-type: none"> Press releases; dedicated events; partnerships; collaborations; conferences.

The Multistakeholder Forum 2022

The Multistakeholder Forum, which takes place every year, is one of the most effective tools to engage and dialogue with stakeholders and represents a fundamental moment of reflection and discussion on priority Sustainability issues for the Group.

FOCUS GROUP

December 2022

6th Multistakeholder Forum

~1,100

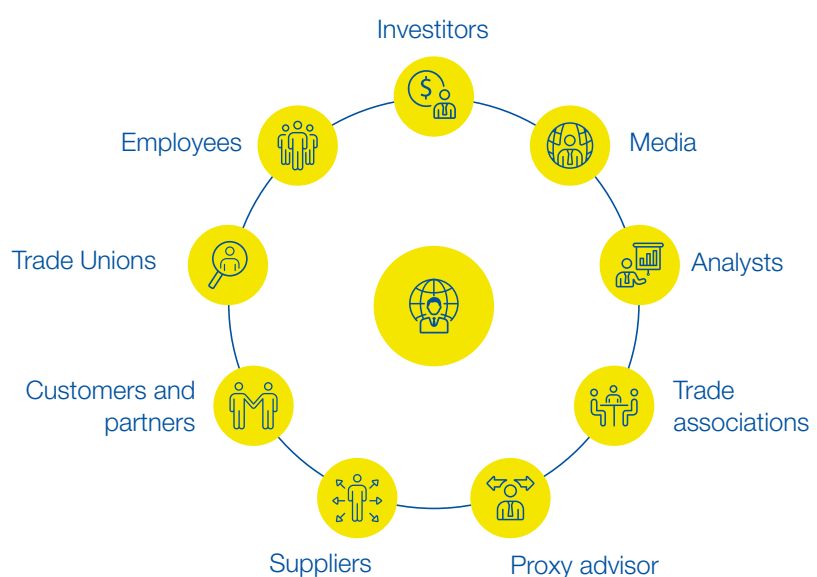
Stakeholder present at the Forum, including around 850 employees

5

Thematic Focus Group

36

Sustainability impact discussed related to the 18 material topics



The sixth edition of the Multistakeholder Forum, live streamed in order to ensure the widest possible participation, was attended by around 1,100 stakeholders, more than double the number of the previous year, and represented an important opportunity to exchange views with the Group's main stakeholders on strategies, sustainable development issues and the integration of these within the Company's business projects defined in the Strategic Plan.

During the event, participants took part in five focus groups related to the eight Pillars of Sustainability. In particular, the first Focus Group, mainly addressed to Suppliers and Business Partners, focused on the Pillars "Integrity and transparency" and "Green transition"; the second Focus Group, mainly addressed to Customers, focused on the "Customer experience" and "Innovation" pillars; the third Focus Group, conducted in English and mainly addressed to Suppliers and Business Partners, Shareholders and Investors, focused exclusively on the "Sustainable finance" pillar in order to analyse in depth the issue of integrating ESG factors within the Group's insurance and investment policies; the fourth Focus Group, aimed at Employees, was dedicated to "People development" and "Diversity and inclusion" pillars; the fifth Focus Group, aimed primarily at Institutional Bodies and Communities and Territory, finally focused on the "Creating value for the country" pillar.

Participants in the Forum expressed their judgments on material issues for the Company through a digital tool accessible from smartphones and PCs that enabled the instant and dynamic display of the results.

The results of the engagement process of the Group's key stakeholders revealed a greater significance of the impacts underlying the following topics: innovation and digitisation, environmental impacts of logistics and cybersecurity with regard to the inside-out perspective; innovation and digitisation, staff training and development and integrity and transparency with regard to the outside-in perspective.

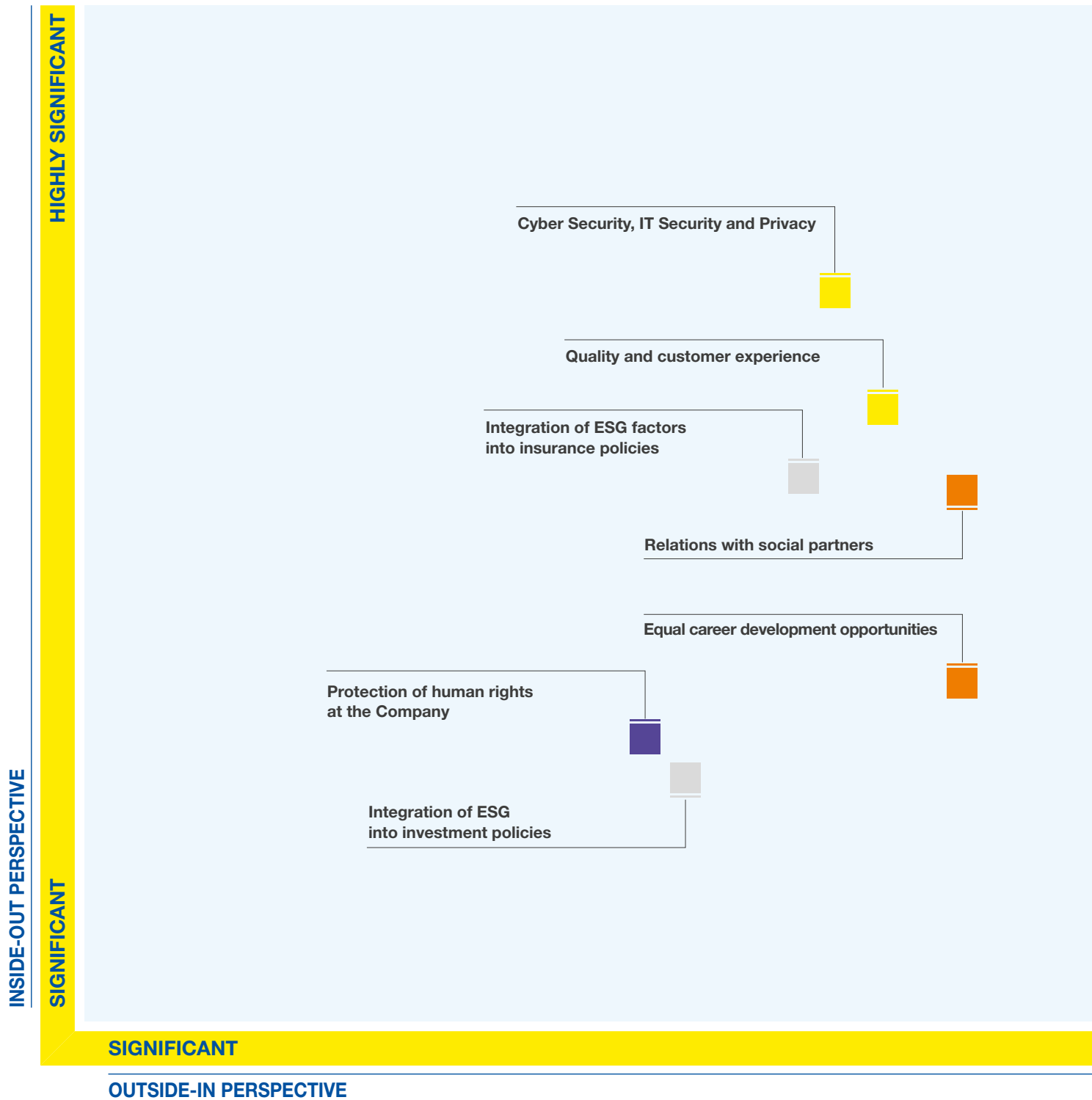


Materiality matrix

The materiality matrix, shown below, graphically represents the result of the process of identifying priority issues starting from the assessment of the significance of the impacts related to them, according to a dual perspective: inside-out and outside-in. Each of the 18 material themes is in fact associated with an impact materiality value (inside-out perspective) and a financial materiality value (outside-in perspective), as a product of the magnitude and probability of the individual impacts pertaining to the same material theme. The order of priority of the topics was defined on the basis of the values obtained and through the definition of a materiality threshold.

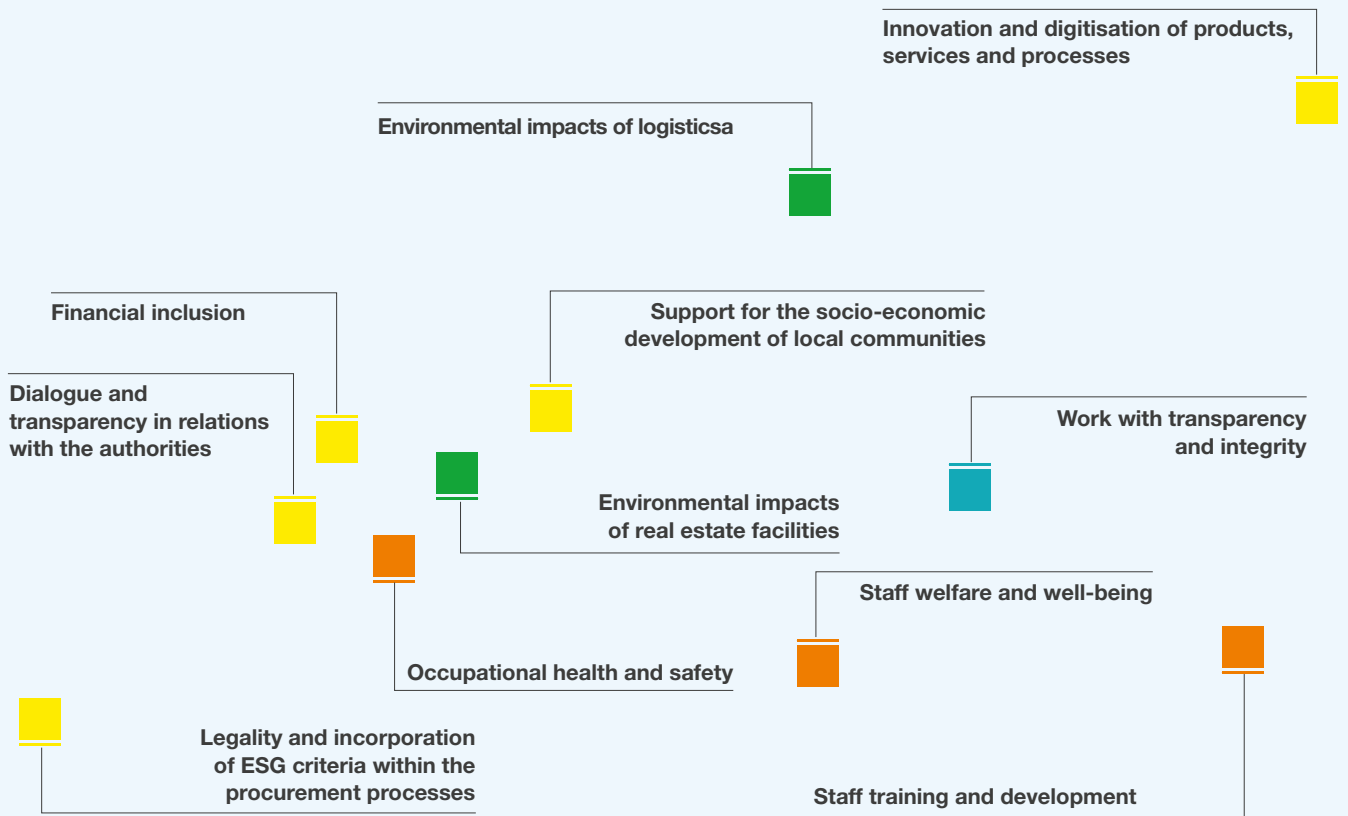
The matrix is an effective tool to support the Group's Sustainability Strategy and is the result of the alignment process to the new GRI provisions for the inside-out perspective, which is also influenced by the provisions, still in draft, issued by EFRAG, for the outside-in perspective.

Poste Italiane Group's materiality matrix



Scopes Legislative Decree no. 254/16

- Personnel
- Environmental
- Company
- Corruption
- Human rights
- Transversal



HIGHLY SIGNIFICANT

Description of material topics

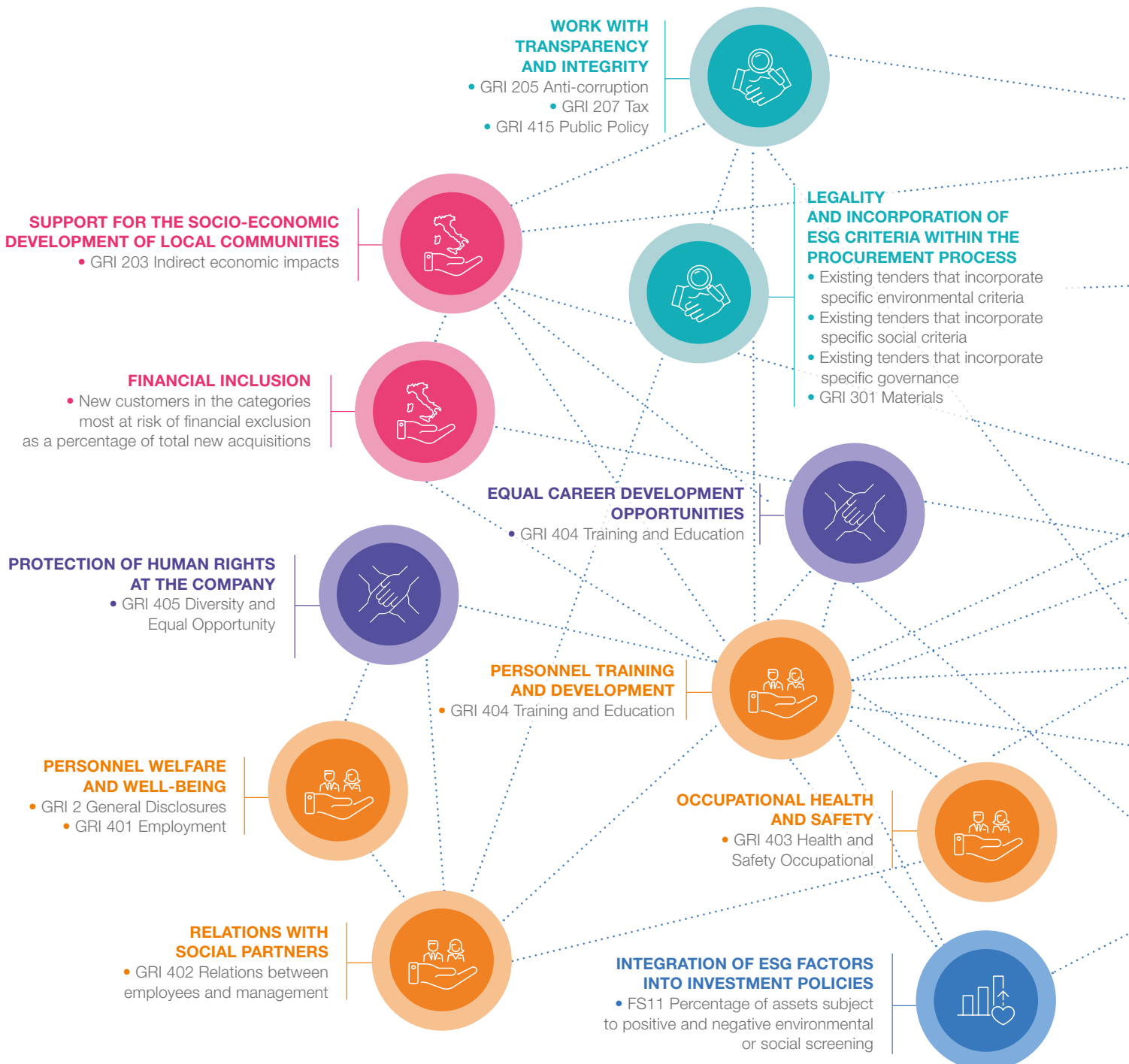
In line with the requirements of the new GRI Universal Standard 3, the following list represents the prioritized material themes with a description of each theme.

MATERIAL TOPICS	WHAT THIS MEANS FOR POSTE ITALIANE
Innovation and digitisation of products, services and processes	Contribute to the modernisation of Italy and digital and technological evolution through the development of new products and services and the adoption of digital technologies to be incorporated into products, services and business processes, in order to be ready to respond to changes in scenario, new customer needs and opportunities offered by social and environmental changes.
Environmental impacts of logistics	Monitor the environmental impact of logistics activities and encourage a process of change aimed at safeguarding the environment by adopting lower-impact solutions regarding the provision of postal and logistics services, including: the use of hybrid/electric vehicles, rationalisation of distances travelled, correct waste management, development of recharging infrastructure for customers' vehicles.
Work with transparency and integrity	Prepare appropriate internal control measures and spread a corporate culture within the organisation based on integrity, professional ethics and honesty in order to build relationships of trust with its stakeholders and conduct its activities correctly and transparently in every single operation, especially in combating active and passive corruption.
Staff training and development	Guarantee our employees ongoing development of their knowledge and skills and the opportunity to reach their full potential through training courses aimed at ensuring growth and strengthening of know-how in line with the needs they and the market have expressed, also with a view to better managing business and organisational changes.
Support for the socio-economic development of local communities	Contribute to Italy's socio-economic well-being through direct, indirect and induced impacts in local areas (e.g. in terms of GDP and employment), and initiate or support social activities that respond to the needs expressed by society, including those identified through dialogue and collaboration with the third sector.
Environmental impacts of real estate facilities	Spread a culture of respect for the environment and adopt concrete solutions for the efficient management of energy resources, water resources and waste, from a circular economy standpoint. For example, procurement of renewable energy, installation of renewable energy production plants, building efficiency projects, organisation of separated waste collection, etc.
Staff welfare and well-being	Provide staff with modern, flexible working tools and models that respond to specific personal needs and ensure work-life balance (e.g. smart working initiatives, improved maternity and paternity arrangements, the provision of benefits in the field of healthcare, etc.).
Occupational health and safety	Safeguard our people's health, safety and physical and mental integrity, also in terms of workplace quality, and foster the development of a robust in-company culture in compliance with the highest national and international standards in this regard.
Financial inclusion	Extend the financial products and services offering to traditionally excluded categories, in order to guarantee access to services that are essential for economic livelihoods, and make the customer purchasing experience more aware via financial education initiatives, especially with regard to savings, investment, payments, pensions and insurance.
Dialogue and transparency in relations with the authorities	Promote systematic and transparent dialogue with national and local authorities, based on a quest for shared solutions that makes it possible to respond to communities' social needs, positively affecting the social fabric in the areas in which the Company operates and, at the same time, increasing competitiveness and business continuity.

MATERIAL TOPICS	WHAT THIS MEANS FOR POSTE ITALIANE
Cyber Security, IT Security and Privacy	Guarantee the privacy of customers' data, protect intellectual property and provide an effective management system for IT security and cyber security in order to ensure business continuity, protect the information assets of the Company, customers and other stakeholders, and the security of transactions.
Quality and customer experience	Respect implementation deadlines and procedures for activities (level of service and performance) and provide customers with a quality experience that goes beyond making use of a traditional product or service. In addition, build a relationship of trust by activating customer engagement channels to be always informed on customers' expectations, needs and satisfaction regarding products and services offered, and the correct management of complaints.
Relations with social partners	Consider dialogue with personnel and labour union representatives as essential in finding shared solutions relating to issues that can have significant impacts on the organisation, the business and above all human capital, a vital corporate asset for the Company.
Legality and incorporation of ESG criteria within the procurement process	Procurement processes based on pre-contractual and contractual behaviours aimed at achieving complete respect of legality and transparency, and adoption of selection, assessment and monitoring criteria to measure the social and environmental performance of suppliers, in order to guarantee high levels of functionality and quality for supplies and mitigate ESG risks.
Integration of ESG factors into investment policies	Incorporate ESG aspects within the investment process in order to better manage non-financial risks and consider new investment opportunities that also support sustainable development and a low-carbon future.
Equal career development opportunities	Ensure equal opportunities in the development of individual careers, by promoting career development paths for all employees regardless of their personal characteristics (age, gender, sexual orientation, disability, ethnic origin, nationality, political opinions and religious beliefs) in accordance with the principles of impartiality and non-discrimination.
Protection of human rights at the Company	Guarantee the protection of human rights and the promotion of non-discriminatory behaviours within the Group, including through compliance with recognised standards, incorporation of the risk of violation within the Group's risk assessment model, and development of diversity elements (in terms of differences in age, gender, knowledge and experience) which foster the development of a "corporate culture" and a response to new challenges and market opportunities.
Integration of ESG factors into insurance policies	Incorporate ESG aspects within insurance policies, insurance product development strategies and customer communications.

Interconnection between material issues and metrics

The integrated approach adopted by Poste Italiane takes into account the combination, correlation and interdependence of issues that have a significant impact on the Group's economic, social and environmental performance. In this regard, the decision-making process, which includes specific actions aimed at the pursuit of sustainable success, considers the connections and interdependencies between the multitude of factors that influence the Company's ability to create lasting value. To this end, in accordance with the indications of the International <IR> Framework, the interconnections between the material issues for Poste Italiane and the main measurement metrics adopted are shown below.



 **Integrity and transparency**

 **People development**

 **Diversity and inclusion**

 **Creating value for the country**

 **Green transition**

 **Customer experience**

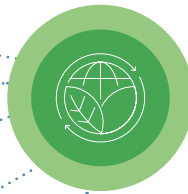
 **Innovation**

 **Sustainable finance**



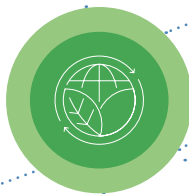
DIALOGUE AND TRANSPARENCY IN RELATIONS WITH THE AUTHORITIES

- Monetary contributions related to activities with the ability to influence public policies



ENVIRONMENTAL IMPACTS OF LOGISTICS

- GRI 302 Energy
- GRI 305 Emissions



ENVIRONMENTAL IMPACTS OF REAL ESTATE FACILITIES

- GRI 302 Energy
- GRI 303 Water and Effluents
- GRI 305 Emissions
- GRI 306 Waste



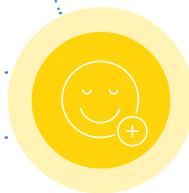
INNOVATION AND DIGITISATION OF PRODUCTS, SERVICES AND PROCESSES

- Number of digital services offered
- Number of digital transactions



CYBERSECURITY, IT SECURITY AND PRIVACY

- GRI 418 Customer Privacy



QUALITY AND CUSTOMER EXPERIENCE

- Quality of universal service
- Customer experience in Post Offices
- Customer complaints by type
- Customer satisfaction
- Settlements



INTEGRATION OF ESG FACTORS INTO INSURANCE POLICIES

- FS 11 Percentage of assets subject to positive and negative environmental or social screening

The Group's Sustainability Policies

The incorporation of sustainability within the Company's regulatory system has led to the definition of the following policies.

Sustainability policies adopted by Poste Italiane

POSTE ITALIANE GROUP POLICIES	POLICY OBJECTIVES
Tax Strategy	The strategy is arranged as a set of principles and rules aimed at promoting dissemination of the values of honesty, fairness and compliance with tax regulations, thereby encouraging the development of collaborative and transparent conduct towards the tax authorities and third parties, in order to minimise any substantial impact in terms of either tax or reputational risk.
Occupational Health and Safety Policy	The Policy sets out the principles and methods implemented by the Group to protect and promote the physical and mental well-being of people through prevention, a culture of safety and implementation of management systems.
Integrated Policy	The Policy contains a commitment to promptly comply with current regulations: ISO 37301:2021 for compliance management, UNI EN ISO 9001:2015 for quality control, ISO 45001:2018 for occupational health and safety, ISO 37001:2016 to prevent practices that may result in alleged and/or confirmed crimes of bribery, ISO/IEC 27001:2013 and ISO/IEC 20000-1:2018 respectively with respect to the management of data security, and for the management of IT systems which support company processes.
Policy on community initiatives	The Policy contains a commitment to respond to the social needs of local communities and the country as a whole with integrity and transparency, in accordance with procedures that aim to ensure the effectiveness of supported initiatives, while avoiding any potential conflict of interest.
Policy on personal data protection	The Poste Italiane Group Policy shows that personal data protection is a fundamental value that every Group Company must adhere to in its daily activities. The Group protects and promotes the protection of personal data and the rights of data subjects through information and awareness campaigns and policies for data protection.
Group Policy on environmental sustainability	The Policy sets out the general principles, objectives and methods for managing the Group's environmental impact and confirms Poste Italiane's commitment to promoting efficient use of natural resources and focusing on seeking innovative solutions to protect the environment in its value chain.
Responsible investment Policy of the Poste Vita Group	In its responsible investment Policy, Poste Vita sets out principles that enable inclusion of ESG elements in the management of its investment activities, making a positive contribution to the impact issuers in its financial portfolios have on the community, and concrete adherence to principles and guidelines recognised at national and international level regarding the incorporation of sustainability criteria within traditional investment processes.
Responsible insurance Policy of the Poste Vita Group	In its responsible insurance Policy, Poste Vita defines principles that enable inclusion of ESG aspects in the management of its insurance activities, and concrete adherence to principles and guidelines recognised at national and international level regarding the incorporation of sustainability criteria within traditional insurance processes.
Responsible Investment Policy of BancoPosta Fondi SpA SGR	In its responsible investment Policy, BancoPosta Fondi SGR sets out principles that enable inclusion of ESG elements in the management of its investment activities, making a positive contribution to the impact counterparties in its financial portfolios have on the community, and concrete adherence to recognised principles and guidelines. The Policy was updated in January 2021.

POSTE ITALIANE GROUP POLICIES	POLICY OBJECTIVES
Guideline for investment in sensitive sectors of BancoPosta Fondi SGR	The Guideline for investment in sensitive sectors of BancoPosta Fondi SGR defines measures to identify, assess and monitor exposure to activities that present a material intrinsic risk from an ESG point of view, thus enabling environmental, social and governance aspects to be incorporated into the investment process.
Guidelines on the exercise of voting rights and engagement activities of BancoPosta Fondi SGR	The SGR's Guideline defines measures and procedures to exercise voting rights in accordance with established national and international reference principles and to promote the proper management of ESG issues through beneficial dialogue with issuers of securities in their financial portfolios.
Policy Guideline for Managing Dialogue with Poste Italiane SpA shareholders – Engagement Policy	The objective of the Policy is to regulate the management of dialogue with investors and other market participants adopted by Poste Italiane, with reference to the many forms of engagement that the Company puts in place, whether these concern activities normally managed by the relevant corporate functions (e.g. website maintenance), or involve direct dialogue with members of the Board of Directors ("Shareholder-Director Engagement").
Guideline for investment in sensitive sectors of the Poste Vita Group	The Guideline for investment in sensitive sectors of Poste Vita SpA defines measures to identify, assess and monitor exposure to activities that present a material intrinsic risk from an ESG point of view, thus enabling environmental, social and governance aspects to be incorporated into the investment process.
Guidelines on the exercise of voting rights and engagement activities of the Poste Vita Group	The Company's Guideline defines measures and procedures to exercise voting rights in accordance with established national and international reference principles and to promote the proper management of ESG issues through beneficial dialogue with issuers of securities in their financial portfolios.
Diversity Policy for administrative and auditing bodies of Poste Italiane	The document sets out recommendations regarding aspects of diversity of the members of the Board of Directors and of the Board of Statutory Auditors, such as age, gender, ethnicity, geographical origin, training and professional experience.
Group Policy for the protection of Human Rights	The policy sets out a clear approach to the issue of human rights, which is broader than legal requirements and enables monitoring and management of risks and opportunities relating to all forms of human rights, and also confirms the Group's commitment to pursuing socially responsible investment and management activities.
Diversity and Inclusion Policy	The policy indicates that the Poste Italiane Group is committed to supporting the values of diversity and inclusion through the adoption of corporate, organisational and management mechanisms based on respect for people's rights and freedom.
Guideline on Competition and Consumer Protection Compliance	The Guideline aims to ensure compliance with competition and consumer protection rules, to reinforce awareness of the importance of the relevant regulations, to consolidate an operational and control environment aimed at mitigating the risk of anti-trust and anti-competitive offences, to provide a guide to prevent actions, behaviours and omissions that violate competition and consumer protection regulations, and to outline monitoring tools to identify possible violations.
Support for Active Parenting Policy	The purpose of the Policy is to provide a framework to support the female condition in the Company, to help women, before and after the maternity period, with adequate support and development paths through anticipatory plans to enable them to feel fully empowered and supported in expressing their personal and professional abilities. The document aims to outline a people development and management strategy, implement a modern maternity management model and introduce innovative tools for consistent and harmonious support for active parenthood, thereby integrating Poste Italiane's existing human resources development processes.

The Group's Environmental, Social and Governance (ESG) Strategic Plan

Poste Italiane's ESG Strategic Plan consists of 8 pillars in the ESG areas relevant for the Group. The materiality analysis, held during the Multistakeholder Forum in December 2022, enabled the identification of priority topics on the basis of the significance of their related impacts, to be included in the Group's Sustainability Strategy. Each Pillar is based on specific objectives and targets that contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). Please refer to chapter 7 "Creation of value", for further information on the objectives, management methods and performances achieved within the Pillars of the Group's ESG Strategic Plan.

Through the **Strategic Plan**, Poste Italiane aims to achieve responsible growth and accompany the country's path of sustainability and social inclusion. In defining the **investment choices of the Plan**, the contribution of each intervention to the **Group's 8 Sustainability Pillars** was also assessed.

The Company is committed to creating shared value on a daily basis, also in relation to the achievement of the SDGs, and aims to move the country towards carbon neutrality by 2030. In particular, through initiatives such as the so-called Green Challenge, which includes entering the energy market with an offer 100% from renewable sources and offsetting CO2 emissions through the development of ad hoc tools, Poste Italiane is able to best communicate the innovative green business philosophy adopted by the Group, i.e. a holistic approach that incorporates all Poste Italiane's products, services and processes.

Page intentionally left blank

The pillars of Poste Italiane's ESG Strategic Plan that support the "2024 Sustain & Innovate Plus" Plan

2024 SUSTAIN & INNOVATE PLUS

MAIN RELATED TYPES OF CAPITAL



1
INTEGRITY AND TRANSPARENCY



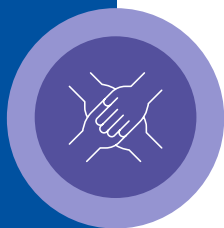
5
GREEN TRANSITION



2
PEOPLE DEVELOPMENT



6
CUSTOMER EXPERIENCE



3
DIVERSITY AND INCLUSION



7
INNOVATION



4
CREATING VALUE FOR THE COUNTRY



8
SUSTAINABLE FINANCE



Poste Italiane, being an integral part of a network of associations operating nationally and internationally that aims to seek continuous stimuli and opportunities for discussion on sustainability issues, is able to propose a strategy in step with the evolution of the global context on ESG matters.



UN Global Compact: the largest corporate sustainability initiative in the world. An appeal to companies to align their strategies and operations with universal principles in the areas of human rights, labour, environment and anti-corruption and to take actions that promote society's objectives. It is a universal voluntary initiative to implement the principles of sustainability and adopt measures to support the goals of the United Nations.



Principles for Responsible Investment: the PRIs are a set of six principles that set out the main actions to be taken by investors and provide specific tools (e.g. frameworks, guidelines) aimed at incorporating environmental, social and and governance (ESG) factors within traditional investment policies.



Principles for Sustainable Insurance: the PSIs are a voluntary initiative, supported by the United Nations, aimed at addressing risks and opportunities relating to ESG issues in the insurance sector. Launched in 2012, the PSIs are aligned and complement the principles of the UN Global Compact.



UN Women: is the UN entity dedicated to gender equality and empowerment of women. UN Women was established to accelerate progress in meeting their needs around the world. In particular it supports UN member states as they define global standards to achieve gender equality and work with governments and civil society to design the laws, policies, programmes and services needed to ensure that the standards are effectively implemented and truly benefit women and girls around the world.



CSR Exhibition: is the most important event in Italy dedicated to sustainability. It is an opportunity to share ideas and find common paths through dozens of meetings, hundreds of speakers and thousands of visitors. The exhibition allows getting to know the companies that have made sustainability a strategic driver, meeting young people, helping build the future of CSR. The exhibition takes place for two days, which are intense thanks to a rich cultural programme, many stimulating appointments, many opportunities for networking.



Sodalitas: established in 1995 on the initiative of Assolombarda, this foundation was the first organisation to promote corporate sustainability in Italy, by contributing to the development of the role of companies as social as well as economic players, and putting the strengths of corporate culture at the service of civil society. A unique organisation in Italy, it brings together the commitment of more than 100 leading companies and a group of volunteer managers, and is a reference point for companies that consider sustainability to be a vital strategic dimension. It has gained respect as a partner of European institutions for implementing the sustainability agenda in Italy, and stands out for its ability to implement multi-stakeholder initiatives for generating shared social value.



Anima per il Sociale: an association that brings together a group of managers and companies with the mission of spreading the culture of corporate social responsibility and sustainability among local companies, at an economic, social and environmental level. The partnership enables the Group to access the association's network- consisting of large companies, associations, non-profit organisations, bodies and authorities - in order to keep up to date through monitoring, communication and training activities and by participating in Corporate Social Responsibility initiatives and events.



CSR Manager: a network made up of professionals working in all kinds of organisations (companies, business foundations, trade bodies, the Public Administration, non-profit entities) who manage social, environmental and sustainability issues relating to business activities. This network of association provides the opportunity to participate in conferences held, access documents and studies prepared by the network and share best practices with the other members.



Valore D: founded in 2009, this is the first association of companies to promote women's diversity, talent and leadership in support of greater gender balance within its 150 member organisations. This collaboration enables Poste Italiane, as a supporting member since 2012, to actively participate in programmes and workshops organised by the association, as well as to take part in benchmarks and the sharing of best practices regarding the issues of diversity management, achievement of work-life balance and welfare.



ASPHI: an organisation that has been promoting the integration of disabled people in schools, employment and companies via the use of ICT technology for over 30 years. The collaboration with Poste Italiane has been consolidated over several years, in relation to participation in programmes for the inclusion and enhancement of disabled people in corporate environments.

< 5.3 Poste Italiane's Sustainability path

NFS

Being an essential driver in the Group's strategic and financial choices, sustainability is an integral component of Poste Italiane's activities, processes and strategy.

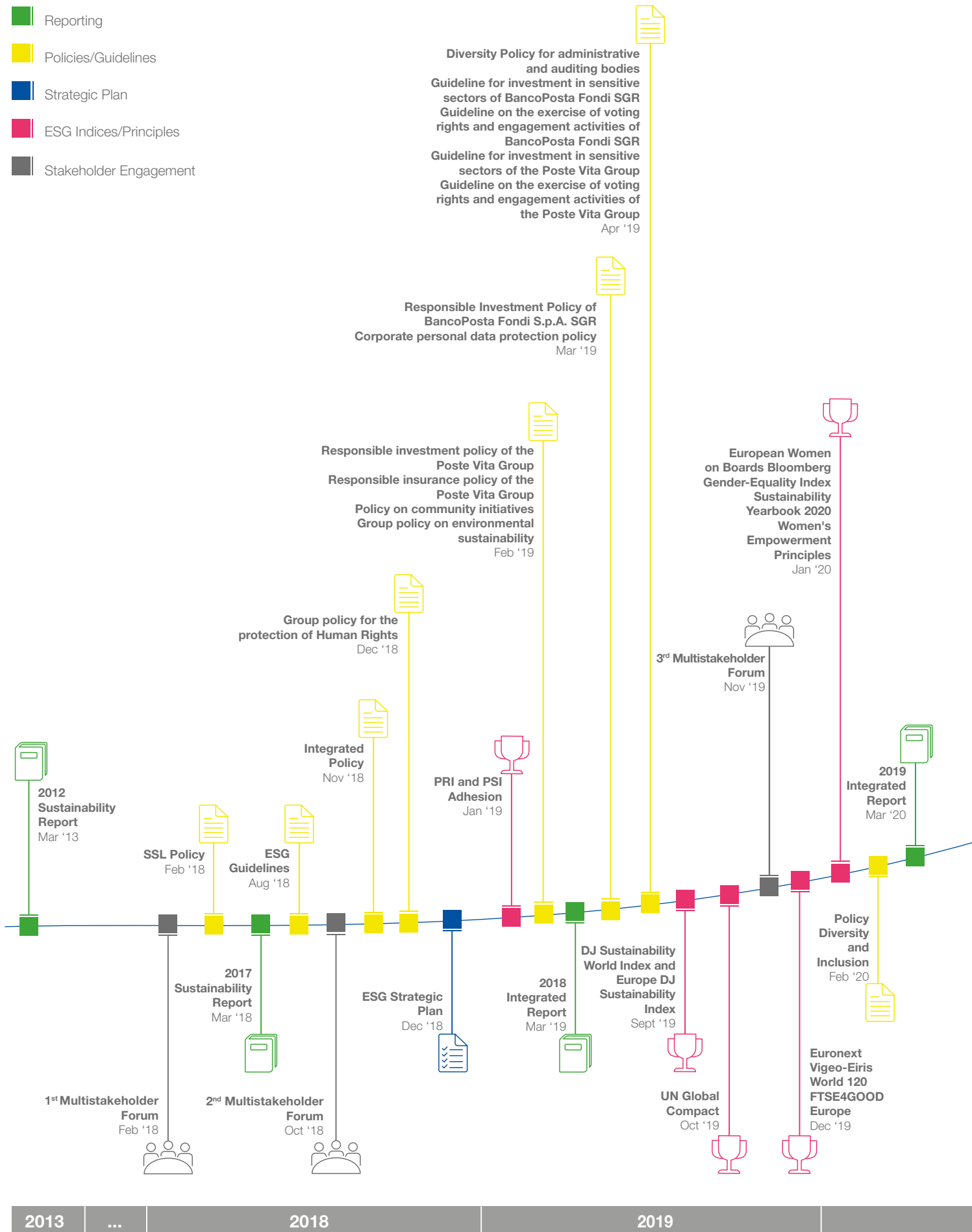
Over the past few years, the Group has embarked on an ambitious path to consolidate its Sustainability Strategy, given the importance it attaches to it; this Sustainability Strategy, in fact, is aimed at creating shared value for Poste Italiane's stakeholders and on its own reputational growth.

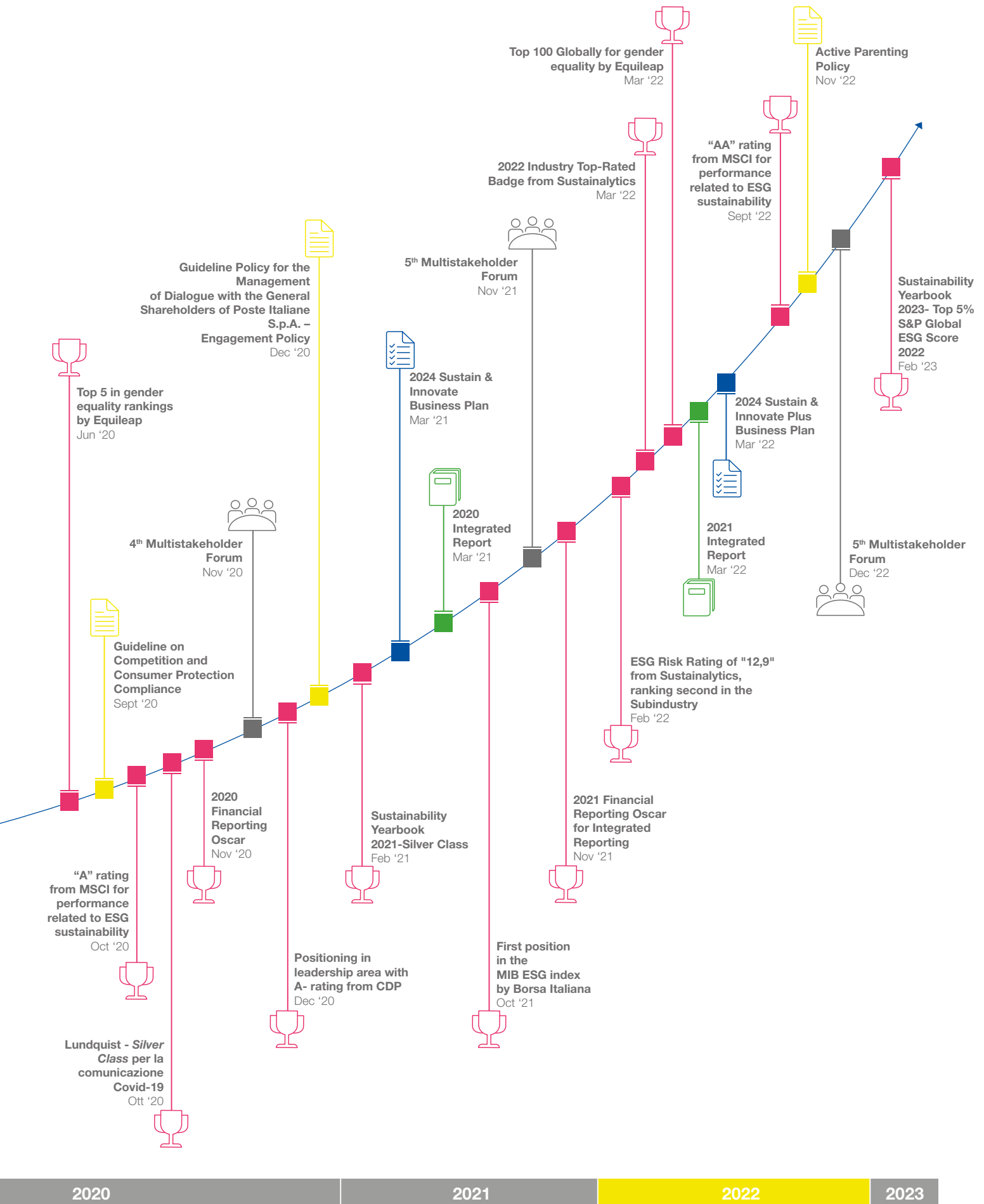
The Group is therefore committed to disseminating a corporate culture focused on sustainable issues, which are concretely implemented according to three main guidelines - Reporting, Strategy and Governance. From the very beginning, the efforts undertaken have allowed the achievement of important evolutionary changes and, at the same time, have enabled Poste Italiane to achieve numerous prestigious national and international goals.

MAIN RELATED TYPES OF CAPITAL



- Reporting
- Policies/Guidelines
- Strategic Plan
- ESG Indices/Principles
- Stakeholder Engagement





2020

2021

2022

2023

The value of the reputation and the Sustainability Indices in which Poste Italiane is present

In the current context, the creation of value is increasingly based on intangible capital; therefore, Poste Italiane considers reputation to be a fundamental asset capable of guiding the decisions of its stakeholders. A good corporate reputation not only reinforces trust in the Company but also increases its competitiveness. To this end, the Group has decided to follow up on its commitment by confirming its traditional vocation of being close to the territory and the community, even more so at a difficult time similar to the current national and international context.

Thanks to the considerable efforts made by Poste Italiane and the effectiveness of the strategic choices made, aimed at consolidating the Group's image and reputation, the Company has won numerous awards and recognitions in recent years.

ESG Awards and Recognitions

Top Employer Italia 2023



Poste Italiane is Top Employer Italia 2023, for the fourth consecutive year. The prestigious award was given to Poste Italiane by the Top Employers Institute, the global certification body for excellence in HR practices.

Poste Italiane is among the 25 strongest brands in the world according to Brand Finance



Poste Italiane is among the top 25 global companies by brand strength according to a ranking compiled by Brand Finance. The Company achieved a score of 89/100 and a AAA rating, improving by 13 positions compared to 2021. Only 84 global brands are rated AAA.

At 1 January 2022, the Company's brand was worth \$7.8 billion, an increase of 26% over the previous year.

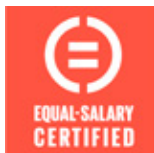
In the Brand Finance Insurance 100 2022, Poste Italiane climbs to 18th place, up from 21st last year for its ability to generate financial value. The increase in brand value, more than double the average of the 100 insurance companies in the ranking, allowed the Company to rank second among Italian insurance companies.

Brand Finance Global 500



Poste Italiane re-enters the Brand Finance Global 500. The ranking, which includes the 500 brands with the highest financial value worldwide, places Poste Italiane at the 283rd rank in 2023.

Largest company by number of employees to receive "EQUAL-SALARY" certification



The certification, issued by "EQUAL-SALARY", an independent Swiss non-profit organisation in cooperation with the University of Geneva, allows companies to verify and publicise pay equity, for equal work, within the Company organisation. Poste Italiane is the first among the companies in the FTSE MIB insurance sector and the largest company by number of employees to receive the "EQUAL-SALARY" certification for the strict application of remuneration policies without gender bias, demonstrating its commitment to creating an inclusive working environment and a corporate culture based on respect and equal opportunities in career paths.

Postepay Green Product of the year



In 2022, Postepay Green received the "Elected Product of the Year 2022" award in the "Young Financial Services" category. Poste Italiane's eco-friendly card, dedicated to 10-17-year-old young people, is the payment tool with which PostePay SpA has started converting its products to eco-friendly materials; these are made from materials such as marine plastics from the oceans, materials of biological origin (PLA) or with biodegradable plastics, thanks to the addition of additives. This award is an important recognition of Poste Italiane's capacity for both innovation and support for the New Generation: the card, in fact, empowers parents and children to use innovative and smart features and represents a first tool for educating young people about conscious and responsible money management, with an eye also to environmental issues.

Leader in media communication 2022



In 2022, Poste Italiane was confirmed for the third consecutive year among the companies awarded and certified for the impact of its corporate communication with the BIC, the certification created by Fortune Italia and Eikon Strategic Consulting.

The Group topped the TOP TEN of EIKON Consulting, which evaluates and compares the performance of media relations activities and the visibility of top Italian companies in the major national media.

Confirmed 3rd position in Poste Italiane's Webranking Europe 500



In the twenty-sixth European edition of the "Webranking Europe 500" research, conducted by Lundquist in collaboration with the Swedish company Comprend, on the quality and transparency of companies' digital communication activities, Poste Italiane was placed third, confirming its position at European level compared to the previous year. The Group also won the "5 Stars" award in Lundquist's "Trust" research for transparency in communication, and first place in the careers and insurance section.

Poste Italiane at the top for young people



Poste Italiane has been recognised as one of the most attractive companies for students in the Italian labour market by the "Most Attractive Employer 2022 - Students" rankings. The Group, in studies by Universum Global, a leading Swedish employer branding company, is in tenth position in the "Business/Commerce" segment, in ninth position in the "Law" segment, in eighth position in the ranking "Humanities/Liberal Arts/Education" and 23rd in "Engineering/IT/Natural Sciences".

Poste Italiane Group ranked eighth in Audiweb ranking



In Audiweb's ranking of Italian website and mobile app audience, as of December 2022, Poste Italiane ranked eighth overall among all publishers with more than 26.3 million unique monthly users.

Poste Italiane first prize at the Financial Innovation Italian Award - "INSIEME 24SI" project



In the 2022 edition of the Financial Innovation Italian Award, Poste Italiane came first for the HR and Organisation Award with the "INSIEME 24SI" Project, and second in the same category with the "NoidiPoste App" Project. In addition, the Group received two more awards during the awards ceremony: third place with the PostePremium project in the Wealth Management category and third place in the "Special Innovative Financial Institution Award" for the year 2022.

Intranet Italia Champions



Poste Italiane has been awarded in the framework of "Intranet Italia Champions", the annual event promoted and organised by Intranet Management and Ariadne Digital, dedicated to the most innovative initiatives and functionalities introduced through corporate intranets. The Company was awarded in 2022 in the category "Community and Social" for the NoidiPoste App.

Poste Italiane wins Touchpoint Strategy Award 2022 for the "Fianco a Fianco" campaign



Poste Italiane was awarded for its "Fianco a Fianco" campaign in the 2022 edition of the Touchpoint Strategy Awards, dedicated to brand positioning and the creation of the most effective communication strategies.

In addition, at the "Touchpoint New York Festivals Award", the campaign won the Bronze award.

Poste Italiane awarded Winner Silver at Effie Awards



Poste Italiane is Winner Silver of the Effie Awards twice in two years, for the effectiveness of marketing campaigns and communication performance. In particular, the "Zuppa Inglese" advertising campaign was awarded Winner Silver for the year 2022.

NC Awards rewards Poste Italiane's advertising campaigns



At the NC Awards 2022, Poste Italiane was honoured for its "Fianco a Fianco" campaign, with first place in the "Banking and Insurance" category and third place in the "Public Interest Services" category. In addition, with the Poste Delivery campaign, the Group took second place in the "Online ADV" category.

Poste Italiane awarded at Media Key Awards



Poste Italiane has won two awards in the last two years at the Media Key Awards. In particular, the philately campaign "Big Stories, Small Space 2021" was awarded in the "Press&Outdoor" category in 2022.

**TOP 50 Fortune
CHANGE THE WORLD2022**



Poste Italiane is among the 50 companies that, thanks to their business impact and sustainability, are changing the world according to Fortune Change the World 2022.

Awarded the "INSIEME 24 SI" people engagement initiative



Poste Italiane was awarded the Assochange prize in 2022 for its "INSIEME 24 SI" people engagement initiative, which involved Group employees as authors of innovative ideas for the Company's strategy.

Poste Italiane Group's 160th anniversary celebration event honoured by FEIEA














Poste Italiane was awarded the Grand Prix Award 2022 for the event celebrating 160 years of the Company's history. The prize was awarded by FEIEA, the European Association for Internal Communication.

In 2022, Poste Italiane affirmed its presence in important sustainability indices, which are valid parameters both in terms of communicating results to stakeholders and for assessing and possibly improving the Group's internal performance.

Sustainability indices, in fact, are used with a twofold purpose: on the one hand, they are used by shareholders and stakeholders as a reference tool for evaluating the Company's sustainability performance compared to other market players, and on the other hand, they are used for internal analyses conducted by Company management with the aim of developing the Group's sustainable investment plans.

Sustainability indices in which Poste Italiane is present

	<p>In 2022, Poste Italiane confirmed its presence in the Dow Jones Sustainability World Index (DJSI) and in the more selective Dow Jones for the fourth consecutive year Sustainability Europe Index.</p>
	<p>Poste Italiane has been included for the fourth year running in the prestigious FTSE4Good sustainability indices. The FTSE4Good Europe and FTSE4Good Developed indices include companies that stand out for their transparent management and application of ESG criteria. The Company particularly stood out for its performance in Social and Governance.</p>
	<p>The Company is positioned within the "Leadership" band with an A-rating in the annual classification drawn up by CDP (formerly the Carbon Disclosure Project) for the third consecutive year. In particular, Poste Italiane has distinguished itself for its transparent reporting and for defining policies and business strategies inclusive of climate-related objectives.</p>
	<p>In 2022, Poste Italiane was confirmed in first place both in the overall "Universe" ranking and in the "Transport&Logistics" section, consolidating its presence in the Euronext Vigeo-Eiris World 120 index and in the Euronext Vigeo Eurozone 120 and Europe 120 regional indices.</p>
	<p>As of October 2021, and confirmed also in 2022, Poste Italiane is included in the new Euronext MIB ESG index, ranking first among the best performing companies. The MIB ESG represents the first blue-chip index for Italy dedicated to sustainability, combining elements of economic performance with Environmental, Social and Governance (ESG) values.</p>
	<p>In November 2022, the Group entered the new gender equality index "Euronext Equileap Gender Equality Eurozone 100", becoming one of the 100 companies in the Eurozone that have demonstrated a strong commitment to improving gender equality in the workplace.</p>
	<p>In March 2022, the Company was awarded an ESG Risk Rating of 12.7 (Low risk) by Sustainalytics, ranking second at the Universe level in the sub-industry Air Freight and Logistics.</p>
	<p>In 2023, Poste Italiane was recognised by Sustainalytics as a top ESG performer on a panel of more than 15,000 companies assessed worldwide, obtaining the 2023 Industry Top-Rated Badge.</p>
	<p>For the fourth year running, Poste Italiane has been confirmed in the Bloomberg Gender Equality Index (GEI), the world's leading gender equality index. The Company improved its performance compared to the previous year, once again scoring well above the average score of the companies evaluated within the GEI, which includes 484 companies, belonging to 11 manufacturing sectors with a combined market capitalisation of USD 16 trillion, based in 45 countries and regions.</p>
	<p>In 2022, the Group entered the Top 100 global gender equality rankings compiled by Equileap. In particular, Poste Italiane is among the 19 groups worldwide that have overcome the gender pay gap, as well as among the 5 Italian companies that have made it into the global ranking and first in the financial sector.</p>
	<p>Poste Italiane has confirmed its presence in the 2023 edition of S&P Global's Sustainability Yearbook, which assesses the ESG performance of major companies globally. The Group is in the top 9% of the 7,800 companies evaluated for entry into the Sustainability Yearbook, falling into the "Top 5% S&P Global ESG Score 2022" bracket.</p>



The Poste Italiane Group confirmed its rating of 1, considered to be the highest possible, in the Environment and Social areas, assigned by Institutional Shareholder Services Inc. (ISS). Moreover, in 2022, Poste Italiane improved its assessment of the Governance aspect, achieving a maximum rating of 1 for this area as well.



In 2022, Poste Italiane improved its corporate sustainability performance and leadership in the sector by earning an "AA" rating from MSCI, one of the leading agencies, for the great progress made with regard to the social aspect.



Poste Italiane in 2022 debuted in the STOXX Global ESG Leaders Index, the index that includes some 400 leading global companies in terms of corporate sustainability, which is structured from the basket of companies belonging to the STOXX Global 1800.

Page intentionally left blank

6. Risks and opportunities

NFS

- Poste Italiane's Corporate Governance
- Poste Italiane's integrated internal control and risk management system
- Risks associated with material topics and management methods
- Poste Italiane's commitment to managing human rights risks
- Managing climate change related risks and opportunities
- Managing emerging risks and the related opportunities

MAIN RELATED TYPES
OF CAPITAL



6.1 Poste Italiane's Corporate Governance

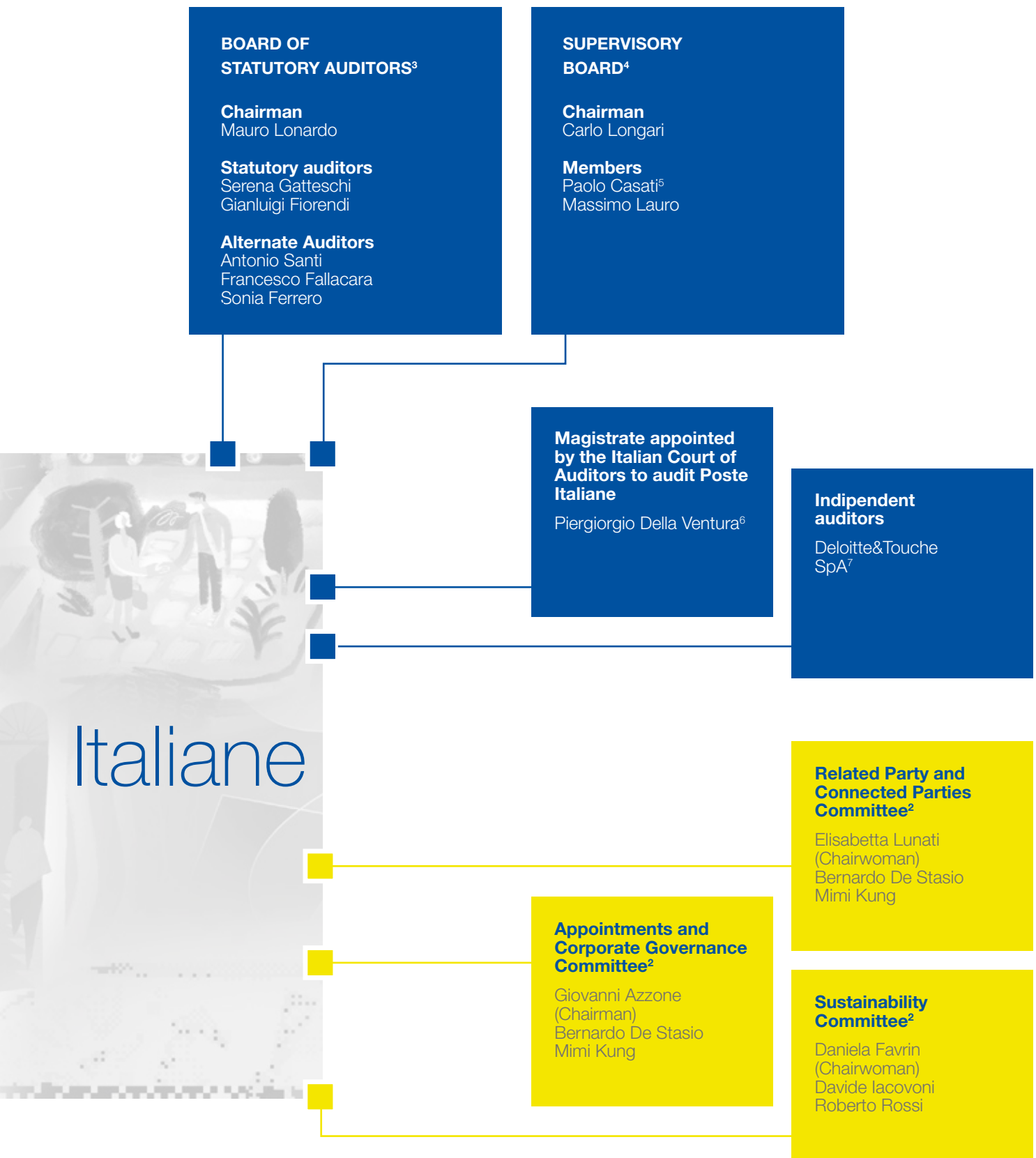
Management and supervisory bodies



1. The Board of Directors was elected by the Annual General Meeting held on 15 May 2020 to serve for a period of three years, and will remain in office until the Annual General Meeting's approval of the financial statements for the year ended 31 December 2022. Following the Board of Directors' resolution of 10 June 2020, the **Co-General Manager** and Head of Corporate Affairs participates in Board meetings without voting rights.

2. Committee members were appointed by the Board of Directors' meeting of 15 May 2020.

At its meeting of 26/01/2022, in order to align the composition of its internal Committees with the Bank of Italy's Supervisory Provisions (Bank of Italy Circular No. 285 of 17/12/2013 - 35th update) on corporate governance, the Board of Directors named: Giovanni Azzone as Chair and Bernardo De Stasio as member of the Appointments and Corporate Governance Committee. Consequently, as at that date, the composition of the Appointments and Corporate Governance Committee is as follows: Giovanni Azzone (Chair), Bernardo De Stasio (member), Mimi Kung (member).



3. The Board of Statutory Auditors was elected by the Ordinary General Meeting of 27 May 2022 to serve for a period of three years and will remain in office until the General Meeting's approval of the financial statements for the year ending 31 December 2024. Until 27 May 2022, the Board of Statutory Auditors was composed as follows: Mauro Lonardo, Chair; Luigi Borrè, Standing Auditor; Maria Rosa Adiatori, Standing Auditor; Alberto De Nigro, Alternate Auditor; Maria Francesca Talamonti, Alternate Auditor; Antonio Santi, Alternate Auditor.
4. The Supervisory Board was re-appointed by the Board of Directors' meeting of 28 September 2022 for a three-year term and will remain in office until 28 September 2025. All components were confirmed.
5. The only internal member, Head of Poste Italiane SpA's Internal Auditing.
6. Assigned by the Court of Auditors with effect from 1 January 2020.
7. Company appointed to audit the accounts for the financial years 2020 - 2028 by resolution of the Ordinary General Meeting of 28 May 2019. Deloitte&Touche has been appointed for the entire Group.

The Corporate Governance structure reflects the provisions of Legislative Decree no. 58 of 24 February 1998 (TUF – Consolidated Law on Finance), where applicable, the Supervisory Provisions issued by the Bank of Italy applicable to Poste Italiane concerning business conducted through the BancoPosta Ring-Fenced Capital, the regulations applicable to electronic payment institutions for activities performed by Poste Italiane in execution of the agreements signed with PostePay – ring-fenced EMI, as well as the recommendations of the Corporate Governance Code (that came into effect on 1 January 2021, replacing the previous Corporate Governance Code issued by Borsa Italiana and applicable up until 31 December 2020).

New Corporate Governance Code effective from 1st January 2021

Poste Italiane has adopted a traditional governance model, separating the roles of the Board of Directors and the Board of Statutory Auditors. The Company's accounts are audited by an independent auditing firm.

Poste Italiane's financial management is overseen by the Italian Court of Auditors (Law 259 of 21 March 1958); the relevant controls are conducted by a **Magistrate appointed by the Court of Auditors**, who attends meetings of the Board of Directors and the Board of Statutory Auditors.

The Board of Directors and Board of Statutory Auditors are elected and dismissed by the **Shareholders' Meeting**, which is also responsible for engaging the independent auditor and determining the related fees. The Shareholders' Meeting also approves the annual financial statements, amendments to the Company's By-laws and transactions of a non-recurring nature, such as rights issues, mergers and demergers in cases where the law does not grant the relevant authority to the Board of Directors.

The **Board of Directors** consists of nine members (eight non-executives and one executive) and normally meets once a month to examine and resolve regarding the operating performance and vote on resolutions regarding the results of operations, proposals relating to the organisational structure and transactions of strategic importance. The Board met 14 times in 2022. Of the nine members of the Board, six meet the independence requirements of the TUF, the By-laws and the new Corporate Governance Code.

In accordance with the provisions of the Italian Civil Code, the Board of Directors has delegated certain executive powers to the Chief Executive Officer and has established, in accordance with the recommendations in the Corporate Governance Code and the Bank of Italy's supervisory standards, five Board Committees to provide recommendations and advice: the Appointments and Corporate Governance Committee, the Remuneration Committee, the Control and Risk Committee, the Sustainability Committee and the Related and Connected Parties Committee.

5 Board committees with propositional and advisory functions

The role of the **Chairwoman of the Board of Directors** is to lead and oversee the Board of Directors. She is the Company's legal representative and exercises the powers provided for by law and the Company's By-laws, and those assigned by the Board of Directors' meeting of 15 May 2020.

The **Chief Executive Officer and General Manager**, to whom all first-level departments report (except for the Internal Auditing function, which reports directly to the Board of Directors under the supervision – designed to act as a link with the Board of Directors – of the Chairwoman), has powers for the administration of the Company, unless otherwise provided for by law and the Company's By-laws and with the exception of the powers reserved to the Board of Directors. The Chief Executive Officer is also the Company's legal representative within the scope of the powers delegated to him.

The **Board of Statutory Auditors** has 3 standing members and 3 alternates. The Board verifies compliance with the law, the Company's By-laws and with correct corporate governance principles, also verifying the adequacy of the organisational structure and administrative and accounting systems adopted by the Company and their functionality. During the year, the Board of Statutory Auditors met 39 times, 11 of which jointly with the Control and Risk Committee.

The **Supervisory Board** has three members. It is endowed with autonomous powers of initiative and control, supervises the functioning of and compliance with the Organisational Model pursuant to Legislative Decree 231/2001 and updates it in line with changes in the organisational structure and the relevant regulatory framework, by making justified proposals to the Chief Executive Officer, who submits them to the Board of Directors.

The **statutory audit of the accounts** is entrusted for the years 2020-2028 to the auditing firm Deloitte & Touche SpA for the entire Group. The aforementioned appointment was made pursuant to Legislative Decree 39/2010 implementing Directive 2006/43/EC and European Regulation 537/2014 on public interest entities and the audit of public interest entities, in force since 17 June 2016.

With regard to BancoPosta RFC's governance, the rules governing the organisation, management and control of BancoPosta's operations are contained in the specific BancoPosta RFC Regulation in the **Report on Operations of BancoPosta RFC**, to which reference is made.

As a result of the new Supervisory Standards applicable to BancoPosta RFC, issued by the Bank of Italy on 27 May 2014, Poste Italiane, in providing financial services to the public, is comparable – for the purposes of application of corporate governance regulations – to a major bank in terms of size and operational complexity.

For further details on the corporate governance structure, reference is made to the document “Report on Corporate Governance and Ownership Structure - Year 2022”.

Sustainability Governance

Sustainability is an integral component of the Company’s activities, processes and strategy and is a key driver in the Group’s strategic and financial decisions. With this in mind, over the years Poste Italiane has embarked on an important path to develop its business strategy, structurally integrating it with Environmental, Social and Governance (ESG) principles and directing the Group’s efforts towards the creation of shared value for stakeholders and the consolidation of its reputation. For Poste Italiane, being sustainable therefore means defining a clear strategy on ESG issues and integrating the latter across the board into the strategic objectives defined within the business plans.

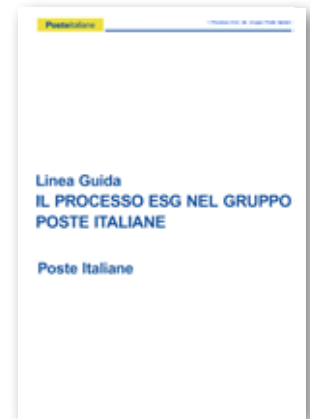
The Group has adopted a sustainability strategy that brings together ESG governance, a set of sustainability policies and guidelines, part of the Company’s body of regulations (which identify general principles, objectives for the future and management methods for the non-financial areas that are priorities for the Company and its stakeholders) and an ESG Strategic Plan, i.e. a set of sustainability objectives that contribute to the well-being of the country and ensure that Poste Italiane is aligned to the most ambitious common objectives defined worldwide in the field of sustainability. This strategy allows the Group to go far beyond its current regulatory obligations and play a central role in creating sustainable value for the community.



- it defines sustainability and corporate social responsibility guidelines and objectives, identifying the set of indicators for monitoring ESG performance
- it constitutes, at Group level, the single point of reference for the governance and management of all risks, making use, to this end, of the contribution of the specialist units reporting directly to it and of the other risk controls present in Poste Italiane and in the Group companies

In this context, Poste Italiane adopted the Guideline “The ESG Process in the Poste Italiane Group”, which describes the operation of the process of managing and integrating ESG principles within the Group through the transversal, uniform and coherent integration of the principles underlying the concept of sustainability to the various business activities and the permanent, transparent and proactive involvement of stakeholders.

The aforementioned Guideline was updated in July 2022 in order to align the document with the main leading practices on the subject and the new organisational structure of the Company.



< 6.2 Poste Italiane's integrated internal control and risk management system

NFS

MAIN RELATED TYPES
OF CAPITAL

In a context characterised by a high level of operational and regulatory complexity and the need to compete more and more efficiently in the reference markets, risk management and the related control systems take on a central role in the decision-making processes, with a view to creating long-term value to the benefit not only of the shareholders, but also in consideration of the interests of the other stakeholders of relevance to the Company.

The Poste Italiane's Internal Control and Risk Management System (SCIGR) is a combination of tools, procedures, rules and organisational structures, designed to ensure that the business is managed in a way that is sound, fair and consistent with the corporate objectives, and to pursue sustainable success, through an adequate definitions of players, duties and responsibilities of the various corporate bodies and control functions as well as through the identification, measurement, management and monitoring of the main risks, and through the structuring of adequate reporting lines to expedite the flow of information.

This system is a fundamental element of Poste Italiane's corporate governance system, as it enables the Board of Directors to guide the Company in its pursuit of long-term value creation, defining the nature and level of risk compatible with its strategic objectives, and including in its assessments all elements that may be relevant to sustainable success. In particular, in line with the main leading practices that place particular emphasis on the integration of sustainability into strategies, risk management and remuneration policies, Poste Italiane's SCIGR aims to contribute to the Company's sustainable success by defining ESG roles and responsibilities, information flows between the players involved in the internal control system and towards corporate bodies, and the methods of managing the related risks. Moreover, in order to achieve this objective, the Company has decided to promote dialogue with the relevant stakeholders, in order to ensure a constant exchange of views on business strategies and their implementation.

In line with statutory requirements and the related best practices, the SCIGR consists of three levels of control and involves a range of actors within the organisation. The first level controls identify, assess, manage and monitor the risks within their competence in relation to which they identify and implement specific treatment actions aimed at ensuring the correct performance of the operations. The second-level control units, whose role consists primarily of defining risk management models and carrying out monitoring activities, play a key role in the integration and overall functioning of the Internal Control and Risk Management System. The third level of control, represented at Poste Italiane by the Internal Auditing function, provide independent assurance on the adequacy and effective operation of the first and second level of control and, in general, on the SCIGR.

SCIGR assurance activities

The Internal Auditing function plays an important role in the internal control and risk management system, as it is responsible for third-level control activities.

The action of the Internal Auditing function for the year 2022 continued in line with the approach adopted in previous years and was inspired by the following strategic lines:

- safeguard the achievement of the objectives of the Business Plan and Sustainability;
- support Group Governance;
- promote value creation, efficiency and agile leadership.

At its meeting of 22 February 2022, the Board of Directors, having heard the prior opinions of the Risk and Control Committee and the Board of Statutory Auditors, acknowledged the SCIGR 2021 Evaluation Report by approving it and, at the same meeting, approved the Audit Plan for the year 2022. The Report, which has been prepared in accordance with the requirements of the Corporate Governance Code for listed companies and supervisory instructions, has taken account of the results of audits carried out in 2020 on the basis of the Audit Plans of all the Audit functions involved and the general framework of the Poste Italiane Group's SCIGR, considering the impact of organisational changes adopted, developments and events during the year. The Report provides an overall assessment of the Poste Italiane Group's Internal Control and Risk Management System in terms of "Positive Assurance", noting that, on the basis of the findings at the date of the report and for the period covered by the report, the system is, on the whole, adequate to mitigate the risks that threaten the pursuit of the Group's objectives.

At the same time, the Report provided a process-by-process representation of the main audit findings, the various contributions to strengthening the SCIGR, and a summary of the internal control activities carried out during the reporting year.

On 22 February 2022, Poste Italiane's Board of Directors also approved the 2022 Audit Plan of the Internal Auditing function, which was prepared, on the basis of a consolidated methodological approach, according to a systemic assessment of the level of potential risk of the main processes (including risks pursuant to Legislative Decree no. 231/01) consistent with the Enterprise Risk Management (ERM) framework and corporate objectives. The 2022 Audit Plan was set up according to a logic of assurance to the Governance and Control Bodies, as well as support to management on internal control issues, ensuring adequate and progressive coverage over time of the processes referable to the subsidiaries of the Poste Italiane Group. The approach used ensures compatibility and consistency with international internal control standards and best practices.

The strategic orientations were:

- ensure the achievement of the Strategic Plan with respect to Industrial and Sustainability objectives;
- promote change and process improvement in terms of the effectiveness and efficiency of control systems, taking into account those considered critical/most significant by management, with an integrated approach to safety issues;
- support Governance throughout the company and Group organisation by guaranteeing, in an integrated manner, an independent assessment activity on processes characterised by relevant regulatory constraints (Legislative Decree no. 231/01, Law no. 262/05) and/or specific supervisory requirements (Bank of Italy, CONSOB, IVASS, COVIP, AGCom, etc.), as well as meeting the control needs of the Group's supervised entities with particular regard to the respective reference regulations (e.g. Banco Posta, etc.).

The **2022 Audit Plan**, structured to increase the dynamism and efficiency of the matrix structure by enhancing professional performance, ensured overall high three-year coverage levels for about 90% of the processes in the Audit Universe, of which about 24% are continuous auditing, many of which are subject to regulatory or supervisory constraints, and Average coverage for about 40% of the processes.

The 2022 Plan covered Insurance, Financial and Transactional product/service delivery areas (with audits of about 1,600 facilities), as well as Postal and Logistics processes (about 110 facilities). The activities envisaged also covered the main resource management processes such as IT (with audits of 14 processes/applications), real estate and purchasing (3 facilities), human resources (over 42 facilities), administrative-accounting processes (15 facilities) and various compliance areas (21 facilities). Finally, to oversee the internal control and risk management system of the entire Poste Italiane Group, 10 Group companies were audited in 2022.

The programme of activities envisaged in the 2022 Audit Plan document, taking advantage of the experience of the previous two-year period, ensured the saturation of resources also through the performance of remote audit activities; in fact, the Internal Auditing function, capitalising on the impacts generated by the health emergency for Covid-19, further increased its efforts in terms of innovation and evolution of the supporting IT tools, as well as defining and developing alternative operating methods for the performance of audit activities; this made it possible to mitigate the impact of absences generated by Covid-19, which, during 2022, increased by approximately 800% compared to the same period of the previous year.

The Internal Auditing function, in order to strengthen the effectiveness of the Group's control system, further integrated the verification activities to be performed on Group companies without their own Internal Auditing function, in continuity with the lines adopted in previous years.

In line with the previous two years, for the most significant Group companies that do not have their own Internal Auditing function, these activities are regulated by specific agreements with SDA Express Courier, PosteAirCargo Srl and Postel SpA.

Risk management and risk assessment model

Poste Italiane has adopted a Risk Management model based on the Enterprise Risk Management (ERM) framework, with the aim of providing an organic, integrated vision and an effective, standardised response to the risks to which the Group is exposed. The Group Sustainable Development, Risk and Compliance function (SSRCG), which forms part of the Corporate Affairs function, is responsible for ensuring that these objectives are met. This is primarily done through the definition of an integrated risk management process that relies on the coordinated involvement of all the actors in the Internal Control and Risk Management System, above all the specialist forms of second-level control, the use of standardised models and metrics based on Group-wide criteria, and the design and implementation of shared tools for assessing and managing risk. In this latter regard, the Group implemented an integrated Governance, Risk and Compliance (GRC) platform in 2018 to support the integrated risk management process. This IT tool assesses and manages operational risks, in accordance with Legislative Decree no. 231/01, of fraud, IT security, strategic, ESG, reputational, fiscal, physical security, Integrated Compliance, privacy and corruption as well as compliance with the rules applicable to financial and payment services. In addition, during 2022, the platform was further expanded through evolutionary implementations and the development of new functionalities with reference to existing modules. This is the tool that has enabled the Group to maximise integration of the risk management process, ensuring that risk assessment methods are shared across all the specialist second-level control functions. At the same time, it has improved communication with senior management and corporate bodies and between the various control functions, minimising the risk of inadequate or redundant information.

Below are the main risk categories associated with the Poste Italiane Group's activities, as identified in the Group's Risk Model.

STRATEGIC

This category of risk could influence achievement of the goals set out in the Strategic Plan and are identified, classified and monitored with the involvement of management from the SSRCG function. This process describes the key nature of the risks, the triggers and the potential consequences or effects, in both financial terms (e.g. losses, increased costs due to delays or the failure to implement restructuring plans and efficiencies, reduced revenue), and in other terms (e.g. customer satisfaction).

OPERATIONAL

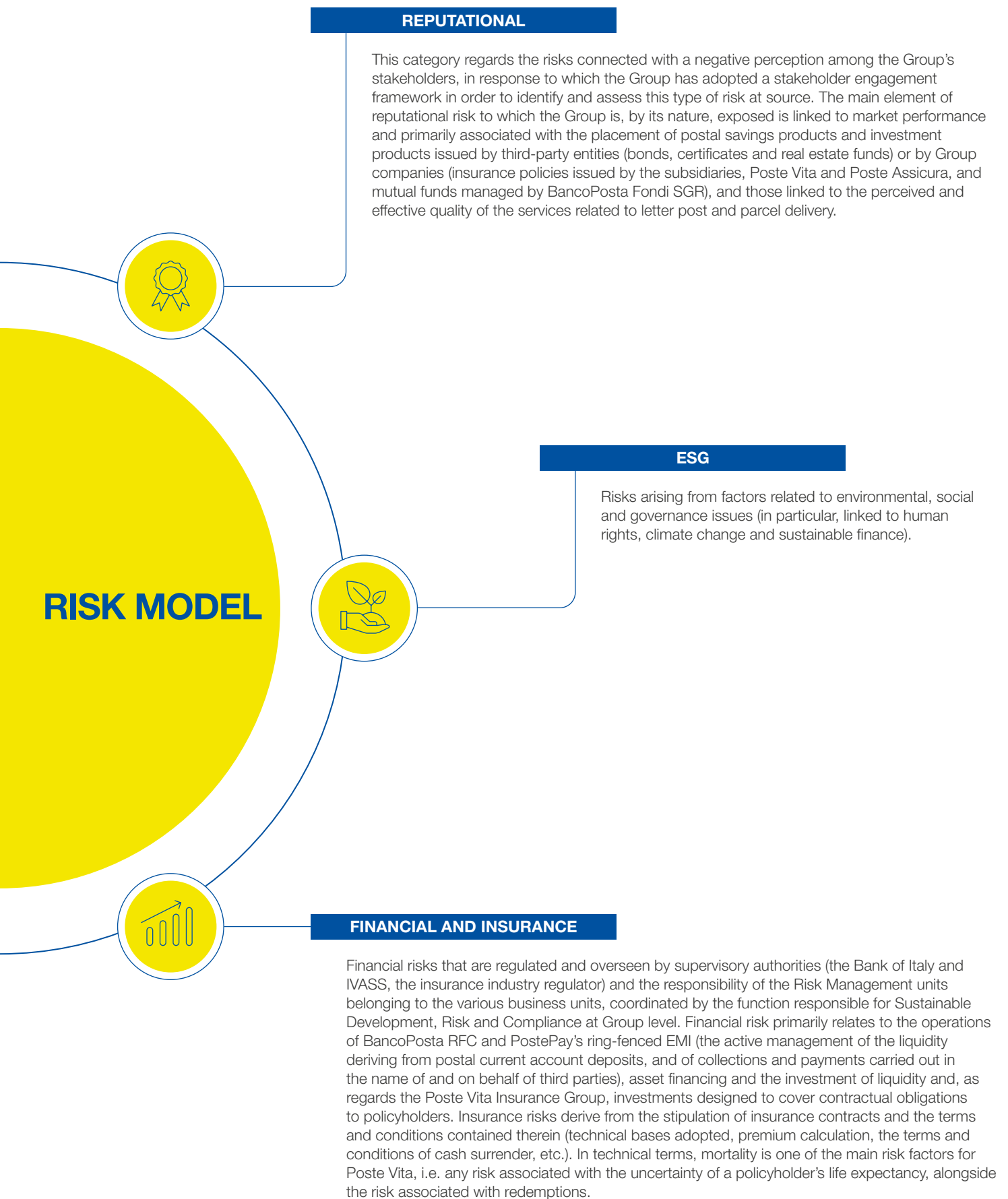
Operational risks refer to the risk of losses resulting from inadequate or failed internal processes, people and systems at Group level, or from external events. Management of operational risk takes place at both the level of specialist units within the Group (BancoPosta Risk Management and Outsourcing Governance, Poste Vita Group Risk Office and PostePay Risk Management and Compliance), in compliance with the respective supervisory standards, and at an integrated level, involving the SSRCG function. The following risks, among others, are closely monitored: i) IT risk, above all the risk that malfunctions and/or shortcomings in information systems could result in the loss of data integrity, leaks of personal data or breaches of confidentiality, potentially causing disruption to the services provided to customers; ii) health and safety risk, with specific regard to the risk of workplace injury to employees or contractors as a result of operations (e.g. the collection, transport and sorting of parcels and letter post, and the delivery of postal products using motor vehicles); iii) physical security risk, relating to access to the headquarters premises of Group companies, to post offices or other private areas by unauthorised or unidentified persons, and the limited protection of Poste Italiane's assets and property against criminal behaviour (robberies, losses resulting from fraud, theft, ATM attacks, vandalism, etc.). Operational risk also includes disruption and/or obstacles to entry to the Group's operating facilities (mail sorting centres and delivery offices, etc.) due to industrial action or strikes.

COMPLIANCE

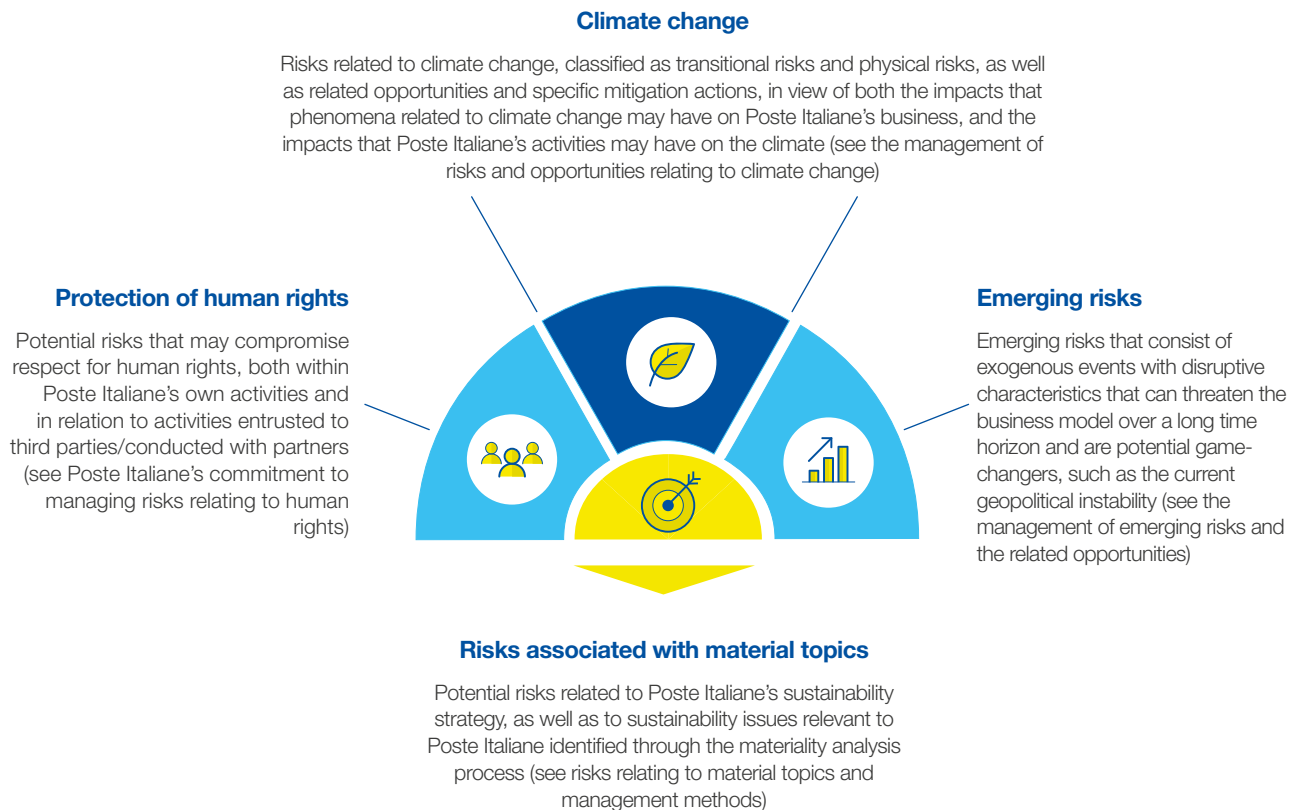
This refers to risks of breaches of existing laws and regulations, such as the risks connected with Legislative Decree no. 231/01, Law 262/05, Data Protection and Market Abuse regulations or the introduction of new legislation or regulations (or new interpretations legislation and regulations) of either general importance (e.g. regarding administrative, accounting, tax matters, etc.) or specific to the sectors in which the Poste Italiane Group operates. This risk category includes the risks linked to the introduction of new regulations governing the management and development of universal postal services and the related rates providing a return for Poste Italiane, and the risk of the failure to meet the service quality standards set by the regulator (the Autorità per le Garanzie nelle Comunicazioni or AGCom).



GROUP'S

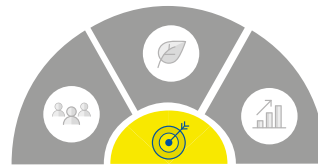


With specific reference to the assessment of Poste Italiane's main risks, in addition to the customary activity of analysing the internal context, particular attention was paid to the external context, also in consideration of the country's general objectives for a sustainable economic recovery, as well as the current geopolitical context characterised by strong instability, also in light of the humanitarian and energy crisis caused by the conflict between Russia and Ukraine. In particular, the risk assessment activities first focused on the analysis of risks and opportunities related to the management of material topics, and then, on the basis of this analysis, there was an in-depth examination of some types of risks that may have a transversal impact on these topics, such as climate change, human rights protection and emerging risks. In particular, with reference to the different material topics, the following were analysed:



The main risks for Poste Italiane were analysed taking into consideration the forms of financial and non-financial capital that characterise its business model. Furthermore, these analyses were conducted by adopting the common metrics defined by the World Economic Forum, taking into account their impact on the achievement of the Sustainable Development Goals. In particular, each risk was classified on the basis of these metrics, also highlighting their correlation with Poste Italiane's sustainability pillars and the respective material topics. An example of such assessment activity is given in the paragraph on emerging risks.

< 6.3 Risks associated with material topics and management methods



















MAIN RELATED TYPES OF CAPITAL
























In order to ensure that the environmental, social and governance aspects are effectively integrated into the Company strategy and processes, an analysis was conducted of the risks associated with the material topics identified, specifying the stakeholders involved, the impact on Poste Italiane and its stakeholders, the main management methods adopted by the Group and the related financial and non-financial capital.

Non-financial risks associated with material topics and management methods

PILLAR	MATERIAL TOPIC	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 Integrity and transparency	Work with transparency and integrity	Behaviours adverse to proper business management standards	Personnel; Suppliers and business partners; Financial community; Customers; Independent Regulatory and/ or Supervisory Authorities	<ul style="list-style-type: none"> Strategic Reputational Compliance 	<ul style="list-style-type: none"> Economic 	<ul style="list-style-type: none"> Reinforcement of corporate controls on specific issues (e.g. integrated compliance model, integrated risk management model, corporate reliability model, anti-corruption, environment, 231 model, ISO certifications, etc.) 	 Human  Intellectual  Financial
	Legality and incorporation of ESG criteria within the procurement processes	Behaviour of suppliers not in line with Poste Italiane's sustainability policies	Suppliers and business partners	<ul style="list-style-type: none"> Strategic Operational Reputational ESG 	<ul style="list-style-type: none"> Health and safety Human rights 	<ul style="list-style-type: none"> "Open and transparent contracts" portal Centralisation of Group companies' procurement activities within a corporate function Supplier qualification system including from an ESG perspective 	 Human  Social-relational  Financial

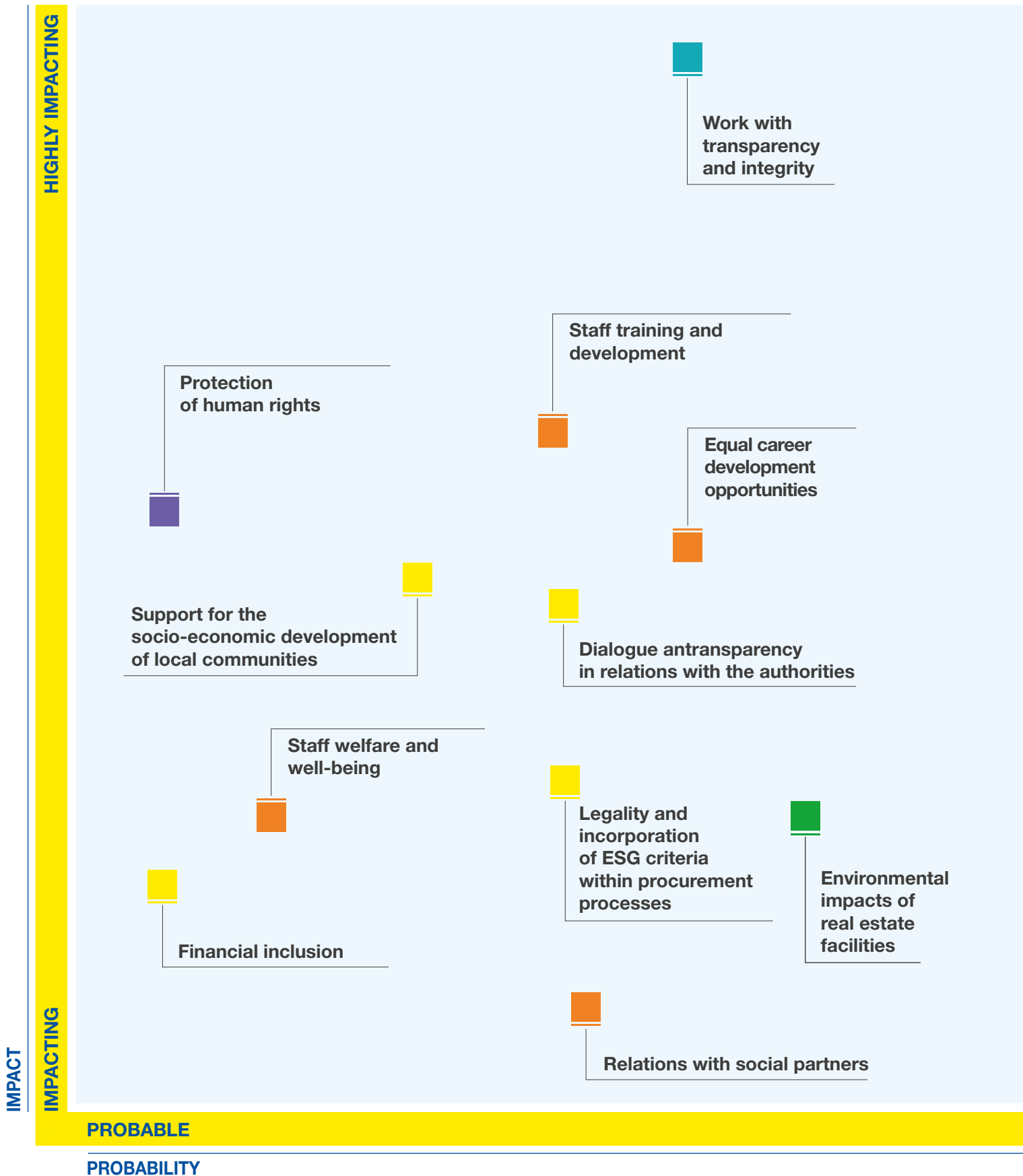
PILLAR	MATERIAL TOPIC	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 People development	Staff training and development	Inadequate personnel skills	Customers; Poste Italiane people	<ul style="list-style-type: none"> Strategic 	<ul style="list-style-type: none"> Human rights 	<ul style="list-style-type: none"> Strengthening of annual training plan Promotion of communication, training and information initiatives to increase engagement Consolidation of the Poste Italiane Development System 	 Human  Intellectual
	Staff welfare and well-being	Inadequate planning and/or implementation of staff welfare and well-being programmes	Poste Italiane people	<ul style="list-style-type: none"> Strategic ESG 	<ul style="list-style-type: none"> Health and safety Quality of life, well-being 	<ul style="list-style-type: none"> Staff engagement programmes (e.g. NoidiPoste channel, postenews, etc.) Incentivisation of the use of remote working tools Financial and non-financial benefits for personnel 	 Human
	Relations with social partners	Labour union disputes	Labour unions; non-recognised workers' organisations; financial community	<ul style="list-style-type: none"> Economic Strategic Operational Reputational 	<ul style="list-style-type: none"> Economic Health and safety Human rights Quality of life, well-being 	<ul style="list-style-type: none"> Constant dialogue with labour union representatives Implementation of restructuring projects in compliance with the regulatory framework (National Collective Labour Contract and laws) which is characterised by governable social impacts Management of resources in line with legal requirements, policies and Company procedures 	 Social-relational
	Occupational health and safety	Accidents/workplace injuries involving employees or contractors	Poste Italiane people	<ul style="list-style-type: none"> Economic Strategic Reputational Operational Compliance 	<ul style="list-style-type: none"> Health and safety 	<ul style="list-style-type: none"> Analysis and optimisation of occupational health and safety organisational models (drafting Risk Assessment Document, providing training, etc.) Extension of production models to operational sites (e.g. lean manufacturing) OHSMS certification in the production units of both Poste Italiane SpA and of Group Companies 	 Human
 Diversity and inclusion	Protection of human rights at the Company	Possible discrimination against Poste Italiane employees (e.g. gender, age, political or sexual orientation, marital status, etc.)	Poste Italiane people	<ul style="list-style-type: none"> Strategic Reputational ESG 	<ul style="list-style-type: none"> Human rights 	<ul style="list-style-type: none"> Specific organisational responsibility for diversity and inclusion Identification of possible training initiatives to create "culture" for all development Introduction of control mechanisms for the protection of human rights, equal opportunities, diversity and inclusion 	 Human
	Equal career development opportunities	Lack of transparency in communication and application of objective assessment drivers in employees' career paths	Poste Italiane people; Labour Unions; Non-recognised workers' organisations	<ul style="list-style-type: none"> Strategic Reputational 	<ul style="list-style-type: none"> Human rights Quality of life, well-being 	<ul style="list-style-type: none"> Introduction of control mechanisms for the protection of human rights, equal opportunities, diversity and inclusion Promoting an inclusive business culture aimed at guaranteeing equal opportunities are respected Ongoing dialogue with Employees 	 Social-relational

PILLAR	MATERIAL TOPIC	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 Creating value for the country	Support for the socio-economic development of local communities	Tensions with local communities	Local authorities	<ul style="list-style-type: none"> Strategic Reputational 	<ul style="list-style-type: none"> Quality of service Economic 	<ul style="list-style-type: none"> Constant structured dialogue with bodies and authorities and agreed local community engagement initiatives 	
	Dialogue and transparency in relations with the authorities	Failure to take into account authorities' expectations	Independent regulatory and/ or supervisory authorities; European and international authorities; national authorities; consumer and trade associations	<ul style="list-style-type: none"> Strategic Reputational 	<ul style="list-style-type: none"> Economic 	<ul style="list-style-type: none"> Constant structured dialogue with bodies and authorities and agreed local community engagement initiatives 	 Social-relational
	Financial inclusion	Insufficient consideration regarding access to financial services by specific customer categories (e.g. the elderly, foreigners, etc.)	Financial Community; customers; Entities and Institutions	<ul style="list-style-type: none"> Strategic ESG 	<ul style="list-style-type: none"> Economic 	<ul style="list-style-type: none"> Constant structured dialogue with bodies and authorities and agreed local community engagement initiatives Digital and postal financial education programme 	 Social-relational  Financial
 Green transition	Environmental impacts of logistics	Environmental externalities of logistics activities (e.g. production of polluting emissions)	Suppliers and business partners; the Environment	<ul style="list-style-type: none"> Strategic ESG 	<ul style="list-style-type: none"> Health and safety 	<ul style="list-style-type: none"> Making the Postal, Communications and Logistics fleet green, partly with the aim of increasing load capacity Development of the delivery network (e.g. increase in the number of afternoon delivery lines, introduction of deliveries to lockers, Post Offices and third-party networks, smart letter boxes) Specific organisational responsibility for the management of the company fleet 	 Natural  Physical-structural
	Environmental impacts of real estate facilities	Increased emissions from real estate management (e.g. energy management, waste management, etc.)	The Environment; Poste Italiane people	<ul style="list-style-type: none"> Economic Strategic Reputational ESG 	<ul style="list-style-type: none"> Health and safety 	<ul style="list-style-type: none"> Specific organisational responsibility for diversity and inclusion Adoption of energy efficiency solutions for real estate assets and use of renewables (smart building, LED, photovoltaic panels lighting etc.) Environmental Management System for Group companies 	 Physical-structural
 Customer experience	Quality and customer experience	Deterioration in the levels of quality provided and increases in the number of complaints	Customers; independent regulatory and/ or supervisory authorities; financial community	<ul style="list-style-type: none"> Economic Strategic Reputational Operational 	<ul style="list-style-type: none"> Quality of service Economic 	<ul style="list-style-type: none"> Strengthening of Company initiatives regarding specific issues (e.g. quality) Other products and services Development of customer assistance model Complaints management Implementation of the Quality Management System 	 Social-relational  Intellectual
	CyberSecurity, IT Security and Privacy	Increase in malfunctions relating to technology infrastructure	Poste Italiane people; the media; customers	<ul style="list-style-type: none"> Economic Strategic Operational Reputational 	<ul style="list-style-type: none"> Quality of service Economic 	<ul style="list-style-type: none"> Risk and control management model in the scope of privacy, cybersecurity and business continuity Investments in IT infrastructure modernisation 	 Financial

PILLAR	MATERIAL TOPIC	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 Innovation	Innovation and digitisation of products, services and processes	Insufficient innovation capacity in multi-channel, customer experience and digital areas	Financial community; Customers; Community and territory	<ul style="list-style-type: none"> Strategic 	<ul style="list-style-type: none"> Quality of service Economic 	<ul style="list-style-type: none"> Specific organisational responsibility for digital development Launch of digital initiatives (products, services and business models) Partnerships and collaborations with first mover realities in the digital and technological sector 	 Intellectual  Physical-structural  Financial
	Integration of ESG factors into investment policies	Lack of perception of the overall risk of operations and loss of business opportunities	Financial community; customers	<ul style="list-style-type: none"> Financial and Insurance ESG 	<ul style="list-style-type: none"> Economic Human rights 	<ul style="list-style-type: none"> Management of risks and opportunities relating to environmental, social and governance (ESG) factors within traditional investment processes 	 Financial
	Integration of ESG factors into insurance policies	Lack of perception of the overall risk of operations and loss of business opportunities	Financial community; customers	<ul style="list-style-type: none"> Financial and Insurance ESG 	<ul style="list-style-type: none"> Economic Human rights 	<ul style="list-style-type: none"> Management of risks and opportunities relating to environmental, social and governance (ESG) factors within traditional insurance processes 	 Human  Social-relational  Intellectual  Natural

Page intentionally left blank

Poste Italiane Group's risk matrix



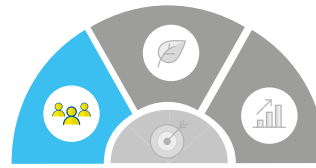
Scopes Legislative Decree no. 254/16

- Personnel
- Environmental
- Company
- Corruption
- Human rights
- Transversal



HIGHLY PROBABLE

< 6.4 Poste Italiane's commitment to managing human rights risks



MAIN RELATED TYPES OF CAPITAL



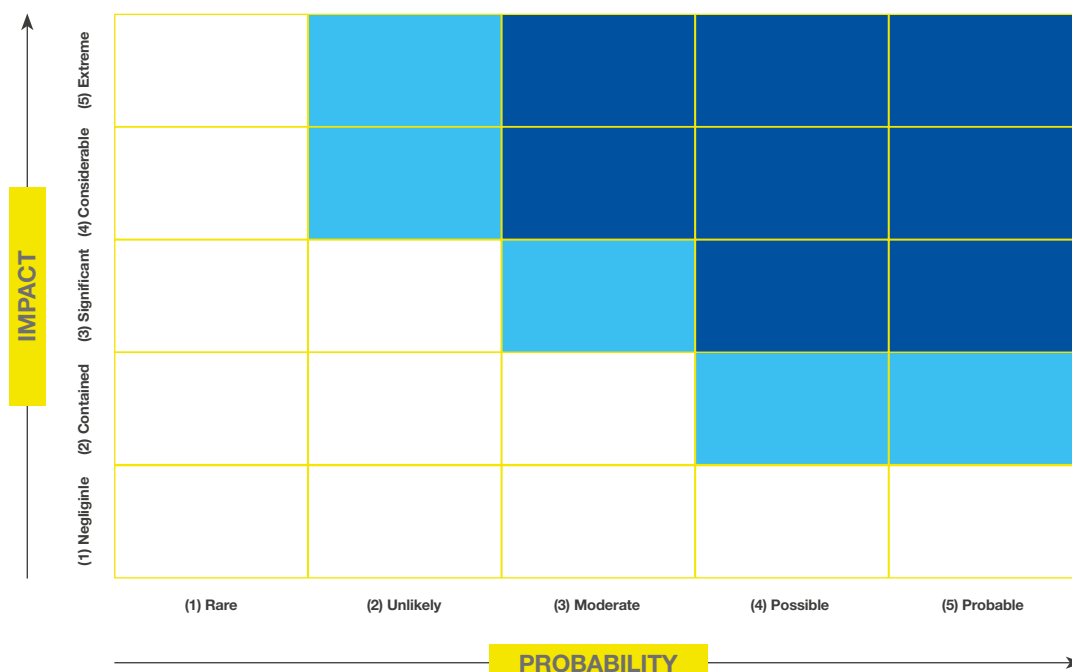
In order to monitor and manage risks and opportunities relating to human rights in all their forms, the “Group policy for the protection of Human Rights” is a useful tool to define a clear approach to the management of Poste Italiane’s activities and those entrusted to third parties or conducted with partners, confirming the Group’s commitment to socially responsible investment and management.

Poste Italiane has adopted a specific “Diversity & Inclusion Policy” with the aim of fostering a corporate culture based on respect for and appreciation of diversity, in line with as already stated in the Code of Ethics and in the Group policy for the protection of Human Rights. The Policy also aims to define the modalities for creation of value within working environments, valuing diversity in all its forms and assessing the risks associated with the occurrence of discrimination within the Company.

Furthermore, the Group’s risk management model envisages, through the application of risk assessment procedures, the periodic identification of business activities and organisational areas that could entail a risk of human rights violations. This process is carried out at least annually, as well as on the basis of specific requirements (e.g. prior authorisation of any corporate transaction) and is structured as follows:

- Identification of human rights risk drivers (e.g. freedom of association, dignity and respect for human rights, discrimination, equal pay, forced labour, human trafficking, child labour, etc.);
- identification and analysis of the most relevant drivers with respect to Poste Italiane’s business;
- Carrying out an assessment to:
 - Identify the areas most at risk of human rights violations;
 - Identify measures to mitigate this risk (e.g. certification, guidelines, policies, contractual agreements, due diligence, training, audits, etc.);
 - Define potential action plans in case such measures are absent or inadequate;
 - Monitor the implementation of action plans


















The outcome of this activity is reported within the following risk heatmap in order to prioritise possible courses of action according to the risk level of each area analysed.















In particular, these activities are identified both according to their direct impacts, i.e. generated directly by the Company, and according to their indirect impacts, i.e. generated by third parties that collaborate with the Company. The analyses focus on one hand on Poste Italiane's own operations, with reference to the protection of the human rights of its employees and other stakeholders, and on the other hand, on the activities carried out by third parties connected to the Company, such as suppliers, sub-contractors, customers, local communities, and the financial community. Analyses are also carried out upon approval of new business relationships and corporate transactions, such as mergers, acquisitions, joint ventures and partnerships.

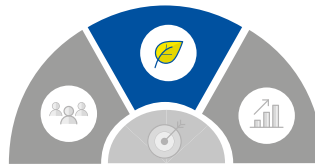
Below are the various drivers that have been identified as most relevant to Poste Italiane's business. These drivers were considered in order to identify and analyse human rights risks, both direct and indirect, in relation to different material topics and financial and non-financial capital, as well as for the identification of specific mitigation actions.



RISK DRIVERS	MAIN RISK MANAGEMENT ACTIONS AND TOOLS	PILLAR	MATERIAL TOPICS	CAPITALS IMPACTED
1. Dignity and respect	<ul style="list-style-type: none"> Group Code of Ethics 231 Model Whistleblowing guidelines Whistleblowing portal Achievement of ISO 37002 'Whistleblowing' 	 Diversity and inclusion	Protection of human rights at the Company	 Human  Intellectual
2. Freedom of association and protection of the right to organise	<ul style="list-style-type: none"> Constant preventive dialogue with social partners Dissemination of national agreements at local level Study and monitoring of regulatory and doctrinal developments in the field of labour law 	 People development	Relations with social partners	 Social-relational  Intellectual
3. Freedom of association and collective bargaining	<ul style="list-style-type: none"> Whistleblowing guidelines Whistleblowing portal Achievement of ISO 37002 'Whistleblowing' 			 Intellectual
4. Discrimination	<ul style="list-style-type: none"> Group Code of Ethics Diversity and Inclusion Policy Equal opportunities initiatives (e.g. percentage of women in positions of responsibility, enhancement of disabled personnel, supporting vulnerability) Initiatives to protect workers (e.g. violence against women) Achievement of ISO 30415 "Human resource management - Diversity and Inclusion" certification Whistleblowing guidelines Whistleblowing portal Achievement of ISO 37002 'Whistleblowing' 	 Diversity and inclusion	Protection of human rights at the Company Equal career development opportunities	 Social-relational  Intellectual  Financial
5. Salary conditions and working hours	<ul style="list-style-type: none"> Group Code of Ethics Signing of new employment contract which provides for remuneration negotiated with the labour unions and uniform conditions for all workers Supplementary pension schemes Welfare platform Incentive and reward schemes Counterparty due diligence (suppliers, partners, companies involved in mergers/acquisitions, etc.) Social policies In addition to the ethical and social principles set out in the Code of Ethics, formal acceptance of anti-corruption and human rights principles by the Group's suppliers, sub-contractors and partners Whistleblowing guidelines Whistleblowing portal Achievement of ISO 37002 'Whistleblowing' 	 Diversity and inclusion	Protection of human rights at the Company Equal career development opportunities	 Human  Intellectual  Social-relational  Financial
		 Integrity and transparency	Legality and incorporation of ESG criteria within the procurement processes	

RISK DRIVERS	MAIN RISK MANAGEMENT ACTIONS AND TOOLS	PILLAR	MATERIAL TOPICS	CAPITALS IMPACTED
6. Training	<ul style="list-style-type: none"> ● Training initiatives and individual training plans for Poste Italiane employees, regarding both processes and products ● Training and skills development courses, processes and services ● Gathering feedback from training sessions to optimise the offering ● Promotion of communication, training and information initiatives to increase engagement 	 People development	Staff training and development	 Human  Intellectual
7. Occupational health and safety	<ul style="list-style-type: none"> ● Supervision with responsibility regarding occupational health and safety and the environment (HSE) ● Communication plan and actions ● Dissemination and updating of knowledge/techniques and regulations as well as behavioural standards ● Monitoring of accidents and analysis of their causes ● Specific audits at suppliers' premises to verify the conditions declared in the contract ● Development of occupational health and safety supervision (achievement of UNI ISO 45001 certification, implementation of the "Integrated Management System", etc.) ● Health and Safety portal for the management of occupational health and safety issues, as well as references to the main new legislation and case law 	 People development	Occupational health and safety Legality and incorporation of ESG criteria within the procurement processes	 Human  Intellectual
8. Privacy	<ul style="list-style-type: none"> ● Consent management ● Compliance relating to application of the General Data Protection Regulation (GDPR) and personal data protection legislation ● Actions in the area of personal data protection (e.g. personal data protection assessment, adaptation plan for European Privacy Seal certification, etc.) ● Communication with the Italian Data Protection Authority in order to provide information and clarifications ● Definition and standardisation of contractual requirements for compliance with laws 	 Customer experience	CyberSecurity, IT Security and Privacy	 Social-relational  Intellectual
9. Counterparties working conditions	<ul style="list-style-type: none"> ● Tenders conducted on the basis of social criteria ● Supplier and partner due diligence ● Counterparty due diligence in the case of new corporate transactions (e.g. mergers, acquisitions, etc.) ● Check that specific requirements are in place based on supplier sustainability audits 	 Integrity and transparency	Legality and incorporation of ESG criteria within the procurement processes	 Human  Intellectual

< 6.5 Managing climate change related risks and opportunities



MAIN RELATED TYPES OF CAPITAL



Poste Italiane is aware of the relevance of the Company in terms of capillarity within the territory in which it operates. Therefore, the Group aims to reduce its environmental impact and contribute to the low-carbon transition of the country's economy.

Considering the relevance of identifying the potential economic impacts of climate change risks, the Group takes a responsible approach in conducting its activities.

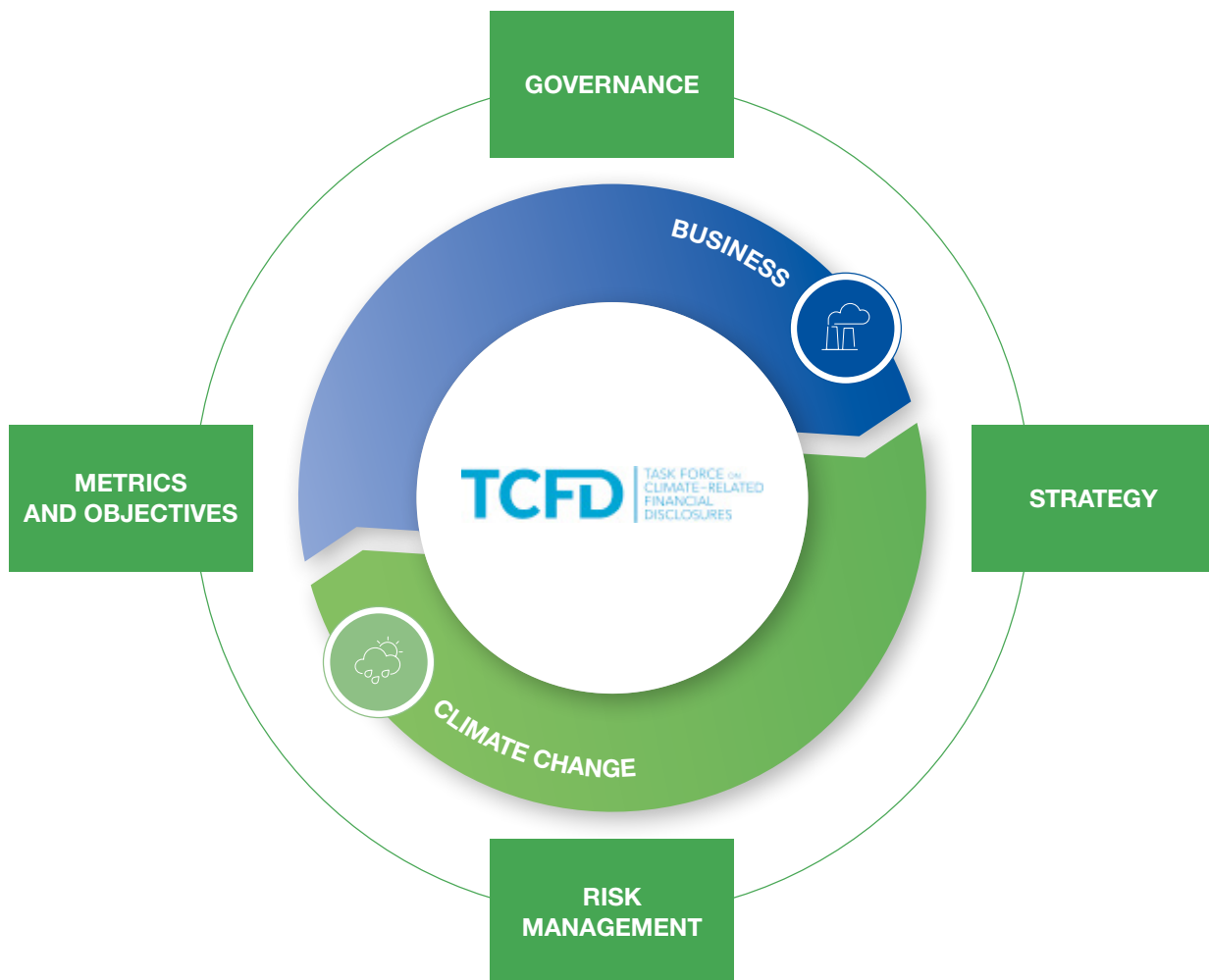
This commitment is in line with the new edition of the "Global Risks Report" published by the World Economic Forum in January 2023. The paper tracks perceptions of global risks among industry experts and world leaders at various levels, examining them in five categories: economic, environmental, geopolitical, social and technological. The report reveals that the top three global risks to be addressed over the next decade are all environmental. To the side is the ranking of the "5 Top Global Risks" identified in the report.



Top five global risk

- 1 Failure to mitigate climate change
- 2 Failure of climate change adaptation
- 3 Natural disaster and extreme weather event
- 4 Biodiversity loss and ecosystem collapse
- 5 Large scale involuntary migration

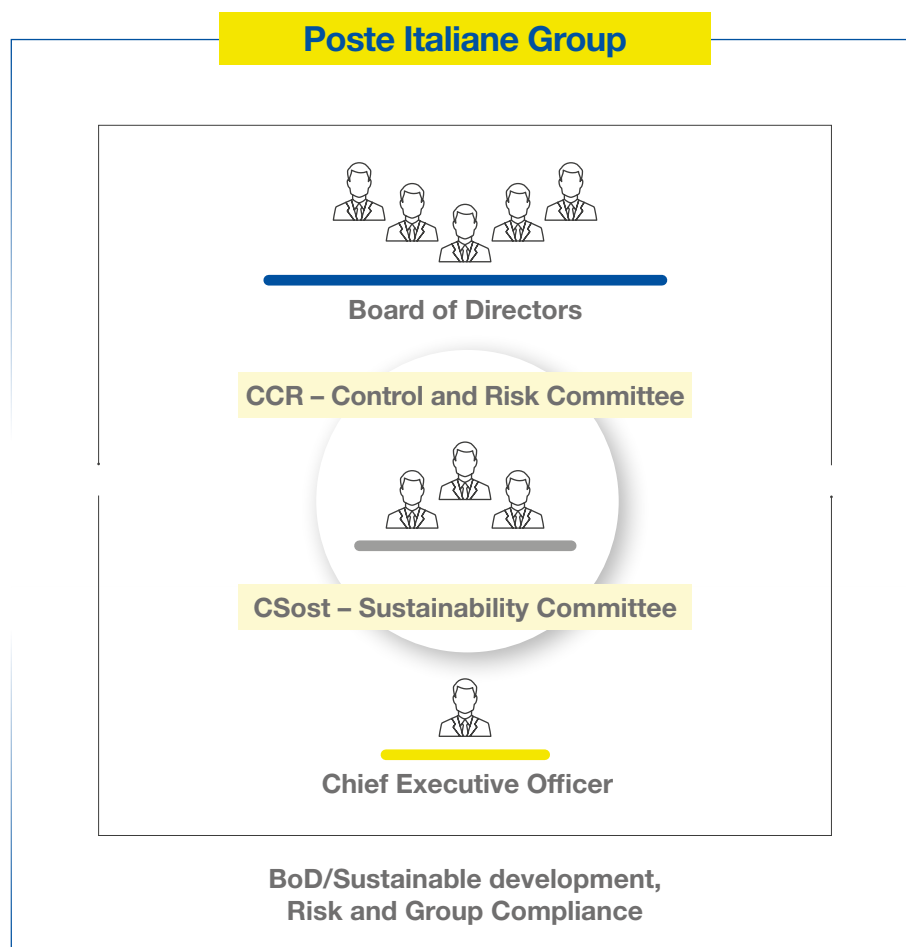
10 years



Poste Italiane, in accordance with the main regulatory trends and in response to the growing requests from the financial community and the main stakeholders, reports information regarding climate change based on the areas defined by the Task Force on Climate-related Financial Disclosures (TCFD): Governance, Strategy, Risk Management, Metrics and Objectives. The TCFD, established in 2015 by the Financial Stability Board (FSB), published a set of recommendations to assist companies in reporting on the risks and opportunities that climate change may pose to corporate performance, in a transparent and comprehensive manner.

This section complements and supplements the information on the commitment, approach and initiatives to reduce environmental impact in the Pillar “Green transition”.

Governance



The organisational and governance structure reflects the Group’s commitment to the proper management of environmental issues, and provides for specific roles and responsibilities.

- The Board of Directors of Poste Italiane SpA approves the Sustainability guidelines and strategies on the basis of assessments that consider, among other things, the risks and opportunities related to climate change that may be relevant in terms of reputation for the Group.
- The Sustainability Committee (CSost) is tasked with assisting the Board of Directors with investigative, propositional and advisory functions, in pursuing sustainable success. The Committee provides input during all assessments and decisions relating to environmental, social, and governance issues

La Specifically, the CSost carries out an activity specifically dedicated to climate change as part of its functions. In fact, the Committee examines, evaluates and makes proposals on the Group's environmental, social and governance (the latter with reference to Sustainability) strategy, including climate change strategies, annual targets and deliverables, considering potential projects related to these topics and monitoring their implementation over time. In addition, the CSost monitors climate-related risks and opportunities and all initiatives taken by the Company to address these issues, coordinating with the Control and Risk Committee and reporting to the Board of Directors. At managerial level, the main specific functions related to environmental topics are entrusted to the Chief Executive Officer and to the Group Sustainable Development, Risk and Compliance function. In fact, the CEO of Poste Italiane SpA has the task of establishing, maintaining and ensuring the effectiveness of the Internal Control and Risk Management System (SCIGR), as well as formulating the Sustainability strategies connected to environmental issues and overseeing their implementation, continuously monitoring their adequacy and effectiveness, always considering the assessment of related risks and opportunities.

The Group Sustainable Development, Risk and Compliance function of Poste Italiane SpA, established within the Corporate Affairs function:

- defines, in collaboration with the departments involved, the guidelines and objectives of Sustainability and corporate social responsibility for the Company, through the identification of a set of indicators for monitoring Sustainability performance, and the use of specific metrics used to monitor climate-related risks and opportunities, in line with best practices and related international guidelines;
- constitutes, thanks to the contribution of the specialist units reporting directly to it ("direct controls"), as well as other risk controls ("indirect controls") present in Poste Italiane and the Group companies, the single point of reference for the governance and management of all risks.

Finally, with the aim of correctly identifying and managing climate-related risks and opportunities also for investment and insurance processes, additional controls were put in place. With regard to investment processes, BancoPosta Fondi SGR and Poste Vita have set up committees responsible for periodically analysing and assessing the ESG risk (including, therefore, also the environmental risk) of the portfolios and the evaluation criteria of the issuers' ESG profiles. As far as insurance processes are concerned, Poste Vita's Risk Office function is responsible for identifying, analysing and assessing the signs of change deriving from the various dimensions of the external environment, with particular attention to factors linked to climate change. The identification of these signals takes place jointly with the "Products Committee - ESG Assessments", which periodically examines and evaluates the criteria for defining the ESG profiles and the Group's product catalogue.

Poste Italiane considers several risk drivers, attributable to the two macro-areas transition risks and physical risks, to classify them in relation to climate change. After identifying and associating the risks with each driver, the Company went on to link the material and capital issues impacted, defining opportunities and potential negative impacts related to them, and identifying specific mitigation actions to be implemented. During the risk assessment process, Poste Italiane took into account both its own direct activities, as well as upstream and downstream operations, and finally included customers as the main beneficiaries of the Company's products. The Group has defined activities and actions for the business with respect to short (0-3 years), medium (3-5 years) and long term (5-10 years) perspectives, considering the time frame 2019-2030.

Poste Italiane supports the transition to a low-carbon economy through its commitment to reducing emissions in the business operations included in the Business Plan, consistent with achieving Carbon Neutrality by 2030, and in support of the Paris Agreement in limiting global warming to 1.5°C.

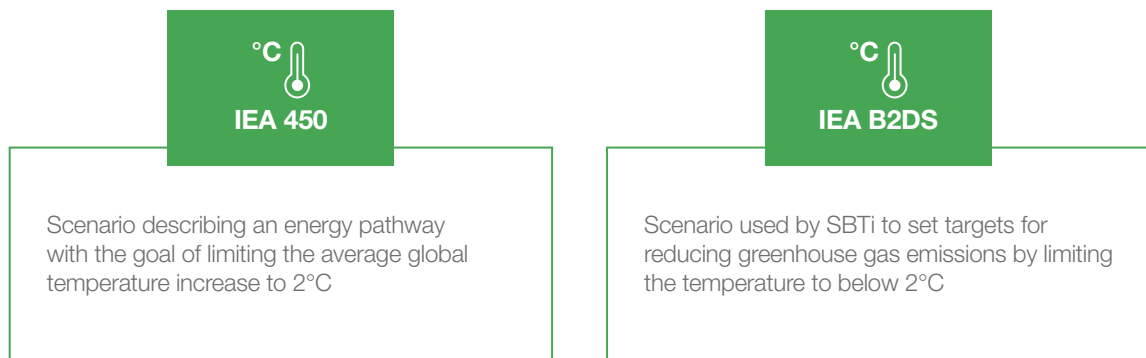
With regard to transition risks, considering the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC) organisations and the main literature on the subject as a reference, the Group carried out a review of different scenarios to get a picture of potential future developments. In particular, Poste Italiane employed, after an evaluation of possible alternatives, two scenarios, IEA 450 and IEA B2DS, considered to be the most consistent with the timeframe envisaged for the assets and activities, and consequently the most suitable for the Group's business and objectives with respect to the alignment towards maintaining the global temperature at 1.5°C.

The IEA 450 scenario describes an energy pathway consistent with the goal of limiting the average global temperature increase to 2°C by limiting the concentration of greenhouse gases in the atmosphere to around 450 parts per million of CO₂ equivalent. By the year 2030, the scenario envisages the energy sector to be strongly characterised by renewable energies, with a marked improvement in vehicle and process efficiency, and a widespread replacement of coal by natural gas in power generation. With this in mind, starting in 2019, the Group has implemented a Renewal Plan that envisages the complete replacement of the entire vehicle fleet with new-generation, low-emission electric, hybrid and endothermic models, which will guarantee a reduction in energy consumption. In order to measure the value generated by fleet replacement, Poste Italiane adopted a specific investment valuation methodology that combines the traditional financial and non-financial perspectives, the so-called "True Value Bridge". This methodology is a useful tool to develop an integrated strategic planning to create shared value between the Company and the territory, identifying the net impacts generated by the green fleet compared to those that a traditional fleet would generate⁸².

82. For more information, please refer to the document "Sustainability and its Impacts": <https://www.posteitaliane.it/files/1476526944361/Report-impatti.pdf>

The IEA B2DS scenario was taken into account, not least because of the relevance attributed to it by SBTi (Science Based Target Initiative) for setting greenhouse gas emission reduction targets. The focus is on the hypotheses for the development of climate policies and technologies to reduce greenhouse gas emissions.

Poste Italiane has officially committed to setting science-based targets for its greenhouse gas emissions.







The scenario analysis conducted by the Company, in addition to considering the basic assumptions of the models, took into consideration the trends in the transport sector and the estimate of forecasts and development in the coming years. The Group then made projections of its business in order to identify related risks and opportunities. The scope of the analysis involved the logistics sector, thus including transport, buildings and facilities, key assets for the Company's business and for the Carbon Neutrality objective.

Following the various analysis activities, the transition risks identified by Poste Italiane are as follows:









1. REGULATORY DEVELOPMENTS

RISK	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT ACTIONS AND TOOLS
<p>Increased severity in legislation in consideration of climate change-related targets</p> <p>Time frame: Medium-term</p> <p>Pillars impacted:</p> <p> Integrity and transparency</p> <p>Working with integrity and transparency.</p> <p>Capitals impacted:</p> <p> Human</p> <p> Intellectual</p> <p> Financial</p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Failure to respond in a timely manner to regulatory environmental requests, in view of the complexity and operational heterogeneity of the Poste Italiane Group • Potential penalties for non-compliance with applicable regulations • Growing impact of non-compliance with regulations on reputational risk, also in view of Poste Italiane's economic and social role in the local area <p>Opportunities:</p> <ul style="list-style-type: none"> • Potential regulatory amendments to benefit the business • More timely than competitors in complying with complex regulations 	<p>As part of the Integrated Compliance process, Poste Italiane continuously monitors the external regulations relevant to the Group and translates the set of regulatory principles into the body of rules required to ensure their application. The inventory of all regulations relevant to the Group is managed in an integrated manner on the dedicated GRC platform.</p> <p>Poste Italiane also takes part in technical and working groups on regulatory developments, in order to ensure analysis of changes in the regulatory framework, guaranteeing its correct implementation, and represent the Company's position on these issues to national and international bodies, in order to support the Group's business.</p>












2. MARKET DEVELOPMENT

RISK	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT ACTIONS AND TOOLS
<p>Evolving market demand, focusing increasingly on environmental issues, which require substantial adjustments to the services and products offered by the Group</p> <p>Time frame: Long-term</p> <p>Pillars impacted:</p> <p> Sustainable finance</p> <p>Integration of ESG factors into investment policies; Integration of ESG factors into insurance policies.</p> <p>Capitals impacted:</p> <p> Human</p> <p> Intellectual</p> <p> Financial</p> <p> Social-relational</p> <p> Natural</p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> Inadequacy of the products and services offered with respect to the demands of customers, investors and other stakeholders, increasingly driven by Sustainability issues <p>Opportunities:</p> <ul style="list-style-type: none"> Increased business opportunities due to changes in consumer needs (e.g. development of low-emission services; development of investment and insurance products for climate adaptation) Launch of products that encourage prevention and responsible behaviour (e.g. ethical investment solutions) Redirection/creation of new business Possible access to new markets and new customer segments requiring insurance coverage Investments in sectors that contribute to the Sustainable Development Goals (“SDGs”) promoted internationally by the United Nations 	<p>Poste Italiane is actively engaged in developing existing products/services with alternatives that take ESG criteria into account (e.g. investments, insurance) in order to ensure an increasingly wide range of products and services that integrate high ethical standards and environmental criteria.</p> <p>The portfolios of BancoPosta Fondi SGR and Poste Vita are periodically subjected to ESG analysis to assess their degree of social responsibility, and carbon footprint, with the aim of mitigating any risks. An example can be seen in the development of insurance solutions that, on the one hand, encourage the adoption of sustainable and responsible behaviour by its policyholders and, on the other, contribute to mitigating ESG risks. The results obtained both for BancoPosta Fondi SGR and Poste Vita, are higher than the ESG performance of reference benchmarks.</p> <p>In addition, as of 2022, the Group entered the energy market with a 100% green offer for electricity and 100% CO₂-compensated offer for gas. As part of the Poste Italiane Group’s strategy for pursuing its Sustainability objectives, the integration of ESG principles into its investment processes is also of particular importance, with investments in sectors that contribute to the Sustainable Development Goals (“SDGs”) (e.g. investments in bonds in the “Green”, “Social” and “Sustainable” categories in line with the standards and principles defined by the International Capital Market Association).</p>












3. TECHNOLOGICAL DEVELOPMENT AND INNOVATION

RISK	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT ACTIONS AND TOOLS
<p>Failure to adjust its business model in line with the technological developments needed to contain climate change-related phenomena</p> <p>Time frame: Long-term</p> <p>Pillars impacted:</p> <p> Green transition Environmental impacts of logistics</p> <p> Creating value for the country Support for the socio-economic development of local communities</p> <p> Innovation Innovation and digitalisation of products, services and processes</p> <p> Customer experience Quality and customer experience. CyberSecurity, IT Security and Privacy.</p> <p>Capitals impacted:</p> <p> Intellectual</p> <p> Financial</p> <p> Physical-structural</p> <p> Social-relational</p> <p> Natural</p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> Limited availability of “green” vehicles suitable for carrying out Poste Italiane’s logistics and delivery activities Use of polluting vehicles that may have a negative impact on the environment and on Poste Italiane’s reputation Investments in innovative solutions that, nonetheless could have negative impacts on the environment, in terms of polluting emissions and energy consumption <p>Opportunities:</p> <ul style="list-style-type: none"> Leaner and more efficient management of operations Reduce the Group’s total energy consumption from non-renewable sources (e.g. fossil fuels) Reduction of emissions related to the use of the vehicles that make up the company fleet Cost reduction 	<p>Poste Italiane’s support in the transition to a low-carbon economy is driven by its commitment to set targets to reduce emissions and the environmental impact generated by its activities, achieving Carbon Neutrality targets by 2030. With this in mind, starting in 2019, the Group has implemented a Fleet Renewal Plan that envisages replacing the entire fleet of vehicles used for the delivery of postal products with green vehicles. The results of this policy are evident, as the Company has gone from 11% green vehicles in 2016 to 37% in 2022, more than doubling this percentage by 2021, with the aim of replacing the entire company fleet with low-emission vehicles by 2024, resulting in a CO₂ reduction equal to that of around 80,000 trees.</p> <p>This commitment is also strengthened in relation to the initiatives undertaken by the Group to support small Municipalities. In this regard, the Company aims to offer zero-emission services in 800 small Municipalities and 35 historical centres by 2024.</p> <p>Poste Italiane has also expanded its range of services by entering the energy sector, with a 100% green product, produced exclusively in Italy from renewable sources and certified through guarantees of origin. This project allows the Group to correlate green transition issues with those of innovation and digitalisation, while representing a major opportunity for sustainable development at national level.</p> <p>Finally, the new Polis Project envisages the implementation at Post Offices of interventions aimed at environmental sustainability and social growth of communities. In particular, it is planned to install 5,000 thousand charging stations for electric vehicles and 1,000 photovoltaic systems that will contribute to the reduction of CO₂ emissions, 1,000 outdoor spaces equipped to host cultural, health and wellness initiatives, and 4,800 smart building systems and environmental monitoring sensors. In addition, by providing the possibility to access public administration services from a One-Stop Shop and through the creation of co-working spaces, the movement of citizens and the consequent congestion of roads and public offices will be reduced, allowing the reduction of CO₂ emissions.</p>

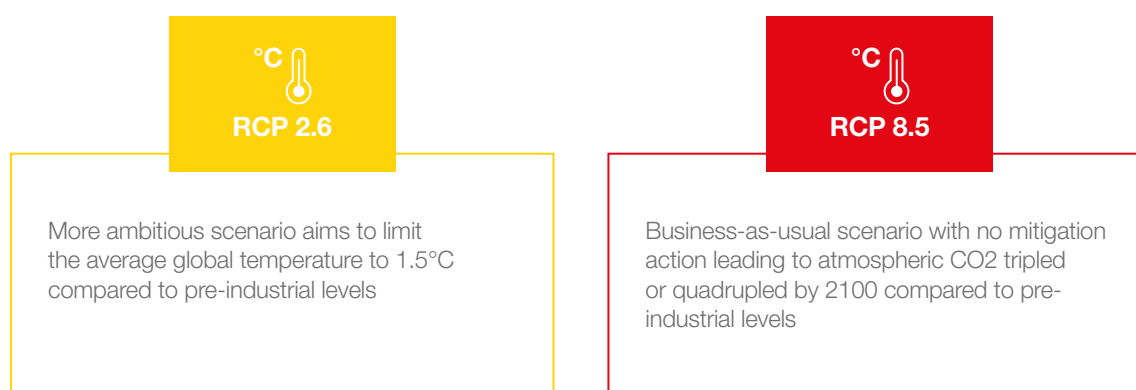


4. REPUTATION

RISK	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT ACTIONS AND TOOLS
<p>Activities carried out by the Company or counterparties that could impact negatively on climate, with consequent damage to its reputation</p> <p>Time frame: Long-term</p> <p>Pillars impacted:</p> <p> Integrity and transparency</p> <p>Working with integrity and transparency</p> <p>Legality and incorporation of ESG criteria in the procurement process.</p> <p> Creating value for the country</p> <p>Support for the socio-economic development of local communities</p> <p>Dialogue and transparency in relations with the authorities.</p> <p> Green transition</p> <p>Environmental impacts of real estate facilities.</p> <p>Capitals impacted:</p> <p> Human</p> <p> Intellectual</p> <p> Financial</p> <p> Physical-structural</p> <p> Social-relational</p> <p> Natural</p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Investments that may have negative impacts on the environment • Using suppliers that provide goods/services with negative impacts on the environment • Focusing attention on the macro-economic and geo-political context, with reputational impacts due to reduced commitment to environmental issues <p>Opportunities:</p> <ul style="list-style-type: none"> • Subscribing to international initiatives aimed at climate change-related issues • Greater responsiveness compared to competitors in maintaining a high level of attention to environmental issues despite the context of uncertainty 	<p>As part of the risk management model, the Group considers both the possible impacts that climate change-related phenomena may have on the business of Poste Italiane (indirect impact) and those that the Company's activities may have on the climate (direct impact). The process of identifying and assessing risks and environmental management methods also extends to counterparties (suppliers, business partners, other companies), impacting the procurement processes and any extraordinary finance transactions, providing, among other things, for the identification of suppliers and partners that may present risks related to environmental protection, also through a multi-dimensional analysis that takes into account parameters such as: possession of environmental, quality and energy performance certifications and adoption of environmental management systems, ethical standards of conduct and Minimum Environmental Criteria (MEC).</p> <p>The correct identification and assessment of climate-related risks and opportunities is also ensured by listening to stakeholders, who are periodically involved in the Multistakeholder Forums organised by Poste Italiane. They are also provided with a reporting system that allows them to bring any perceived risks to the attention of the Company.</p> <p>In line with its decarbonisation strategy and in implementation of the guidelines for the exercise of voting rights and engagement activities and for investment in sensitive sectors, Poste Italiane, through its subsidiaries Poste Vita and BancoPosta Fondi SGR, has joined Climate Action 100+, an international collaborative engagement initiative to raise awareness of climate change issues among the world's largest greenhouse gas emitters.</p> <p>Poste Italiane is focused on pursuing sustainable development by continuing to invest in projects aimed at strengthening ESG initiatives. In order to reduce the direct impacts that Poste Italiane's activities may have on the climate, the Company is constantly advancing the use of energy sources that do not use fossil fuels (e.g. solar energy from photovoltaic panels on buildings) and in the reduction of energy consumption (e.g. replacement of neon lamps and use of LEDs), also in order to cope with potential sudden changes in prices of energy among others, Poste Italiane, in line with adherence to the Paris Agreement and the New Green Deal, has set itself the ambitious goal of making its contribution to the achievement of international carbon neutrality targets by 2030, well in advance of the timeframe defined by the European Union.</p>

With regard to the assessment of physical risks, Poste Italiane's Governance dedicated to risk and sustainability, in line with what the IPCC has developed worldwide on climate projections, has updated its climate and water risk assessment methodology to have a clear picture of the risk and assessment of potential physical risks and opportunities. In this sense, the Company has carried out a precise assessment, including in the analysis all the Group's production and sorting sites located in different areas of Italy.

Specifically, Poste Italiane, following an extensive analysis process that included the evaluation of the main Representative Concentration Pathways (RCP) of greenhouse gases, and the consistency of these pathways with the duration of assets and activities, identified and selected two scenarios: RCP 2.6 and RCP 8.5. The Group selects RCP 2.6 as the reference scenario, in view of the ambitious nature of the risk mitigation activities envisaged in the Business Plan in relation to the landscape identified by the IPCC. RCP 2.6 scenario prefigures a peak in emissions at an early stage, with a subsequent decrease caused by the active removal of carbon dioxide within the atmosphere. RCP 2.6 is also known as RCP 3PD, in relation to the mid-century peak of $\sim 3W/m^2$, which will be followed by a major decline. With the goal of zero greenhouse gas emissions by 2100, this scenario uses massive regulatory and policy intervention, leading to an almost immediate reduction in greenhouse gas emissions (GHG). The Company also considers the IPCC's "RCP 8.5" scenario, as it provides an example of the worst-case scenario, i.e. the condition of a continuous increase in emissions during the course of the 21st century. RCP 8.5 pathway results from insufficient emission reduction efforts and represents a failure to stem warming by 2100. Regarding the climate projections for the two scenarios, in fact, for RCP 8.5, areas of the Mediterranean will experience an increase in temperature and a decrease in rainfalls, which will intensify in the second half of the century with an increasing trend until 2100. According to the RCP 2.6 scenario, on the other hand, there will be similar but smaller effects in the first half of the century, with a decreasing trend in the second half. This leads to a clear difference between the two scenarios in 2100.



Poste Italiane carried out a risk assessment with the aim of assessing the potential impacts of physical events related to climate change on the business. The risk assessment considered the extent of the risk already existing at the sites and the future risk up to the year 2024 (medium-term scenario), under RCP 2.6 and RCP 8.5. In addition to the basic assumptions of the chosen models, the Company also conducted a further study on the data from the rainfalls and main temperature parameters of the different scenarios, then comparing them with current data with the aim of determining the significance of the variation with respect to the existing risk at the sites examined, in line with the RCP 2.6 scenario and taking into account the possible implications of the RCP 8.5 worst case scenario. Future projections of changes in physical risk levels related to natural disasters are relevant in strategic terms, although in most cases there is still no certainty. On the other hand, excessive reliance on what is already known from climate science must be avoided. Therefore, Poste Italiane's risk assessment is appropriate to the increasing level of risk in its business and operations.

The assessment of physical risks covers the entire revenue generated by the Group, amounting to €11.9bn of existing operations in 2022, mainly from Post Offices and hubs, which are potentially most impacted by extreme weather conditions. Furthermore, with a view to a long-term time horizon, in line with the Business Plan and the 2030 Carbon Neutrality target, all new operations are subject to risk assessments that also take into account physical climate risks.








The product result of the risk assessment is subsequently converted into potential days of business interruption and then multiplied by the value in terms of lost revenue (€) of one day of business interruption. The main risks that emerged from the scenario analysis are those related to extreme weather events and changes in rainfall patterns. The greater severity of extreme weather events such as rain, storms, snowfalls and possible floods or frosts, with consequent landslides and floods, could cause interruptions in production, sorting and therefore logistics activities, as well as damage to sites and higher logistics costs. The Group's financial performance, and thus its results and cash flows, are negatively impacted by the occurrence of such acute physical damage and the interruption of power distribution, resulting in a deterioration of reputation and loss of customer confidence. Examples are the floods in Genoa in 2016, 2019 and 2020, following which the Group collaborated with national and local institutions, as well as the more recent floods in Sicily in 2018, 2020 and 2021. These events led to damage to Poste Italiane's Post

Offices, resulting in the suspension of services. Phenomenon of a similar nature occurred in Ischia in October 2022, where the Poste Italiane office was a point of reference for the population, a place where they could meet again with neighbours they had not heard from and gather initial information on what had happened on the rest of the island.

Precisely in consideration of a possible interruption of the activity, Poste Italiane carried out an analysis based on its production and sorting plants located in different areas of Italy. In this way, the Group was able to assess the potential financial impacts associated with climate events, compared to 2024. The sites with the highest potential financial impact due to flooding in 2024 are located in the regions of Northern Italy. In particular, the new hubs of Bologna and Landriano have been identified among the sites at greatest risk and which would lead to substantial loss of revenue in the event of business interruption, due to their operational importance. With regard to physical risks, the Group envisages specific mitigation measures in response to extreme weather conditions (e.g. landslides, avalanches, floods, etc.), which are detailed below.

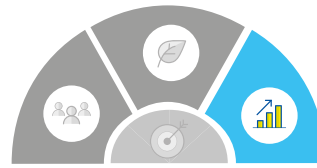


5. EXTREME WEATHER CONDITIONS

RISK	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT ACTIONS AND TOOLS
<p>Limited production, sorting and logistics, damage to sites and higher logistic costs due to extreme weather events such as rain, storms, snowfalls and possible floods or frost, with consequent mudslides and flooding</p> <p>Time frame: Medium-term</p> <p>Pillars impacted:</p> <p> Integrity and transparency Working with integrity and transparency</p> <p> Creating value for the country Dialogue and transparency with the authorities</p> <p> People development Occupational health and safety</p> <p>Capitals impacted:</p> <p> Human</p> <p> Intellectual</p> <p> Financial</p> <p> Social-relational</p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Limitations on Company operations due to extreme weather events, with consequent losses in revenue <p>Opportunities:</p> <ul style="list-style-type: none"> • Advantages deriving from the greater reliability of the supply chain and Poste Italiane's improved ability to operate in various conditions compared to its competitors 	<p>As part of its risk management model, the Group considers both the possible impacts that climate change phenomena may have on the business of Poste Italiane, identifying the main ways of managing them.</p> <p>In order to guarantee business operations even in the event of extreme weather conditions, Poste Italiane has adopted business continuity and disaster recovery plans in addition to actions aimed at preventing physical damage to structures.</p> <p>UNI EN ISO 14001 certification was maintained, providing for the systematic management of environmental aspects inherent to processes, from the perspective of improving environmental performance and making it more efficient, thus gaining significant benefits, also in terms of sustainability</p> <p>Furthermore, to prevent additional possible damage caused by extreme weather conditions, the Group has identified the regulatory perimeter for activating an environmental monitoring system, to determine the average annual concentration of radon gas in the air, based on assessing the risk of exposure to ionising radiation.</p> <p>Finally, for the coordination of emergency and recovery activities, Poste Italiane maintains dialogue with institutions (e.g. Civil Protection, Civil Defence) as well as interfacing with relevant bodies and international protection and defence organisations (e.g. participation in drills or other initiatives, etc.).</p>

With a view to continually improving the management of climate and environmental factors and their impact on the various prudential risks, in early 2023, BancoPosta Fondi, PostePay and LIS Pay, as non-banking financial intermediaries, aligned themselves with the Bank of Italy's recommendations regarding "Supervisory Expectations on Climate and Environmental Risks". The three institutions therefore started working on an action plan to integrate climate and environmental risks (physical and transitional) into their governance and control systems, business model and strategy, organisational system and operational processes, risk management system and market reporting.

< 6.6 Managing emerging risks and the related opportunities



MAIN RELATED TYPES OF CAPITAL



Poste Italiane deemed it necessary to include and manage emerging risks within its risk management processes, given their significance. Emerging risks considered are exogenous, disruptive events that can threaten the business model over a long-term horizon (up to 20 years) and are potential game changers for the industry and the context in which organisations operate. They are usually characterised by elements, such as:


- uncertainty and visibility: lack of data useful to analyse the phenomenon and difficulty in finding skills, knowledge and awareness of the potential effects that they have on the business model;
- timing of the changes: the changes derive from radical changes in the external reference context (social-environmental, legislative, technological, habits, etc.), which alter the processes from various points of view, in a destructive and unpredictable way over time;
- management complexity: increasing complexity of management methods, related to the absence of immediate response actions to events resulting from highly interconnected exogenous factors with strong systemic dependencies and time accelerations.










Failure to adapt to these trends will result in missed business opportunities, reduced revenue, qualitative-quantitative repercussions in terms of the mix of its employees, and sanctions by regulatory and supervisory authorities. The tables below summarise the trends for each emerging risk arising from exogenous factors, the potential significant impact on the Company (based on SBUs information, risk categories, sustainability pillars and financial and non-financial capital potentially impacted, and on the basis of breaking down the main negative impacts and opportunities) and the main ways of managing them.



AGEING POPULATION:

Increased longevity combined with low birth rate resulting in a negative change in the generational distribution of customers for Poste Italiane




MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The process of ageing population is a phenomenon that is already clearly visible in the economies of the Eurozone and is destined to become more accentuated in the coming decades, with a reduction in the working-age population compared with the older population, which will instead tend to increase.</p> <p>In Italy, in particular, there is a higher longevity in good health and a lower birth rate, together with a reduction in the number of women of childbearing age.</p> <p>Ageing could also very significantly affect economic growth and have a negative impact on productivity. This aspect is also accentuated by the change in the balance between the active population and the retired population as well as by the irregular and low income capacity of younger people with consequent unfavourable effects on the social security system.</p> <p>However, the rise in life expectancy and the increase in average age could support the emergence of new markets and new businesses.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> Operational Financial and insurance <p>SBUs impacted:</p> <ul style="list-style-type: none"> Insurance Services Mail, Parcels & Distribution Payments and Mobile Financial Services <p>Pillars and material topics impacted:</p> <p> Diversity and inclusion</p> <p>Protection of human rights; Equal career development opportunities.</p> <p><i>Continued</i></p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> Inadequacy of product offers (e.g., mobile phone price plans) and postal services (e.g., excessive digitisation of services) for changing consumer needs Increase in insurance costs borne by the Group relating to care, assistance and welfare expenses for the elderly Difficulty in developing reliable forecasting models that allow the Group to predict market developments <p>Opportunities:</p> <ul style="list-style-type: none"> Increased business opportunities due to changes in consumer needs, based on meeting the needs of the more mature population Increased demand for life and P&C insurance products 	<p>Aware of the opportunities linked to the ageing of the population and considering the strong impact of demographic trends on its services, the Group has developed specific products for segments of the population with evolving needs such as, for example, the insurance product “Postaprotezione Infortuni Senior Più” specifically dedicated to people aged between 59 and 79. Each product offered by the Company is accompanied by clear and usable information to all types of customers in order to allow them to always make informed choices.</p> <p>Poste Italiane launched the “Silver Economy” Programme designed for senior citizens, with the aim of managing all the Group’s actions dedicated to this important segment of the population in a single synergistic framework. It is a package of financial and savings services, insurance, telephony, shipping and delivery, ideal solutions tailored to specific customers, making Poste Italiane a single point of contact able to meet different needs. The programme aims to help improve knowledge of financial and digital tools, through a training course led by Poste Italiane’s financial and digital experts.</p> <p>Poste Italiane promotes integrated strategies in favour of intergenerational dialogue and an exchange between generations within the Company, also on the basis of demographic forecasts and the relative impact on turnover. To this end, the Group promotes the cross-fertilisation of different social, cultural and work experiences, as well as the different skills, knowledge and competences typical of each generation, encouraging discussion in a logic of complementarity and openness necessary to foster the exchange of experiences in support of inclusion and employment possibilities. In particular, as part of its actions in support of intergenerational exchange within the organisation, it promotes the “Generazioni connesse” (Connected Generations) survey, an initiative in continuity with the “FishBowl generation” project, which aims to focus on the languages, working styles and needs of the main generations present in the Company in order to identify and enhance shared actions capable of stimulating generational alliance.</p> <p><i>Continued</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p> Innovation Innovation and digitisation of products, services and processes</p> <p> Creating value for the country Support for the socio-economic development of local communities</p> <p> Customer experience Quality and customer experience</p> <p> People development Staff training and development</p> <p>Capitals impacted:</p> <p> Financial</p> <p> Human</p> <p> Physical-structural</p> <p> Social-relational</p> <p> Intellectual</p>		<p><i>Continued</i></p> <p>The survey analysed, among other aspects, the frequency and quality of relations between employees of different generations and gathered feedback and suggestions for improving collaboration between them. In addition, Poste Italiane implemented orientation and intergenerational dialogue initiatives through collaborations between seniors and students in order to overcome vertical barriers and foster the exchange of experiences to support inclusion and employability. In fact, Poste Italiane continued its collaboration with “Valore D” for the realisation of orientation programmes aimed at encouraging girls and boys of school age to follow their aspirations, free from gender conditioning, through dialogue with internal role models, in order to actively affect common stereotypes that accompany the younger generations.</p> <p>Poste Italiane is constantly seeking innovative solutions aimed at reducing the digital divide and increasing financial inclusion, with a particular focus on the most fragile and at-risk groups, supporting and sustaining the different population groups within the communities in which it operates. In this context, Poste Italiane promotes digital education initiatives, also aimed at seniors, to enable them to make full and conscious use of the tools made available to them.</p>



REGULATORY AMENDMENTS:

Increased severity in the reference legislation applicable to the business with particular reference to environmental variables

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The increase in the level of detail and complexity of the regulatory obligations required by the competent authorities in relation to the regulations issued requires a growing cultural change within companies, which are called upon to review their operational activities in order to adapt to the increasingly frequent and pervasive amendments in the applicable national and international regulations.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Compliance • Operational • Reputational • ESG <p>SBUs impacted:</p> <ul style="list-style-type: none"> • Mail, Parcels & Distribution • Payments and Mobile • Financial Services • Insurance Services <p>Pillars and material topics impacted:</p> <p> Integrity and transparency</p> <p>Working with integrity and transparency</p> <p>Capitals impacted:</p> <ul style="list-style-type: none">  Financial  Human  Intellectual 	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Failure to respond in a timely manner to regulatory requests (for example, regarding governance structures, responsible finance, etc.), partly in view of the complexity and operational heterogeneity of the Poste Italiane Group • Potential penalties for non-compliance with applicable regulations • Growing impact of non-compliance with regulations on reputational risk, also in view of Poste Italiane's economic and social role in the local area <p>Opportunities:</p> <ul style="list-style-type: none"> • Launch of products that encourage prevention and responsible behaviour (e.g. ethical investment solutions) • Potential regulatory amendments to benefit the business • More timely than competitors in complying with complex regulations. • Redirection/creation of new business 	<p>In view of the complexity of Poste Italiane and the numerous business sectors in which the Group operates, as well as the legal and reputational impacts, the Company has defined an integrated compliance process at Group level, with the specific aim of monitoring - in a structured way for each level of the company and in a manner appropriate to each business sector - the risks of non-compliance to which the Group is exposed, thus fully implementing the principles of integrity, transparency and legality.</p> <p>As part of the Integrated Compliance process, Poste Italiane continuously monitors the external regulations relevant to the Group and translates the set of regulatory principles into the body of rules required to ensure their application. The inventory of all regulations relevant to the Group is managed in an integrated manner on the dedicated GRC platform.</p> <p>Poste Italiane also takes part in technical and working groups on regulatory developments, in order to ensure analysis of changes in the regulatory framework, guaranteeing its correct implementation, and represent the Company's position on these issues to national and international bodies, in order to support the Group's business.</p> <p>For constant compliance with environmental regulations, also in line with the needs of consumers who are increasingly attentive to sustainability issues, Poste Italiane is progressively adapting its products to regulatory requirements in the ESG area (sustainable investment products, responsible investment products, etc.).</p>



PANDEMIC RISK:

Negative effects on Poste Italiane’s business from the spread of new pandemics globally






MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>In an increasingly globalised world, the emergence or mutation of viruses and bacteria can have serious impacts on the macroeconomic environment, disrupting national economies and undermining the health of the population, with consequent impacts on business operations and consumer behaviour.</p> <p>Trend: Stable</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Strategic • Operational • Compliance • Reputational • Financial and Insurance • ESG <p>SBUs impacted:</p> <ul style="list-style-type: none"> • Mail, Parcels & Distribution • Payments and Mobile • Financial Services • Insurance <p>Pillars and material topics impacted:</p> <p>Innovation Innovation and digitisation of products, services and processes</p> <p>Creating value for the country Dialogue and transparency in relations with the authorities Support for the socio-economic development of local communities</p> <p>Customer experience Quality and customer experience</p> <p>People development Occupational health and safety Staff training and development.</p> <p>Capitals impacted:</p> <ul style="list-style-type: none"> Financial Human Physical-structural Social-relational Intellectual 	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Possible economic repercussions from a global recession, resulting in a reduction in consumption of the products offered by Poste and difficulties in dealing with recovery • Adoption of new work models, which can create greater exposure to cyber attacks and fraudulent use of data • Difficulties in the timely management of new pandemics and inability to guarantee business continuity in the provision of its services • Amplification and acceleration of the effects of the main existing or emerging risks (e.g., disruption of the supply chains needed to carry out Poste Italiane’s business activities and remote management of personnel) • Focusing attention on the development of the pandemic, with reputational impacts due to reduced commitment to ESG issues (e.g. reduction of environmental investments) <p>Opportunities:</p> <ul style="list-style-type: none"> • Increased efficiency and productivity due to the adoption of remote working models and digital solutions to support the business • Acceleration of the transition to digitisation, with a consequent increase in demand for the digital products offered by Poste Italiane • Increased business opportunities due to changes in consumer needs, based on meeting the needs determined by the effects of the pandemic on the evolution of the socio-economic context • Cost reduction (e.g. travel; property management) 	<p>The experience gained in the management of the health emergency resulting from the spread of Covid-19, has allowed the Group to develop operating methods that have significantly reduced the potential impact on business continuity (e.g. organisational measures to reshape operations for the branch network and logistics-postal activities; purchase of laptops and software to carry out activities in smart working mode; expansion and strengthening of tools for remote connection, managing travel). In particular, the Group has been actively involved in constantly monitoring the evolution of the virus, which has allowed proactive management of its effects, also in the long term, through investments in new technologies, in the security of IT infrastructures and in personnel training, making it possible to provide services in compliance with the security protocols necessary to combat the spread of Covid-19.</p> <p>The controls implemented during the pandemic may represent useful resources for the management of any future emergency conditions.</p> <p>In particular, the Covid-19 pandemic has fostered the implementation of business models based on an omnichannel strategy, forcing companies to adopt liquid and open operating models that combine technological innovation, data management at the service of the ecosystem, and digital and customer-oriented operations to successfully cope with sudden changes in the market. In fact, the omnichannel strategy has transformed Poste Italiane into a platform company, resilient to the pandemic and the financial upheavals produced by the war in Ukraine.</p> <p>With regard to the eventual management of new emergency measures and/or a new pandemic, the Group can leverage some specific strengths linked to the diversification of its activities, its multi-channel approach and the growth of its digital business, which ensure the service is also provided outside traditional Post Offices. The majority of the Group’s overall revenue will not be linked to short-term commercial activities and the business model of BancoPosta is capital light, not assuming credit risk.</p> <p>Moreover, the current pandemic has accelerated the Group’s digitalisation path, which has, therefore, not only developed digital products and services, sustainable over time, in the postal, insurance, financial and payment areas, but has also introduced new ways of selling and communicating with customers, such as the introduction of the customer care service intermediated by artificial intelligence via voice (voicebot) and chat (chatbot and appbot), with the aim of promoting a radical cultural, organisational and technological change in the assistance model, relieving operators of the most repetitive tasks, allowing them to dedicate themselves to activities requiring human intervention and to the management of more complex and emerging situations.</p> <p>While managing the health emergency, Poste Italiane focuses on pursuing sustainable development by continuing to invest in projects aimed at strengthening ESG initiatives, as highlighted in the Sustainability Strategy.</p>



TECHNOLOGICAL INNOVATIONS:

Adverse consequences for people, businesses and ecosystems due to the development of innovative technological solutions (e.g. digital inequalities, digital market concentration, etc.)






MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Digital transformation and technological advances have not only created a wide range of benefits for companies, but have also amplified the risks that need to be understood and managed. In particular, the development of technology is a process that generates impacts that move in a twofold direction: positive, for the innovations that allow to pursue more efficient and sustainable solutions; negative, for the consequences that robotics and data centers can have on the environment, in terms of polluting emissions and energy consumption.</p> <p>Moreover, in view of the activities carried out by Poste Italiane, it is necessary to consider that the e-substitution is drawing a new market perimeter, produced by the exceedance of the digital market (electronic communications) and the Parcels segment (especially due to the spread of e-commerce), as well as changes in the habits and behavioural patterns of the population.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> Operational Strategic Compliance Reputational <p>SBUs impacted:</p> <ul style="list-style-type: none"> Payments and Mobile Financial Services Insurance Services Mail, Parcels & Distribution <p>Pillars and material topics impacted:</p> <p> Innovation</p> <p>Innovation and digitisation of products, services and processes</p> <p> Creating value for the country</p> <p>Support for the socio-economic development of local communities</p> <p><i>Continued</i></p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> Inability to maintain attractiveness, due to the excessive digitisation of the products and services offered, towards part of Poste Italiane's traditional customers and/or potential target customers not reachable due to the digital divide Inadequacy of standard products for changing consumer needs Difficulty in responding in a timely manner to the digital drive in the sectors in which Poste Italiane operates Interruption of digital services provided by Poste Italiane <p>Opportunities:</p> <ul style="list-style-type: none"> Development of technology products in line with different consumers needs Development of new technologies to strengthen Poste Italiane's processes Greater ability than competitors to understand customer needs, also with reference to targets in the "digital divide" Increased demand for the products offered by Poste Italiane, thanks to customer confidence in its handling of privacy and sustainability issues 	<p>For Poste Italiane, innovation and digitalisation are two central drivers of strategic progress and enable it to guarantee its customers innovative technological solutions, also through the integration of its own products and services with those of third parties.</p> <p>Poste Italiane has embarked on a digitalisation process that has influenced both its offer and business processes through the evolution of its omnichannel distribution model, which allows the Company to deliver services in an agile manner and in step with needs of customers.</p> <p>Through a digitalisation of services, Poste Italiane intends to make integrated digital solutions available.</p> <p>Communication channels with customers are also constantly evolving, which has led to the development of Artificial Intelligence solutions. These solutions have several positive impacts for both customers and the Company, as they allow for a 24-hour customer service 365 days a year, which contributes to bringing part of the population closer to and familiarising them with advanced technological systems.</p> <p>Among the actions aimed at reducing the digital divide, in recent years, Poste Italiane has undertaken a path of digital education of citizens, carried out through the organisation of several training sessions with the aim of providing a valuable contribution to the digitisation of Italy and by expanding the dedicated section of the website with video clips, games, infographics, podcasts and a glossary.</p> <p>Through the programme, the Group has adopted a highly inclusive approach in order to facilitate and simplify the use of new technologies to all its customers and beyond.</p> <p>Poste Italiane set up the "Smart Letter Box" project to renovate classic letter boxes and equip them with IoT technologies and sensors. In addition to sensors for detecting mail, Poste Italiane's new Smart Letter Boxes have been equipped with sensors capable of detecting certain parameters such as temperature, humidity, atmospheric pressure, particulate matter and nitrogen dioxide. In 2022, more than 400 Smart Letter Boxes were installed throughout Italy, including 300 in small municipalities.</p> <p><i>Continued</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p> Customer experience</p> <p>Quality and customer experience CyberSecurity, IT Security and Privacy.</p> <p>Capitals impacted:</p> <ul style="list-style-type: none">  Financial  Physical-structural  Social-relational  Intellectual 		<p><i>Continued</i></p> <p>The Group has identified human capital as a vital resource for innovation. This is why, in addition to continuing its policy of open innovation and inorganic growth by acquiring or taking majority stakes in some of the most innovative companies and start-ups, it is also implementing a policy of “reshoring”, hiring and bringing back home several “brains” that had emigrated for work. In this way, the Company contributes to the digitalisation and modernisation of the country and combines the virtualisation of services with a constant and qualified presence on the territory.</p> <p>Moreover, with the new Polis Project, Poste Italiane intends to foster the economic, social and territorial cohesion of the country and overcome the digital divide in small towns and inland areas, making a widespread, concrete and resilient contribution to the missions aimed at digitising the country and ensuring greater social inclusion and cohesion. In particular, the creation of an innovative technological infrastructure for the provision of services to citizens and the accompaniment of PA, citizens and businesses in the adoption of the necessary digital skills, reducing the gaps that exist today, offer the tools to compete globally and boost the local economy.</p> <p>The Polis Project, SPID, the launch of fibre connection services and the entry into the energy market show how Poste Italiane is a facilitator of the country’s technological transformation.</p>



CYBER RISK:

Risk of incurring economic/financial losses and/or reputational damage as a result of the occurrence of accidental events or malicious actions relating to the security of the information system (hardware, software, databases, sensitive data, etc.), also in view of the constant increase in the use of information systems.




MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The technological evolution of the business and the wider use of innovative digital solutions, requires increasing attention to the aspects of cybersecurity. Attacks on IT systems can compromise IT infrastructure, allowing company and customer data to be stolen or used, or malware to be planted, in order to access company funds and/or damage the reputation and brand.</p> <p>The increasing demand for personal identification and authentication, including through the use of biometric identifiers, may increase the risk of fraud and identity theft.</p> <p>Trend: Increasing</p> <p>Risk impacted:</p> <ul style="list-style-type: none"> Operational Strategic Compliance Reputational <p>SBUs impacted:</p> <ul style="list-style-type: none"> Payments and Mobile Financial Services Insurance Services Mail, Parcels & Distribution <p>Pillars and material topics impacted:</p> <p> Customer experience</p> <p>CyberSecurity, IT Security and Privacy</p> <p>Capitals impacted:</p> <ul style="list-style-type: none">  Financial  Physical-structural  Social-relational  Intellectual 	<p>Negative impacts:</p> <ul style="list-style-type: none"> Removal of sensitive information for Poste Italiane, with economic, reputational and compliance impacts (e.g. removal of biometric data of customers acquired for the management of payment systems) Service disruptions caused by attacks on information systems and/or communication networks Deletion or deterioration of data <p>Opportunities:</p> <ul style="list-style-type: none"> Higher IT infrastructure security levels than competitors Increased customer confidence in the robustness of Poste Italiane's IT structure to protect sensitive data Increased efficiency and productivity due to the adoption of tools to guard against cyber attacks 	<p>Poste Italiane is committed to protecting company data with the aim of safeguarding its customers and all its stakeholders through technologically advanced protection systems and in accordance with the measures set out in the relevant regulations.</p> <p>The function responsible for IT security assesses the cyber risk on a monthly basis, based on technical security checks conducted on three applications:</p> <ul style="list-style-type: none"> Vulnerability Assessment: process identifying, measuring and prioritising the vulnerabilities of a system, carried out twice a year on each application using appropriate tools; Code Review (Static and Dynamic): process of checking the source code of an application to verify that the correct security controls are in place and that they are working as intended. By means of special tools, the verification is carried out of both the source code ("Static CR") and of the code in execution ("Dynamic CR"); Penetration Test: process of evaluating the security of a system or a network through the simulation of attacks that aim to gain undue access to the system, performed on a specific perimeter of applications. <p>These precautionary measures combine with other two essential parameters to ensure effective and efficient management of potential IT risks in the Company: patching and hardening.</p> <p>Poste Italiane has also undertaken a series of additional initiatives:</p> <ul style="list-style-type: none"> developed Security Planning, defining and implementing a methodology for planning technical security audits deriving from regulatory/contractual requirements and from the Security By Design process; extended the scope of Cyber Risk analysis to include BancoPosta, PostePay, PosteVita, Poste Assicura, Poste Welfare Servizi and other compliance/security areas; set up the Information Security Committee - DTO, a periodic working table between the Information Security and Digital, Technology & Operations functions with the aim of jointly planning and directing security activities and identifying areas for improvement. <p>In relation to the Russian-Ukrainian crisis, Poste Italiane has raised the levels of monitoring and attention to security events and strengthened cyber intelligence activities, in order to prevent and/or intercept potential cyber attacks against the Group. In addition, several training initiatives were launched for internal staff in order to minimise human factor risks and their impacts.</p> <p><i>Continued</i></p>







MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
		<p><i>Continued</i></p> <p>In the area of cybersecurity, Poste Italiane has obtained the following certifications:</p> <ul style="list-style-type: none"> • ISO/IEC 27001/2013, standard for establishing and managing an information security management system. The standard also includes the requirements for assessing and dealing with IT security risks, which are customised according to the needs of each organisation. • ISO 2000-1/2018, the international standard for IT Service Management, focusing on the quality of these services. It is based on risk management, with the aim of minimising the risks associated with increasingly harsh customer reactions in situations of “discrepancy” with their expectations, needs and requirements, including incident management, requests, continuity, accessibility, service level, service catalogue and service capacity. <p>In order to guarantee Group-wide supervision of cyberSecurity and data protection activities, and to actively combat cybercrime, in 2021, Poste Italiane set up CERT (Computer Emergency Response Team). The team is made up of IT security experts who carry out their duties by operating in real time 24 hours a day to prevent risks, manage IT incidents affecting company systems and develop actions in response to cyber events, reinforcing in this way the defence capability of the entire Company. Moreover, Poste Italiane collaborates with CNAIPIC (National Centre Against Cybercrime for the Protection of Critical Infrastructure) of the Postal Police.</p> <p>In order to ensure adequate levels of confidentiality, integrity and availability of data, information and services provided to customers, Poste Italiane has also developed and adopted a specific Privacy framework. The Privacy function ensures a single Group-wide oversight for all responsibilities related to privacy issues and oversees the development of the framework. Poste Italiane envisages the figure of the Data Protection Officer, as a privacy expert who assumes responsibility for observing, evaluating and directing the management of personal data processing, in accordance with GDPR. The Privacy Service Centre operates within this function and is in charge of representing a single point of reference on privacy matters for customers, as well as of collecting and managing in an efficient and centralised manner all requests received from them.</p>



CLIMATE CHANGE:

Possible negative impacts of climate change phenomena on Poste Italiane's business and reputation







MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>In the coming decades, a rise in average temperatures of 3 degrees Celsius compared to pre-industrial times could trigger disastrous chain effects. The combat against climate change, therefore, is not an option but a must. It is therefore necessary to consider these aspects when defining the strategies and operational activities of companies.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Reputational • Operational • Strategic • Compliance <p>SBUs impacted:</p> <ul style="list-style-type: none"> • Mail, Parcels & Distribution • Payments and Mobile • Financial Services • Insurance Services <p>Pillars and material topics impacted:</p> <p> Creating value for the country</p> <p>Dialogue and transparency with the authorities; Support for the socio-economic development of local communities.</p> <p> Green transition</p> <p>Environmental impacts of logistics Environmental impacts of real estate facilities.</p> <p> Sustainable finance</p> <p>Integration of ESG factors into investment policies Integration of ESG factors into insurance policies.</p> <p><i>Continued</i></p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Restrictions on Poste Italiane's business operations due to extreme weather conditions • Inadequacy of the products and services offered with respect to the demands of consumers increasingly driven by sustainability issues <p>Opportunities:</p> <ul style="list-style-type: none"> • Increased business opportunities due to changes in consumer needs (e.g. development of low-emission services; development of investment and insurance products for climate adaptation) • Possible access to new markets and new customer segments requiring insurance coverage • Advantages deriving from the greater reliability of the supply chain and Poste Italiane's improved ability to operate in various conditions compared to its competitors 	<p>Poste Italiane analyses, among others, the risks related to climate change also in relation to the long term. Specifically, the risk management model adopted by the Group considers both the possible impacts that climate change-related phenomena may have on the business of Poste Italiane (indirect impact) and those that Company's activities may have on climate (direct impact).</p> <p>The process of identifying and assessing risks and environmental management methods also extends to counterparties, impacting the procurement processes and any extraordinary finance transactions, providing, among other things, for the identification of suppliers and partners that may present risks related to environmental protection, also through a multi-dimensional analysis that takes into account parameters such as: possession of environmental, quality and energy performance certifications and adoption of environmental management systems, ethical standards of conduct and Minimum Environmental Criteria (MEC).</p> <p>In order to classify climate-related risks and opportunities, Poste Italiane takes different drivers into consideration referring to two macro-areas (transition and physical risks). In addition to defining the associated opportunities, the Group provides for specific mitigation measures to respond to the risks identified and associated with each driver. Poste Italiane defined a perimeter in the risk assessment process that takes into consideration not only direct activities, but also downstream and upstream operations, including customers in the final analysis, given that they are the main beneficiaries of Group products.</p> <p>The correct identification and assessment of climate-related risks and opportunities is also ensured by listening to stakeholders. They are periodically involved in the Multi-stakeholder Forums organised by Poste Italiane and have a reporting system that allows them to bring any perceived risks to the attention of the Company.</p> <p>With reference to physical risks, such as extreme weather events and changes in rainfall trends, Poste Italiane has adopted a continuity business plans and measures aimed at preventing physical damage to structures, to ensure business continuity. In addition, for the coordination of emergency and recovery activities, the Group maintains a dialogue with institutions (e.g. Civil Protection, Civil Defence) as well as interfacing with relevant bodies and international protection and defence organisations (e.g. participation in drills or other initiatives, etc.).</p> <p>Furthermore, with regard to Poste Italiane's direct impacts, and considering its widespread presence within the country and consequent environmental impact resulting from carrying out its normal activities, Poste Italiane adopts a responsible approach aimed at reducing its environmental footprint and contributing to the country and economy's low-carbon .</p> <p><i>Continued</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p>Capitali impattati:</p> <ul style="list-style-type: none">  Financial  Human  Natural  Physical-structural  Social-relational  Intellectual 		<p><i>Continued</i></p> <p>In line with its decarbonisation strategy and in implementation of the guidelines for the exercise of voting rights and engagement activities and for investment in sensitive sectors, Poste Italiane, through its subsidiaries Poste Vita and BancoPosta Fondi SGR, has joined Climate Action 100+, an international collaborative engagement initiative to raise awareness of climate change issues among the world's largest greenhouse gas emitters.</p> <p>The portfolios of BancoPosta Fondi SGR and Poste Vita are periodically subjected to ESG analysis to assess their degree of social responsibility, and carbon footprint, with the aim of mitigating any risks. The results obtained both for BancoPosta Fondi SGR and Poste Vita, are higher than the ESG performance of reference benchmarks.</p> <p>As part of the Poste Italiane Group's strategy for pursuing its Sustainability objectives, the integration of ESG principles into its investment processes is also of particular importance, with investments in sectors that contribute to the Sustainable Development Goals ("SDGs") (e.g. investments in bonds in the "Green", "Social" and "Sustainable" categories in line with the standards and principles defined by the International Capital Market Association).</p> <p>Poste Italiane, in accordance with the main regulatory trends and in response to the growing requests from the financial community and the main stakeholders, reports information regarding climate change on the basis of the areas defined by the TCFD: Governance, Strategy, Risk Management, Metrics and Objectives. For further details, reference is made to the paragraph "<i>managing climate change related risks and opportunities</i>".</p> <p>In order to reduce the direct impact that Poste Italiane's activities may have on climate, the Group is making constant progress in using energy sources that do not use fossil fuels (e.g. solar energy from photovoltaic panels on buildings) and in reducing energy consumption (e.g. replacing neon lights and using LEDs), partly in order to deal with potential sudden changes in energy prices (already 99% of the Poste Italiane Group's electricity needs come from renewable sources).</p> <p>Among other things, in line with having subscribed to the Paris Agreement and the New Green Deal, Poste Italiane has committed to reducing its emissions by 30% by 2025 and has set itself the ambitious goal of making its contribution to achieving the international carbon neutrality objectives by 2030, well ahead of the timeframe defined by the European Union.</p>



EVOLUTION OF THE PAYMENT SYSTEM:








Negative change in consumer purchasing behaviour for Poste Italiane in relation to the payment instruments to be used (e.g. cryptocurrencies, fintech, etc.) also due to the introduction of new payment methods.

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Internet access and the use of electronic payments is spreading worldwide. Consumers who shop on-line are also looking across borders for the products and services they want, and are developing new habits and needs geared towards the use of electronic payment solutions.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> Operational Strategic Reputational Compliance <p>SBU's impacted:</p> <ul style="list-style-type: none"> Pagamenti e Mobile <p>Pillars and material topics impacted:</p> <p> Innovation Innovation and digitisation of products, services and processes</p> <p> Customer experience Quality and customer experience</p> <p>Capitals impacted:</p> <ul style="list-style-type: none">  Financial  Physical-structural  Social-relational  Intellectual 	<p>Negative impacts:</p> <ul style="list-style-type: none"> Poste Italiane's untimely response to emerging payment trends resulting in loss of market share Inability to maintain attractiveness to traditional customers, potentially more averse to digital channels, for Poste Italiane's electronic payment services Increase in Poste Italiane's competitors in the payments sector (e.g. organisations introducing new payment systems) <p>Opportunities:</p> <ul style="list-style-type: none"> Adoption of strategies to increasingly personalise the offer of payment services Adoption of new technologies that can be extended to the current customer target of Poste Italiane Segmentation and differentiation of the offer, through the expansion of Poste Italiane's customer target (e.g. young people) Creation of a specific offer for Poste Italiane's digitally evolved customers Launch of new products (e.g. platforms and instruments for cryptocurrency payments) 	<p>In order to provide new payment solutions and respond to the changing needs of its customers, Poste Italiane is developing new digital payment services, intercepting and driving customer habits in the context of digital transformation, through the creation of innovative products and services that simplify everyday life, such as:</p> <ul style="list-style-type: none"> Postepay Connect, first integrated payment and mobile product that allows managing, through a single app, telephony and payment services in an intuitive and secure way; Postepay app, the e-wallet that allows paying for purchases directly with a smartphone in all stores that accept contactless payments, thanks to the recent introduction of the Google Pay service in the app; Codice Postepay, an app that allows buying in stores using a QR Code and getting discounts and benefits at affiliated partners. During the year, the user experience of the Code payment mode was evolved through the launch of "QR Code Web", the solution that allows the cardholder to frame the automatically generated QR code on the payment page, without additional clicks. Collaboration agreements with start-ups for the development of innovative solutions in the financial services and payments area; With a view to expanding its services, PostePay Spa has made available the possibility of making contactless payments also to customers with iPhones, Apple Watch, iPads and Macs via Apple Pay, giving them the option of adding their Postepay card, whether prepaid or debit card associated with their BancoPosta current account, to the Apple wallet.



MOBILITY REVOLUTION:

Need to review business models and delivery operations due to the introduction of new mobility models, technological evolution of vehicles, sharing mobility.










MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The transport sector is undergoing significant transformation, driven primarily by technological innovations and the impact from digital on the habits, needs and preferences in terms of mobility of passengers and companies.</p> <p>In addition, the shift towards more sustainable modes of transport, the control of polluting emissions, the environmental Sustainability of major works are issues that increasingly guide the preferences of citizens and the choices of transport operators.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> Operational Reputational Compliance <p>SBUs impacted:</p> <ul style="list-style-type: none"> Mail, Parcels & Distribution <p>Pillars and material topics impacted:</p> <p> Integrity and transparency</p> <p>Legality and incorporation of ESG criteria within the procurement processes</p> <p> Creating value for the country</p> <p>Support for the socio-economic development of local communities</p> <p> Green transition</p> <p>Environmental impacts of logistics</p> <p>Capitals impacted:</p> <ul style="list-style-type: none">  Financial  Human  Natural  Physical-structural  Social-relational 	<p>Negative impacts:</p> <ul style="list-style-type: none"> Restrictions on Poste Italiane's operations, with particular reference to deliveries, due to traffic restrictions (e.g. restrictions on polluting vehicles) Limited availability of "green" vehicles suitable for carrying out Poste Italiane's logistics and delivery activities Negative impacts on the environment and on Poste Italiane's reputation due to the use of polluting vehicles <p>Opportunities:</p> <ul style="list-style-type: none"> Reduce the Group's total energy consumption from non-renewable sources (e.g. fossil fuels) Reduction of emissions related to the use of the vehicles that make up the company fleet Leaner and more efficient management of operations Cost reduction 	<p>Poste Italiane, aware that the vehicles used to carry out its logistics and delivery activities do not lend themselves to any type of optimisation, has been replacing them with equivalent electric-powered vehicles in recent years, improving its fleet in order to reduce atmospheric pollution. Among companies in the utility sector, Poste Italiane has one of the largest fleets of 100% electric commercial vehicles in the country.</p> <p>During the year, Poste Italiane continued to implement sustainability initiatives, with particular reference to reducing the environmental impact of the corporate fleet, through the use of additional alternative fuel vehicles (electric, methane and LPG).</p> <p>The Fleet Renewal Plan, which had already been activated in 2019 with the aim of replacing the entire fleet of vehicles used for the delivery of postal products with green vehicles, was continued in 2022 through measures to reduce energy consumption, lower atmospheric emissions, increase safety and increase load capacity for delivery. Poste Italiane demonstrated its commitment to pursuing the plan for the complete renewal of its vehicle fleet, increasing the green component of the fleet itself, through the introduction of electric and hybrid cars and motorbikes in line with ESG targets of a 40% reduction in emissions. The results of this policy are evident, as the Company has gone from 11% green vehicles in 2016 to 37% in 2022, more than doubling this percentage by 2021, with the aim of replacing the entire company fleet with low-emission vehicles by 2024, resulting in a CO₂ reduction equal to that of around 80,000 trees.</p> <p>In 2022, Poste Italiane completed the fleet of about 2,000 electric cars and purchased 40 dual-socket columns for recharging electric vans, with further installation planned for 2023. The green fleet reached 37% of the total Poste Italiane fleet in 2022.</p> <p>Over the next few years, as part of the objectives defined in the strategic plan, Poste Italiane aims to replace the entire vehicle fleet with 27,800 new-generation green vehicles with reduced environmental impact equipped with electric, hybrid, and endothermic propulsion, achieving a 40% reduction in polluting emissions.</p> <p>As regards the purchase of logistics services, Poste Italiane maintains conduct consistent with sustainability issues, selecting and rewarding suppliers in line with the environmental, social and governance issues that the Poste Italiane Group promotes. In particular, the Company verifies the technical and professional suitability of its suppliers by requesting, for qualification purposes, the possession of specific requirements, including composition and type of vehicles in the fleet.</p>



EVOLUTION OF CONSUMER BEHAVIOUR AS A FUNCTION OF THE MACRO-ECONOMIC SCENARIO AND CHANGES IN PURCHASING PREFERENCES:

Changes in consumer purchasing habits as a function of the macro-economic scenario as well as customer needs and expectations, requiring the ability to grasp these changes in a short timeframe and respond through operational and production adaptations, even profound ones.

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Purchasing logic and habits are continually changing and so too are consumers' needs and requirements: extending the range of product and service offerings to the market and making these immediately accessible thanks to technological innovation, requires companies to make a greater effort in securing customer loyalty and responding to their changing needs in terms of preferences and product experiences.</p> <p>In addition, the current macro-economic context - characterised by high instability, volatility and persistent inflation - affects consumers' purchasing power and investment choices (e.g. as a function of market rates).</p> <p>In particular, we are witnessing a radical change whereby the moment of purchase is no longer limited solely to the evaluation, choice and eventual acquisition of a product or service on the basis of its characteristics and price, but is increasingly seen as a true experience, in which the consumer is personally involved. Furthermore, consumers are increasingly paying attention to social and environmental issues in their purchasing decisions and are willing to pay a premium for the sustainability of the products and services they buy.</p> <p>In a constantly evolving scenario, permeated by mobile devices, social networking platforms, e-commerce and multichannel, it is necessary for companies to establish relationships of trust and complicity with their customers, in order to intercept any change in needs and behaviour of the latter.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Strategic • Operational <p><i>Continued</i></p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Loss of customers due to Poste Italiane's failure to adapt its products/services to customer needs • Difficulty in developing reliable forecasting models that allow the Group to predict market developments • Reduction in purchasing power and change in consumers' investment choices that could have negative effects on Poste Italiane's margins and liquidity, as well as on the attractiveness of the products offered <p>Opportunities:</p> <ul style="list-style-type: none"> • Adoption of new technologies to speed up and simplify access to Poste Italiane's products/services • Increased business opportunities due to changes in consumer needs, including through the adoption of strategies of increasing customisation of the offer • Greater ability than competitors to understand customers' needs • Development of socially and environmentally oriented products and services 	<p>Poste Italiane pays particular attention to the quality of the products and services offered with a view to constantly improving the satisfaction of its customers, and is committed to respecting the time and manner in which activities are carried out (service level and performance). In this sense, it guarantees the confidentiality of the data it holds, the protection of intellectual property and effective management system for IT security and cybersecurity.</p> <p>The Company conducts dual-level monitoring, considering both the quality provided and the quality perceived. Specifically, there is a system of KPIs, based on individual business units, which constantly monitors the objectives and service performance provided, and provides management with improvements and trends in periodic reports. In order to initiate the "connection" between customer evaluations, operational performance and competitor results, Poste Italiane pursued the development of connected experiences with greater intensity. Through the evolution of the target setting methodology, Poste Italiane identifies the relevant components with respect to each macro area of the Group to be considered in the Customer experience measurements in order to cover all significant interactions with customers. Moreover, considering the increasingly integrated and central role of Poste Italiane's Partners in the definition and development of the various service components, a structured project was launched to listen to Partners and customers of third-party networks, in line with the Group's perceived quality model.</p> <p>To simplify processes, streamline administrative workflows and improve submission times of administrative documents to Public Administration, Poste Italiane has developed a new service, "Poste in Pratica", aimed at Public Administration and citizens for submitting, checking, digitalising and sending administrative documents.</p> <p>In addition, to improve the Customer experience and quality of the service provided, Poste Italiane uses listening methods to identify the most important actions to be implemented. Specifically, Poste Italiane analyses verbatim accounts – spontaneous feedback from customers regarding critical areas collected during the customer journey with the products and services offered, which are then translated into a Net Promoter Score, a measurement of satisfaction that asks customers whether they would recommend the Company's products or services to somebody else.</p> <p><i>Continued</i></p>



MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p>SBUs impacted:</p> <ul style="list-style-type: none"> • Insurance Services • Mail, Parcels & Distribution • Payments and Mobile • Financial Services <p>Pillars and material topics impacted:</p> <p> Innovation Innovation and digitisation of products, services and processes</p> <p> Customer experience Quality and customer experience CyberSecurity, IT Security and Privacy.</p> <p> Sustainable finance Integration of ESG factors into investment policies; Integration of ESG factors into insurance policies.</p> <p>Capitals impacted:</p> <ul style="list-style-type: none">  Financial  Human  Natural  Physical-structural  Social-relational  Intellectual 		<p><i>Continued</i></p> <p>The continuous listening process is guaranteed by the Customer Feedback Management service, which allows customers to be sent surveys relating to perceived quality, quickly making the answers obtained available to the competent structures and highlighting the most recurring issues highlighted by customers. In addition, the activities of the Quality and CX (Customer experience) Task Force continued, dedicated to analysing and listening to customer opinions in real time, with the aim of triggering rapid and selective action in respect of the evidence emerging from the continuous dialogue with customers and the front line. With specific reference to the commercial business channels, continuous front line listening was activated so that Large Accounts and SME/POE Accounts have an always active survey through which they can report areas of improvement related to sales activity and post-sales customer management.</p> <p>Poste Italiane has equipped itself with a Web Opinion Monitoring (WOM) Service, through which it collects and analyses data from the desired sources of interest, such as social networks, App stores, reviews of Post Offices on Google Maps, public on-line information sources, blogs, forums, in order to generate real-time reporting on all topics of interest. The service responds to the needs of different member structures and consolidates in a single solution the services used by the various functions of Poste Italiane and Group companies. The areas for improvement that have emerged in relation to customer feedback constitute an important stimulus for process assessment and revision activities, together with the support activities functional to maintaining quality certifications and those identified by the “inter-functional communities”.</p> <p>Through the digital channel management area, which was activated in 2020 to enable continuous improvement of experience KPIs from both customer listening and external source analysis, more than 700 interventions have been carried out to date. These interventions positively affected the CES and rating app KPIs measured on the channels</p> <p><i>Continued</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
		<p><i>Continued</i></p> <p>Poste Italiane also attaches fundamental importance to discussions with Consumer Associations, adopting an approach oriented towards constructive and transparent confrontation between the parties. To this end, the “Cantiere Consumatori” (a permanent working and consultation group consisting of a single representative of each association and representatives of the Group) was set up. In the course of the experience with the Cantiere, many successful initiatives were created, such as the newsletter “Dialogando con i consumatori” (Dialogue with Consumers), which provides information on the main news in the world of Poste Italiane and acts as a driving force for new insights and recommendations.</p> <p>In addition to distinguishing itself through a diversified business structure that allows it to benefit from a constant physiological balancing effect between the trends affecting its businesses, the Group has historically demonstrated resilience in times of economic uncertainty and financial turbulence, indeed establishing itself as a “safe haven” for savers, thanks to a portfolio of financial offerings characterised by products with low risk exposure and volatility.</p> <p>In response to growing consumer awareness of environmental issues, the range of BancoPosta and Poste Vita investment products has been increased, with investments oriented towards assets with strong sustainability characteristics.</p> <p>As far as the evolution of the range is concerned, BancoPosta Fondi SGR’s objective is to carry out over time a gradual transformation of the existing funds as well, integrating environmental, social and governance sustainability criteria into the investment policy of each.</p> <p>Poste Italiane continued its efforts to expand its proposal of financial products that promote environmental or social characteristics, with a view to channelling an ever-increasing amount of capital in favour of sustainable development and meeting the demands of savers and investors attentive to the creation of positive social-environmental value through the investment products they subscribe to. This commitment was shared by both BancoPosta Fondi SGR and Poste Vita, which, with reference to its range of insurance investment products, finalised the configuration and launch of a product with a strengthened profile in terms of ESG integration in its investment activities.</p>

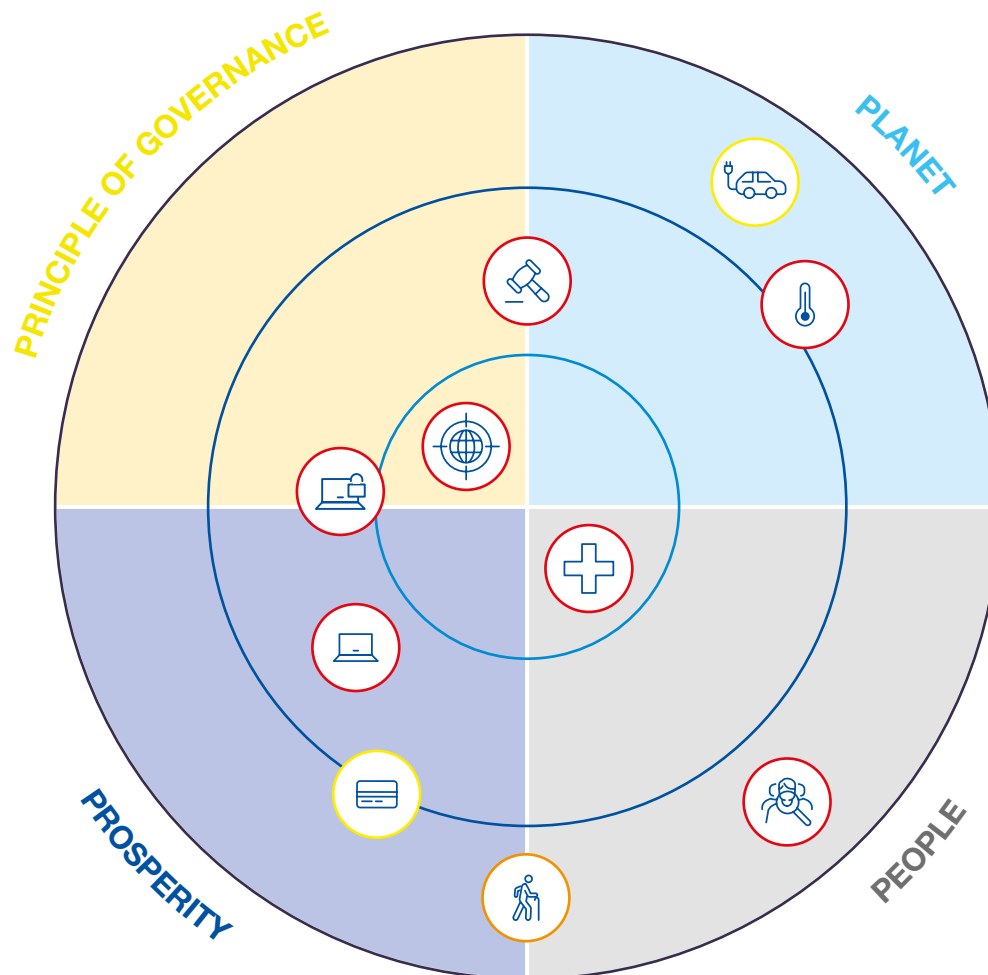


GEOPOLITICAL INSTABILITY:


Possible negative impacts on Poste Italiane's business due to geopolitical tensions and international conflicts and related escalations.

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The geopolitical context, characterised by phenomena such as the return to protectionism, military conflicts, large-scale migrations, increased perception of social inequality and populism, is provoking extremist movements and potentially endangering international cooperation, which could lead - according to the most extreme scenarios - to military (also in light of the conflict in Ukraine) biological, chemical, cyber and/or physical attacks.</p> <p>The current geopolitical context has had major impacts on the macro-economic context, putting pressure on global supply chains and commodity markets and fuelling inflationary dynamics on a global scale. In the major advanced economies, the slowdown in economic activity is attributable to weakening demand and the start of a cycle of tightening monetary policies adopted by the major central banks to counter rising inflationary pressures. .</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Strategic • Operational <p>SBU's impacted:</p> <ul style="list-style-type: none"> • Insurance Services • Payments and Mobile • Financial Services <p>Pillars and material topics impacted:</p> <p> Integrity and transparency</p> <p>Working with integrity and transparency</p> <p>Capitals impacted:</p> <p> Social-relational</p>	<p>Negative impacts:</p> <ul style="list-style-type: none"> • Difficulty in developing reliable forecasting models that allow the Group to predict market developments • Increased raw material costs and procurement difficulties (e.g. oil, gas) • Business activities being suspended in areas involved in the conflict (e.g. international shipments stopped) and/or restrictions on international trade relations (e.g. Trade Compliance bans) • Substantial changes to aggregated market demand due to possible price inflation, making forecasts in company strategic plans less remunerative • Poor company liquidity due to difficulties in securing credit lines or it becoming impossible to utilise existing loans <p>Opportunities:</p> <ul style="list-style-type: none"> • Acceleration in the energy transition 	<p>Poste Italiane continually monitors the political, social and macro-economic context and regulatory aspects that could impact on its business, so as to identify and prioritise the response measures to be undertaken based on the different macro-economic scenarios and geopolitical projections.</p> <p>In particular, as part of the Integrated Compliance process, Poste Italiane continuously monitors the external regulations relevant to the Group and translates all the regulatory principles into the body of rules necessary to guarantee their application, also with reference to legislation applicable to international trade relations.</p> <p>In addition, Poste Italiane carries out checks on counterparties in order to assess their legal, technical and professional requirements, financial stability and identify variables with an impact on revenue and costs, also in consideration of geopolitical scenarios.</p>

Below are represented the emerging risks that have potential impacts on Poste Italiane's business, divided in accordance with the common metrics defined by the WEF in relation to the achievement of the SDGs, with reference to the time horizon in which the most significant effects of these risks are expected to manifest (now, near future, distant future), as well as according to the potential pervasiveness of the impact of these effects with respect to individual SBUs (high, medium-high and medium-low).



Time horizon legend

 Now (0-3 years)

 Near Future (3-10 years)

 Distant Future (10-20 years)

Impact legend

 High

 Medium-High

 Medium-Low



Evolution of consumer behavior

- Pillars >
- of Capital >



Regulatory amendments

- Pillars >
- of Capital >



Pandemic risk

- Pillars >
- of Capital >



Technological innovation

- Pillars >
- of Capital >



Cyber risk

- Pillars >
- of Capital >



Climate change

- Pillars >
- of Capital >



Population ageing

- Pillars >
- of Capital >



Evolution of the payment system

- Pillars >
- of Capital >



Mobility revolution

- Pillars >
- of Capital >



Geopolitical instability

- Pillars >
- of Capital >



Principle of Governance



- The responsibility of a company to define a purpose within its strategies and operations that integrates social, economic and environmental issues
- Management objectives
 - Quality of governing bodies
 - Stakeholder Engagement
 - Ethical behaviour
 - Monitoring risks and opportunities



Planet



- The role of a company in protecting the planet, to support the needs of current and future generations
- Climate change
 - Environmental damage
 - Water availability
 - Air and water pollution
 - Waste
 - Availability of resources



Prosperity



- Role of the company in promoting economic, technological and social progress for the community
- Employment and wealth creation
 - Innovation and creation of new products and services
 - Community and social momentum



People



- A company' responsibility toward its employees in creating inclusive, safe workplaces
- Dignity and equality
 - health and well-being
 - Skills development

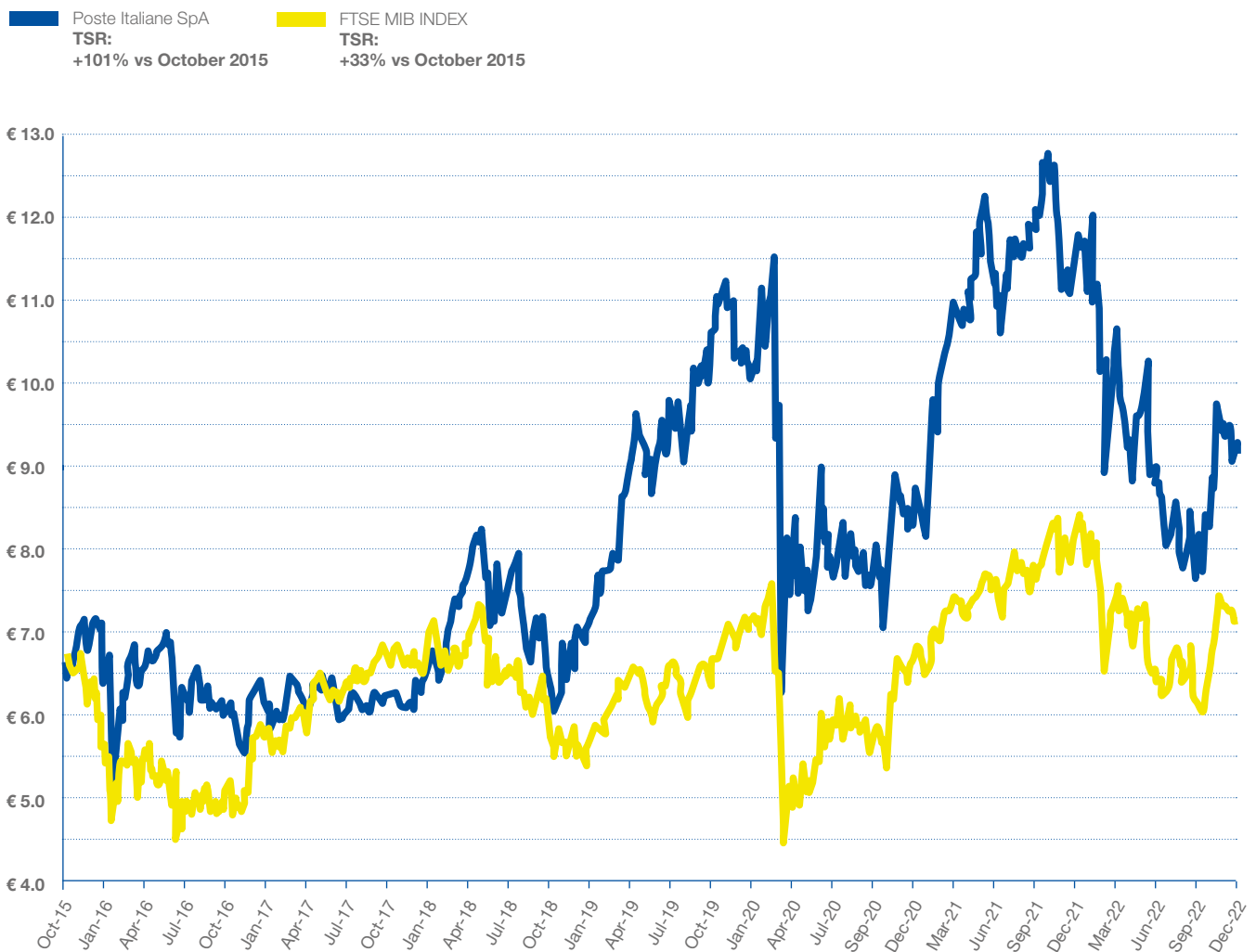
7. Creation of Value

- Performance of Poste Italiane Shares
- Impacts resulting from the Russian-Ukrainian Conflict
- Group Operating Results
 - Mail, Parcels and Distribution Strategic Business Unit
 - Financial Services Strategic Business Unit
 - Insurance Services Strategic Business Unit
 - Payments And Mobile Strategic Business Unit
- Digital and third-party networks in the Group's Omnichannel Strategy
- Group Capital Management Framework
- Group Financial Position and Cash Flow
- Performance of Poste Italiane SpA and Report on operations of BancoPosta RFC
- The ESG value (Environmental, Social and Governance)
- Integrity and transparency
- People development
- Diversity and inclusion
- Creating value for the country
- Green transition
- Customer experience
- Innovation
- Sustainable finance
- Indicators tables

< 7.1 Performance of Poste Italiane shares


The value of the Poste Italiane's share over the course of 2022 fell by 22.03%, from €11.705 at the start of the year to €9.126 at the end of December. Over the same period, the FTSEMIB decreased 14.51%.

From the date of listing on the stock exchange (27 October 2015) to the end of 2022, Poste Italiane's share price increased by 35.2% (while the FTSEMIB index increased by 4.8%), guaranteeing an overall return for shareholders (TSR) of +101% while the main Italian stock exchange index recorded an increase of 33%.



The table below shows the main information on the stock and on the Company's dividend policy as well as the relative performance recorded during the period compared to previous periods.

DPS +10%
DPS Growth 2022

Share KPIs	FY 2022	FY 2021	FY 2020	FY 2019
Closing price at the end of the period (€)	9.126	11.540	8.320	10.120
Minimum price of the period (€)	7.658	8.076	6.144	6.970
	29/09/2022	29/01/2021	(12/03/2020)	(02/01/2019)
Maximum price of the period (€)	11.940	12.675	11.510	11.205
	03/02/2022	26/10/2021	(19/02/2020)	(12/11/2019)
Average price of the period (€)	9.373	10.996	8.364	9.292
Stock exchange capitalisation  at the end of the period (€m)	11,920	15,072	10,867	13,218
TSR of the period (%)	(15.42)	44.83	(13.03)	53.94
TSR FTSE MIB of the period (%)	(9.36)	26.81	(3.34)	33.80
Earnings per share (€)	1.163	1.214	0.927	1.032
Dividend per share (€)	0.650	0.590	0.486	0.463
Payout ratio (%)*	56	56	52	45
Dividend Yield (%)**	6.9	5.1	5.8	4.6

Source: Bloomberg.

* Calculated as the ratio of the total dividend and the Group's net profit. The 2021 payout ratio is calculated net of the income from the revaluation in SIA of €0.2 billion.

** Calculated as the ratio of DPS to the share price at the end of the period.

€273 million
the 2022 interim dividend

On 9 November 2022, Poste Italiane's Board of Directors, in light of the financial position and results of operations of Poste Italiane SpA at 30 June 2022, the performance for the following months, the business outlook and the related expected economic prospects at 31 December 2022, and in line with the Group's dividend policy, resolved to bring forward, as an interim dividend, part of the ordinary dividend for 2022. To this end, the Company has prepared a Report and Financial Statements pursuant to article 2433-bis of the Italian Civil Code, which show that the Company's financial position, results of operations and cash flows allow such distribution. The opinion of the independent auditors was obtained on these documents. The interim dividend of €0.210 per share, gross of any legal withholding taxes, was paid with effect from 23 November 2022, with "ex-dividend date" of coupon no. 11 coinciding with 21 November 2022 and record date (i.e. the date on which the dividend was entitled to be paid) coinciding with 22 November 2022.

Based on the number of shares outstanding at 9 November 2022, which amounted to 1,298,574,009, the total amount of the interim dividend was €273 million.

< 7.2 Impacts resulting from the Russian-Ukrainian Conflict

Following the recommendations issued by ESMA in the course of the year⁸³, an update to 31 December 2022 of the main effects on the Group of the crisis in Ukraine is provided below; for a complete review, please also refer to the information provided in the section "Outlook" and in Chapter 3 "Materia events during the year" of the section "Poste Italiane's financial statements".

The macro-economic context during 2022 was characterised by a combination of factors leading to a widespread slowdown in economic growth. In particular, we highlight: the resumption of Covid-19 infections, the invasion of Ukraine by Russia, a growing inflationary dynamic, which has generated an increase in the prices of raw materials (especially energy), and interventions to normalise monetary policy by the world's main central banks, which have revised upwards their reference interest rates in order to stem the overheating of the economy. These factors interrupted the path of consolidation of the post-pandemic recovery that began in early 2022, with the global economy continuing to suffer from further increases in the inflation rate, negative developments in global financial markets and uncertainty related to the macro-economic scenario in the fourth quarter of 2022.

With reference to the impact of the ongoing conflict on business, it should be noted that the Group's sphere of operations is mainly domestic and it has limited business relations with the countries involved in the conflict; therefore, the Group has not experienced significant impacts on its business or significant repercussions on profitability, nor fears about the impairment of its ability to continue as a going concern.

Nonetheless, the high uncertainty of the reference context and the inflationary dynamics exacerbated by the conflict led to the following findings in 2022:

- an increase in the cost of fuel and raw materials in general, and an increase in costs on all services related to international routes, including those outside the areas affected by the conflict; in this regard, actions have been implemented by the Government to mitigate the effects of these increases, such as, for example, the reduction of excise duties and VAT imposed by the State on fuel prices (extended until 31 December 2022), the social bonus electricity and gas and additional benefits for energy-intensive companies⁸⁴;
- consistent with the downsizing of the market in this sector, there was a slowdown in the growth of parcel volumes, particularly in B2C as a result of inflationary effects and thus a reduced purchasing capacity also in e-commerce. The parcel sector, especially in the first part of 2022, was also affected by the repeated lockdowns imposed in China (until November) to curb the spread of Covid-19;
- in the financial sector, in the first half of 2022, postal savings were adversely affected by the socio-economic context characterised by a significant rise in interest rates, rising inflation, a decrease in households' propensity to save and a reduction in the country's growth prospects. With regard to the Postal Savings product offering, in light of the market context, yields on Postal Interest-bearing Certificates were adjusted three times over the course of 2022, and interventions were made in the range of products offered, including the launch of several offers dedicated to holders of new liquidity. In addition, following an analysis of BancoPosta's cost base, aimed at quantifying the impact of inflationary dynamics, a unilateral change was made to the contractual terms and conditions, related to the justified reason "inflation". With reference to the financial portfolio, it benefited from the changed market scenario with rising interest rates;
- in the insurance sector, there is no significant evidence as indirect exposures, within the framework of multi-asset funds, to countries involved in the conflict represent an insignificant amount compared to the insurance group's investments (0.03% of the total);
- the increase in gas and electricity prices and the considerable volatility of prices, also linked to the risk of reductions and interruptions in Russian gas supplies to Europe, did not have any significant repercussions for the Group's new energy business, whose offer was launched in June 2022 for a restricted target (employees, family members and pensioners) and from January 2023 for all customers. In its raw material procurement policies, the Group also selected suppliers with low or no exposure to gas from Russian territory.

83. Public statement ESMA32-63-1277 "Implications of Russia's invasion of Ukraine on half-yearly financial reports" of 13 May 2022, Public statement ESMA32-63-1320 "European common enforcement priorities for 2022 annual financial reports" of 28 October 2022 and CONSOB Warning Notice no. 3/22 "Conflict in Ukraine - Attention Reminder for supervised issuers on financial reporting and compliance related to restrictive measures taken by the European Union against Russia" of 19 May 2022.

84. Law Decree no. 21 of 21 March 2022 (the so-called Energy Decree) and Law Decree no. 176 of 18 November 2022 (the so-called aiuti-quater Decree). For further details, please refer to Chapter 4 "BusinessModel" under "Omnichannel Strategy and Business Sectors" - Payments and Mobile SBU.

Against this backdrop, the Group's performance during the period was solid and better than expected, with an operating result of €2.3 billion reaching a record level in the Group's history.

The Group's financial solidity and liquidity also made it possible to finance investments of more than €800 million in 2022, to pay shareholders €526 million as the balance of the 2021 dividend and €273 million as the interim dividend for 2022, and to accelerate the Group's growth through investments in strategic companies for business development, in execution of the shareholders' resolution of 27 May 2022, to finance buyback transactions totalling €25 million from its own funds (for the latter, see section 3 - Material events during the year - of the "Poste Italiane's financial statements" section).

< 7.3 Group operating results

- Mail, Parcels and Distribution Strategic Business Unit
- Financial Services Strategic Business Unit
- Insurance Services Strategic Business Unit
- Payments and Mobile Strategic Business Unit

The Group's performance in 2022 is solid and up on 2021 with a record EBIT value (€2,291 million, +24.1% y/y) in the Group's history. These results confirm the effectiveness of the strategic guidelines defined by management and their execution, as well as the resilience demonstrated by the Group, which benefits from a diversified business structure and has continued to operate and grow in an uncertain economic scenario.

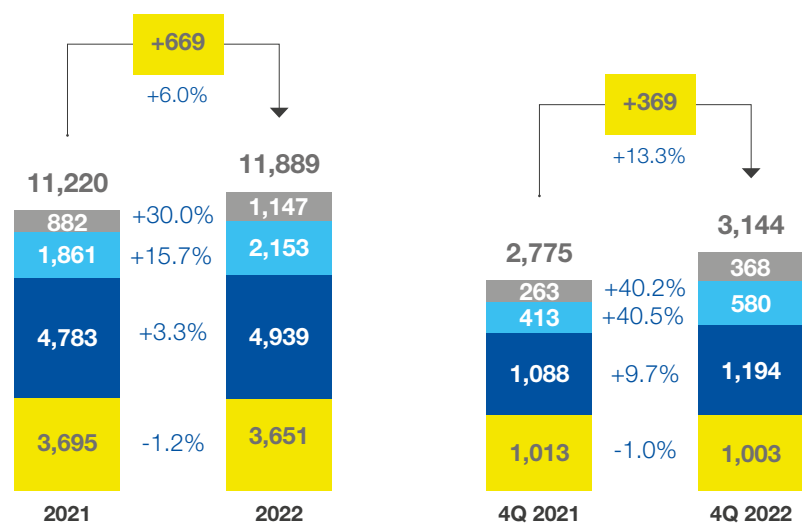
Revenue
€11.9 billion
EBIT
€2.3 billion
Net profit
€1.5 billion

(€m)	2022	2021	CHANGES		4Q 2022	4Q 2021	CHANGES	
Revenue	11,889	11,220	+669	+6.0%	3,144	2,775	+369	+13.3%
Total costs	9,598	9,375	+223	+2.4%	2,907	2,545	+362	+14.2%
EBIT	2,291	1,846	+446	+24.1%	237	230	+7	+2.9%
EBIT margin %	19.3%	16.5%			7.5%	8.3%		
NET PROFIT	1,511	1,580	(69)	-4.3%	86	405	(319)	-78.8%
Earnings per share	1.16	1.21	(0.05)	-4.2%	0.07	0.31	(0.25)	-78.7%
CAPEX	810	754	+57	+7.5%	159	299	(140)	-46.9%
% of revenue	6.8%	6.7%			5.0%	10.8%		

REVENUE

(€m)

- Payments and Mobile
- Insurance Services
- Financial Services
- Mail, Parcels and Distribution



Group revenue amounted to €11.9 billion, an increase of €669 million compared to 2021 (+6%) with the positive contribution of the Strategic Business Units Insurance Services (+€292 million or +15.7%), Payments and Mobile (+€265 million or +30%) and Financial Services (+€156 million or +3.3%). The Mail, Parcels and Distribution Strategic Business Unit recorded revenue down by €44 million (-1.2%) compared to 2021. The contribution of the incremental revenue for the year 2022 realised by the newly acquired companies during the year (Plurima, LIS, Agile and Sourcesense) totalled €147 million.

The fourth quarter of 2022 shows revenue up by €369 million (+13.3%) compared to 2021 attributable to the positive performance of the Strategic Business Units Insurance Services (+€167 million; +40.5%), Financial Services (+€106 million; +9.7%) and Payments and Mobile (+€105 million; +40.2%) only partially mitigated by the negative performance of the Mail, Parcels and Distribution Strategic Business Unit (-€10 million or - 1%). The revenue performance in the fourth quarter was reflected in an operating profit for the period of €237 million, an increase of €7 million (+2.9%) compared to the same quarter of the previous year.

TOTAL FINANCIAL ASSETS (€bn)



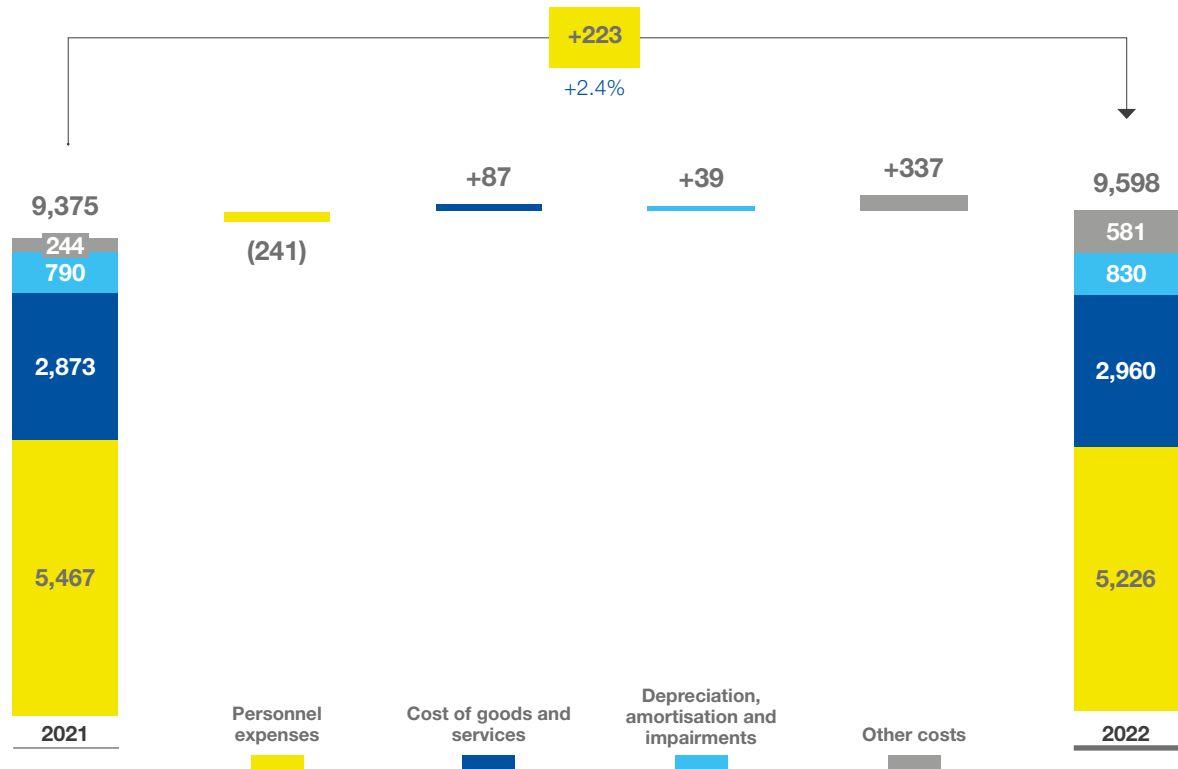
* Includes capitalisation of interest.

** Includes current accounts and assets under administration. Current accounts do not include REPO and Poste Italiane's liquidity.

*** Includes net inflows on: Investment Funds, Moneyfarm, Postal Savings Bonds, Insurance and Asset Management.

During 2022, **total financial assets**, which totalled €562 billion, decreased by 4.1% (-€24 billion) compared to the €586 billion at 31 December 2021, mainly due to the negative performance of the financial markets, which affected the fair market value of Poste Vita technical provisions (-€26.8 billion) and lower net inflows from postal savings (-€11.1 billion), only partially mitigated by positive net inflows in life insurance (+€7.6 billion) and current accounts (+€2.8 billion). Net postal savings inflows (-€11.1 billion) were affected by -€1.5 billion of lower pension accruals compared to 2021 (eleven accruals compared to twelve in 2021) due to the end of the health emergency provisions.

€562 billion
Total financial assets

TOTAL COSTS
(€m)

Total costs amounted to €9,598 million, up from €9,375 million in 2021 (+€223 million), mainly due to the increase in other costs (+€337 million), costs for goods and services (+€87 million) and depreciation and amortisation (+€39 million).

Personnel expenses amounted to €5,226 million, a decrease of €241 million compared to 2021. See the following section for more details.

Costs for goods and services increased by €87 million from €2,873 in 2021 to €2,960 in 2022; the change is mainly related to the expansion of the company perimeter (by €85 million) that took place during the year and to the international inflationary scenario (by €62 million) induced by the Russian-Ukrainian conflict.

Depreciation and amortisation amounted to €830 million and recorded a positive change of €39 million compared to 2021 due to higher depreciation and lower impairment losses on property, plant and equipment and rights of use, mainly due to the expansion of the company perimeter, as well as higher amortisation on intangible assets related to investments in software applications.

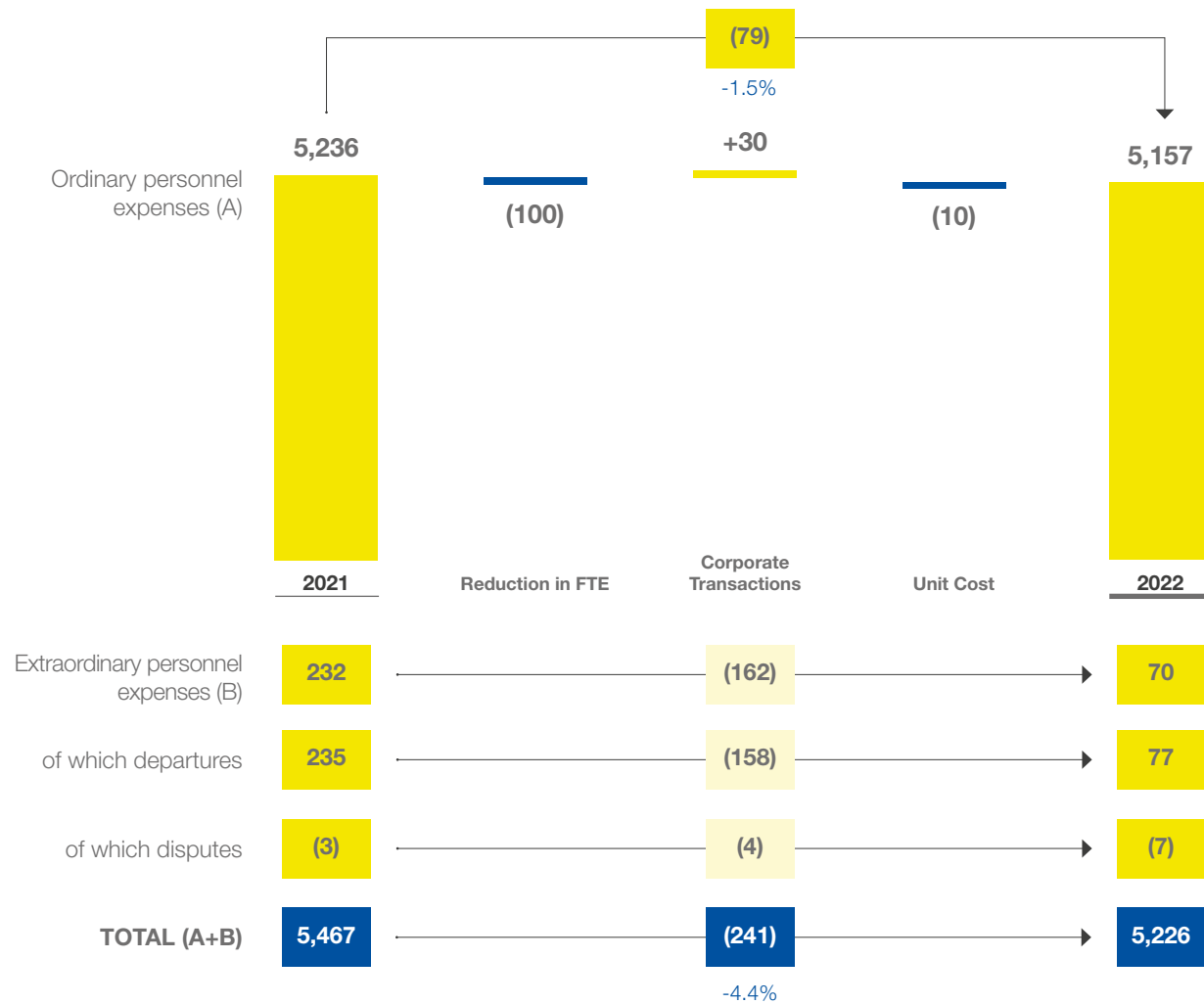
Other costs amounted to €581 million and increased by €337 million compared to 2021; the change was mainly attributable to provisions for risks on tax credits (€320 million), which were partly offset by lower net allocations of the remaining items of other provisions for risks and charges.

Further information is provided in the Notes to Poste Italiane's Financial Statements for the year ended 31 December 2022.

PERSONNEL EXPENSES

(€m)

The total personnel expenses decreased by €241 million (-4.4%) compared to 2021. This change is mainly attributable to the reduction in the extraordinary component, which went from €232 million in 2021 to €70 million in 2022 (-€162 million). Ordinary personnel expenses decreased by €79 million from €5,236 million in 2021 to €5,157 million in 2022.



The change in the ordinary component compared to the previous year is mainly due to the reduction of the average number of employees during the year (about 1,600 FTE less).

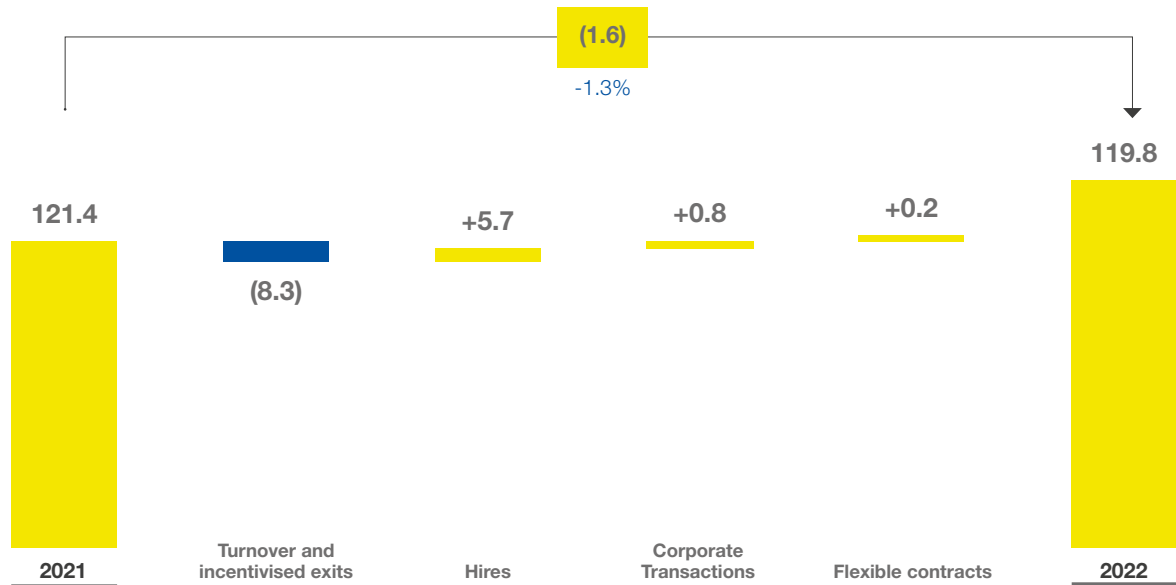
The reduction in the extraordinary component was mainly due to the lower provision of the 2022 early retirement plan to support outgoing personnel in 2023 and 2024 in light of the residual availability of the early retirement provision due to the lower per capita cost of incentives recorded during the year and related to the benefits provided by the regulations ("quota 102").

NUMBER OF RESOURCES

(average Full Time Equivalent in thousands)

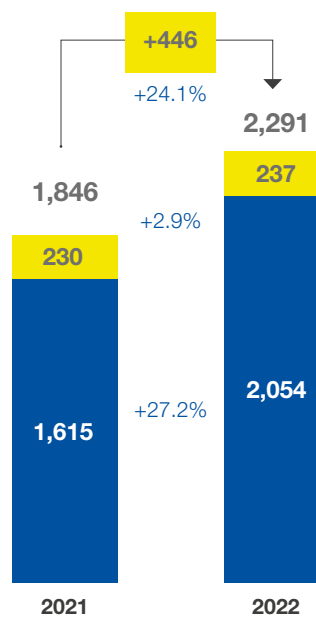
The reorganisation and rationalisation of internal processes continued during the year; resources that left the Group in 2022, including early retirements subject to incentives, are 8.3 thousand (FTE) against new hires of 5.7 thousand (FTE) with permanent contracts and about 0.2 thousand (FTE) with fixed-term contracts. The enlargement of the Group's perimeter with the entry of Plurima, LIS, Agile and Sourcesense (+0.8 thousand average FTE) also contributed to the change in personnel for the period.

120,000
persons employed in 2022

**GROUP EBIT**

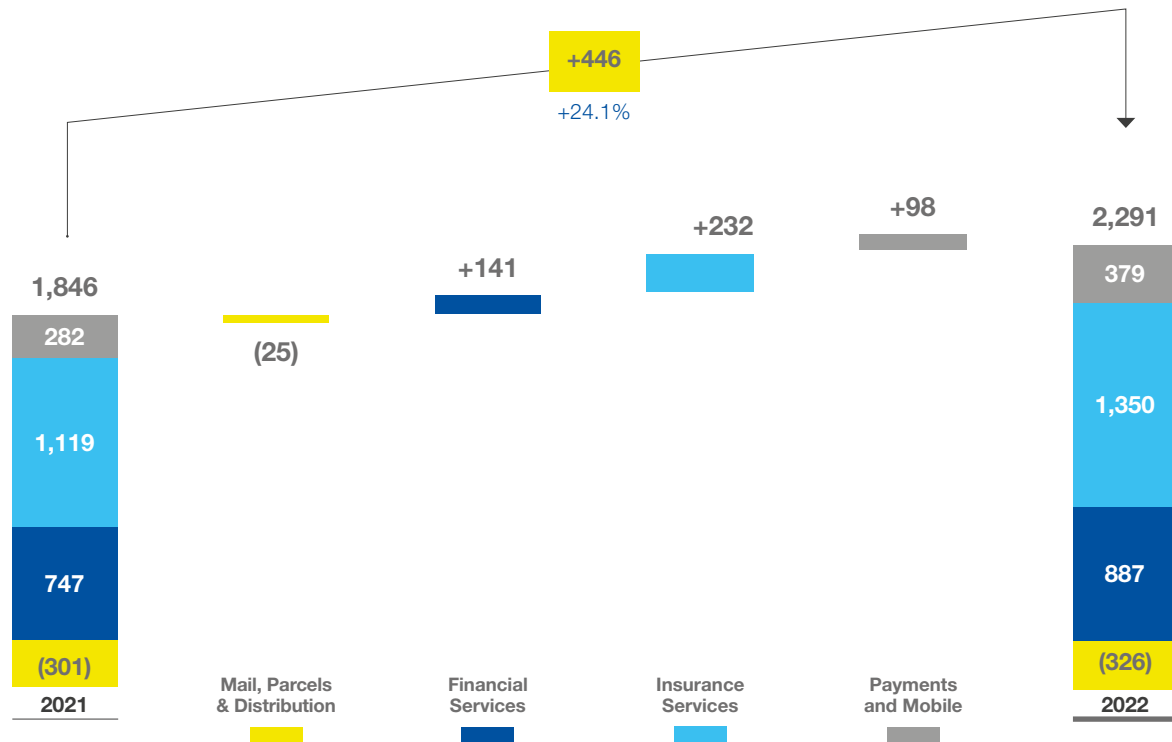
(€m)

4Q
9M



Consolidated **operating profit (EBIT)** reached a record level for the Group at €2,291 million and increased by €446 million (+24.1%) compared to the previous year (€1,846 million), achieving the upwardly revised 2022 guidance communicated to the financial community in November.

The trend in the fourth quarter of 2022 is mainly influenced by the components recorded in operating costs as commented above.

EBIT BY STRATEGIC BUSINESS UNIT
(€m)

In 2022, the Group's operating profit amounted to €2,291 million, showing an increase of €446 million compared to the previous year. The growth in operating performance affected all Strategic Business Units with the exception of the **Mail, Parcels and Distribution Strategic Business Unit**, which recorded an operating loss of €326 million in 2022, a decrease of €25 million compared to the previous year.

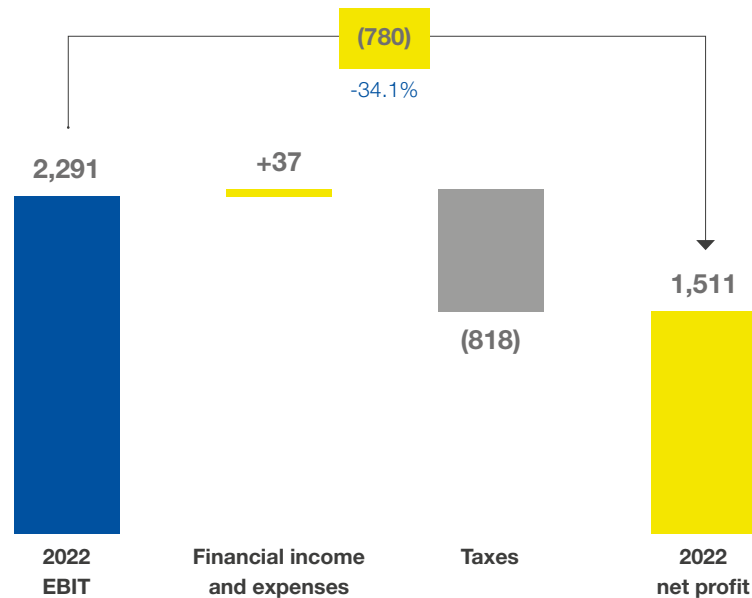
The operating profit of the **Insurance Services Strategic Business Unit** was positive by €1,350 million, an improvement (+€232 million) compared to the value achieved in 2021 (€1,119 million).

Performance is also growing for the **Financial Services Strategic Business Unit** and for **Payments and Mobile**, which recorded operating profit of €887 million in 2022 (+€141 million compared to 2021) and €379 million (+€98 million compared to 2021).

For more detailed information on the performance of the individual Strategic Business Units, please refer to the dedicated paragraphs later in the chapter.

FINANCIAL MANAGEMENT AND TAXES

(€m)



Profit for the period amounted to €1,511 million, a decrease of 4.3% compared to 2021 (€1,580 million), and took into account financial operations, which fell from €322 million in 2021 to €37 million in 2022; the 2021 balance benefited from the gross non-recurring capital gain of €225 million, recorded under financial income and recognised following the SIA-Nets-Nexi merger, commented on in the corporate actions section of the 2021 Annual Report. Taxes for the period increased by €229 million from €588 million in 2021 to €818 million.

Profit for the fourth quarter of 2022 amounted to €86 million, down by €319 million (-78.8%) compared to the fourth quarter of the previous year.

< 7.3.1 Mail, Parcels and Distribution Strategic Business Unit

The 2022 performance of the Strategic Business Unit shows a decline in revenue in both the traditional mail business and the parcel business, despite the positive contribution of revenue from the acquisition of Plurima (€45 million in 2022). The operating result was adversely affected by higher provisions for risks, as discussed in more detail below, partially mitigated by lower personnel expenses.

MAIL, PARCELS AND DISTRIBUTION (€m)	2022	2021	CHANGES	
External revenue	3,651	3,695	(44)	-1.2%
Revenue from other sectors	4,862	4,696	+165	+3.5%
Total revenue	8,512	8,391	+122	+1.5%
Costs	8,799	8,613	+186	+2.2%
Costs vs other sectors	39	78	(40)	-50.5%
Total costs	8,838	8,692	+146	+1.7%
EBIT	(326)	(301)	(25)	-8.2%
EBIT margin %	-3.8%	-3.6%		
NET RESULT	(361)	(226)	(134)	-59.4%
Operating KPI	2022	2021	CHANGES	
Mail and parcels				
Revenue/FTE (€k)	72	70	+2	+3.0%
Parcels that can be delivered as standard mail (volumes in m)	71	80	(10)	-12.2%
New Punto Poste Network (number of lockers and alternative collection points)	15,117	13,504	+1,613	+11.9%
Parcels delivered via alternative channels*(%)	6.0	2.6	+3	+131.4%
Distribution				
Number of customers (m)	35.1	35.1	+0	+0.1%
Number of Post Offices	12,755	12,761	(6)	n/s
Rooms dedicated to consultancy	7,853	6,979	+874	+12.5%
Postamat ATM network	8,118	8,107	+11	+0,1%
ESG				
Green fleet (electric vehicles)	3,653	1,737	+1,916	+110,3%
Charging stations installed	4,012	1,737	+2,275	+131,0%
Smart mailboxes	418	405	+13	+3,2%
No. of buildings involved in the Smart Building project**	1,617	652	+965	+148,0%
Photovoltaic panels (no. of buildings)	163	35	+128	n/s

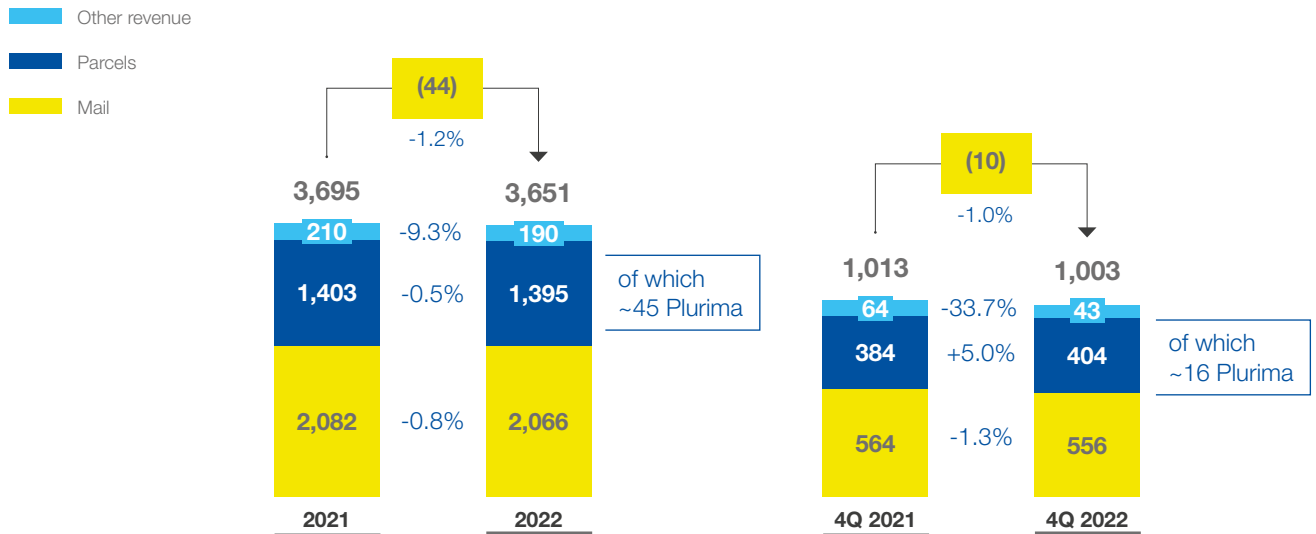
n/s: not significant

* Third-party networks. Calculated as parcel volumes delivered on the Punto Poste network (Lockers, tobacconists and other collect points) of total B2C parcel volumes.

** Automated and remote management of buildings to achieve energy efficiencies.


EXTERNAL REVENUE

(€m)



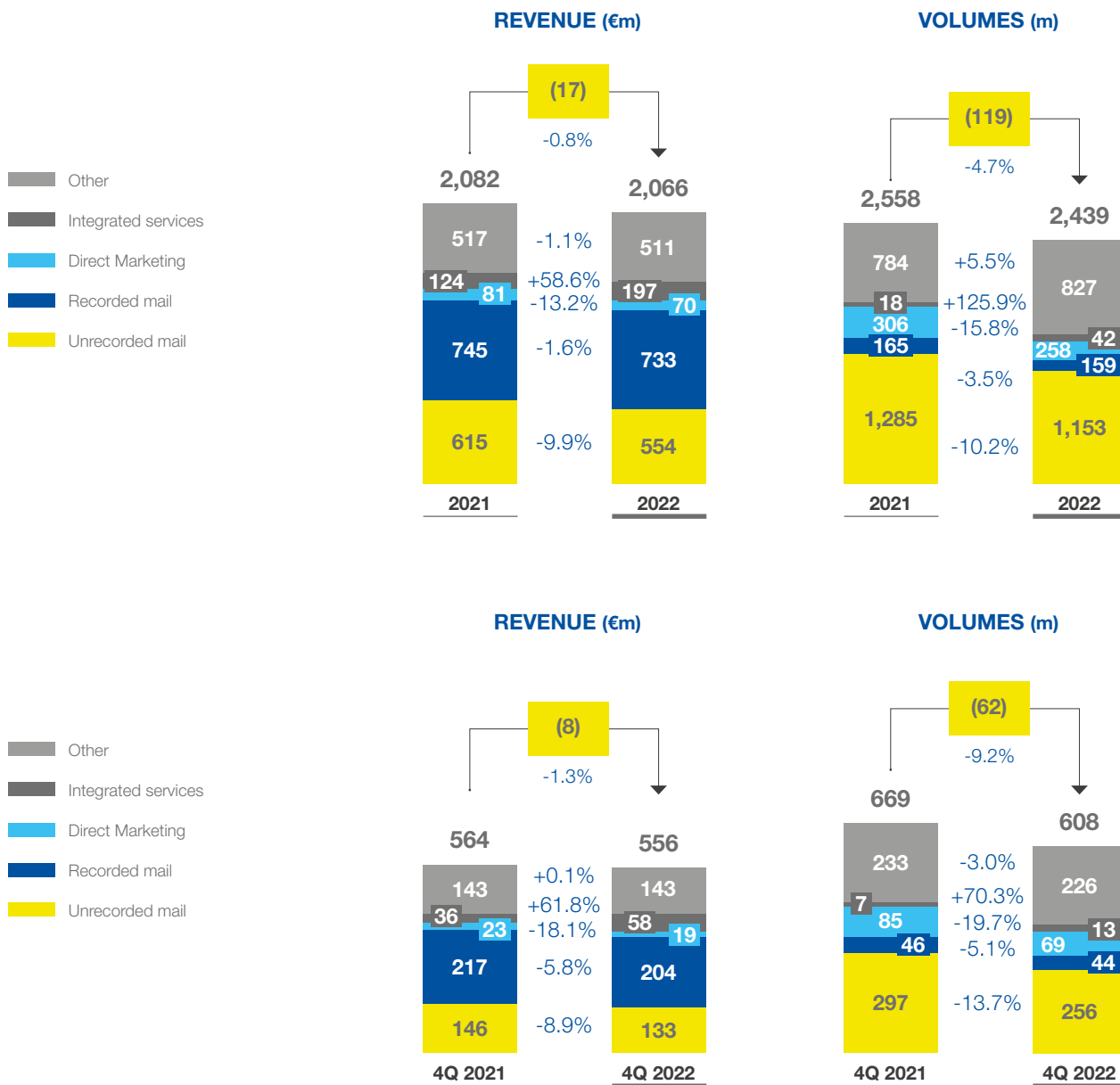
External revenue of the Strategic Business Unit went from €3,695 million in 2021 to €3,651 million in 2022 (-€44 million, equal to -1.2%), also confirming in the fourth quarter of 2022 the negative trend recorded in previous quarters.

Revenue from mail fell for the year (-€17 million, -0.8%), concentrated in the third quarter (-€14 million, -2.9%); similarly, revenue from parcels also fell (-€8 million, -0.5%), due to both the normalisation of market trends and the effects on the economy resulting from the Russian-Ukrainian conflict. The decrease is partly mitigated by the positive contribution from the hospital logistics business conducted by the company Plurima acquired by the Group during the period (+€45 million).

In addition, there was a decrease in other revenue⁸⁵ of approximately €19 million (-9.3% compared to 2021), mainly due to the lower contribution of revenue from Consorzio PosteMotori, whose activities are currently being concluded. This change was partially mitigated by the positive contribution related to the fee, applied from the end of 2021, for the activities of issuing digital identities to citizens (**SPID**  – Public Digital Identity System) for those who request the service through in-person or remote identification.

85. "Other revenue" includes revenue of the subsidiaries Consorzio PosteMotori (management of Ministry of Infrastructures and Transport paperwork, which ended on 31 March 2022), PatentiViaPoste (licence delivery service), Europa Gestioni Immobiliari (management of Poste Italiane's real estate assets), Poste Air Cargo (commercial air transport), Poste Welfare Servizi (management of Supplementary Health Funds), Sourcesense and Agile Power (companies operating in the IT sector). The item also includes revenue from the sale of philatelic products (e.g., folders, postcards, albums), from the activity of issuing digital identities to citizens (SPID - Public Digital Identity System), from the services of the platform dedicated to the booking of vaccines, revenue from the sale of tax credits, and finally other revenue not strictly related to Poste Italiane's core business (e.g., property rentals).

MAIL



Unrecorded Mail: standard mail service with mailbox delivery.

Recorded Mail: delivery to the person with proof of delivery and tracking for retail and business customers. This category includes in particular: registered mail, insured mail and judicial acts.

Direct Marketing: service for the sending by companies and Public Administration entities of communications with advertising, promotional or informative content.

Integrated Services: integrated and customised offers for specific customer segments, in particular Public Administration, large companies and professional firms. The most relevant integrated service is the Integrated Notification Service, for the management of the entire process of notification of administrative and judicial acts (e.g. violations of the Highway Code).

Other: services for publishers, multi-channel services, printing, document management, other basic services. This item also includes tariff subsidies relating to external revenue earned on products and services discounted in accordance with the law and the Universal Postal Service Compensation (also includes compensation relating to ordinary parcels).

The Group's performance in mail services in 2022 shows a drop in volumes of -4.7% (-119 million items), accompanied by a reduction in revenue of -0.8% (-€17 million) compared to 2021. Despite the different product mix throughout the year, the growth in volumes of some higher-value products in the Integrated Services and Recorded Mail (Judicial Documents) family does not fully offset the decline in lower-value products.

Unrecorded Mail showed a reduction in both volumes and revenue of 10.2% (-131 million items) and 9.9% (-€61 million) respectively compared to 2021, attributable to a physiological drop in volumes due to the e-substitution.

Recorded Mail recorded a 3.5% drop in volumes (-6 million items) accompanied by a 1.6% drop in revenue (-€12 million) mainly attributable to both a drop in volumes sent by retail customers and a decrease in volumes from foreign countries.

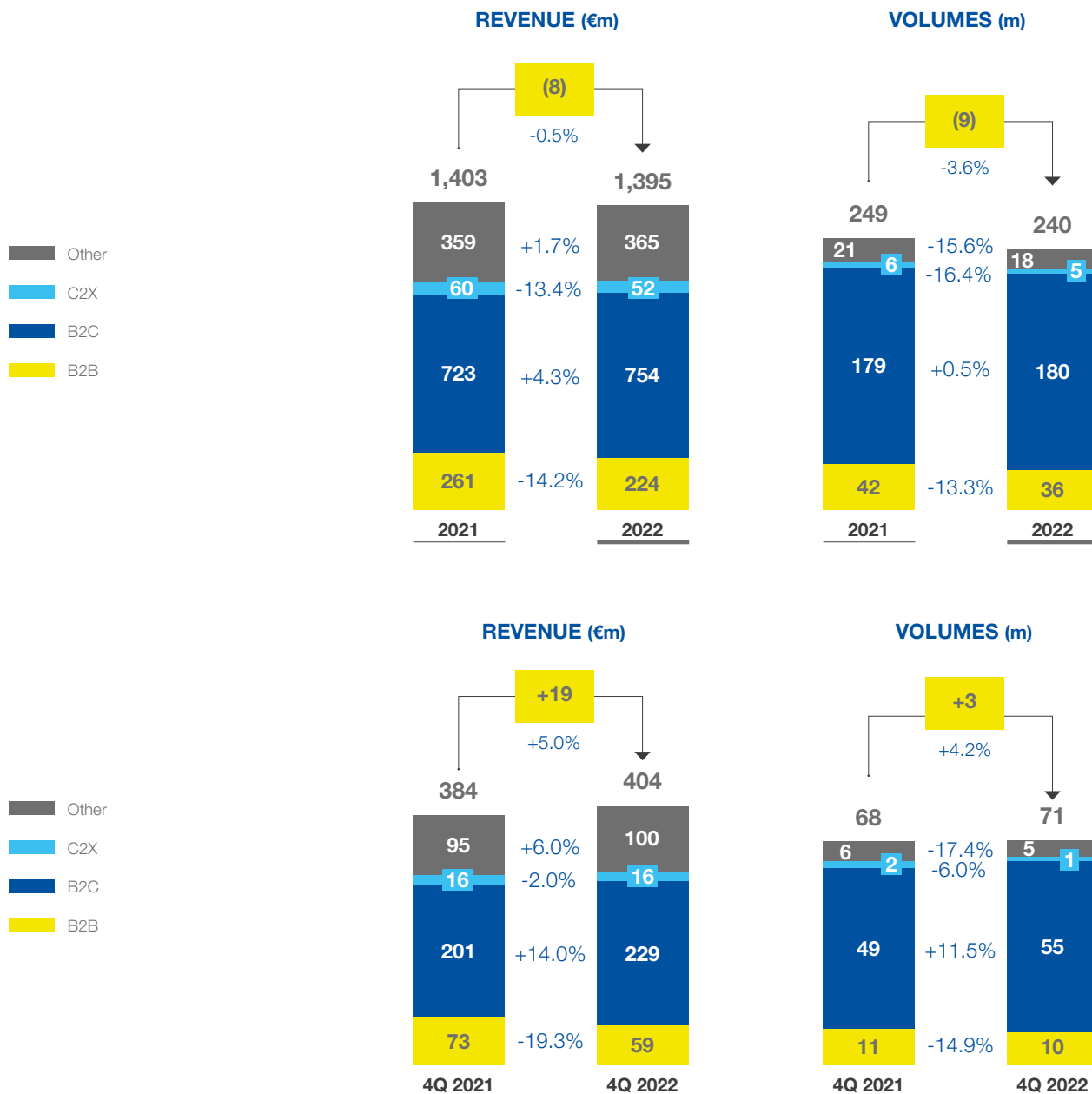
Direct Marketing continued to show a decrease in volumes of 15.8% (-48 million items), resulting in a negative change in revenue of approximately €11 million (-13.2%), which is also attributable to the e-substitution phenomenon.

On the other hand, Integrated Services showed an increase in volumes and revenue compared to 2021 of 23 million items (+125.9%) and €73 million (+58.6%) respectively, due to the positive contribution generated by the resumption of service activities for products such as administrative and judicial documents and the resumption of the dispatch of tax collection notices which, in 2021, had been affected by the continuing effects of the blocking of service dispatch due to the pandemic.

The item "Other", which also includes services marketed by Postel, shows an increase in volumes in 2022 compared to 2021 (+43 million items, i.e. +5.5%), accompanied, however, by a decrease in revenue of €6 million (-1.1%). This development is mainly attributable to the growth in volumes marketed by Postel, which handles lower average rate products. "Other" also includes the Universal Service compensation (€262 million), unchanged with respect to 2021, and compensation for subsidised publishing products included in the Universal Service, which increased by €1 million (+2%) compared to the previous year, as a result of AGCom Resolution 454/22/CONS, which defined a gradual increase in universal tariffs for publishing services as of 1 September 2022. For further details, please refer to the "Regulatory context and evolution of the regulatory scenario" of the Mail, Parcels and Distribution Strategic Business Unit.

The decrease in the business segment of traditional mail compared to both financial year 2021 and Q4 2021 is mainly attributable to the secular trend of decreasing volumes of unrecorded mail related to e-substitution.

PARCELS



B2B: acronym for Business to Business. Company to company shipping services. Offer that focuses on quality and reliability, with delivery options with defined delivery times, mainly multi parcel shipments.

B2C: acronym for Business to Consumer. A modular offer created for e-commerce with a choice of additional services.

C2X: identifies Consumer-to-Consumer/Business parcels i.e. parcels sent by consumers both to other consumers and to businesses.

OTHER: includes revenue and international shipments and from partnerships with logistics operators. The item also includes revenue from dedicated services (highly customised services designed to meet the specific needs of Banks, Insurance Companies, Public Administrations or customers with the same technical-operating characteristics), from integrated logistics services (warehouse management) also including the consideration for the contract awarded by the Ministry of the Interior for the distribution of personal protective equipment. Finally, it includes revenue from long-haul road transport, a service operated by the subsidiary sennder Italia, and revenue from hospital logistics, a service performed by the company Plurima.

In 2022, the parcels sector recorded an overall decline both in terms of volumes and revenue, respectively by 3.6% (-9 million items) and 0.5% (-€8 million) compared to the previous year. However, during the course of the year, the decrease recorded in the initial part, generated by an uncertain market, gradually eased with a continuously improving trend; in particular, in the last quarter of the year, revenue and volumes grew respectively by 5.0% (+€19 million) and 4.2% (+3 million items) compared to the same quarter of 2021. The drop in revenue in 2022 is partially offset by the entry into the hospital logistics business through the acquisition of Plurima (+€45 million).

The year's decline was mainly concentrated in the B2B segment, which generated revenue of €224 million, down 14.2% (-€37 million), against 36 million shipments (-€6 million, -13.3%) compared to 2021.

This business segment, which is significantly linked to GDP growth, was strongly affected by international geopolitical tensions, which put industrial production in crisis during the year, due to price increases especially in the energy sector.

The B2C segment showed positive performance mainly concentrated in the second half of the year. In particular, in this segment, the third quarter of 2022 bucked the trend of the first half of the year, with the fourth quarter confirming sharper growth (+6 million items, +11.5%). In this regard, we highlight the substantial increase in shipments directly related to e-commerce during the Christmas peak and a recovery of inbound flows from China, which had slowed down due to the entry into force of the low value consignment regulations in July 2021⁸⁶.

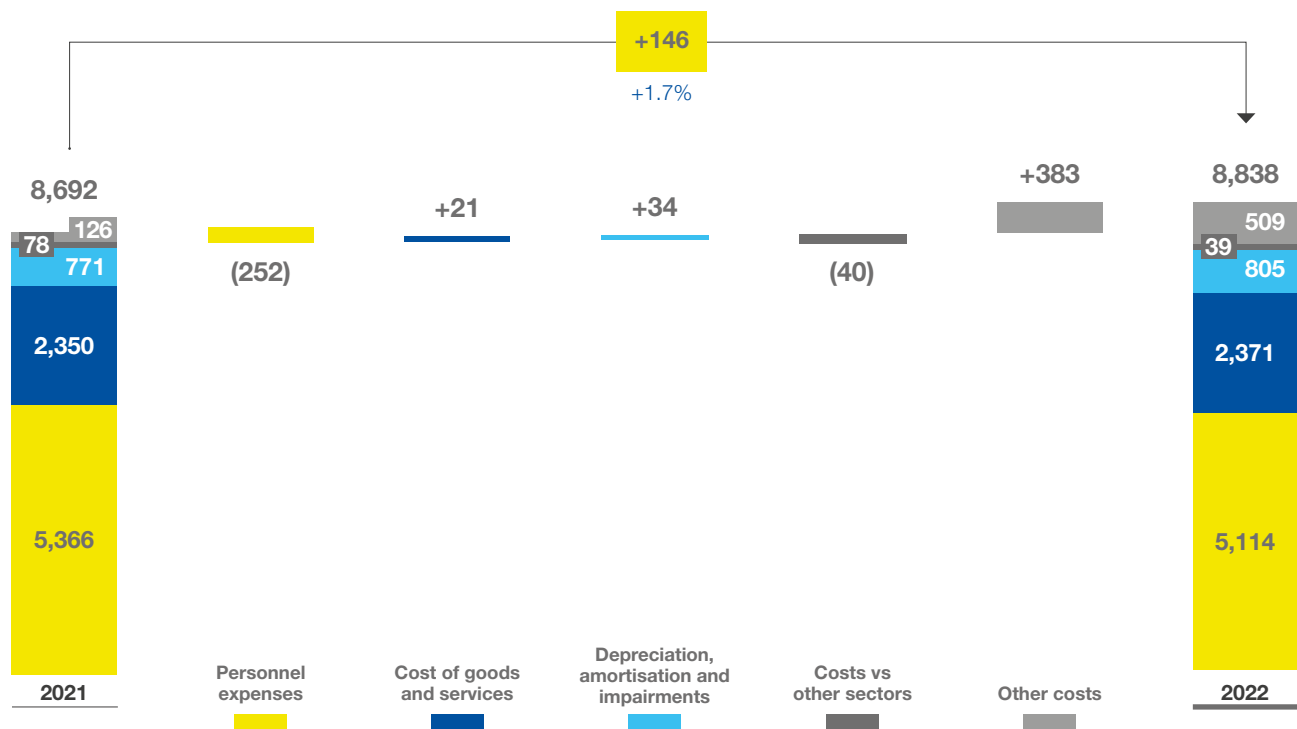
The C2X segment showed revenue and volumes down by €8 million (-13.4%) and one million items (-16.4%) respectively compared to 2021, mainly as a result of a marked market contraction.

The item Other, shows an increase in revenue of €6 million (+1.7%), accompanied, however, by a reduction in volumes of 3 million items (-15.6%) compared to 2021. This positive performance is attributable to the positive contribution of the company Plurima, in spite of the foreseeable negative effect related to the reduction in business volume on integrated logistics⁸⁷ services serving the public administration.

There was a further delay in the international business both in revenue (-€9 million, or -10.2%) and in volumes (-1 million items, -24.6%) where a progressive slowdown in demand was observed throughout the year.

86. The European Low Value Consignment Directive introduced the obligation for final customers to pay VAT also on the purchase of low-value goods.

87. Poste Italiane was awarded the integrated logistics contract in May 2020 for the delivery of personal protective equipment to public administrations.

TOTAL COSTS
(€m)

Costs including depreciation, amortisation and impairments for 2022 amount to €8,838 million, an increase of €146 million (+1.7%) compared to 2021. This trend is mainly attributable to the increase in Other costs partially mitigated by the reduction in personnel expenses.

Personnel expenses amounted to €5,114 million, down €252 million (-4.7%) compared to 2021, attributable to both lower provisions for future early retirement incentives (-€157 million) and a reduction in the average workforce (approximately 1,800 FTEs less than in the same period of 2021), despite the expansion of the company perimeter, which involved the entry of people from Plurima, Agile and Sourcesense into the SBU.

Costs for goods and services show an increase of €21 million (+0.9%), reaching €2,371 million in 2022. This change is concentrated in the last quarter of the year (+€37 million, +5.8%) and is attributable both to the increase in variable costs related to the growth in parcel volumes in the period, and to the international inflationary scenario, which characterised 2022 and is still ongoing.

Depreciation, amortisation and impairments increased by €34 million (+4.5% compared to 2021), mainly due to higher depreciation and lower reversals on Property, plant and equipment and to amortization of intangible assets related to investments in software applications that became available for use during the year.

In 2022, other costs mainly included provisions for risks on tax credits (€320 million), which was partly offset by lower net allocations of the remaining items of other provisions for risks and charges due to both updated estimated liabilities and the disappearance of liabilities identified in the past. For further details, please refer to the notes in the "Poste Italiane's Financial Statements" section.

In light of the above, the Mail, Parcels and Distribution Strategic Business Unit posted an operating loss for the year 2022 of €326 million, a decrease compared to the operating loss for the same period of the previous year, which amounted to €301 million (-€25 million).

Quality of the Universal Postal Service

The quality results achieved for the Universal Service, whose objectives are defined by AGCom, are shown below. The regulator verifies compliance with the objectives and publishes the results annually.

The quality trend for the financial year 2022 shows good performance overall, with almost all products exceeding their targets for the year. In comparison with the previous year, the trend was heavily impacted by the fourth wave of Covid-19 contagions, which affected the first quarter of 2022 and led to a sharp increase in the absenteeism rate across all operational structures of the logistics chain, including the segments contracted out to third parties.

Posta 1 Priority				
Delivered within: Target 1 day 80.0% 2022 result → 79.9% 2021 result → 81.7%	Delivered within: Target 2 days 80.0% 2022 result → 89.8% 2021 result → 89.9%	Delivered within: Target 3 days 80.0% 2022 result → 97.8% 2021 result → 97.1%	Delivered within: Target 4 days 98.0% 2022 result → 98.8% 2021 result → 98.7%	
Posta 4 Ordinary	Bulk mail	Registered mail	Insured mail	Standard delivery mail
Delivered within: Target 4 days 90.0% 2022 result → n.a. 2021 result → 83.5%	Delivered within: Target 4 days 90.0% 2022 result → 95.8% 2021 result → 97.0%	Delivered within: Target 4 days 90.0% 2022 result → 88.1% 2021 result → 91.4%	Delivered within: Target 4 days 90.0% 2022 result → 99.2% 2021 result → 99.2%	Delivered within: Target 4 days 90.0% 2022 result → 93.4% 2021 result → 93.5%
Delivered within: Target 6 days 98.0% 2022 result → n.a. 2021 result → 94.2%	Delivered within: Target 6 days 98.0% 2022 result → 98.6% 2021 result → 99.2%	Delivered within: Target 6 days 98.0% 2022 result → 93.5% 2021 result → 96.5%	Delivered within: Target 6 days 98.0% 2022 result → 99.8% 2021 result → 99.8%	

< 7.3.2 Financial Services Strategic Business Unit

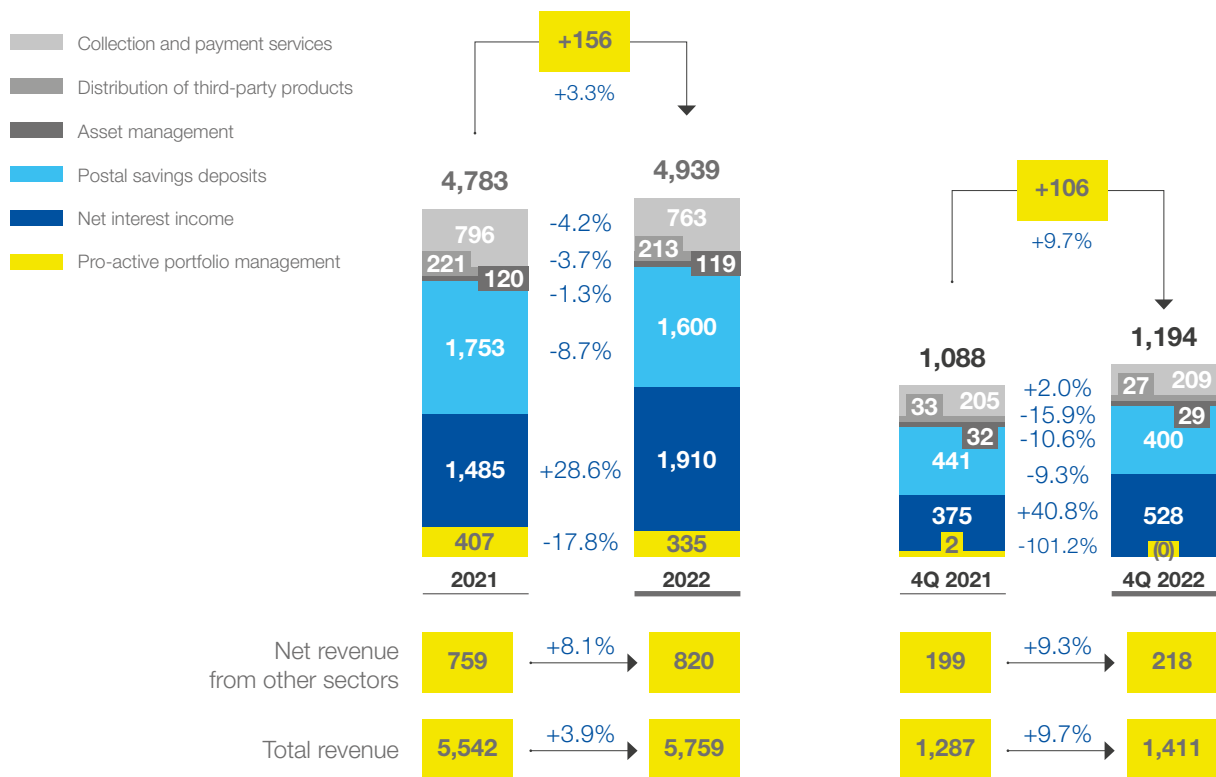
The SBU's operating profit for the period increased compared to 2021, mainly due to the net interest income accrued on the use of retail and government account deposits. The Total Capital Ratio at 31 December 2022 stood at 23.1%, confirming BancoPosta's solidity.

FINANCIAL SERVICES (€m)	2022	2021	CHANGES	
External revenue	4,939	4,783	+156	+3.3%
Revenue from other sectors	820	759	+61	+8.1%
Total revenue	5,759	5,542	+217	+3.9%
Costs	114	161	(47)	-29.1%
Costs vs other sectors	4,757	4,634	+123	+2.7%
Total costs	4,872	4,796	+76	+1.6%
EBIT	887	747	+141	+18.9%
EBIT margin %	15.4%	13.5%		
NET PROFIT	622	556	+66	+11.9%

Operating KPI	2022	2021	CHANGES	
Total financial assets (€bn)	562.0	586.1	(24.1)	-4.1%
Net inflows (€m)	(488)	15,137	(15,625)	-103.2%
Latent capital gains/losses (€m)	(7,208)	2,096	(9,304)	n/s
Current accounts (average deposits for the period in €bn)	86.5	79.1	+7.5	+9.4%
Inflows total return*	2.24%	1.88%		
Postal savings (average deposits in €bn)	315.5	318.1	(2.6)	-0.8%
Loans (disbursed in €m)	3,296	3,321	(24.6)	-0.7%

n/s: not significant

* Excluding returns from pro-active portfolio management.

EXTERNAL REVENUE AND REVENUE FROM OTHER SECTORS
(€m)

Pro-active portfolio management: gains from the sale of securities in the BancoPosta Portfolio, net of losses.

Net interest income: income from investment of liquidity revenue via postal current account deposits, net of interest expense and other financial transaction costs. Including profits from tax credits.

Postal savings deposits: savings deposits through Postal Interest-bearing Certificates and Postal Savings Books issued by Cassa Depositi e Prestiti.

Asset management: collective asset management through mutual investment funds and management of individual portfolios relating to institutional mandates attributable to the Group.

Distribution of third-party products: distribution of products disbursed/issued by third-party partners (financing, mortgages, loans, salary-backed loans, credit cards, etc.).

Collection and payment services: slips, collections and payments PP.AA., transfer of funds and ancillary services for current accounts.

External revenue in 2022 amounted to €4,939 million and recorded an increase of €156 million compared to the €4,783 million achieved in the previous year (+3.3%).

In detail, the period under review shows: (i) Net interest income up compared to 2021 (+€425 million; +28.6%), essentially due to the higher yield from the use of current account balances relating to the Public Administration (+€218 million) and the use in tax credits (+€215 million); (ii) Net capital gains realised as part of the pro-active portfolio management of €335 million, down €72 million compared to €407 million in 2021.

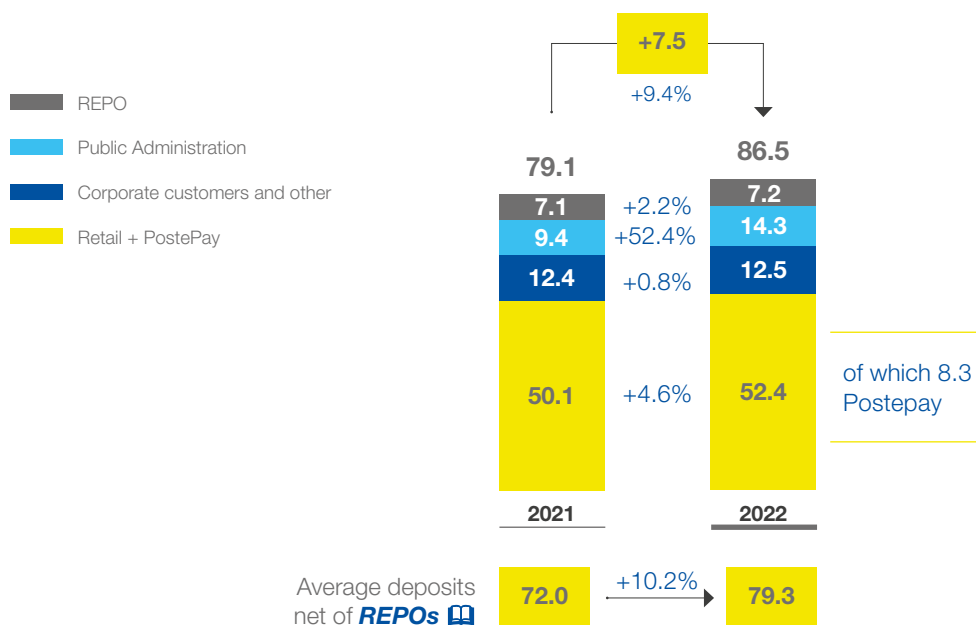
Revenue from the postal savings deposits and management service amounted to €1,600 million, down 8.7% (-€153 million) on the previous year, reflecting the changed macro-economic context that accelerated early redemptions of Postal Interest-bearing Certificates, dampening net deposits from postal savings, despite the adjustment of the offer and yields in the second half of the year; the remuneration provided for in the agreement with CDP was set at the minimum level (floor) in 2022. Revenue from collection and payment services amounted to €763 million, down 4.2% (-€33 million) compared to 2021, mainly due to lower volumes on slips and as a result of the transfer of the Debit Card business unit of the Payments and Mobile SBU to PostePay in October 2021; this negative change was only partially offset by higher current account maintenance costs (+€58 million) incurred by holders following the repricing in July 2022. Revenue from the distribution of third-party products amounted to €213 million, down by €8 million compared to the €221 million of 2021, mainly attributable to lower revenue from personal loans.

Revenue from other sectors amounted to €820 million (+8.1% compared to 2021). The positive change is mainly attributable to the increase in **management fees** of insurance policies and the growth in revenue from the placement of products of the Payments and Mobile SBU.

The fourth quarter of 2022 showed external revenue up by €106 million (+9.7%) compared to the same period of 2021, mainly due to higher net interest income (+€153 million), partly offset by lower revenue from the postal savings deposits and management service (-€41 million, -9.3%).

AVERAGE CURRENT ACCOUNT DEPOSIT

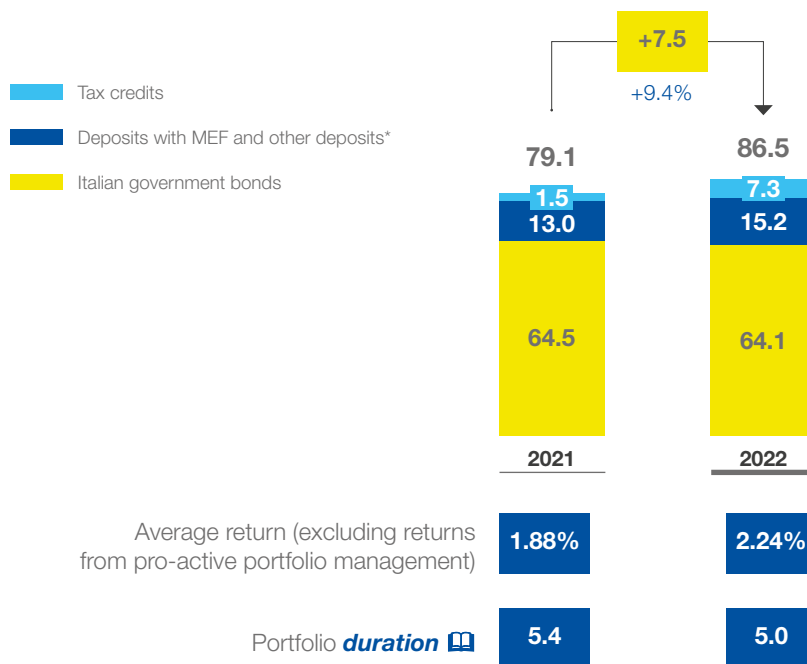
(€bn)



In 2022, the average balance of current accounts increased compared to the previous year, going from €79.1 billion to €86.5 billion. This increase of €7.5 billion is attributable to growth in all business segments and specifically to the positive contribution of the Public Administration (+€4.9 billion, +52.4%) and Retail and PostePay customers (+€2.3 billion, +4.6%).

INVESTMENT PORTFOLIO COMPOSITION

(average balance in €bn)

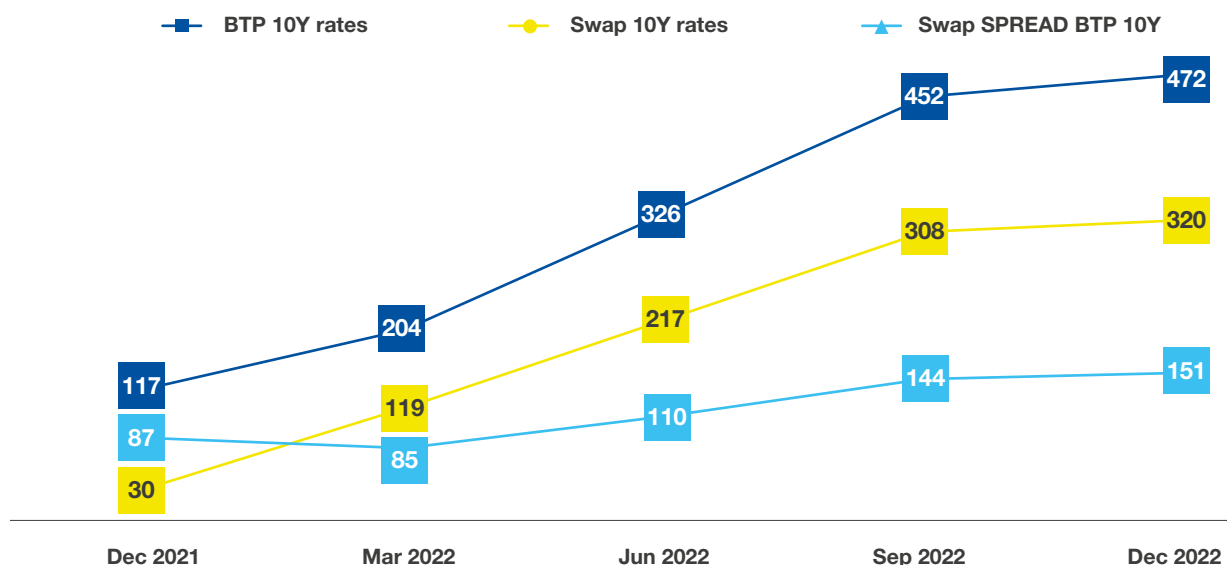


* Includes liquidity on the **Buffer**, deposits with other financial institutions, additional short-term lending (< 12 months) and excludes liquidity of Poste Italiane.

The **average balance of the investment portfolio** consists primarily of Italian government securities and debt securities issued by Cassa Depositi e Prestiti and guaranteed by the Italian State (over €64 billion), in which funding from private customers on postal current accounts is invested, and deposits with the MEF (over €14 billion) represented by funding from postal current accounts belonging to public customers.

The investment portfolio also includes the average balance used by BancoPosta to purchase tax credits, which amounted to approximately €7.3 billion at 31 December 2022.

In the course of 2022, the upward movements in interest rates and the widening of the credit spread of the BTP were opportunities for the Group to purchase securities.



(data in bps)

At the same time, the generalised rise in interest rates led to an increase in the market value of the interest rate swaps entered into to hedge the fair value of the securities portfolio, which transform the yield of the latter from fixed to variable. In February and May 2022, early extinguishment transactions were carried out on part of this derivatives portfolio (amounting to a notional value of approximately €7 billion). The transaction as a whole, did not have any significant immediate impact on the statement of profit or loss, but made it possible to consolidate a fixed return in line with the Group's medium-term return objectives, while at the same time improving the profitability profile of a portion of the securities portfolio for subsequent years.

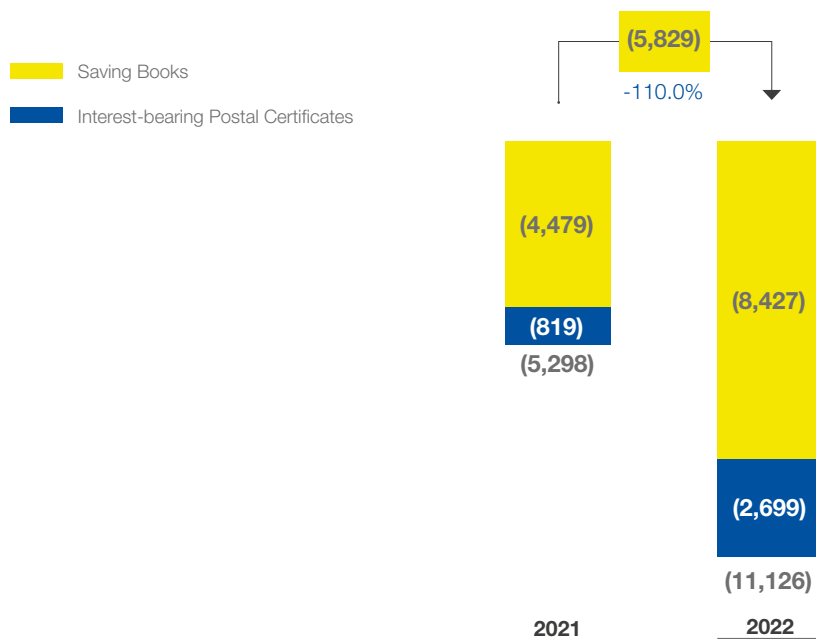
In addition, in the first part of the year, the following were entered into: (i) management hedging transactions of the yield on the deposit with the MEF of funding from the Public Administration, with the aim of making it less susceptible to changes in the yields of government bonds;(ii) forward sale contracts with value date 2023 in order to start the capital gains realisation programme within the framework of the pro-active management of the portfolio for the year 2023.

In the third quarter of 2022, considering the rise in rates and the narrowing spread, transactions were carried out to sell securities hedged with asset swaps and related derivatives, and transactions to purchase domestic government bonds with a 10-year maturity.

During the second half of 2022, against a backdrop of widening Italian credit spreads and rising Eurozone government bond yields, forward purchases of securities were made in order to start the programme of early renewal of investments maturing in 2023.

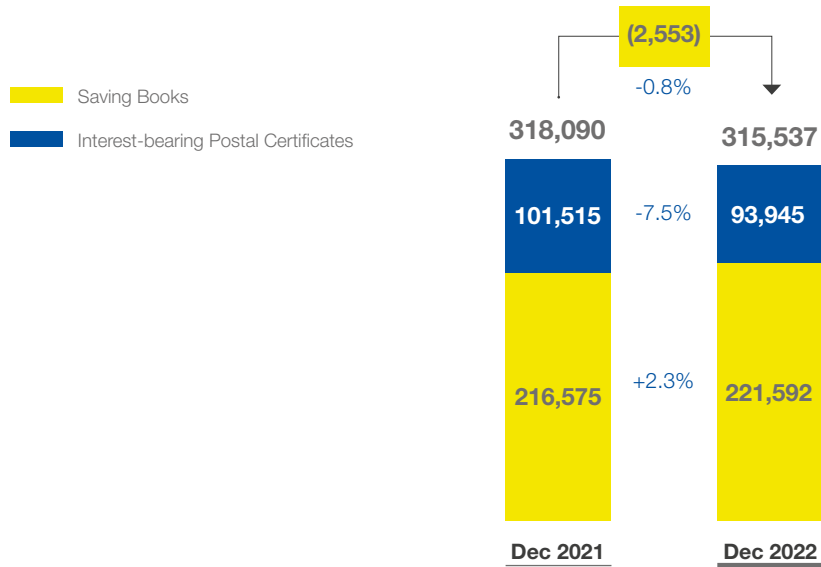
POSTAL SAVINGS NET INFLOWS

(€m)



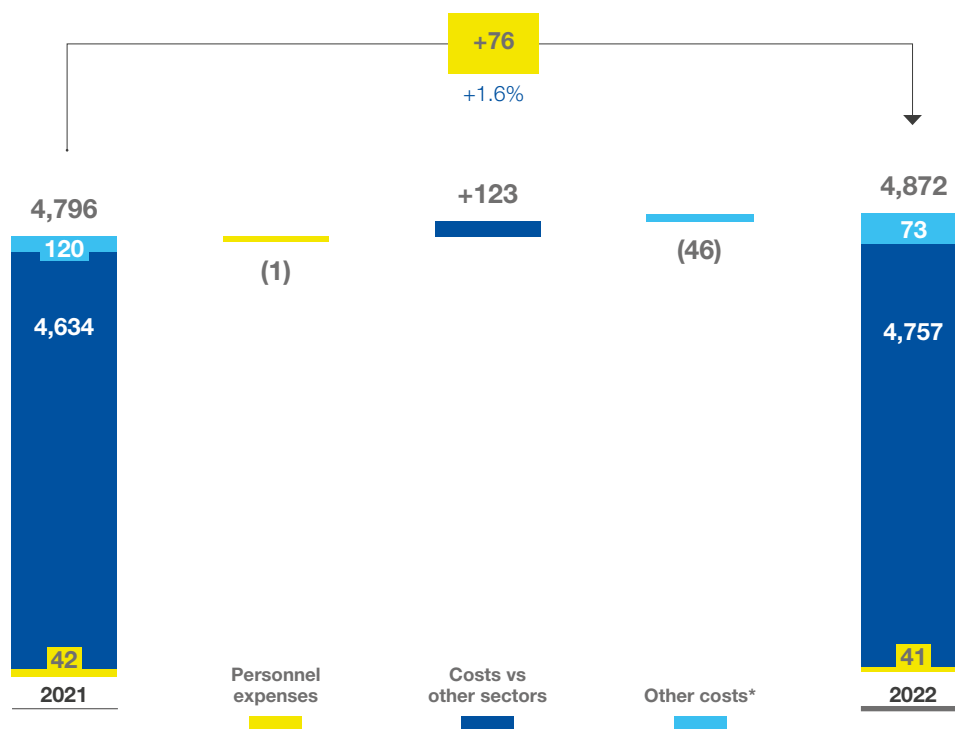
At 31 December 2022, Postal Savings Net Inflows amounted to approximately -€11.1 billion, approximately €5.8 billion less than in 2021. This negative change affected both products in the segment. A contraction of around €3.9 billion was recorded on savings books compared to the 2021 figure, due in part to the lower propensity to save linked to the particular national and international economic context, inflationary pressures and the recovery of consumer spending. In addition, net inflows for the year were affected by outflows from institutional customers related to the general economic scenario (-€1.7 billion). Finally, the comparison with the previous year is not homogeneous: in fact, twelve pension accruals were credited in 2021 as a result of the health emergency-related provisions, compared to eleven in 2022 (the March 2022 pension accrual, credited at the end of February, was the last accrual paid in advance), resulting in lower net inflows of €1.5 billion.

With regard to Postal Interest-bearing Certificates, the change compared to the 2021 figure is negative by about €1.9 billion; this change was due to early redemptions of €33.6 billion (+109% compared to 2021) and redemptions of certificates that matured during the year (albeit 23% lower than in 2021), which occurred mainly in the first half of 2022 and was partly mitigated by new annual subscriptions of €43 billion, up 42% compared to the 2021 figure, which regained momentum following the adjustment of yields on the products included in the offering that began on 6 July 2022.

POSTAL SAVINGS AVERAGE DEPOSIT*
(€m)

* Interest is calculated at the beginning of the year in respect of interest accrued in the previous year. Average value of deposits excluding both the capitalisation of interest for the period and interest accrued, but not yet due, on Interest-bearing Postal Certificates that have not expired at the reporting date.

The Postal Savings Average Deposit recorded a decrease of around €2.6 billion compared to the 2021 figure; the value of savings books is related to the lower preference for liquidity and the shift towards investment products, while the growth in the Average Deposit of Postal Interest-bearing Certificates (BFP) is mainly attributable to the capitalisation of interest.

TOTAL COSTS
(€m)

* The item includes costs for goods and services, adjustments/reversals, depreciation/amortisation and other costs and expenses.

Total costs of the Strategic Business Unit amounted to €4,872 million and increased by €76 million (+1.6%) compared to the €4,796 million realised in 2021, mainly due to higher costs to other segments (+€123 million) mainly related to higher costs to sales networks against higher volumes of activities. This change is partially mitigated by higher releases of provisions for risks mainly due to the prescription of certain balances relating to BancoPosta's fund transfer business and the adjustment of the estimate of certain risks related to the distribution of postal savings products and litigation with third parties.

The operating profit (EBIT) of the sector in 2022 amounted to €887 million, up 18.9% compared to 2021 (+€141 million).

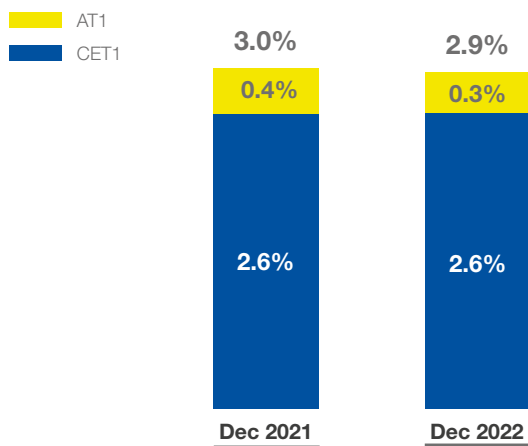
Financial management for the year was negative by €22 million (positive by €10 million in 2021) and takes into account the impairment adjustment of €21 million on the value of the Anima investment. For further details, please refer to the notes to the statement of financial position in the Group's consolidated financial statements.

After taking into account taxes for the period (€243 million), the net profit of the Financial Services Strategic Business Unit in 2022 amounted to €622 million, an increase of €66 million compared to €556 million in 2021 (+12%).

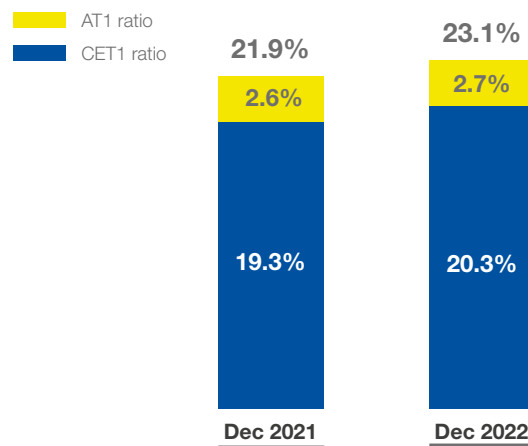
FINANCIAL KPI

€m	2021	2022
CET1 CAPITAL	2,633	2,618
TOTAL CAPITAL	2,983	2,968
TOTAL ASSETS	109,072	104,438
RWA – Risk Weighted Assets	13,612	12,867

LEVERAGE RATIO



TOTAL CAPITAL RATIO



At 31 December 2022, the Leverage Ratio stood at 2.9%, slightly down from 31 December 2021 as a result of the elimination of the benefit of the sterilisation of BancoPosta's Cash and Deposit with the Bank of Italy (Reg. (EU) 2020/873) in the calculation of the adjustments charged to the assets reported in the denominator of the ratio formula. This correction was applied until the first quarter of 2022 due to the health emergency⁸⁸. The CET 1 Ratio at 31 December 2022 stood at 20.3%, while the Total Capital Ratio including Additional Tier 1 was 23.1%, confirming BancoPosta's capital solidity.

Details of the various areas of risk and the methods used for their measurement and prevention are provided in other sections of the Annual Report for the year ended 31 December 2022.

88. Bank of Italy Communication of 1 March 2022: "Termination of temporary measures introduced as a result of the pandemic on: i) Liquidity Coverage Ratio (LCR), Capital Conservation Buffer (CCB) and Pillar 2 Guidance (P2G); ii) exclusion of certain exposures to central banks from the calculation of the leverage requirement".

< 7.3.3 Insurance Services Strategic Business Unit

The SBU's 2022 operating performance is solid and up on the 2021 results due to revenue growth in both segments: Life and P&C. The Solvency Ratio of 253% at 31 December 2022 confirms the solvency of the insurance Group.

INSURANCE SERVICES (€m)	2022	2021	CHANGES	
External revenue	2,153	1,861	+292	+15.7%
Revenue from other sectors	3	3	(0)	-9.8%
Total revenue	2,156	1,864	+292	+15.7%
Costs	137	140	(3)	-2.1%
Costs vs other sectors	668	605	+63	+10.4%
Total costs	805	745	+60	+8.1%
EBIT	1,350	1,119	+232	+20.7%
EBIT margin %	62.6%	60.0%		
NET PROFIT	979	824	+155	+18.8%

Operating KPI	31 December 2022	31 December 2021	CHANGES	
Net technical provisions Poste Vita Group (€bn)	139.9	159.0	(19.1)	-12.0%
Solvency Ratio	253%	261%		
Life business	2022	2021	CHANGES	
Gross premium revenue - Life (€m)*	17,179	17,574	(395)	-2.2%
<i>of which: Classes I-IV-V</i>	13,957	13,749	209	+1.5%
<i>of which: Class III**</i>	3,222	3,826	(604)	-15.8%
Life net inflows (€m)	7,611	8,082	(471)	-5.8%
Latent gains (€bn)	(14.0)	13.2	(27.2)	n/s
Lapse rate	3.5%	3.0%		
ESG products as % of investment products***	60%	50%		
P&C business	2021	2020	CHANGES	
Gross premium revenue - P&C (€m)****	392	319	+73	+23.0%
Average daily premiums - Modular offer (€k)*****	269	205	+63	+30.9%
Brokered premiums on motor (€k)	12,018	5,843	+6,176	+105.7%
Combined ratio (net reinsurance)*****	87.7%	91.1%		
Loss ratio	59.3%	59.5%		

n/s: not significant

* Includes premiums written, gross of reinsurance and intercompany portions of the Poste Italiane Group.

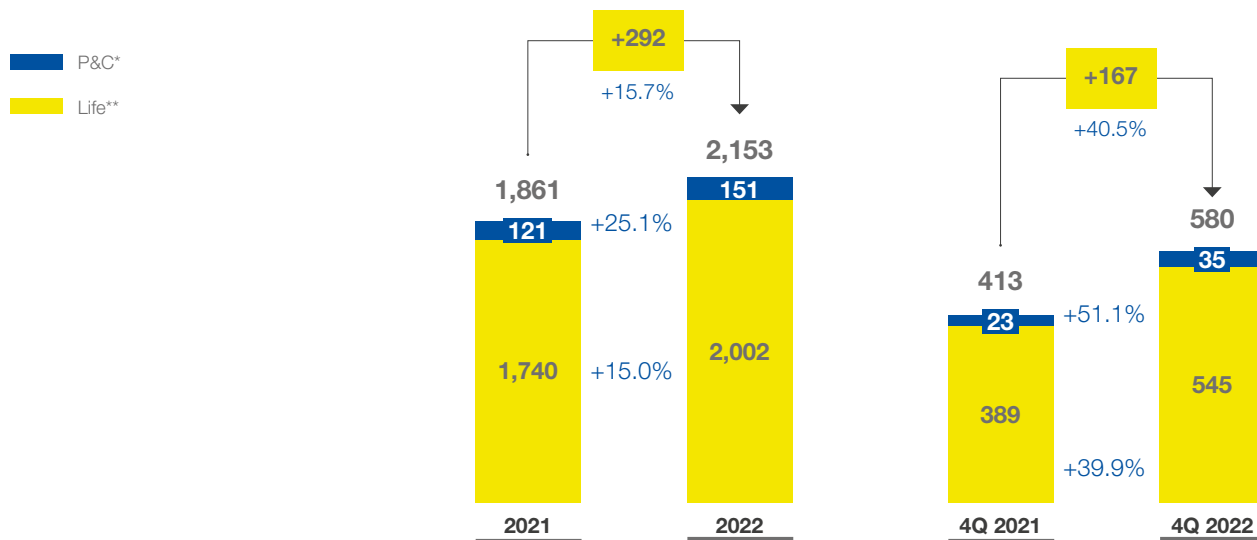
** Gross premiums written in class III are inclusive of the target of the new multi-class products with definition of "linked" portion.

*** For products placed, the presence of an ESG component is emphasised. Campaign products with an annual gross inflows of less than €100 million are excluded.

**** Includes gross premium revenue before the premium reserve, outward reinsurance premiums and intra-group portions of the Poste Italiane Group.

***** Calculated on annualised net premiums, including Property and Personal policies.

***** Corresponds to the ratio between the total amount of costs incurred (commissions for the year + charges relating to claims + balance of business ceded + operating costs + other technical expenses and income) and gross premiums earned.

EXTERNAL REVENUE
(€m)

* Includes Poste Insurance Broker and other revenues.

** Includes Welfare (Individual Pension Plan).

Life revenue: placement commissions on the sale of Class I, III and V policies; management commissions on Class I and III policies; protection margins on the sale of protection products (Credit Protection Insurance policies (CPI), Temporanea Caso Morte (TMC) and Long Term Care (LTC)) policies and changes in other technical provisions on life policies.

P&C revenue: revenue from retail (Modular and Payments) and group (Welfare) protection policies, as well as for the sale of motor policies and other revenue.

External revenue went from €1,861 million in 2021 to €2,153 million in 2022 (+15.7%) and are essentially attributable to the Life business, which contributed €2,002 million, while the contribution of the P&C business totalled to €151 million.

Specifically, Life net revenue increased by 15% (+€262 million) compared to the same period of 2021, mainly due to: i) the positive contribution of the financial margin (which rose from €1,455 million in 2021 to €1,670 million in the same period of 2022, an increase of €215 million); the latter benefited from the growth in average assets under management (higher average total provisions of €9 billion, of which €6.5 billion in Class I and €2.5 billion in Class III compared to 2021) and higher profitability thanks to the increasing returns of the Separately Managed Accounts⁸⁹; ii) the contribution from the positive change in Other technical provisions (+€50.5 million), in particular attributable to the positive contribution of the expense reserve.

The returns achieved by the Separately Managed Accounts during the year (2.68% for PostaPensione management and 2.59% for PostaValorePiù management) were positively impacted, for an amount of €1,088 million, by the increase in the inflation rate with reference to the so-called **"Inflation Linked"** securities held in Poste Vita's portfolio (with a nominal value of around €8.9 billion at 31 December 2022). This income, realised by the Company, was largely recognised to policyholders through the revaluation of the commitments towards them represented in the value of the technical provisions.

P&C net revenue amounted to €151 million, up €30 million compared to the same period in 2021, +25.1%). In particular, gross premiums written increased by €67 million (+21.5%) compared to 2021, while charges for claims increased by €37 million (+22%) related to the new guarantees in the modular offer and the growth of the Welfare business. The Combined Ratio, net of reinsurance, was 87.7%, down compared to the corresponding period of 2021 (91.1%).

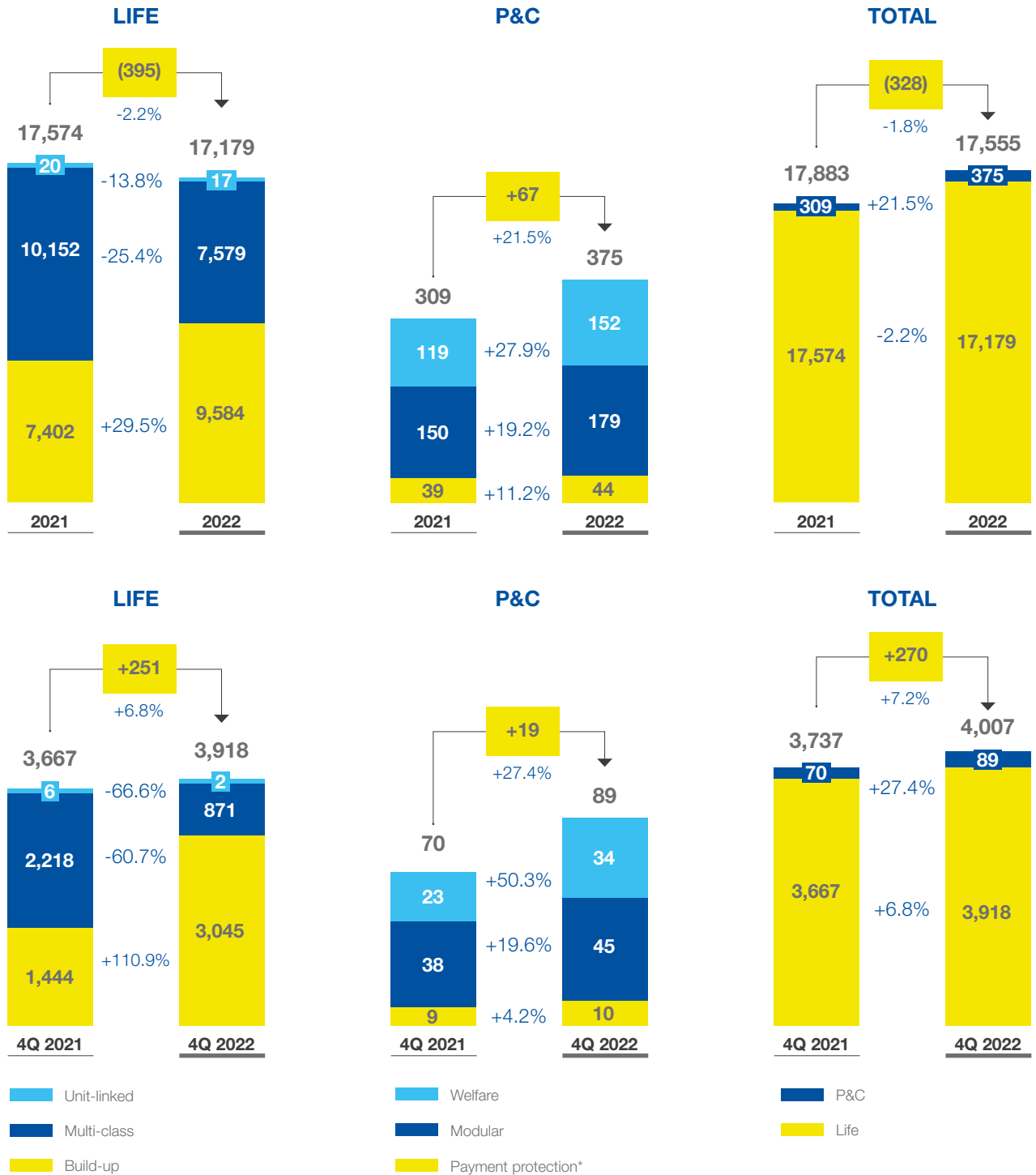
The fourth quarter showed an increase in Life net revenue of €155 million (+39.9%) compared to the same period of the previous year, attributable to the performance of the financial margin (+€77 million compared to the fourth quarter of 2021), due to higher revenue related to inflation-linked securities and the positive contribution from the change in other technical provisions and other

89. The Yield of the main Separately Managed Account is that of PostaValorePiù (31 December 2022 equal to 2.59% compared to 2.35% at 31 December 2021).

technical income/expenses (+€59 million), mainly attributable to the positive contribution from the expense reserve.

In the P&C segment, there was an increase in revenue (+€12 million) compared to the fourth quarter of 2021, mainly due to the growth in **earned premiums** (€15 million) only partially mitigated by the increase in claims expenses (+€6 million).

GROSS PREMIUM REVENUE
(€m)

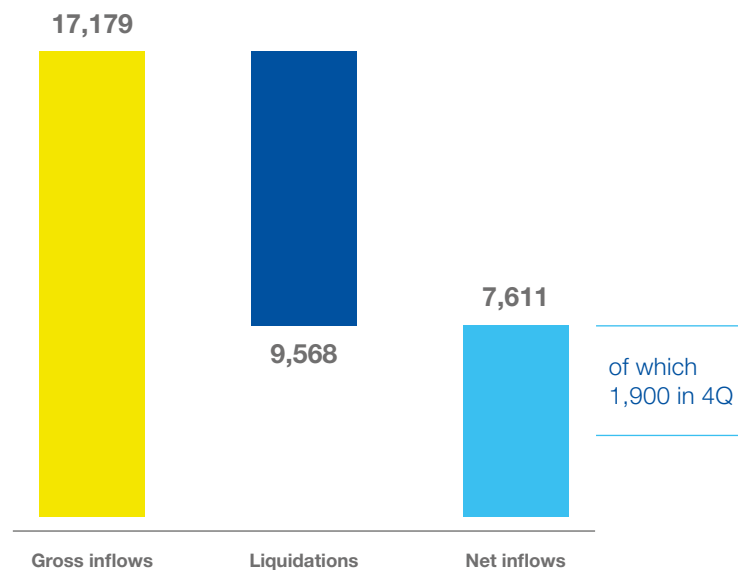



* Includes Cpi loans, mortgages and assignment of one-fifth of salary.

Life business gross inflows amounted to €17.2 billion, down 2.2% (-€0.4 billion) compared to the 2021 financial year due to the decrease in inflows from Multi-class products, which fell by €2.6 billion during the year, but still accounted for a significant proportion of total gross inflows (44%). This was partially offset by the increase in inflows from traditional build-up products, which grew by €2.2 billion during the period.

Gross premiums written in the P&C business amounted to €375 million, an increase of €67 million (+21.5%) compared to 2021 (€309 million) driven by all segments: (i) the “Modular Protection”⁹⁰ line +19.2%; (ii) payment protection policies +11.2%; and (iii) the “Welfare” segment, whose premiums rose from €119 million recognised at the end of 2021 to €152 million in 2022, mainly supported by new distribution agreements signed with corporate customers (Employee Benefits).

LIFE NET INFLOWS AT 31 DECEMBER 2022 (€m)



Life net inflows amounted to €7.6 billion (€8.1 billion at the end of 2021), down mainly as a result of the trend in gross inflows, and remained positive on the Separately Managed Accounts and Internal Funds portfolios⁹¹. The ***lapse rate***  of 3.5% was up from the same period last year (3.0%), but still much lower than the average market figure of 6.71% at 31 December 2022⁹².

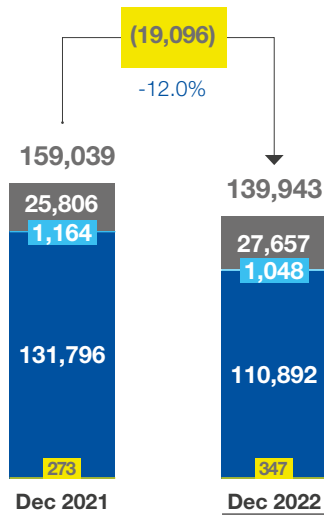
90. The modular protection integrates the protection coverage available to retail customers, to protect their health, home and pets. Modules and related coverages can always be added or removed as customers' needs change.

91. The Internal Fund represents a type of investment management within a company in which the premiums invested flow into the company's assets (shares). The premiums, net of costs, are converted into units, invested in shares or bonds.

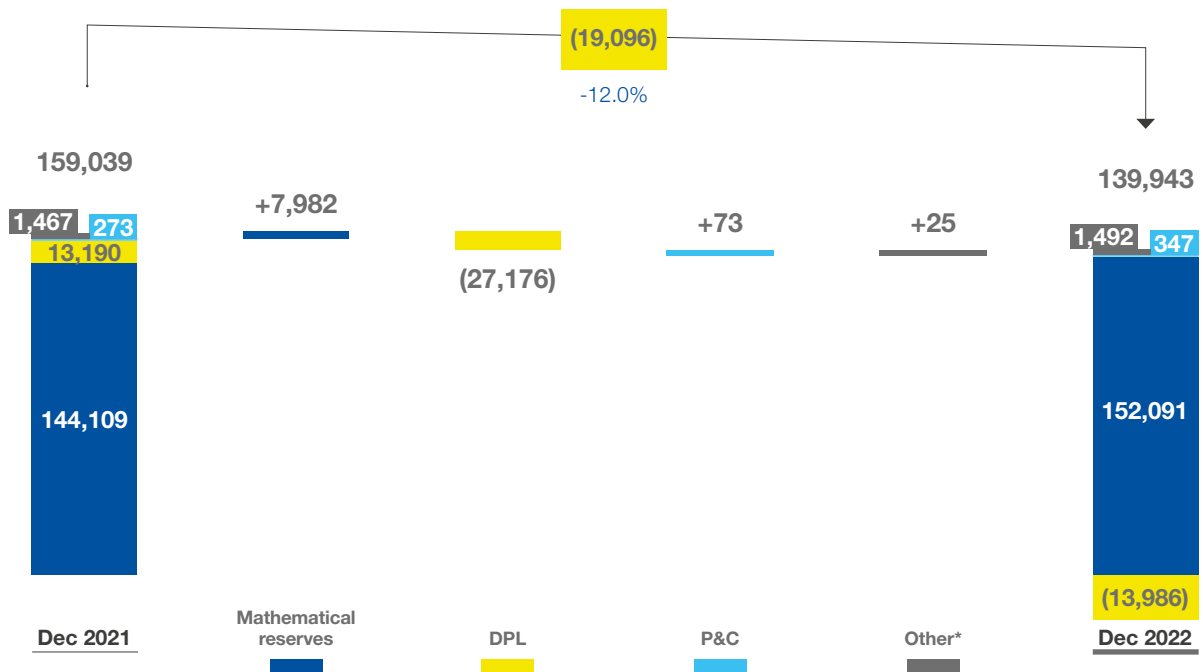
92. Source: Ania Trends - Life Flows and Provisions - Publication no. 4, 24 February 2023.

NET TECHNICAL PROVISIONS
(€m)

- Multi-class
- Unit linked
- Build-up*
- P&C

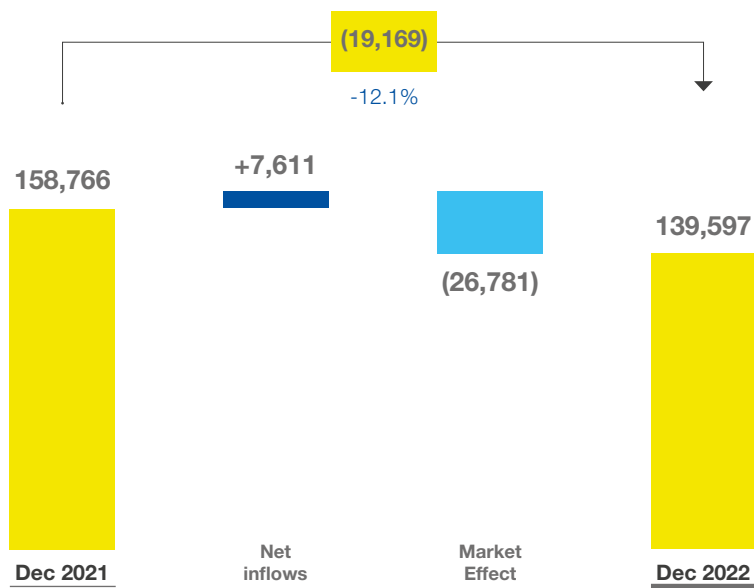
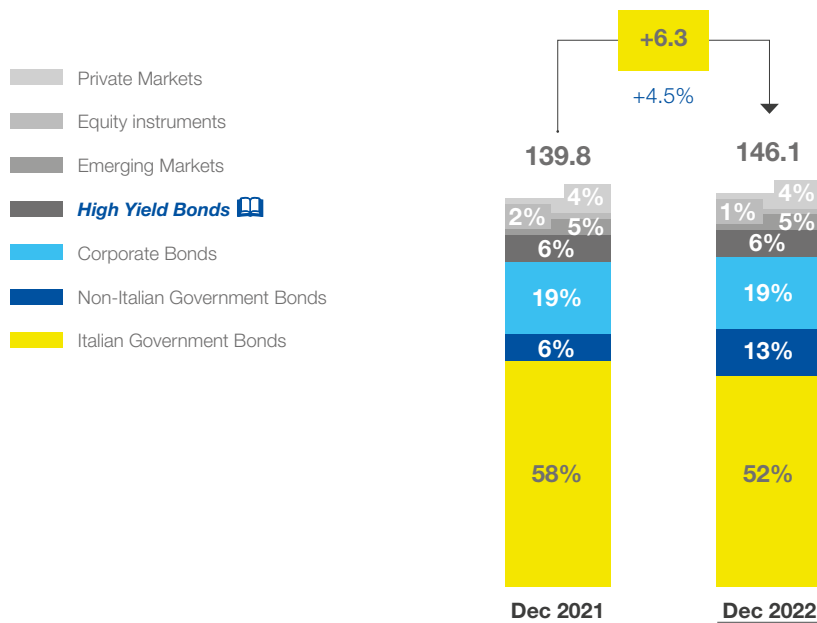


* Includes Protection and Welfare.



* Includes reserves for sums to be paid, expense reserves and reinsurance.

Life business net technical provisions amounted to €139.6 billion and decreased by €19.2 billion compared to 31 December 2021, mainly due to the decrease in **Deferred Policyholder Liabilities** (€-27.2 billion) as a result of financial trends during the period affected by developments in interest rates and the spread BTP-BUND. This change was only partially offset by the increase in mathematical provisions (+€8 billion) due to positive net inflows. P&C technical provisions, net of **reinsurance**, amounted to €347 million at the end of the period, up from €273 million at 31 December 2021.

CHANGES IN NET TECHNICAL PROVISIONS FOR LIFE BUSINESS
(€m)**BREAKDOWN OF THE INVESTMENT PORTFOLIO**
(€m)

In 2022, in line with the latest **asset allocation** approved by the Company, the portfolio diversification process continued, with the aim of reducing the concentration of Italian risk, in favour of **asset classes** that have a lower correlation to the risk associated with Italian government bonds⁹³, such as non-Italian government bonds⁹⁴.

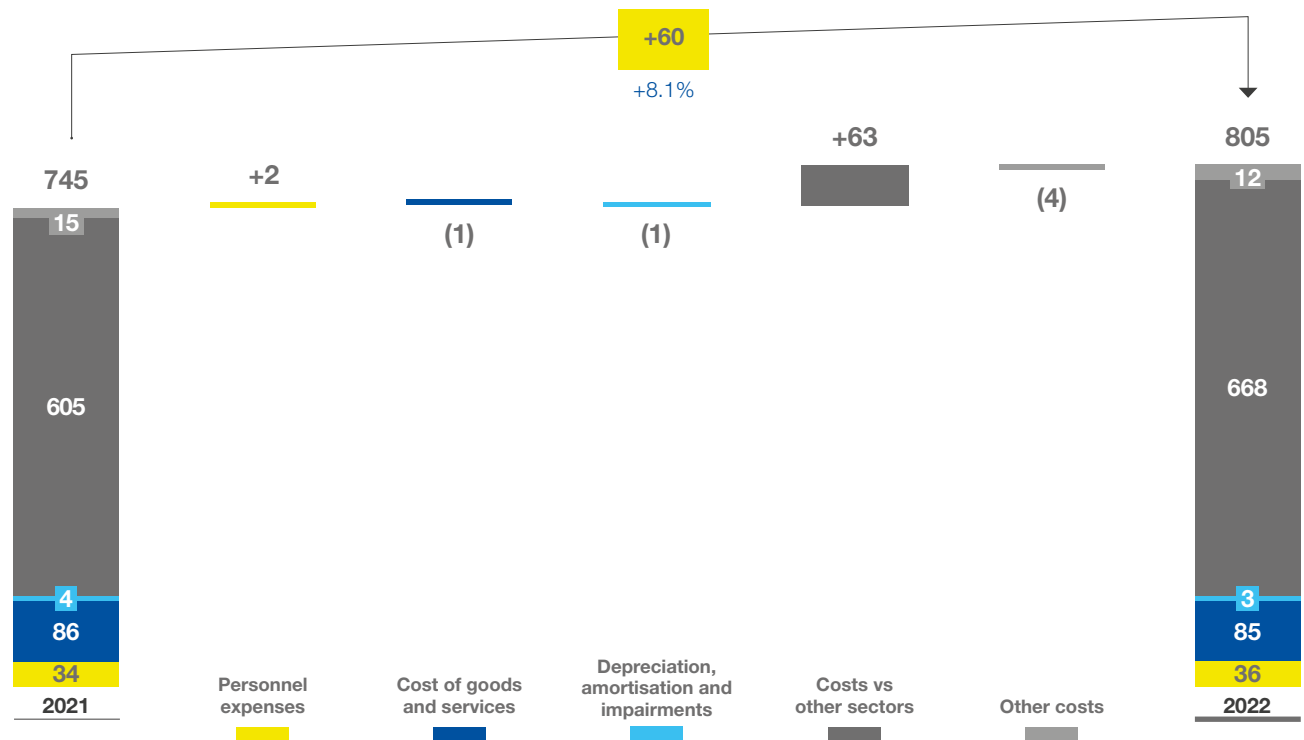
Within investment funds, diversification has been evident with a reduction in the concentration of risk associated with government

93. Included within the Italy Govies asset class is the Company's financial liquidity (cash awaiting transfer to the different asset class managers). At 31 December 2022, financial liquidity as a percentage of the entire portfolio was approximately 1.07%. The value of the investment portfolio at 31 December 2022 differs from the value of the life technical provisions depicted in the graph above. The difference is due to the different valuation of the individual items ("cost" principle in the presentation of the investment portfolio, IFRS ("market value") principle in the presentation of provisions), as well as to a different scope of reference; in particular, the value of the investment portfolio does not include the value of class D investments (Class III) and also considers the balance of free assets.

94. Government securities issued by states other than Italy, as these are shown as a separate item.

securities.

TOTAL COSTS (€m)

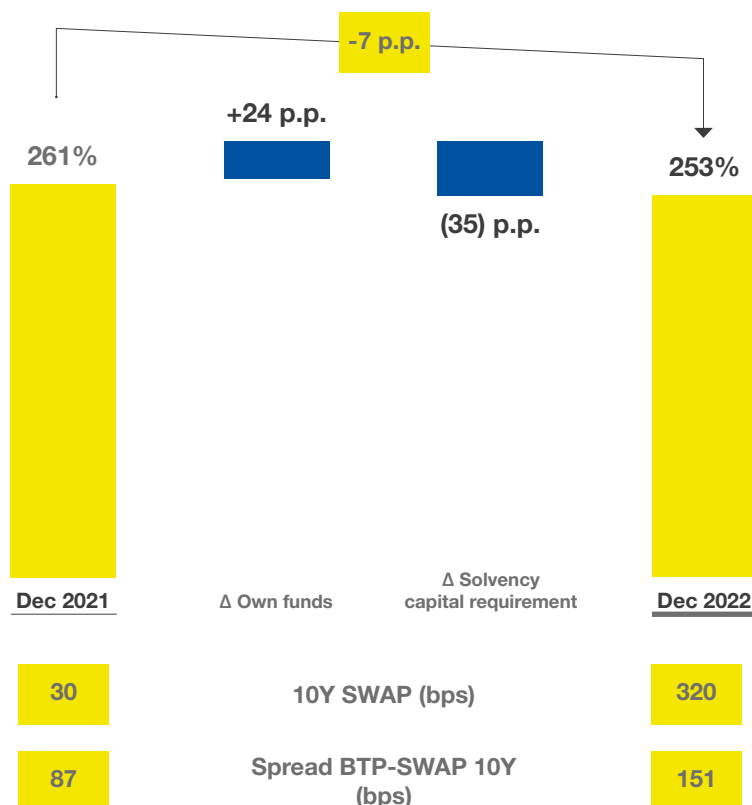


Total costs at 31 December 2022 amounted to €805 million, an increase of €60 million compared to 31 December 2021, mainly due to higher costs to other segments as a result of: i) higher commissions paid to the Financial Services Strategic Business Unit (+€55 million); in detail higher maintenance commissions paid during the year (+€49 million) as a result of the growth in average assets under management, only partially offset by lower commissions paid for distribution and collection activities as a result of the decrease in gross inflows relating to the Life segment (-€4 million); higher commissions paid on the P&C segment (+€7 million); higher management commissions paid to BancoPosta Fondi SpA SGR (+€3 million); ii) higher costs in respect of the Mail, Parcels and Distribution Strategic Business Unit (+€8 million), mainly related to call centre activities (+€2 million), back office, IT service fees and Poste Welfare Services for the management of settlements (a total of +€6 million).

In light of the results illustrated, the economic performance of the Insurance Services Strategic Business Unit shows EBIT of €1,350 million in 2022, up by 20.7% (+€232 million) compared to 2021 (€1,119 million).

Taking into account financial management (positive by €41 million), which includes €22 million incurred for the mass lapse hedging treaty, and taxes for the period (€413 million), the Insurance Services Strategic Business Unit achieved a net profit of €979 million at 31 December 2022, up 18.8% (+€155 million) compared to 2021.

SOLVENCY RATIO PERFORMANCE



The Poste Vita Group's **Solvency Ratio** stood at 253%⁹⁵ at 31 December 2022, down on the 261% reported at December 2021 (-7 p.p.), and remains well above the regulatory requirements and management's expectations (200%).

The change in the period is due to an increase in available own funds (+24 p.p.) as a result of the dynamics of the interest rate trend (+290 bps 10-year swap rate) and the BTP-Swap spread (+64 bps 10-year spread), which on the one hand cause an increase in Own Funds, due to the decrease in technical provisions partially offset by the reduction in the market value of investments, and on the other hand, an increase in the capital requirement.

The increase in the Capital Requirement (-35 p.p.) is mainly due to higher underwriting risks and specifically the **"lapse risk"** . The latter is calculated, as per the standard formula⁹⁶, by assuming a 40% lapse scenario for policies. In an economic context of rising interest rates, such as that experienced during the year, the value of policies became more profitable. It follows that with the increase in interest rates, the "mass lapse" scenario envisaged by the aforementioned formula becomes more valuable (i.e. increases the valuation of the related risk), even though the level of actual lapses has remained substantially stable. The increase in lapse risk was not offset by the reduction in other risks, mainly represented by the lower market risk due to the conditions of the economic scenario of the period.

On 29 July 2022, the Parent Company increased Poste Vita's capital endowment by subscribing to a capital instrument, subordinated for €500 million, under terms and conditions that allow it to be counted as core capital ("Restricted Tier 1" or "RT1"). This capital strengthening is aimed at optimising the company's capital structure and supporting the future growth and development of the Poste Vita Group's business.

The Company also signed a treaty to hedge the mass early lapse risk, referring to Class I and Multi-class products, which allows for an increase in the 2022 Solvency Ratio (+30 p.p.). Against the current backdrop of economic uncertainty, the current outlook for the Italian insurance market suggests that early policy termination behaviour by customers may show increasing trends in the future, although this phenomenon is not evident in the Company's portfolio to date.

95. The **Transitional Measures** , which set the Solvency Ratio at 31 December 2021 at 285%, cannot be adopted at 31 December 2022 because the value of the technical provisions calculated under Solvency II is lower than the value of the statutory technical provisions. The indicator takes into account the dividends expected in favour of the Parent Company for the year 2022. The value of the Solvency Ratio is currently undergoing the annual review process and will be communicated to IVASS by 19 May 2023.

96. Calculation formula provided by IVASS for the calculation of the capital requirement of insurance companies that do not adopt the internal calculation model.

< 7.3.4 Payments and Mobile Strategic Business Unit

The SBU's performance in 2022 was up on 2021, with positive contributions from all segments (electronic money, collections and payments, and telecommunications). The Energy segment, which started in June 2022 on a narrow target customer base, also performed well in the 2022 financial year.

PAYMENTS AND MOBILE (€m)	2022	2021	CHANGES	
External revenue	1,147	882	+265	+30.0%
Revenue from other sectors	264	319	(56)	-17.5%
Total revenue	1,410	1,201	+209	+17.4%
Costs	549	461	+88	+19.0%
Costs vs other sectors	482	459	+23	+5.1%
Total costs	1,031	920	+111	+12.1%
EBIT	379	282	+98	+34.8%
EBIT margin %	26.9%	23.4%		
NET PROFIT	270	425	(155)	-36.6%

Operating KPI	2022	2021	CHANGES	
E-money and payments				
Total value of card transactions ("on us" and "off us") (€m)*	71,390	61,086	+10,304	+16.9%
Total value of card transactions ("off us") (€m)**	57,377	49,448	+7,929	+16.0%
Number of cards (m)***	28.9	28.6	+0.3	+1.1%
of which Postepay cards (m)	21.4	21.1	+0.2	+1.1%
of which Postepay Evolution cards (m)****	9.5	8.4	+1.0	+12.1%
of which Postepay Green (k)	72.7	30.1	+42.6	n/s
of which Postepay Connect (k)	539.7	418.1	+121.6	+29.1%
Number of card transactions (m)	2,340	2,013	+327	+16.2%
of which number of e-commerce transactions (m)*****	599	520	+79	+15.1%
Payment slips accepted through alternative channels ^(*) (%)	37%	40%		
Postepay top-ups through alternative channels ^(*) (%)	81%	80%		
TLC				
SIM PosteMobile landlines and mobile telephones (stock in thousands) ^(*)	4,815	4,725	+90	+1.9%
of which mobile Sim (stock in thousands) ^(*)	4,459	4,427	+32	+0.7%
of which Sim Casa (stock in thousands) ^(*)	356	298	+58	+19.3%
of which Sim Fibra (stock in thousands) ^(*)	99.1	28.4	+71	n/s
MNP (Mobile Number Portability) - acquisitions (in thousands)	590.8	591.1		
Energy				
Contracts signed (in thousands)	47	-	n/s	n/s

n/s: not significant

^(*) Includes transactions carried out on Third Party Networks and Digital Channels (Poste Italiane Retail Properties, Business and Other Digital Channels).

* Transaction relating to payments made with Postamat and Postepay on internal and external payment circuits ("on us" and "off us").

** Transactions relating to payments made with Postamat and Postepay on external payment circuits ("off us").

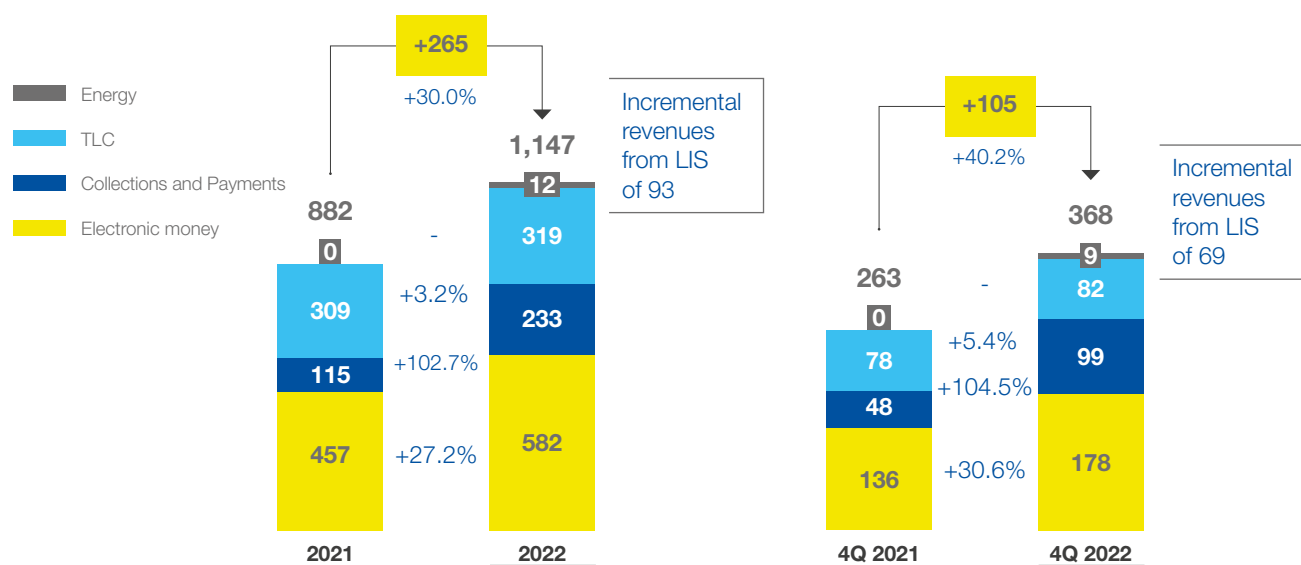
*** Includes Postepay cards and debit cards.

**** Including business and Postepay Connect customers.

***** Includes e-commerce + Web transactions (on Poste Italiane digital properties).

EXTERNAL REVENUE

(€m)



Electronic money: prepaid cards (top-ups, payments, withdrawals, fees, issuance), debit cards (Postepay debit – interchange fee on card transactions; from October 2021, also withdrawals, P2P top-ups and fees to customers); acquiring services (transaction fee, fees and services) related to the supply of POS (mobile, physical, virtual) for accepting card payments (debit, credit, prepaid). Phone top-ups for all mobile network operators (MNOs) and mobile virtual network operators (MVNOs), commercial services for tobacconists/HORECAs.

Collections and payments: tax payment service through acceptance of the F23 and F24 models; funds transfer for sending money abroad via Moneygram and Western Union, post giro transfers and direct debit made by Postepay Evolution, payments on the PagoPA system, MAV, payment collection, revenue stamps, acceptance of postal pay slips and other direct LIS payments.

TLC: mobile phones (revenue from traffic, and the sale of mobile phones and routers from PO corners) and fixed line (PosteMobile Casa and PosteCasa Ultraveloce offers).

Energy: revenue from electricity and gas sales following the start of the employee and family promo in mid-June 2022 and revenue from optimising the energy management portfolio.

External revenue in 2022 amounted to €1,147 million, marking an increase of €265 million compared to December 2021 (+30%) thanks to the positive contribution of all sectors. In particular, the Collections and Payments business strengthened its performance following the acquisition in September 2022 of LIS Holding SpA, which brings incremental revenue of €93 million to the SBU's revenue in 2022 (distributed between the Electronic Money and Collections and Payments segments), while the Energy business benefited from the launch of electricity and gas sales services in June 2022 to a restricted target of employees, family members and pensioners of the Group.

In detail, revenue in the Electronic Money segment grew by €124 million, from €457 million in 2021 to €582 million in 2022, due to higher revenue from payment card operations, also attributable to the contribution from Poste Italiane to PostePay of the debit card business unit on 1 October 2021 and the aforementioned acquisition of LIS Holding SpA in September 2022, as well as higher revenue from acquiring services.

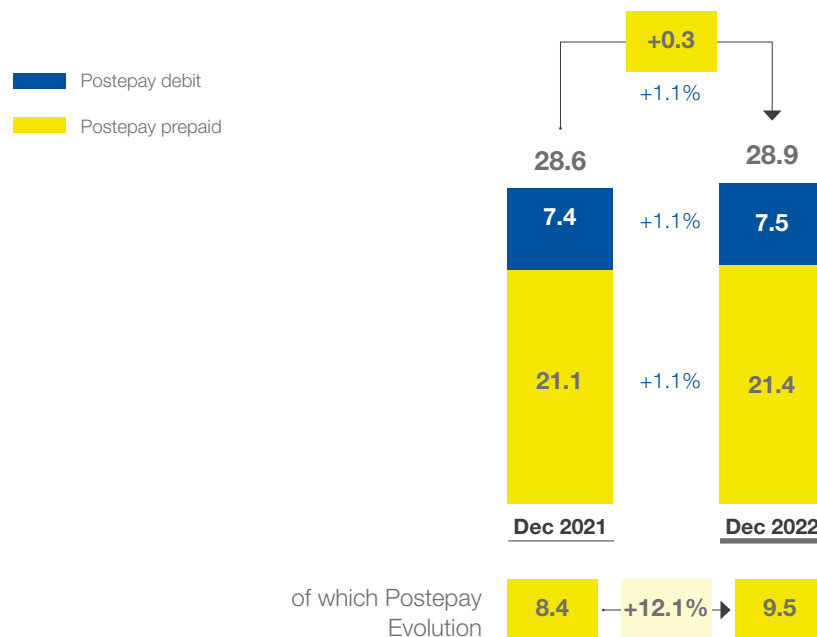
Revenue from Collections and Payments services grew by €118 million (+102.7%), rising from €115 million in 2021 to €233 million in 2022, driven by PagoPA payment advices and instant transfers⁹⁷ from Postepay Evolution.

The Telecommunications segment recorded growth of €10 million, compared to the €309 million revenue achieved in 2021 (+3.2%). The increase is attributable to higher revenue from the fibre optic connectivity service.

In June 2022, the new energy offer was launched for employees, pensioners and family members of the Poste Italiane Group, which, at 31 December 2022, recorded €12 million in revenue, of which, €7 million from the sale of energy services and €5 million from energy wholesale management activities. The energy offer launched in June recorded around 47 thousand subscriptions in 2022 (of which 29 thousand for commodity power and 18 thousand for gas) against a customer base of 38 thousand active contracts (of which 23 thousand for power and 15 thousand for gas).

The performance in the fourth quarter of 2022 confirms the sustained growth in the Collections and Payments and Electronic Money segments. In particular, the high transaction volumes of payment cards related to the increase in transactions on both physical and digital channels and the acquisition of LIS Holding, drove the revenue of the Electronic Money segment to €178 million in the fourth quarter (+30.6% compared to fourth quarter 2021). In the fourth quarter of 2022, Collection and Payment Services recorded revenue of €99 million (+104.5% compared to the same period of 2021), mainly due to the positive contribution of the PagoPA payments service to the Public Administration. Positive performance also for the Telecommunications segment, which posted revenue of €82 million in the final quarter of the year (+€4 million, +5.4% compared to fourth quarter 2021) supported by growth in the customer base of the fibre service, and for the Energy segment, which posted revenue of €9 million.

CARD STOCK (m)



At 31 December 2022, the total stock of prepaid and Postepay Debit cards amounted to 28.9 million, with total transactions⁹⁸ equal to €71.4 billion, up by approximately €10.3 billion (+16.9%) compared to 31 December 2021.

97. Transfers settled within seconds of the transaction being ordered, via the pan-European TIPS (Target Instant Payment Settlement) platform dedicated to real-time settlement of instant payments. Source: www.bancaditalia.it

98. The figures refer to on-us and off-us transactions.

Outstanding prepaid Postepay cards amounted to 21.4 million (+1.1% compared to December 2021) and of these, Postepay Evolution cards, equal to approximately 9.5 million at 31 December 2022, showed an increase of 12.1% compared to the value at 31 December 2021. The sale of Postepay Connect⁹⁹ continued in 2022, with approximately 253 thousand activations at 31 December 2022 and a stock of 540 thousand cards (+29% compared to December 2021).

28.9 mln

the stock of cards in 2022

In 2022, there was an increase in payment card transactions of 16.2% (+327 million transactions) compared to 2021, due in part to the contribution of e-commerce transactions¹⁰⁰ (+79 million transactions). The total transacted business of €71.4 billion in December 2022 grew by more than €10 billion (+16.9%) compared to December 2021.

+15.1%

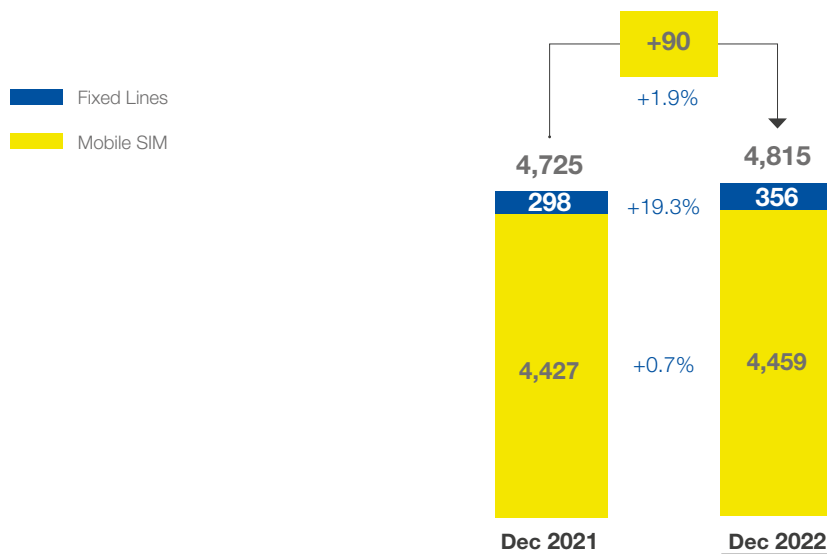
the growth of e-commerce transactions in 2022

In the area of acquiring, against a number of POS installed at 31 December 2022 of about 280 thousand, a transacted volume of €27.1 billion was developed (+18.3% of transacted volume compared to 2021, an increase of €4.2 billion).

At 31 December 2022, the percentage of slips accepted on third-party networks and digital channels was slightly down compared to December 2021, while the prevalence of alternative channels to the post office for PostePay top-ups was confirmed.

STOCK SIM

(figures in thousands)

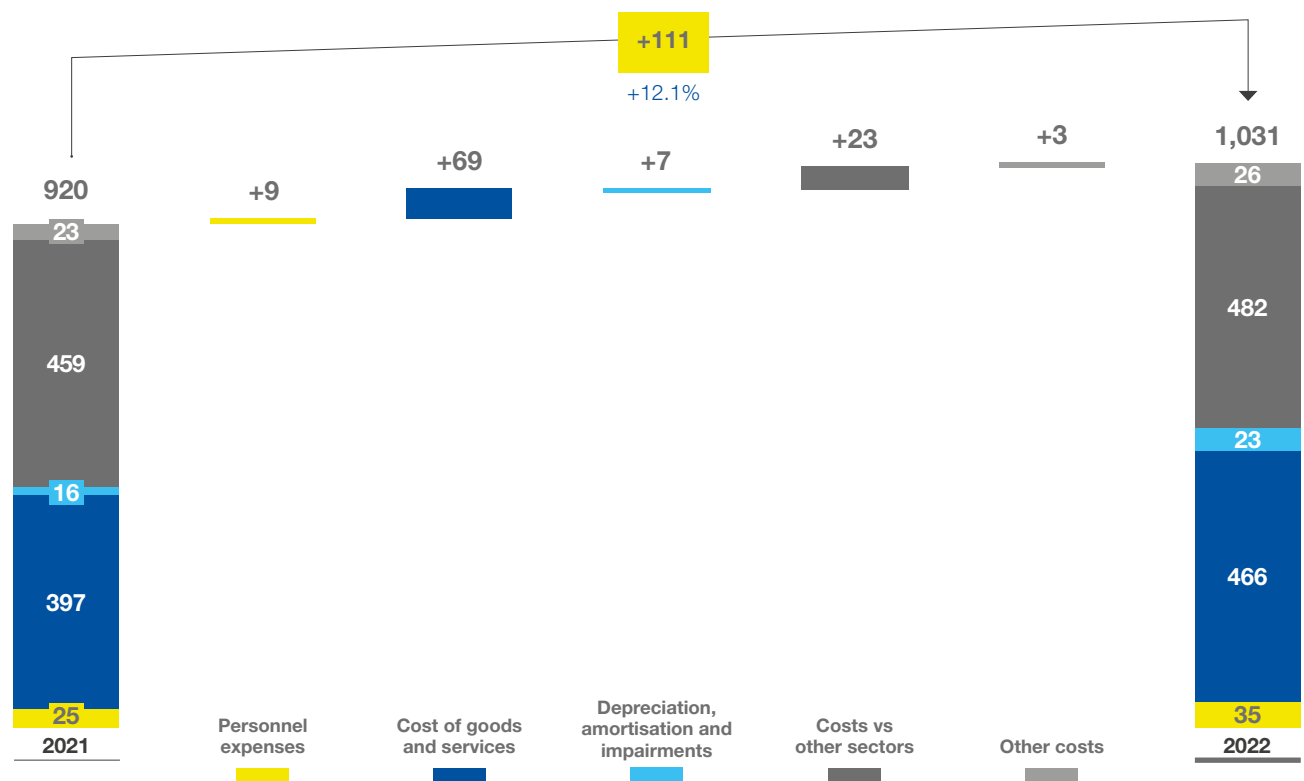


In Telecommunications, the customer base related to mobile services, at 31 December 2022, is represented by approximately 4.5 million lines, substantially in line compared to 31 December 2021.

With reference to Fixed Telephony services, the “PosteMobile Casa” offer and the “PosteCasa Ultraveloce” fibre optic data connectivity offer recorded a 19% increase in lines, rising from 298 thousand lines at 31 December 2021 to 356 thousand lines in December 2022. In detail, the lines of the ‘PosteMobile Casa’ offer decreased by 4.8% compared to December 2021, rising from 270 thousand lines in 2021 to 257 thousand in December 2022, while the lines of the “PosteCasa Ultrafast” offer reached 99 thousand units in December 2022, an increase of 70 thousand lines compared to December 2021.

99. Offer integrating the Postepay Evolution prepaid card and the Postemobile SIM.

100. Includes e-commerce transactions + web (on Poste Italiane's digital properties).

TOTAL COSTS
(€m)

The total costs of the Strategic Business Unit amounted to €1,031 million, an increase of 12.1% (+€111 million) compared to the €920 million incurred in 2021.

The increase in the cost of goods and services is mainly attributable to higher variable costs related to the operation of cards in the Electronic Money business, as well as to the expansion of the scope of operations generated by the acquisition of LIS. There was also an increase in costs in the Energy segment following the launch of the commercial offer during the year. These increases are partly mitigated by lower costs from telephone traffic in telecommunications, following the change of network operator (**Mobile Host Operator – MHO**) in 2021.

The increase in costs to other segments (+€23 million) compared to 2021 is mainly determined by higher outsourcing costs to the Parent Company, with particular reference to the distribution activities of payment services, as well as higher outsourcing costs recorded in connection with the Energy segment's information systems.

Personnel expenses increased by €9 million compared to December 2021, due to the expansion of the workforce following the acquisition of LIS and the new Energy business.

In light of the results described, the economic performance of the Payments and Mobile Strategic Business Unit in 2022 shows an operating profit (EBIT) of €379 million, up by 34.8% compared to the previous year (€282 million).

Financial management showed a negative change of €228 million compared to the previous year, which was mainly attributable to the non-recurring income of €225 million from the merger of Nexi, Nets and SIA in 2021.

For further information, please refer to the section "Principal corporate actions" in the 2021 Annual Report.

Profit for the year amounted to €270 million, down 36.6% from the 2021 figure of €425 million. Net of the aforementioned corporate actions in 2021, the change in net profit would be a positive +€64 million compared to 2021 (+30.8%).

< 7.4 Digital and third-party networks in the Group's Omnichannel Strategy

The Group acts as a driver of innovation and digitisation of the country, guaranteeing the accessibility and functionality of its offer and services to all citizens.

The Group's omnichannel strategy is aimed at creating an "ecosystem" and multi-channel platform model which, thanks to cutting-edge physical and digital channels and simplified processes for serving its customers, aims to guarantee an excellent and "without differences" customer experience on all contact points.

Digital Properties

The Group has implemented a programme of "digital transformation" of all its service and offer models in order to guarantee its customers full digital contact experiences. This programme was significantly accelerated in 2021, in view of the effects of the current health emergency, in order to make the Group's products available to customers in conditions of absolute safety.

Digital Market

With reference to the Digital market¹⁰¹, almost 51 million people in Italy are on-line and almost 44 million are present and active on social channels. 97.5% of Italians continue to use a smartphone and 67.2% a desktop or laptop computer (the latter down 11% compared to 2021), while the growth of smartwatches (used by 33.2% of the population, up 18% compared to 2021) and smart homes (used by 20.5% of Italians, up 18% compared to 2021) continues. As far as e-commerce is concerned, the number of people in Italy who made at least one on-line purchase increased by 4.7% in 2022 compared to 2021 in the world of consumer goods.

101. Source: <https://wearesocial.com/it/blog/2023/02/digital-2023-i-dati-italiani/>.

Main KPIs: Digital and Third-Party Networks	2022	2021	CHANGES	
Digital + third-party networks KPIs				
Digital+contact center+third-party networks interactions/total daily interactions	68%	64%		
Digital transactions+third party networks/total transactions	36%	33%		
Digital KPIs				
Customers registered on Poste Italiane's digital channels (websites and apps) (m)	36.8	33.8	+3.1	+9.1%
Daily users (website and apps) (m)*	5.8	4,3	+1.5	+34.9%
Number of digital transactions (m)	152.6	124.7	+27.9	+22.4%
App downloads (m)	84.5	70.3	+14.3	+20.3%
Poste Italiane Digital e-Wallets (m)	10.7	9.1	+1.6	+17.4%
Active digital identities (SPID) (m)	23.8	21.2	+2.7	+12.7%
Digitally enabled customers (%)**	70.6%	67.5%		
Customers who use Poste services digitally (%)***	21.3%	18.7%		
PO queue reservations from app (m)	21.8	27.8	(6.0)	-21.5%
Third-party networks KPIs				
Payslip volumes (m)	50.8	68.3	(17.5)	-25.7%
Postepay top-ups (m)	51.8	53.5	(1.7)	-3.3%
Postemobile top-ups (m)	11.1	10.9	+0.2	+1.8%
Parcels delivered (m)	10.8	4.7	+6.2	+132.6%

* Average daily values during reference period.

** Customers who have access credentials to digital channels.

*** Customers who have made a payment on digital channels using Poste's payment instruments.

Interactions: daily contacts of customers with the group's omnichannel platform: visits to the Poste Italiane Group's website and apps, calls to the contact centre, customers served in post offices, transactions carried out at ATMs and third-party networks, transactions on physical POS and e-commerce.

Transactions: customers' purchase actions (e.g. purchase of current account or postepay evolution) and transactions (e.g. payment of payslips, postepay top-up, bank transfer) on the Poste Italiane Group's digital properties, in post offices and at third-party networks.

In 2022, the incidence of daily interactions on new channels (digital and third-party networks) increased from 64% in 2021 to 68%.

The share of digital and third-party network transactions in total transactions also increased from 33% in 2021 to 36% in 2022.

Interaction traffic on digital channels continued to grow from 6.7 million average daily interactions in 2021 to 9.3 million average daily interactions in 2022. During the year, the number of apps grew from 3.04 million to 4.52 million daily visitors. The average number of transactions carried out on digital channels is approximately 12.5 million per month (+22% compared to 2021) with a transacted value of approximately €3.27 billion per month (+23% compared to 2021).

Poste Italiane is confirmed as the first SPID Digital Identity Manager, with a market share of around 77% and a customer base of around 25.7 million Identities Digital public databases issued, of which 23.8 million active, compared to approximately 3.4 million new activations in the year.

In order to guarantee the highest quality of service and to propose new "digital citizenship" tools to users, giving value to the privileged partnership with institutions and supporting the evolution of the Public Digital Identity System, Poste Italiane has made available the new SPID digital identity solution for underage citizens and is working on the launch of SPID digital identity solutions for access to on-line services dedicated to professionals and businesses, with specific paid offers.

>9 mln

average daily interactions on digital channels of the Group


~26 mln

digital identities issued with ~77% market share

STRENGTHENING OF DIGITAL CHANNELS

During 2022, the Group continued the evolution of digital channels with a view to ensuring a seamless, omnichannel experience for its customers based on the following main drivers of evolution:

Introduction of new features on digital channels

- New payment methods have been developed in the BancoPosta app, such as payment with a **Postepay code**, sending money via **P2P**¹⁰², and the **Google Pay** service, with which it is possible to **make payments** directly from smartphones with the Android operating system in enabled physical and on-line shops.
- It will be possible to view the receipts of credit transfers, postage payments and payment of slips from the **app and from the website** poste.it directly on the notice board or by sharing the contents via e-mail, as well as to display on the notice board receipts of payments made at post offices for credit transfers, postage payments and top-ups.
- The **digital assistant (BOT)**  service was evolved in order to monitor the status of shipments.
- As part of the **evolution of the fibre offer**, new services were made available in the app (e.g. the possibility of defining the method of payment and receipt of invoices), as well as the possibility of managing the new **PosteCasa Ultraveloce Start** offer in the self-service area (app and web) with the possible integration of the **voice option**.

Strengthening the catalogue of offers on digital channels

- The possibility of subscribing to the **Fibra** offer has also been enabled in the BancoPosta app and the Postepay app, and sales from the contact centre have been activated.
- The launch of the remote financial offer was completed at all post offices, with the possibility of sending the **advisory proposal** to the customer's private area **and the possibility of finalising it via digital funnel**.
- In September 2022, the **Postepay app** integrated the functionality of **sales of electricity and gas products** for employees of the Poste Italiane group. The sale is fully omnichannel: customers can start the purchase process and conclude it later also via another channel; there is also full and autonomous supply management from the web channel and the Postepay app.
- During the third quarter of 2022, the cross-selling initiative (integrated sales) of the **Fibre service** with the **Poste Vivere Protetti policy**¹⁰³ was launched in the post office network and in the digital channel.

Optimising PosteBusiness infrastructure

During the year, the new version of the **PosteBusiness** app was made available, including new functionalities for customers (configuration of the Business Window, management of collections via mobile POS and the use of the Postepay Evolution Business card).

102. Peer to peer is a technology that allows the interchange of money: two different devices (computers, tablets or mobile phones) are able to communicate with each other for the transfer of a sum of money, without the details of the current accounts or credit cards of both being displayed.

103. The initiative is aimed at offering customers who request the PosteCasa Ultraveloce service a discount for subscribing to the PosteVivere Protetti range of modules for damage coverage and home assistance. To promote the insurance solution, a dedicated banner is provided at the end of the on-line purchase funnel of the Fibre service, through which the customer will be able to directly access the calculation of the policy quote and proceed to its subscription directly from the digital channel.

< 7.5 Group Capital Management Framework

The Group strategically manages the allocation of available capital among the four Strategic Business Units in which it operates, consistent with the following objectives:

- 1** ensure business continuity through adequate capital allocation by all SBUs to support the investment and liquidity needs of the businesses on the one hand, and compliance with regulatory requirements for SBUs operating in regulated and supervised markets on the other;
- 2** maximise the medium- to long-term value creation of the Group by allocating capital according to its economic return;
- 3** guarantee a competitive return to shareholders by ensuring the dividend policy communicated to the market;
- 4** seize opportunities arising from acquisitions and/or strategic partnerships.

OBJECTIVES	2022-2021 KPIs	FOCUS
1 Support the operational continuity of the business, ensuring industrial investments consistent with the objectives of the Strategic Plan. Maintain capital requirement levels in line with the forecasts of the various authorities or consistent with management's aspiration. Maximise cash flow from Group operations.	<ul style="list-style-type: none"> • Investments of €810 million in 2022 (€754 million in 2021) 	🔍
	BancoPosta: <ul style="list-style-type: none"> • CET1 Ratio of 20.3% in 2022 (19.3% in 2021) • Total Capital Ratio of 23.1% in 2022 (21.9% in 2021) • Leverage Ratio of 2.9% in 2022 (3.0% in 2021) 	🔍
	Poste Vita Group <ul style="list-style-type: none"> • Solvency Ratio of 253% in 2022 (261% in 2021) 	🔍
	PostePay EMI: <ul style="list-style-type: none"> • Free Capital Ratio: 33% in 2022 (15.1% in 2021) • Total Capital Ratio: 8.95% in 2022 (6.48% in 2021) 	
	<ul style="list-style-type: none"> • FFO of the Mail, Parcels and Distribution SBU in 2022 amounting to €259 million (€60 million in 2021) 	🔍
2 Maximise the Group's medium-/long-term value creation, directing strategic choices according to return on capital, towards continuous value growth over time.	<ul style="list-style-type: none"> • Group ROE 2022 of 13% in 2022 (14% in 2021) • EPS 2022 of €1.163 (€1.214 in 2021) 	
3 Ensure competitive returns to shareholders by guaranteeing adequate distributable profit reserves of the Parent Company to support the dividend policy. Optimise dividend flows distributed by the SBUs to the Parent Company.	<ul style="list-style-type: none"> • DPS 2022 of €0.650 (+10% y/y) of which a portion (€0.210) was settled as an advance in November 2022 (€273 million) • Distributable reserves of the Parent Company at 31/12/22 amounted to €1.4 billion, (€1.0 billion at 31/12/2021) 	🔍
4 Seize opportunities related to strategic M&A transactions, flexibly managing the capital and liquidity while keeping the Group's financial structure balanced.	<ul style="list-style-type: none"> • ORGANIC NET DEBT/(FUNDS) of the Mail, Parcels and Distribution¹⁰⁴ SBU at 31/12/22 -€14 million (-€160 million at 31/12/21) becoming -€1,401 million post extraordinary transactions • EBITDA 2022 of €3,121 million (€2,636 million in 2021) 	🔍

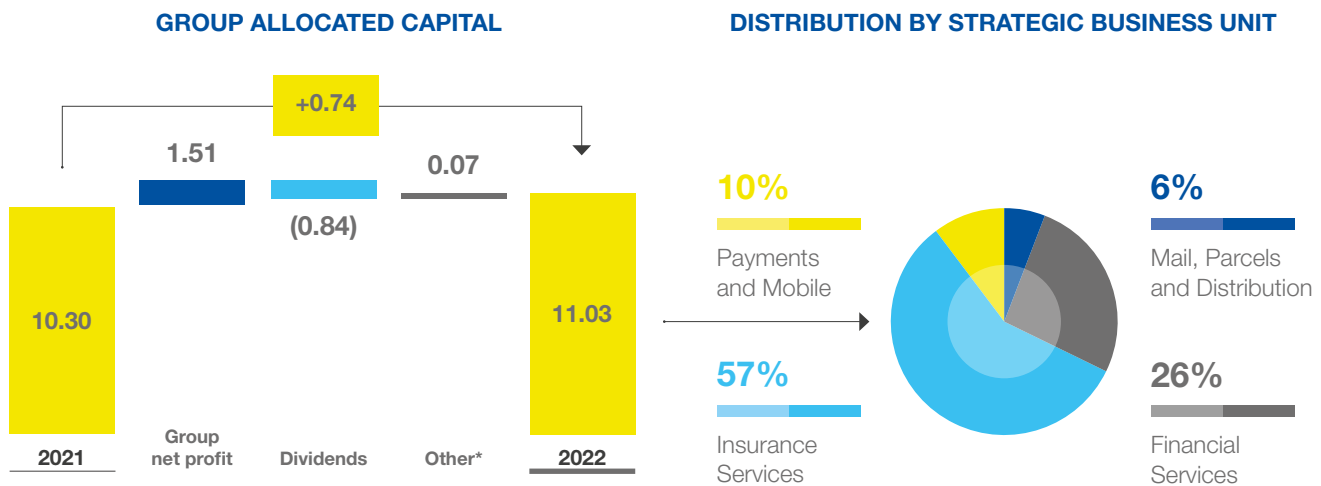
104. Net debt/(funds) of the Mail, Parcels and Distribution SBU net of fair value and cash flow hedge reserves and lease liabilities (IFRS 16) and extraordinary transactions during the year.

With reference to the objectives listed above, during the year the Group has:

- incurred industrial investments in the amount of €810 million, details of which are given below;
- further increased Poste Vita's capital endowment, through the Parent Company's subscription of a capital instrument, subordinated for €500 million, under terms and conditions that allow it to be included in core capital ("Restricted Tier 1");
- distributed dividends to shareholders in excess of €800 million;
- supported M&A transactions by committing around €900 million of liquidity for:
 - acquisitions of the following companies:
 - LIS (€700 million)
 - Plurima (€105 million)
 - Agile Group and Sourcesense (€18 million and €30 million)
 - Scalapay (€25 million)
 - ECRA (€3 million)
- Moneyfarm capital increase (€9 million).

Below is the evolution of the Group's allocated capital compared to 2021 and its distribution among the SBUs.

(€bn)



* Other includes the purchase of treasury shares, the coupon on the hybrid bond, the granting of put options for the purchase of minority interests and the change in the IFRS 2 reserve.

Allocated capital at 31 December 2022 amounted to €11.03 billion, an increase of €0.74 billion compared to 31 December 2021, mainly due to the 2022 profit for the year of €1.51 billion, partially offset by dividends for the year of €0.84 billion (partly distributed through an interim dividend of €273 million in November). The Group's allocated capital is mainly attributed to the Insurance Services (57%) and Financial Services (26%) SBUs.

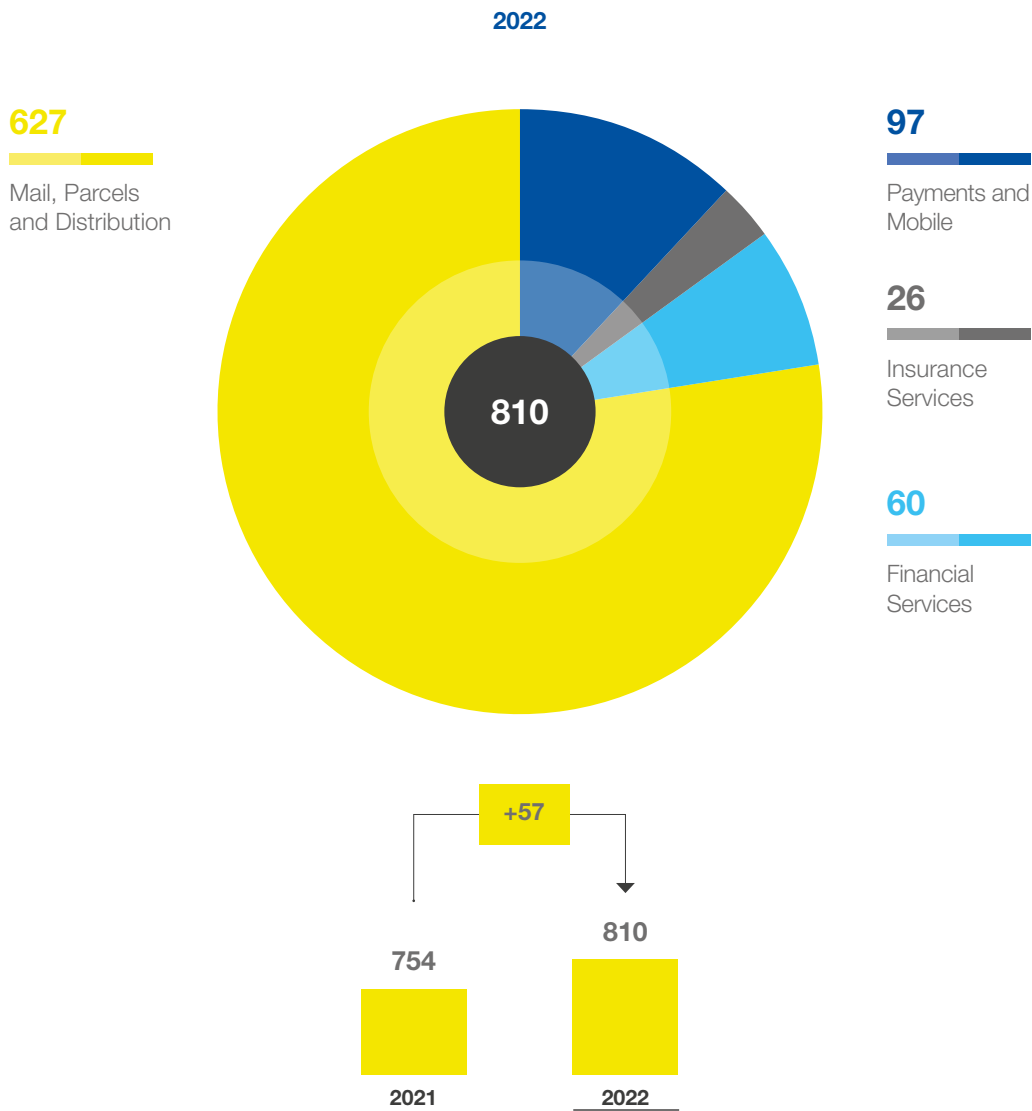
< 7.6 Group financial position and cash flow

(€m)	31 December 2022	31 December 2021	CHANGES	
NON-CURRENT ASSETS	5,852	4,565	+1,287	+28%
NET WORKING CAPITAL	1,396	2,285	(889)	-39%
GROSS INVESTED CAPITAL	7,248	6,850	+398	+6%
SUNDRY PROVISIONS AND OTHER ASSETS/LIABILITIES	(716)	(1,898)	+1,182	+62%
NET INVESTED CAPITAL	6,531	4,952	+1,579	+32%
EQUITY	8,937	12,110	(3,173)	-26%
NET FINANCIAL POSITION (SURPLUS)/SHORTFALL	(2,406)	(7,158)	+4,752	+66%
<i>of which: Net debt/(funds) of the Mail, Parcels and Distribution SBU</i>	2,839	1,284	+1,555	+121%

The Poste Italiane Group's **non-current assets** at 31 December 2022 amount to €5,852 million, an increase of €1,287 million compared with the end of 2021. Investments of €810 million contributed to the formation of fixed assets and an increase in rights of use for new stipulations, renewals and contractual changes falling within the scope of application of IFRS 16 equal to a total of €358 million. In addition, there was an increase resulting from the first-time consolidation of the LIS Group for €685 million, Plurima for €239 million, Sourcesense for €27 million and Agile for €15 million (of which €630 million related to the recognition of goodwill from acquisitions). These changes were partially offset by depreciation and amortisation of €830 million. The balance of the item also includes investments valued using the equity method for a total of €263 million, mainly referring to the investment held in Anima Holding, Financit and Replica SIM. With reference to the investment in Anima Holding, it should be noted that an impairment of €21 million was made during the year, following the execution of the impairment test carried out on the value of the investment.

Group **investments** of 2022 amount to €810 million and show an increase of 7.5% compared to 31 December 2021 (+€57 million). Investments classified as ESG, i.e. complying with the reference principles of the Group's 8 Sustainability Pillars, represent about 70% of the total value. The main projects include energy efficiency measures for the property stock, the evolution of technological infrastructure on a cloud environment, the improvement of the customer experience of products and services offered to customers in a multi-channel and digital perspective, the adoption of management systems, equipment and infrastructure in the field of health and safety.

(€m)



In line with the 2021-2024 investment programme in support of the Strategic Plan objectives, approximately 77% of the Poste Italiane Group's investments (€627 million) were allocated to automation and modernisation of the **Mail, Parcels and Distribution Strategic Business Unit**. In particular, the renewal of the fleet dedicated to delivery continued during the year, with the introduction of about 15,000 new vehicles, of which about 1,900 electric, about 7,000 hybrid and the remainder with low emissions. In addition, some 2,300 electric vehicle charging infrastructures were installed. At 31 December 2022, approximately 4,000 electricity columns are installed.

During the current financial year, new zero-emission delivery lines were also implemented on 13 city centres in addition to the 15 city centres already implemented in 2021, for a total of 28 city centres. As far as municipalities are concerned, there are 110 with zero-emission deliveries.

~23,000

low-emission vehicles
available in the fleet, of which
approximately **3,600 electric**

>410,000


LED lamps installed
at 31 December 2022

In the area of reducing environmental impacts, work continued on replacing traditional lamps with LED technology (more than 32,000 in 2022) automation and remote control of facility management (more than 960 buildings involved in the Smart Building project in 2022) in order to reduce electricity consumption and CO₂ emissions. Over 120 photovoltaic systems were also installed during the year.

~1,600

**buildings involved in
the Smart Building project
at 31 December 2022**

In 2022, work continued on the routine management of security in the workplace, in particular with the distribution of security equipment at territorial branches and IT security through activities to prevent threats and counter cyber attacks; Poste Italiane's video surveillance service was further extended to sites that were not yet served and existing systems were improved, gradually replacing obsolete digital video recorders (DVRs) and burglar alarm control units; in particular, more than 200 new cameras were installed during the year, replacing 500, and more than 500 burglar alarm control units were replaced.

Within the scope of Technological Transformation and Engineering, the migration of existing digital services to the new infrastructure based on Hybrid Cloud continued, through a '**containerisation**' procedure  of application components. In addition, Data Center consolidation activities continued during the year, which saw the closure of the Rozzano (MI) site.

In the **Financial Services Strategic Business Unit**, total investments amounted to €60 million and mainly related to the expansion of the Postal Savings, Life and Funds product range with a multi-channel perspective and the improvement of the customer experience.

With regard to the **Insurance Services Strategic Business Unit**, design activities continued in 2022 to support industrial development and the continuous functional/infrastructural improvement of the most important business support systems, as well as the interventions to adapt the systems to comply with regulatory obligations. Total investments in the year amounted to €26 million.

Investments for the period of the **Strategic Business Unit Payments and Mobile** amounted to €97 million and concerned developments to support the fixed and mobile network offer with the aim of increasing its competitiveness on the market, as well as IT investments for the Bollettino and PagoPA areas and those aimed at supporting the launch of the electricity and gas offer on the domestic market.

For further details on initiatives aimed at accelerating the digitalisation processes and omnichannel use of the offers of the various Strategic Business Units, see the section on "Strengthening of digital channels". 

Net working capital at 31 December 2022 amounted to €1,396 million and decreased by €889 million compared to the end of 2021. The following contributed to this change:

- lower trade receivables of €329 million and higher trade payables of €205 million;
- decrease in other receivables and assets net of other liabilities of approximately €355 million (mainly due to the change in tax items related to the operations of the Insurance Services and Financial Services Strategic Business Units).

The reduction of working capital by €889 million ensured a lower financial requirement and an internal source of financing, allowing liquidity to be freed up.

With regard to trade receivables, the focus in 2022 was on monitoring late payment situations and improving overdue credit recovery activities. Specifically, the prevailing activities focused on systematically sending reminders, reducing the time for blocking the service for customers in arrears, and speeding up the dispatch of irrecoverable files to the legal department.

During the year, the Group continued its efforts to set up direct channels with customers in arrears in order to understand their reasons and take action to make the collection process more effective. These activities ensured significant improvements in the reduction of collection times for both past and current receivables.

With specific reference to receivables from the Public Administration, there was a significant reduction in receivables from Cassa Depositi e Prestiti due to the new invoicing and collection schedules set forth in the current Convention.

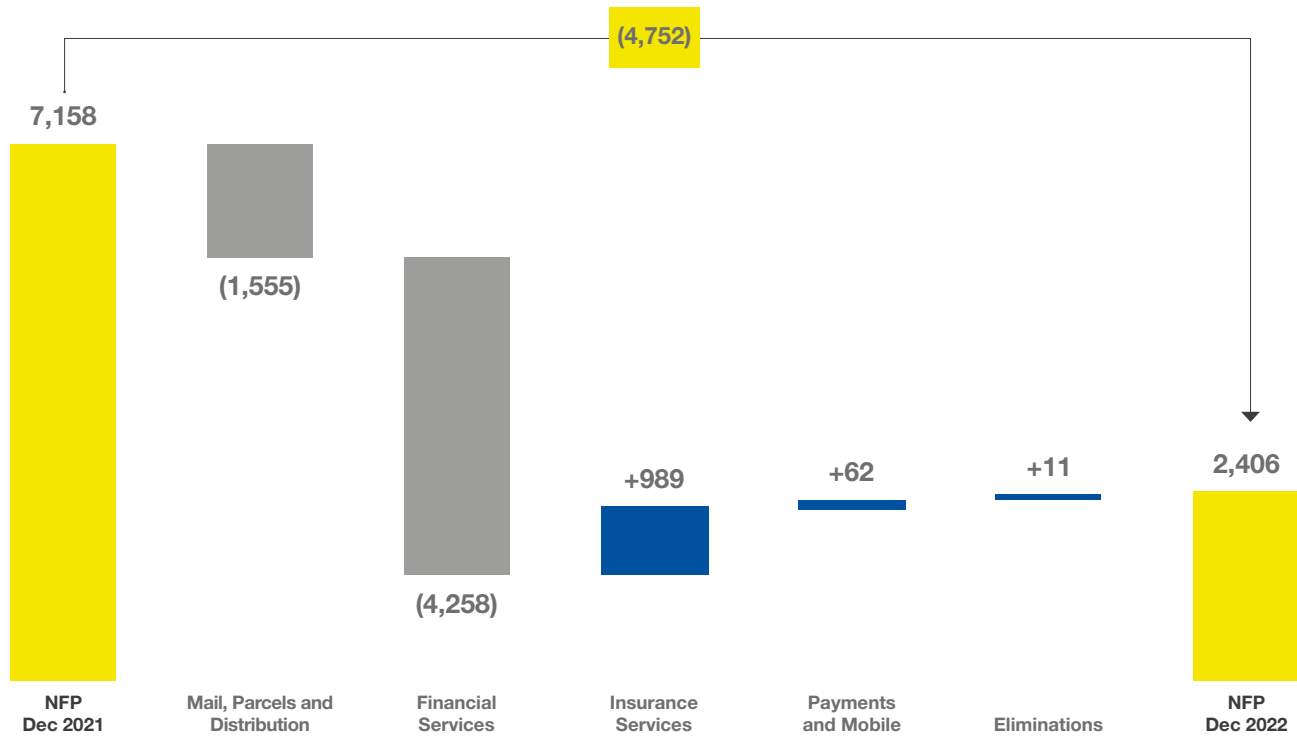
On the other hand, the increase in trade payables is mainly attributable to changes in the group's perimeter due to the corporate transactions of the year, the inflation increase and the increase in investments.

The balance of **Sundry provisions and Other assets/liabilities** at 31 December 2022 amounted to €716 million and decreased by €1,182 million compared to 31 December 2021 mainly due to higher net deferred tax assets of €1,053 million (largely due to the negative changes in the fair value of financial instruments classified in the FVOCI category) and the reduction in employee severance indemnities for €217 million, partially offset by the increase in provisions for risks and charges for €88 million (mainly

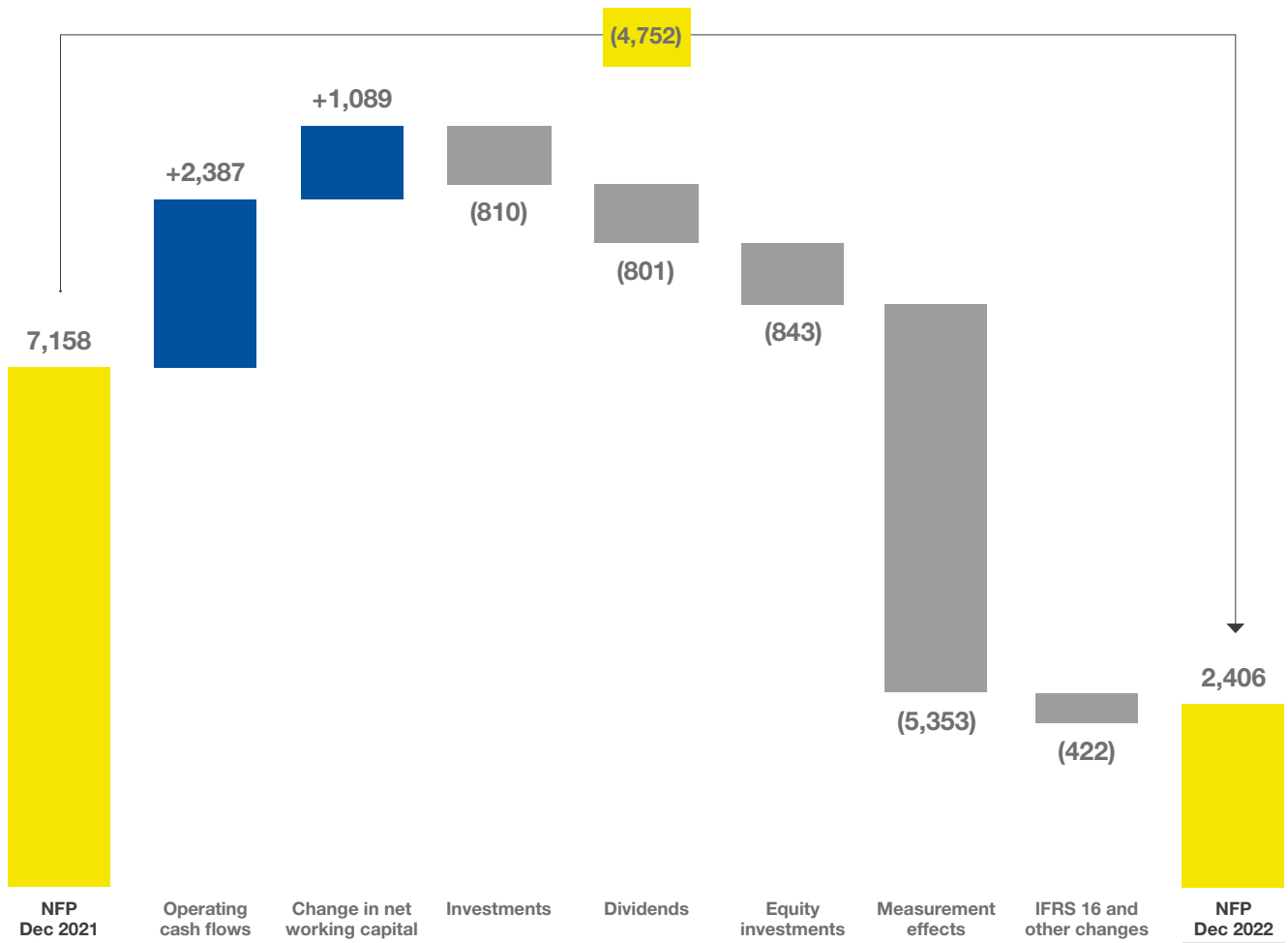
due to the provision for tax credits Law No. 77/2020, net of the decrease in the provision for leaving incentives).

Equity at 31 December 2022 amounts to €8,937 million, a decrease of €3,173 million compared to 31 December 2021. This change was mainly attributable to the positive effect of the profit for the period of €1,511 million, which was more than offset by the distribution of dividends in the amount of €801 million¹⁰⁵ and the decrease in the fair value reserve resulting mainly from the negative change in the fair value of financial instruments classified in the FVTOCI category in the amount of €3,865 million.

GROUP NET DEBT/(FUNDS)
(€m)



105. The value includes approximately €3 million in dividends distributed to minority shareholders by subsidiaries.



Total net debt/(funds) at 31 December 2022 showed funds of €2,406 million, down €4,752 million from 31 December 2021 (surplus of €7,158 million). The following mainly contributed to this change:

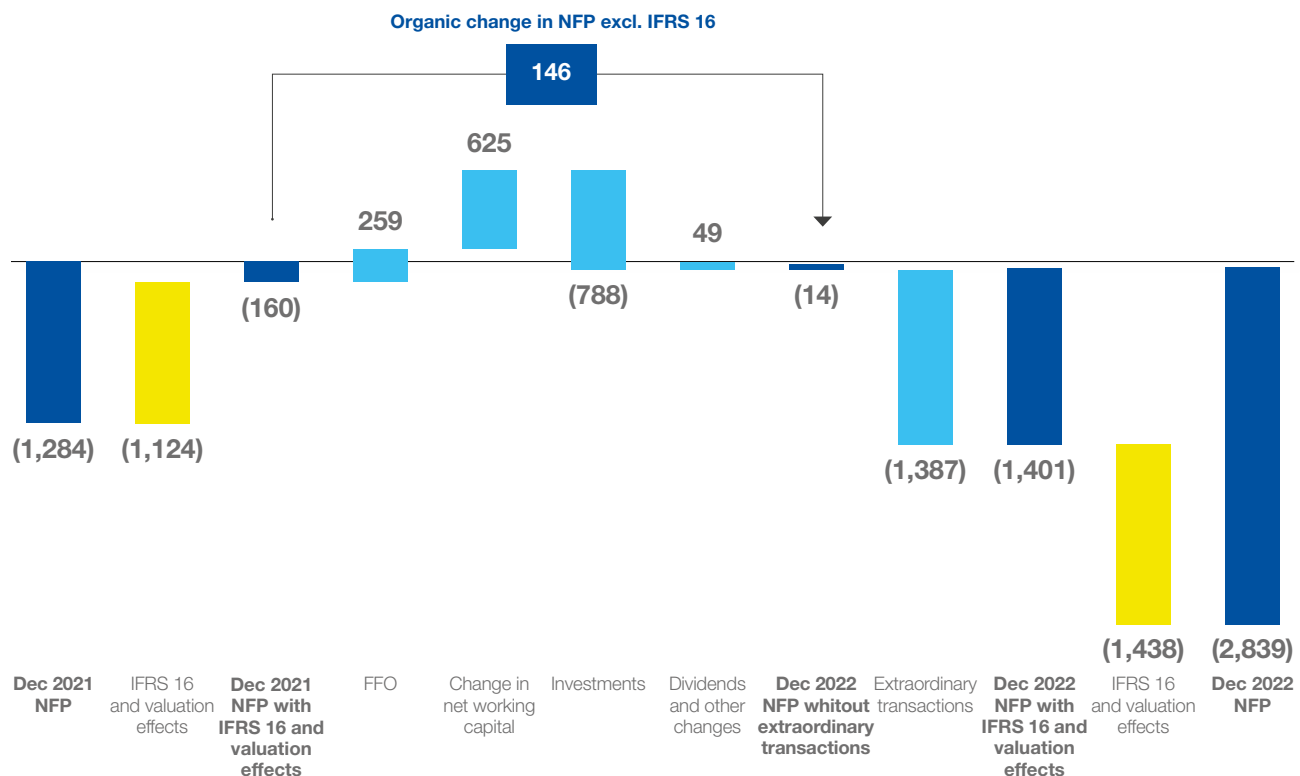
- a positive operating result of €2,387 million (of which €1,511 million related to profit for the year, €830 million to depreciation and amortisation, and €47 million to other residual items);
- the positive effect of the change in working capital and taxes amounting to approximately €1,089 million of which:
 - decrease in gross trade receivables of about €360 million (excluding the contribution from corporate transactions);
 - €91 million of higher trade payables (excluding the contribution from corporate transactions);
 - a decrease in Other Receivables and Assets net of Other Liabilities of about €330 million mainly attributable to the net decrease in tax-related items mainly related to the operations of the Insurance Services and Financial Services Strategic Business Units;
 - change in taxes for about €307 million;
- investments in assets for €810 million;
- the negative effect from the distribution of dividends in the amount of €801 million (of which €273 million related to the interim ordinary dividend planned for the financial year 2022);
- investments in shareholdings amounting to €843 million, of which €526 million related to the acquisition of the LIS group (of which €700 million related to the disbursement), €248 million related to the Plurima group (of which €105 million related to the disbursement), €39 million related to the Sourcesense group (of which €30 million related to the disbursement), €27 million related to the Agile group (of which €18 million related to the disbursement) and €3 million related to the investment in Eurizon Capital Real Asset;
- the negative valuation effects for the period amounting to €5,353 million, mainly attributable to negative fluctuations in the value of investments classified in the FVTOCI category, held mainly by the Financial Services Strategic Business Units, and residually by the other SBUs;

- other decreases totalling €422 million, mainly attributable to the increase of €381 million in financial liabilities for leases falling under IFRS 16.

With regard to financial instruments held by the Financial Services Strategic Business Unit, the overall fair value fluctuation during the year was negative by approximately €15.5 billion and was recognised in a specific equity reserve for negative €4.4 billion for the portion not hedged by fair value hedges, and through profit or loss for negative €11.1 billion for the portion hedged, offset by the positive fair value change of fair value hedging derivatives.

At 31 December 2022, the total balance of derivatives in fair value hedge was positive for €5.4 billion (negative for €4.4 billion at 31 December 2021). In addition, as part of these hedging transactions, following the positive change in derivative instruments, the Parent Company recorded an overall net change in Guarantee Deposits of about €9 billion (as at 31 December 2022, the balance of Guarantee Deposits was a debit balance of €4.8 billion, while at 31 December 2021, the balance was a credit balance of €4.2 billion).

Analysis of the net debt/(funds) of the Mail, Parcels and Distribution Strategic Business Unit (€m)



The **Net debt/(funds) of the Mail, Parcels and Distribution Strategic Business Unit** as at 31 December 2022 showed a deficit of €2,839 million (€1,401 million net of leasing liabilities and valuation effects), a worsening of €1,555 million compared to 31 December 2021, when it showed a deficit of €1,284 million (€160 million net of leasing liabilities and valuation effects).

Excluding the effects of extraordinary transactions during the period, and net of leasing liabilities and valuation effects, the Net debt/(funds) was a deficit of €14 million, an improvement of €146 million compared to the values at 31 December 2021 (deficit of €160 million). In detail, this change reflects:

- a positive operational management (FFO) of €259 million;
- a positive effect related to the change in net working capital of €625 million;
- new investments in fixed assets for €788 million;
- a positive cash flow from dividends of €49 million due to the net effect of dividends received from companies (€861 million) and paid to shareholders (€801 million, of which €273 million related to the interim ordinary dividend planned for 2022).

In addition, extraordinary transactions totalling €1,387 million contributed to the final balance of the Net debt/(funds), including:

- €700 million relating to the capital increase subscribed in PostePay in preparation for its acquisition of LIS Group;
- €500 million against the subscription of a subordinated, non-convertible, perpetual capital instrument issued by Poste Vita;
- €147 million related to the overall effect of the acquisition of the Plurima Group (net of the company's financial lease liabilities);
- €70 million for Poste Italiane's acquisition of the shareholding in Poste Welfare Servizi, previously held by Poste Vita;
- €26 million related to the overall effect of the acquisition of the Agile group (net of the company's leasing liabilities);
- €37 million related to the overall effect of the acquisition of the Sourcesense group (net of the company's leasing liabilities);
- €93 million positive effect from the merger of the subsidiary PSIA, previously allocated to the Payments and Mobile segment.

The Payables shown in the net debt/(funds) of the Mail, Parcel and Distribution Strategic Business Unit primarily relates to those summarised in the following table.

€m	31 December 2022	31 December 2021
EIB loan due March 2026	173	173
EIB loan due October 2026	400	400
EIB loan due May 2028	150	150
EIB loan due May 2028	100	-
Use of uncommitted credit lines for short-term financing	-	550
<i>Private placement maturing October 2023</i>	50	50
Senior unsecured bonds issued on 10 December 2020	1,000	1,000
Maturing December 2024	500	500
Maturing December 2028	500	500
Total	1,873	2,323

The change for the year of -€450 million is mainly attributable to the lower utilisation of uncommitted credit lines for short-term financing (-€550 million).

Analysis of the ESMA net debt/(funds) of the Mail, Parcels and Distribution Strategic Business Unit

€m	At 31 December 2022	At 31 December 2021
A. Cash and cash equivalents	(575)	(2,122)
B. Cash equivalents	-	-
C. Other current financial assets	(1)	(8)
D. Liquidity (A + B + C)	(577)	(2,130)
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	379	785
F. Current portion of the non-current financial payable	1	-
G. Current financial debt (E + F)	381	785
H. Net current financial debt (G + D)	(196)	(1,345)
I. Non-current financial debt (excluding current portion and debt instruments)	2,001	1,705
J. Debt instruments	997	1,047
K. Trade payables and other non-current payables	18	22
L. Non-current financial debt (I + J + K)	3,017	2,774
M. Total financial debt (H + L)	2,821	1,429

ESMA financial debt reconciliation with Net debt/(funds) including intersegment transactions

€m	At 31 December 2022	At 31 December 2021
M. Total financial debt (H + L)	2,821	1,429
Non-current financial assets	(539)	(76)
K. Trade payables and other non-current payables	(18)	(22)
Tax credits Law no. 77/2020	(420)	(448)
Net debt/(funds)	1,843	883
Intersegment financial receivables and payables	996	401
Net debt/(funds) including intersegment transactions	2,839	1,284

Existing cash and credit lines are amply sufficient to cover expected financial requirements. More specifically, at 31 December 2022, the cash of the Mail, Parcels and Distribution Strategic Business Unit amounted to €0.6 billion (of which €0.5 billion relating to the Parent Company), while unused committed and uncommitted lines to support liquidity totalled approximately €3.5 billion.

The table below provides details of the credit lines at 31 December 2022 and 31 December 2021.

Description (€m)	Balance at 31 December 2022	Balance at 31 December 2021
Committed credit lines	2,450	1,750
Short-term loans	2,450	1,750
Uncommitted credit lines	2,159	2,357
Short-term loans	1,005	1,309
Current account overdrafts	145	145
Unsecured	1,008	903
Total	4,609	4,107
Committed uses	-	-
Short-term loans	-	-
Uncommitted uses	652	975
Short-term loans	1	550
Unsecured loans	652	425
Total	652	975

< 7.7 Performance of Poste Italiane SpA and Report on Operations of BancoPosta RFC

- Economic performance of Poste Italiane SpA
- Financial Position and Cash Flow of Poste Italiane SpA
- Report on Operations of BancoPosta RFC

7.7.1 Economic Performance of Poste Italiane SpA

Reclassified profit or loss

€m	2022	2021	CHANGES	
Revenue from sales and services	8,904	8,485	+419	+4.9%
Other income from financial activities	428	523	(95)	-18.2%
Other operating income	721	683	+38	+5.6%
Revenue	10,053	9,691	+362	+3.7%
Total personnel expenses	4,987	5,235	(248)	-4.7%
Other operating expenses	3,246	2,856	+390	+13.7%
Costs	8,233	8,091	+142	+1.8%
EBITDA	1,820	1,600	+220	+13.8%
Depreciation, amortisation and impairments	744	715	+29	+4.0%
EBIT	1,076	885	+191	+21.6%
EBIT MARGIN	10.7%	9.1%		
Finance income/(costs)	24	12	+12	+99.0%
Gross profit	1,100	897	+203	+22.6%
Taxes	253	100	+153	n/s
Net profit	847	797	+50	+6.3%

n/s: not significant

Total revenues generated by Poste Italiane SpA in 2022 amounted to €10,053 million, up 3.7% year-on-year (€9,691 million in 2021). Revenues and Income increased by €419 million (+4.9%) compared to 2021, due to the contribution of **revenues from financial services**, which showed an increase compared to 2021 mainly attributable to higher income from the use of postal current account deposits and free cash balances, partly mitigated by the decrease in income from postal savings deposits, due to the contraction in deposits affected by the macroeconomic context during the year.

The decrease in **Other income from financial activities**, compared to the previous year, is mainly due to lower realised gains from financial instruments. The increase in **Other operating income** is mainly due to higher dividends distributed by subsidiaries during the year.

Total costs, net of Depreciation, Amortisation and Write-downs, increased from €8,091 million in 2021 to €8,233 million in 2022, mainly due to the increase in other operating costs (+€390 million compared to 2021) partially offset by the decrease in personnel expenses (-€248 million compared to 2021). The increase in other operating expenses was mainly attributable to: i) higher provisions for risks and losses on tax credits, only partially offset by lower net provisions for other provisions for risks and charges; ii) the increase in financial operating expenses mainly due to the effect of higher interest expenses recognised to public customers for deposits on postal current accounts, following the upward shift in the interest rate curve, partially offset by lower losses from the realisation of financial instruments.

The item **Depreciation, amortisation and impairments** increased by €29 million compared to the previous year due to higher depreciation and lower write-downs on both property, plant and equipment (€20 million) and rights of use (€4 million) mainly due to the expansion of the leased fleet, as well as higher amortisation on intangible assets (€5 million) related to investments in software applications that became available for use during the year.

The **total personnel expenses** decreased by €248 million (-4.7%) compared to 2021. This change is mainly attributable to the decrease in the extraordinary component and partly to the decrease in the ordinary component.

The decrease in the extraordinary component is mainly due to lower exit incentives (-€156 million).

The change in the ordinary component compared to the previous year is mainly due to the reduction of the average workforce (about 1,500 FTE less than in 2021).

Income tax expense is up from €100 million for 2021 to €253 million in 2022, an increase of €153 million. The 2022 balance includes the positive effect of €6 million relating to the tax benefit associated with the Aid to Economic Growth (ACE), referred to the 2013 financial year, for which, in the year under review, the uncertainties associated with quantification no longer exist.

Poste Italiane SpA's net profit for the year ended 31 December 2022 was €847 million (€797 million in 2021).

< 7.7.2 Financial position and Cash Flow of Poste Italiane SpA

Net invested capital and related funding

€m	31 December 2022	31 December 2021	CHANGES	
Tangible fixed assets	2,234	2,142	+92	+4.3%
Intangible fixed assets	945	828	+117	+14.1%
Right-of-use assets	1,040	945	+95	+10.0%
Investments	3,676	2,598	+1,078	+41.5%
Non-current assets	7,895	6,513	+1,382	+21.2%
Trade receivables and Other receivables and assets	5,281	5,583	(302)	-5.4%
Trade payables and Other liabilities	(5,332)	(5,041)	(291)	-5.8%
Current tax assets/(liabilities)	54	105	(51)	-48.6%
Total net working capital	3	647	(644)	-99.5%
Gross invested capital	7,898	7,160	+738	+10.3%
Provisions for risks and charges	(1,257)	(1,169)	(87)	-7.5%
Employee termination benefits	(678)	(896)	+218	+24.4%
Prepaid/deferred tax assets/(liabilities)	1,223	-	+1,223	n/s
Net invested capital	7,186	5,095	+2,091	+41.1%
Equity	3,808	7,034	(3,227)	-45.9%
<i>of which profit for the period</i>	847	797	+50	+6.3%
<i>of which fair value reserve</i>	(2,374)	1,192	(3,566)	n/s
Financial liabilities	104,703	106,259	(1,556)	-1.5%
Financial assets	(84,197)	(90,213)	+6,015	+6.7%
Tax credits Law no. 77/2020	(9,021)	(6,456)	(2,565)	-39.7%
Cash and deposits attributable to BancoPosta	(5,848)	(7,659)	+1,810	+23.6%
Cash and cash equivalents	(2,258)	(3,870)	+1,612	+41.6%
Net debt/(funds)	3,379	(1,939)	+5,318	n/s

n/s: not significant

Poste Italiane SpA's net invested capital amounted to €7,187 million at 31 December 2022 (€5,095 million at 31 December 2021).

Non-current assets amounted to €7,895 million, an increase of €1,382 million compared to 2021. Investments in tangible and intangible assets of €751 million also contributed to the formation of non-current assets, partly offset by amortisation, depreciation and impairments of €538 million. Right-of-use assets recorded a positive change of €95 million, which mainly took into account acquisitions during the year for new contracts and renewals of existing contracts in the amount of €291 million (mainly related to the rental of company vehicles for mail and parcel delivery activities), positive adjustments of €37 million for contractual changes during the year, and depreciation and amortisation for the period of €208 million. The value of equity investments increased by €1,078 million compared to 31 December 2021 mainly attributable to the effect: i) of the subscription, on 9 September 2022, of PostePay SpA's paid capital increase totalling €700 million aimed at providing the company with the financial resources needed to complete the acquisition of LIS Holding SpA, which was finalised on 14 September 2022; ii) of the recapitalisation, on 3 August 2022, of Poste Vita SpA through the subscription of a subordinated, non-convertible capital instrument, with perpetual duration and a non-call period of 10 years, totalling €500 million, aimed at strengthening its Solvency Ratio; iii) of the purchase on 24 February 2022 from Poste Vita SpA of 100% of the share capital of Poste Welfare Servizi S.r.l for a total of €70 million; iv) of the capital contribution, on 14 April 2022, to Poste Welfare Servizi S.r.l for a total of €55 million aimed at providing the company with the financial resources necessary for the acquisition of the company Plurima SpA; v) of the adhesion, on 28 October 2022, by Poste Italiane SpA to the voluntary public tender offer for the shares and warrants issued by the company Sourcesense SpA with a total investment of €30 million; vi) of the acquisition, on 13 October 2022, of a 70% shareholding in the company Agile Power S.r.l and indirectly of the entire Agile Lab Group, for a total of €18 million, which provided for the payment by Poste Italiane in favour of the founding shareholders, who will retain the remaining 30%, of €13 million and the subscription of a paid capital increase in favour of the companies of €5 million; vii) of the merger by incorporation into Poste Italiane SpA of the subsidiary PSIA S.r.l, effective as of 1 November 2022, which generated a merger surplus totalling €330 million, recognised in the specific equity reserve. In addition, on 29 September 2022, the Information Technology business unit of BancoPosta Fondi SpA SGR was transferred to Poste Italiane SpA with effect from 1 October 2022.

Net working capital at 31 December 2022 amounted to €3 million and decreased by €644 million compared to the end of 2021, mainly due to the combined effect: i) of the decrease in trade receivables mainly attributable to the decrease in receivables due from Cassa Depositi e Prestiti (-€365 million) due to the new billing and payment methods on a monthly basis and no longer on a quarterly basis, introduced by the Agreement of 23 December 2021, effective from 1 January 2022; ii) of the increase in deferred income mainly due to the non-repayable contribution (€125 million) received in advance from Poste Italiane SpA for the realisation of the "Polis - Casa dei servizi digitali" project; iii) of the increase in the total liability that Poste Italiane SpA has towards its subsidiaries in its capacity as tax consolidator (+€113 million).

The balance of **Provisions for risks and charges** amounted to €1,257 million (€1,169 million at the end of December 2021) and mainly includes provisions for early retirement incentives of €352 million (€515 million at 31 December 2021); this reflects the estimate of liabilities that the Company committed to irrevocably incur, under the current arrangements agreed with the unions, as a result of a certain number of personnel taking voluntary early retirement by 31 December 2024.

The balance also includes the provision of €320 million for risks on tax credits under Law 77/2020.

Provisions for disputes with third parties regard the present value of expected liabilities deriving from different types of legal and out-of-court disputes with suppliers and third parties, the related legal expenses, and penalties and indemnities payable to customers. At 31 December 2022, the provision amounts to €265 million (€265 million at 31 December 2021). Movements during the year primarily regard updated estimates of liabilities and uses to cover liabilities settled.

Provisions for operational risks relating to liabilities arising from transactions conducted within BancoPosta and amounting to €109 million at 31 December 2022 decreased compared with the balance at 31 December 2021 (€134 million). The net absorptions for the year, totalling €12 million, mainly reflect the prescription of certain stocks related to the funds transfer business and the adjustment of estimates of risks related to the distribution of postal savings products as well as fraud.

The Provision for personnel expenses amounts to €101 million (€120 million at the end of December 2021) to cover expected liabilities arising in relation to the cost of labour, which are certain or likely to occur but whose estimated amount is subject to change. They have increased (€89 million) to reflect the estimated value of new liabilities and decreased as a result of past contingent liabilities that failed to materialise (€33 million) and settled disputes (€75 million).

The net balance of **Deferred Tax Receivables (Payables)** as at 31 December 2022 was positive in the amount of €1,223 million (insignificant balance as at 31 December 2021); the change in the period was largely attributable to the net positive tax effect on the net negative change in the fair value reserve of investments in available-for-sale securities.

Equity amounted to €3,808 million and decreased by €3,227 million compared to the previous year, mainly due to the movement in the fair value reserve (-€3,326 million), which essentially reflects the fluctuations (positive and/or negative) from the valuation of investments classified in the FVTOCI category, as well as the payment of the 2021 balance and the 2022 interim dividend to shareholders (-€799 million) and the change in the cash flow hedge reserve (-€93 million). These changes are partially mitigated by the €847 million profit for the year.

ESMA Financial Debt of Poste Italiane SpA's capital outside the ring-fence

(€m)	At 31 December 2022	At 31 December 2021
A. Cash and cash equivalents	(469)	(2,028)
B. Cash equivalents	-	-
C. Other current financial assets	(29)	(52)
D. Liquidity (A+B+C)	(498)	(2,080)
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	1,590	1,935
F. Current portion of non-current debt	1	1
G. Current financial debt (E + F)	1,591	1,936
H. Net current financial debt (G + D)	1,093	(144)
I. Non-current financial debt (excluding current portion and debt instruments)	1,671	1,532
J. Debt instruments	997	1,047
K. Trade payables and other non-current payables	18	22
L. Non-current financial debt (I + J + K)	2,686	2,601
M. Total financial debt (H + L)	3,779	2,457

Reconciliation of financial debt ESMA

(€m)	At 31 December 2022	At 31 December 2021
M. Total financial debt (H + L)	3,779	2,457
Non-current financial assets	(875)	(407)
K. Trade payables and other non-current payables	(18)	(22)
Tax credits Law no. 77/2020	(421)	(448)
Industrial Net Financial Position	2,465	1,580
Intersegment financial (receivables)/payables	349	175
Industrial net debt for capital outside ring-fence including intersegment transactions	2,814	1,755

< 7.7.3 Report on operations of BancoPosta RFC

Corporate Governance at BancoPosta RFC

With regard to BancoPosta RFC's governance, the rules governing the organisation, management and control of BancoPosta's operations are contained in the specific **BancoPosta RFC Regulation** approved by the Extraordinary General Meeting of 14 April 2011 and recently amended by the Extraordinary General Meeting of 29 May 2018. As a result of the issuance by the Bank of Italy on 27 May 2014 of an update to the Prudential Supervisory Provisions for Banks, the provisions for banks on the organisational and governance structure, the accounting and control system and the capital adequacy and risk containment institutions apply to BancoPosta RFC.

Further information regarding the corporate governance structure is provided in Poste Italiane's "Report on Corporate Governance and the Ownership Structure", approved from time to time by the Board of Directors and published in the "Governance" section of the Company's website.

BancoPosta also has an "**Organisational and Operational Regulation**" approved by the Board of Directors of Poste Italiane, the latest update of which dates back to 24 June 2022. These regulations describe BancoPosta's operating model, its organisational structure and the related responsibilities assigned to the various functions, as well as the processes for assigning BancoPosta's business functions to Poste Italiane and for outsourcing BancoPosta RFC.

The process of "Governance of Assignments and Outsourcing" of BancoPosta RFC, already subject to review in 2018, was further strengthened, lastly in June 2022, with reference to the scope of the activities assigned and/or outsourced, with a view to improving the quality of processes.

During the second quarter of 2022, preparatory activities were started for the renewal of the Specifications¹⁰⁶ expiring in December 2022. In accordance with the deadlines set out in the regulations, the Disciplinary Rules for Essential or Important Functions (EIFs) and Control Functions updated for the period from 1 January 2023 to 31 December 2025 were sent to the Bank of Italy on 28 October for the relevant checks (so-called "Prior Notice"). On 2 January 2023, the Authority replied, finding no obstacles to the assignments in question: BancoPosta is therefore proceeding with the signing of the Disciplinary Measures, having included certain changes envisaged in the so-called "Plan of Interventions" drawn up in relation to the observations received from the Supervisory Authority as a result of the inspection carried out in 2022.

In 2022, with the aim of overseeing and strengthening the methods of dialogue on the assigned and outsourced functions, the **Operational Committees** with the functions of Poste Italiane (Private Market, Digital, Technology & Operations, Information Security, Fund Movement, Corporate Market and Public Administration) continued, and committees for the areas of Business Continuity Management (BCM), CERT, Fraud Management and Human Resources and Organisation were started. Operating Committees also continued with BancoPosta Fondi SpA SGR, which provides the service of financial management of BancoPosta RFC, and with PostePay SpA, which manages various products on behalf of BancoPosta, such as, for example, utility bills, car tax stamps, RAV, credit transfers, direct debits, money orders, euro transfers, passbook cards and the payment platform.

During the first half of 2022, a contract to manage individual investment portfolios on behalf of third parties was signed with BancoPosta Fondi SpA SGR. The integration of the envisaged contents, concerning the migration period and handover, the specification of the place of service delivery, termination rights, the discipline of sub-outsourcing and business continuity, is effective as of 1 January 2022. During the second half of 2022, renewal activities were started for the contract between BancoPosta and PostePay SpA for collection and payment services, which expires on 31 December 2022. The new contract, with a duration of one year, was signed in March 2023.

106. Contracts whereby BancoPosta Assets assigns operational or control activities to functions of Poste Italiane. The Operating Guidelines establish, among other things, the applicable levels of service and transfer prices and are effective following an authorisation process involving the relevant functions, the Chief Executive Officer and, where required, the Company's Board of Directors. Please refer to the Information on BancoPosta RFC in the Separate Statement of BancoPosta Assets as at 31 December 2022 in this Annual Report for further details.

BancoPosta RFC financial review

Main indicators	2022	2021
CET 1 CAPITAL * (*)	2,618	2,633
TOTAL CAPITAL** (*)	2,968	2,983
CET 1 RATIO*** (*)	20.3%	19.3%
TOTAL CAPITAL RATIO**** (*)	23.1%	21.9%
ROA*****	0.6%	0.5%
ROE***** (*)	23.0%	20.5%
Net interest income/Net interest and other banking income*****	35.3%	27.8%
Operating expenses/Net interest and other banking income*****	84.7%	86.6%

- (*) The 2021 ratios and own funds reflect the €200 million in 2021 profit provisioned by the Ordinary Shareholders' Meeting of Poste Italiane SpA on 27 May 2022.
- * CET 1 Capital includes the initial equity reserve and non-distributable profit reserves (Tier 1 capital), taking into account the transitional regime (Regulation 2017/2395 EU).
- ** TOTAL CAPITAL includes CET 1 CAPITAL, and Additional Tier 1 (AT 1) capital.
- *** The CET 1 Ratio represents the adequacy of Tier 1 capital in terms of Pillar 1 capital requirements (operational, credit, counterparty and market risks).
- **** The TOTAL CAPITAL RATIO expresses the adequacy of own funds (Total Capital) to the weighted exposure to Pillar 1 risks (operational, credit, counterparty and exchange rate).
- ***** ROA (Return On Assets) represents the ratio of profit for the period and total assets.
- ***** ROE (Return On Equity) represents the ratio of profit for the period and equity after deducting profit for the period and the valuation reserves.
- ***** Represents the contribution from net interest income as a ratio of net interest and other banking income.
- ***** Cost/income ratio. This is the ratio between Operating expenses and Net interest and other banking income.

Operating performance

Profit or loss

(€m)	2022	2021	CHANGES	
Interest and similar income	2,095	1,533	+562	+36.7%
Interest expense and similar charges	(172)	(91)	(81)	-89.0%
Net interest income	1,923	1,442	+481	+33.4%
Fee income	3,454	3,588	(135)	-3.7%
Fee expenses	(216)	(267)	+51	+19.1%
Net fee and commission income	3,238	3,321	(83)	-2.5%
Profits/(Losses) on trading	(68)	(2)	(66)	n/s
Profits/(Losses) on hedging	18	5	+13	n/s
Gains (losses) on sale of financial assets or liabilities	335	407	(72)	-17.7%
Profits/(losses) on financial assets and liabilities measured at fair value through profit or loss	1	7	(6)	-85.7%
Net interest and other banking income	5,446	5,180	+266	+5.1%
Administrative expenses	(4,627)	(4,446)	(181)	-4.1%
Other operating income/(expense)	(6)	8	(14)	n/s
Net operating expenses	(4,633)	(4,438)	(195)	-4.4%
Net operating result	813	742	+71	+9.6%
Net provisions for risks and charges	21	(48)	+69	n/s
Net impairment losses/reversals of impairment losses due to credit risk (+/-)	(1)	4	(5)	n/s
Current pre-tax result	834	698	+136	+19.5%
Period income tax	(231)	(189)	(42)	-22.2%
Net profit	602	508	+94	+18.5%

n/s: not significant

Net interest income amounted to €1,923 million, an increase of 33.4% (+€481 million).

In particular, interest income of €2,095 million, up 36.7% on the €1,533 million of the previous year (+€562 million), includes income deriving from investments in securities, interest-bearing deposits at the MEF, tax credits, repurchase agreements and derivatives collateralisation. The change in the item is mainly due to the higher income from investments in tax credits purchased with reference to the Relaunch Decree No. 34/2020 (subsequently converted into Law No. 77/2020) and the investments with the MEF of deposits from postal current accounts belonging to public customers, whose yield is variable and is calculated on a basket of government bonds.

Interest expense, which is essentially attributable to current account transactions, repurchase agreement transactions and collateralisation of derivative transactions, amounted to €172 million and was up compared to €91 million in 2021 (+€81 million equal to +89%). The change in this item is mainly due to the increase in interest paid to public customers on postal current account balances.

Net fee and commission income amounted to €3,238 million, down 2.5% from €3,321 million in the same period of the previous year (-€83 million). Fee income amounted to €3,454 million, a decrease of €135 million (-3.7%) compared to 2021. The negative change mainly reflects the effect of lower revenues from postal savings collection and commissions on slips, and is mitigated by an improvement in insurance brokerage revenues, higher commissions received for the placement and promotion of products issued by PostePay, and the repricing of commissions on account-keeping with customers. Fee expenses amounted to €216 million, down from €267 million in 2021 (-€51 million, or -19.1%). The negative change was mainly due to lower costs accrued under the service contract signed with PostePay SpA.

The Profits/(Losses) on trading (negative by €68 million) and hedging (positive by €18 million), is attributable respectively to the effect of charges generated by derivative instruments entered into to hedge the index linked component to which the remuneration of government borrowing is linked, and the positive effect of the ineffectiveness component of existing hedging derivatives.

Net income from disposals of financial assets amounted to €335 million, down on the €407 million of 2021 (-€72 million, -17.7%).

Profits/(losses) on financial assets and liabilities measured at fair value through Profit or loss is positive and equal to €1 million, mainly due to the positive change in the fair value of the Visa Incorporated shares.

Net operating expenses, which totalled €4,633 million, included administrative expenses of €4,627 million and other operating income of a negative €6 million. Administrative expenses were up 4.1% year-on-year, and operating income was down from the positive €8 million recorded in 2021.

Net provisions for liabilities and charges showed a positive balance of €21 million, compared to a negative balance of €48 million in the previous year. This positive change was affected by the revised estimate of certain risks related to the distribution of the money order product and legal disputes with third parties relating to BancoPosta's RFC.

Net adjustments and reversals for credit risk amounted to -€1 million (+€4 million as at 31 December 2021). The item reflects the combined effect of higher charges related to value adjustments linked to Expected Credit Losses on the securities portfolio and reversals related to the release of an impairment provision to cover an impaired loan, collected in early 2023.

After taking into account taxation for the period of €231 million (€189 million at 31 December 2021), net profit for the year 2022 for BancoPosta RFC amounted to €602 million, an increase of €94 million (equal to +18.5%) compared to the previous year (€508 million).

Resources of BancoPosta RFC

Average number in full-time equivalent terms	2022	2021
Executives	28	27
Middle managers	298	291
Operational staff	71	72
Total	397	390

At 31 December 2022, the BancoPosta function has 9 second-level functions, including 2 Marketing functions: Marketing Individuals and Marketing Companies and Public Administration; 1 function dedicated to the training of sales channels for the provision of financial and insurance services: Product support for channels; 3 Staff functions: Administration, Planning and Control, Operating Processes and Technical Secretarial services; 3 Control Functions: Compliance, Internal Auditing, Risk Management and Outsourcing Governance.

In December, an Investment Support Team was set up within the Private Customers Marketing function, with resources operating within BancoPosta and the company BancoPosta Fondi SGR, with the aim of supporting the Private Market sales channel in pursuing customer loyalty and development objectives in the investment segment.

As at 31 December 2022, around 29,000 hours of technical/specialist, regulatory/mandatory and behavioural/managerial training had been provided to BancoPosta staff via webinar or e-learning platform.

Financial position and cash flow

Statement of financial position

Assets (€m)	31 December 2022	31 December 2021	CHANGES	
Cash and cash equivalents	5,874	7,680	(1,806)	-23.5%
Financial assets measured at fair value through profit or loss	40	39	+1	+2.6%
Financial assets measured at fair value through other comprehensive income	33,161	37,626	(4,465)	-11.9%
Financial assets measured at amortised cost	46,576	53,733	(7,157)	-13.3%
Hedging derivatives	6,109	873	+5,236	n/s
Tax assets	1,157	283	+874	n/s
Other assets	11,521	8,838	+2,683	+30.4%
Total assets	104,438	109,072	(4,634)	-4.2%

n/s: not significant

Liabilities (€m)	31 December 2022	31 December 2021	CHANGES	
Financial liabilities measured at amortised cost	98,944	95,799	+3,145	+3.3%
Financial liabilities held for trading	4	2	+2	n/s
Hedging derivatives	971	5,461	(4,490)	-82.2%
Tax liabilities	225	670	(445)	-66.4%
Other liabilities	2,789	2,535	+254	+10.0%
Employee termination benefits	2	3	(1)	n/s
Provisions for risks and charges	188	229	(41)	-17.9%
Valuation reserves	-2,223	1,118	(3,341)	n/s
Equity instruments	350	350	0	n/s
Reserves	2,585	2,397	+188	+7.8%
Net profit	602	508	+94	+18.5%
Total liabilities and equity	104,438	109,072	(4,634)	-4.2%

n/s: not significant

Assets are represented by cash and cash equivalents, financial assets and hedging derivatives, tax assets and other assets.

Cash and cash equivalents amounted to €5,874 million at 31 December 2022 (€7,680 million at 31 December 2021, -€1,806 million) and included, for a total of €3,984 million, cash at Post Offices and at cash transportation companies, as well as balances on the account with the Bank of Italy for interbank settlements of €1,855 million.

Financial assets at fair value through profit or loss amounted to €40 million and were mainly attributable to the fair value of 32,059 Visa Incorporated (Series C Convertible Participating Preferred Stock) and 1,019 Visa Incorporated (Series A Preferred Stock) and the change of which from 31 December 2021 is shown in Net income from financial assets and liabilities at fair value through profit or loss.

Financial assets measured at fair value through other comprehensive income amounted to €33,161 million (€37,626 million at 31 December 2021, -€4,465 million) and include investments in mainly Italian government bonds. The decrease in this item is mainly due to the change in the fair value of securities in the portfolio, amounting to €10,126 million, only partially offset by the positive balance between sales/redemptions and new purchases of securities, amounting to €5,405 million.

Financial assets measured at amortised cost amounted to €46,576 million (€53,733 million at 31 December 2021, -€7,157 million) and are attributable both to investments in Italian government bonds and securities guaranteed by the Italian government for €27,699 million (€33,110 million at 31 December 2021, -€5,411 million) and to sundry deposits and receivables for €18,877 million (€20,624 million at 31 December 2021, -€1,747 million).

With regard to Financial Assets relating to investments in bonds issued by the Italian government and backed by the Italian government, the reduction for the year was the combined result of the reduction in the fair value of securities hedged with fair value hedge derivatives (-€5,398 million) and the negative balance between sales/redemptions of securities and new purchases (for -€42 million). With reference to Financial Assets referring to deposits and sundry receivables, the decrease of 1,743 compared to 2021 was mainly due to the reduction in: (i) loans and deposits with the MEF of €804 million (from €14,697 million at 31 December 2021 to €13,893 million at 31 December 2022); (ii) guarantee deposits of €2,401 million (from €4,858 million at 31 December 2021 to €2,457 million at 31 December 2022); (iii) trade receivables for €18 million (from €818 million at 31 December 2021 to €800 million at 31 December 2022); these changes are partially offset by the increase of €171 million in receivables relating to the balance of cash transactions on which collections and payments with third parties are settled through Poste Italiane, which went from €178 million at 31 December 2021 to €349 million at 31 December 2022 and the increase in accounting changes in loan repurchase agreements for €1,358 million.

The change in loans and deposits with the MEF is mainly attributable to lower funding from the Public Administration; the reduction in guarantee deposits is mainly attributable to the improvement in the fair value of hedging derivatives, recorded both on the assets and liabilities side of the balance sheet offset by higher deposits paid as collateral in repo liabilities, as the fair value of pledged securities decreased.

Hedging derivatives with a positive fair value at 31 December 2022 amounted to €6,109 million (€873 million at 31 December 2021, +€5,236 million). The change is mainly due to the overall rise in interest rates, which has a positive impact on the fair value of the derivatives portfolio, as these are, for the most part, interest rate swaps to hedge the securities portfolio, which transform the yield of the latter from fixed to variable.

Tax assets amounted to €1,157 million, an increase of €874 million compared to €283 million as of 31 December 2021, mainly due to changes in deferred tax assets in equity or to changes in valuation reserves.

Other Assets, which amounted to €11,521 million (€8,838 million as of 31 December 2021, +€2,683 million), increased substantially due to tax credits acquired by Poste Italiane SpA and allocated, net of offsets, to BancoPosta RFC, and recognised at 31 December 2022 at €8.6 billion (with a nominal value of approximately €9.7 billion).

The principal liabilities are represented by financial liabilities, hedging derivatives, tax liabilities, other liabilities and provisions.

Financial liabilities measured at amortised cost amounted to €98,944 million (€95,799 million at 31 December 2021, +€3,145 million) and include: (i) amounts due to customers of €86,094 million (€85,098 million at 31 December 2021, +€996 million) attributable to funding through current accounts, repurchase agreements and payables for guarantee deposits paid by counterparties; (ii) payables to banks for €12,850 million (€10,701 million at 31 December 2021, +€2,149 million) attributable, also in this case, to current account relationships and repurchase agreement transactions and payables for deposits in guarantee paid by the banking counterparties.

Financial liabilities held for trading, amounting to €4 million, represent the fair value of derivative instruments entered into to hedge the fair value of the Visa shares mentioned above.

Hedging derivatives relating to securities in portfolio with negative fair value amounted to €971 million (€5,461 million at 31 December 2021, -€4,490 million). The reasons for the change are described in Hedging Derivatives with Positive Fair Value.

Tax liabilities amounted to €225 million, a decrease of €445 million, compared to €670 million at the end of fiscal year 2021, due to changes in deferred taxes in fiscal year 2022 related to financial assets measured at fair value through other comprehensive income.

Other liabilities amounted to €2,789 million (€2,535 million at 31 December 2021, +€254 million), mainly include items of a tax nature by way of substitute tax and items in progress.

The **Provision for employee termination benefits**, amounting to approximately €2 million, is in line with the amount at 31 December 2021.

Provisions for risks and charges, which include amounts set aside to cover disputes and charges with personnel, customers and third parties in general, as well as various risks arising from BancoPosta's operations, amounted to €188 million, down €41 million on 31 December 2021. The change in this item was affected by the revision of estimates of certain risks related to litigation with third parties.

BancoPosta RFC at 31 December 2022 amounted to €1,314 million (€4,373 million at 31 December 2021, -€3,059 million). The negative change was mainly due to the decrease of €3,341 million in Valuation reserves, which went from €1,118 million at 31 December 2021 to -€2,223 million at 31 December 2022 due to the decrease in Fair value reserves for financial assets. With reference to the other components, the following should be noted: (i) the Reserve for BancoPosta RFC, totalling €2,585 million (increased by €188 million compared with 31 December 2021); (ii) the Reserve for retained earnings of previous years, totalling €1,373 million, which has been increased by €200 million following the shareholders' resolution of 27 May 2022 to allocate BancoPosta's 2021 net profit to BancoPosta RFC and decreased by €12 million due to interest expense, net of tax effects, accrued on Equity Instruments (iii) Capital Instruments, which remain unchanged at €350 million and relate to a perpetual subordinated loan with a non-call period of 8 years, granted on 30 June 2021 under terms and conditions that allow it to be counted as Additional Tier 1 capital; (iv) Net profit for 2022 of €602 million (€508 million in 2021).

BancoPosta RFC's internal control and risk management system

The elements that characterise BancoPosta's Control Area¹⁰⁷, understood as the general context in which company resources carry out their activities and perform their responsibilities, are primarily represented by:

- the Group **Code of Ethics**;
- the **Organisational Model pursuant to Legislative Decree 231/2001** and the related corporate procedures;
- the **organisational structure of BancoPosta**, as reflected in organisational charts, service orders, organisational notices and procedures determining the roles and responsibilities of the various functions;
- **General Regulation governing the process of assignment and outsourcing of BancoPosta RFC**, which respectively regulates the assignment of RFC operations to Poste Italiane functions in terms of decision-making processes, the minimum content of operating guidelines, levels of services, information flows and control procedures, and the process of outsourcing BancoPosta functions to third parties of the Poste Italiane organisation, identifying the related operational phases and the roles and responsibilities of the various bodies and functions involved in the process;
- the **Guidelines in the Internal Control and Risk Management System (also "SCIGR")**, describing the roles and duties of BancoPosta RFC's control Functions, and the procedures for coordinating and ensuring the exchange of information between these Functions and Poste Italiane's control Functions and the flow of information to corporate bodies;
- the **system used for delegating powers** to function heads in accordance with their responsibilities.

With regard to BancoPosta's structure, the organisational model in place envisages control functions equipped with the requisites of autonomy and independence, with respect to both the corresponding functions of Poste Italiane and the operational functions of BancoPosta, in accordance with the provisions of the specific Supervisory regulations of the Bank of Italy: **Risk Management and Outsourcing Governance, Compliance and Internal Auditing**. The risk assessment techniques, methods, controls and periodic audit findings are shared amongst the above control functions to promote synergies and take advantage of the specific expertise available. In line with the above mentioned provisions of the Assignment and Outsourcing Process Regulation, BancoPosta, also in the area of controls, relies on the contribution of other Poste Italiane functions.

107. Represents one of the most relevant components of the internal control system, i.e. a body of rules, procedures and organisational structures, which aim to prevent or limit the consequences of unexpected events and enable the achievement of strategic, operating objectives, compliance with the relevant laws and regulations, and ensure the fairness and transparency of internal and external reporting.

In compliance with the regulatory requirements contained in the Supervisory Standards of the Bank of Italy and CONSOB to which BancoPosta is subject, in early 2023 BancoPosta's Internal Auditing function prepared its **2022 Annual Report**, the purpose of which is to provide information to the various corporate bodies on the completeness, adequacy, functionality and reliability of the overall system of controls of BancoPosta.

The Report was prepared on the basis of the findings of the audit activities carried out by the function and set out in the **2022 Audit Plan**. The report contains information on the outcomes of the audit of the services contracted out by BancoPosta to Poste Italiane's Functions under operating guidelines and the activities outsourced to providers external to the Company. The activity revealed a situation of overall adequacy with the highlighting of certain aspects of attention addressed by management with specific strengthening actions.

The Annual Report, presented to the Board of Statutory Auditors and the Board of Directors, was subsequently submitted to the Bank of Italy. The specific section regarding investment services was, on the other hand, submitted to CONSOB.

The final audits were in part performed with reference to the findings of Poste Italiane's Internal Auditing function, which is responsible, in accordance with the specific operating guidelines for the IT audit and the audit of the local units and distribution channels within Poste Italiane's network, which are responsible for BancoPosta's processes and products.

Internal Auditing has also drawn up the Annual 2023 and Multi-year (2023-2025) Audit Plan, based on a risk assessment process designed to ensure adequate coverage of BancoPosta's Business Process Model, including risks, changing aspects of the business, regulatory issues and BancoPosta RFC's organisational structures.

This Plan has been presented to the Board of Statutory Auditors and submitted for the attention of the Board of Directors.

Risk management system

BancoPosta RFC has an independent Risk Management unit, responsible for ensuring, among other things, in collaboration with the Group Sustainable Development, Risk and Compliance function of Poste Italiane SpA, an integrated, retrospective and prospective view of the risk environment and of BancoPosta RFC's capital and organisational adequacy. The function provides a detailed evaluation of the **risk profile of the financial products sold**, and provides the operational and business functions involved in product development and placement with advice and support. It is also responsible for periodic reporting. During 2022, the Risk Appetite Framework (RAF)¹⁰⁸ was revised. The 2021 Annual Report and the programme of activities for 2022 were submitted to the Board of Statutory Auditors, the Control and Risk Committee and the Board of Directors, as were the ICAAP (Internal Capital Adequacy Assessment Process)¹⁰⁹ report and the Public Risk Report for 2021. These bodies also received quarterly reports on the performance of the effective risk profile versus the determined risk appetite. The principal types of risk to which BancoPosta RFC is exposed in the course of its ordinary activities are described below:

- **credit risk (including counterparty risk);**
- **market risk (including banking book rate risk);**
- **liquidity risk;**
- **operational risk.**

As regards the development of relevant risks, 2022 was characterised by an increase in Italian government bond yields (10-year BTP 4.72% as at 31 December 2022, +351 bps since the beginning of the year) and in the 10-year BTP-Bund spread (214 bps at the end of December 2022, 82 bps higher than at the beginning of the year).

The evolution of interest rates and the spread led to a reduction in net capital gains at portfolio level, going from over €2.1 billion of capital gains in December 2021 to around €7.2 billion of capital losses at the end of December 2022.

With regard to BancoPosta's capital structure, the Leverage Ratio stood at 2.9% in December 2022, the CET 1 Ratio at 20.3% and the Total Capital Ratio at 23.1%, confirming BancoPosta's capital strength.

Details of the various areas of risk and the methods used for their measurement and prevention are provided in other sections of the Annual Report of Poste Italiane for the year ended 31 December 2022.

108. The BancoPosta RAF is the framework of reference that defines - in keeping with the maximum acceptable risk, the business model and strategic plan - the risk appetite, risk tolerance thresholds, risk limits and risk management policies, together with the processes needed to define and implement them.

109. Bank of Italy defines the internal processes for determining capital adequacy in the Supervisory Provisions for Banks Part One - Transposition of CRD IV Directive Title III - Prudential Control Process Chapter 1 - Prudential Control Process.

BancoPosta RFC events after 31 December 2022

No significant events occurred after the end of the financial year that would have an impact on the result.

Outlook for BancoPosta RFC

In the Postal Savings segment, monitoring of developments in the economic context will continue in order to adapt the range of products offered to market conditions and changing customer needs, including with the introduction of new products issued by Cassa Depositi e Prestiti. In the course of 2023, activities aimed at developing and releasing projects supported by appropriate communication activities and aimed at expanding the digitalisation of customers and improving the customer experience on all sales channels will continue. Specifically, an evolution of the Libretto Smart is planned that will allow for an improvement in the functionalities and services that customers can use from an omnichannel perspective.

With regard to Investments, the expansion of the product range will continue with the launch of new products. A new combined offer between a restricted current account and a plan of scheduled deposits into mutual funds will also be launched: the mechanism involves the deposit of an initial sum into the current account and subsequent monthly transfers from it to a managed mutual fund.

In the Personal Protection segment, a restyling of the personal line products is planned, which aims to simplify accident and health covers, including the new Temporary Death coverage. The first quarter of 2023 will see the start of the release of the new coverage and underwriting process for Credit Protection Insurance, the optional coverage provided to customers taking out a BancoPosta loan.

In the area of Business Protection, in the second half of 2023, the new collective policy 'Poste Welfare Infortuni', dedicated to covering the risks of occupational and extra-professional accidents of employees of contracting companies, will be placed at post offices through the network of Small Business Specialists.


With regard to Pensions, new developments are planned with regard to the advisory platform used in Post Offices concerning the internalisation of the cost sheet and refinements on the target market.

In the current account segment, with a view to improving the digitalisation of the BancoPosta account, a revised BancoPosta app account opening application service will be made available in early 2023, introducing various simplifications, including customer identification via SPID and digital omni-channelling, i.e. the ability to switch from the app channel to the web and vice versa during the application process.

As of 1 April 2023, as market rates structurally return to positive territory, the current account fee will decrease due to the reinstatement of conditions prior to the increase on 1 July 2022. BancoPosta, in fact, had undertaken to monitor the trend of the monthly average of the 6-month Euribor rate in order to verify that the conditions that had led to the increase in the aforementioned charges were no longer in place. In the course of 2023, the possibility of opening the BancoPosta account in the corners within many post offices will be activated in order to increase the possibility of access to the service, and the sales front end of the current account will be migrated to the Single Front End in order to simplify the sales process and bring it into line with that already operating for other products.

In the area of credit cards, in view of the changed market scenario, which saw an increase in the operating costs incurred by the issuer Deutsche Bank, during the first quarter of 2023, the fee for the Classica and Gold credit cards issued from the start of the placement to 31 December 2020 will increase. Excluded from this change are cards reserved for the categories of Employees and Pensioners of the Poste Group and Cassa Depositi e Prestiti and Employees and Pensioners of the Companies subject to the management and coordination of Cassa Depositi e Prestiti for whom, in the first quarter of 2023, Deutsche Bank will replace the existing cards, operating on the Mastercard international payment circuit, with new cards adhering to the Visa international payment circuit.

In the first half of 2023, corporate financing will be further enhanced by the launch of a new partnership. The extension of the Quinto BancoPosta offer to employees of other "semi-public" companies is also planned for the first quarter of 2023.

With regard to Business and Public Administration current accounts, developments for the migration from all lists to the "Conto BancoPosta Business Link" will be completed during 2023. In addition, new digital services such as the **SEPA Instant Credit Transfer**  (SCT instant) will be developed.

During 2023, the cash disbursement of the livelihood contribution will continue at the Post Office network in favour of persons from Ukraine seeking temporary protection and who have found independent accommodation, as provided for in the Convention signed with the Civil Protection Department.

For further information, please see the Business Outlook for the Poste Italiane Group.

Other information

Related party transactions

Information on transactions between BancoPosta and its related parties is provided in Poste Italiane Financial Statements for the year ended 31 December 2022 (BancoPosta RFC's Separate Report, Part H of the notes).

Separate financial statements

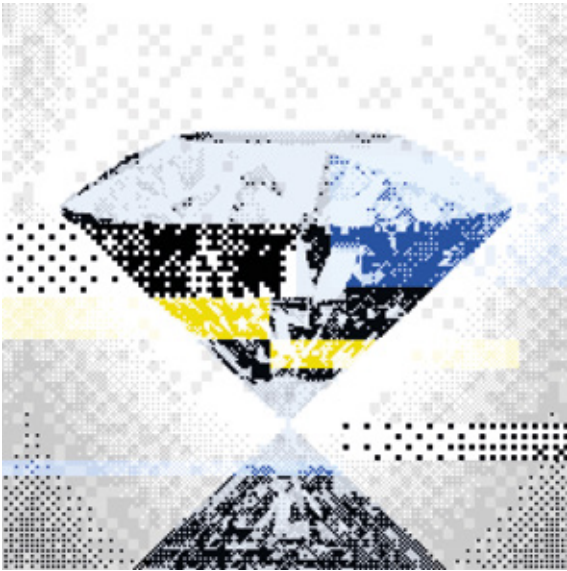
Poste Italiane SpA's statement of financial position includes the Supplementary Statement of BancoPosta RFC, prepared pursuant to art. 2, paragraph 17-*undecies* of Law 10 converting Law Decree no. 225 of 29 December 2010 which states that "the assets and relationships included in RFC are shown separately in the company's statement of financial position".

Intersegment transactions

Intersegment transactions between BancoPosta and Poste Italiane functions outside the ring-fence are set out in Poste Italiane Financial Statements for the year ended 31 December 2022 (BancoPosta RFC's Separate Report, Part A of the notes).

Page intentionally left blank

< 7.8 The ESG value (Environmental, Social and Governance)



**INTEGRITY AND
TRANSPARENCY**



**PEOPLE
DEVELOPMENT**



**GREEN
TRANSITION**



**CUSTOMER
EXPERIENCE**



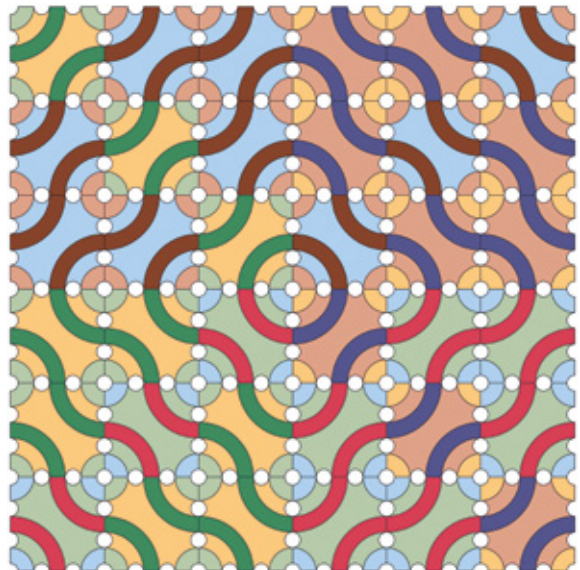
**DIVERSITY
AND INCLUSION**



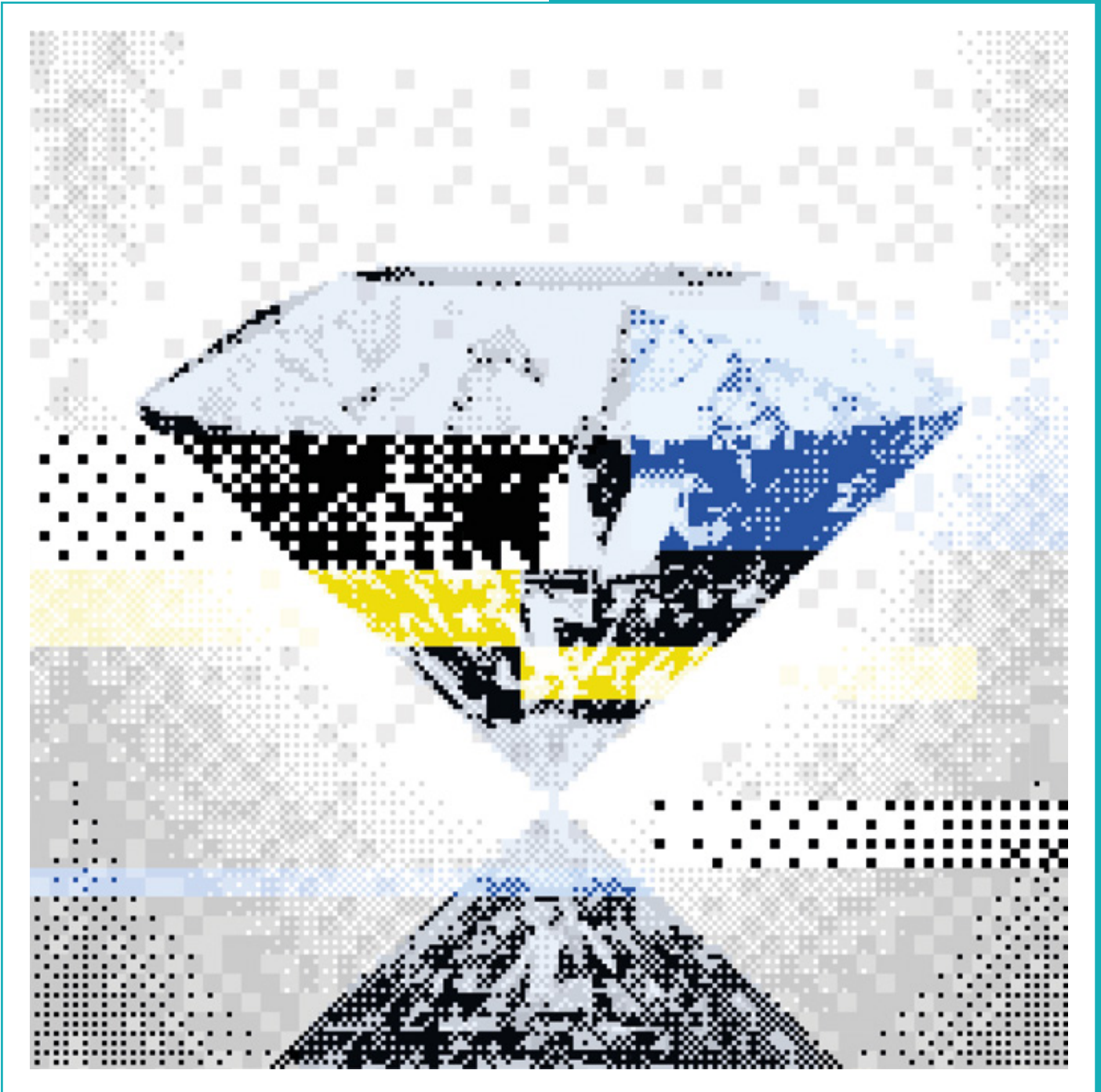
**CREATING VALUE FOR
THE COUNTRY**



INNOVATION



**SUSTAINABLE
FINANCE**



**LEARN ABOUT THE ARTWORK
WITH AUGMENTED REALITY**

Scan the QR code with your smartphone
and click on the link.



KRAYON
Pixel artist



Integrity and transparency

Our work ethic, our commitment to the citizenry, communities and companies.

- > **ISO 37301** certification obtained for “**Compliance management system**”
- > Confirmation of the **highest legality rating score**
- > + **19.2%** of tenders conducted on the basis of **governance criteria**
- > **84.8%** of suppliers with a **ISO 14001** or **EMAS** certified environmental management system

< 7.9 Integrity and transparency

MAIN RELATED TYPES OF CAPITAL



INTEGRITY AND TRANSPARENCY FOR US:
scan the QR code and watch the video



IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2022	
	Certify the main Group companies in accordance with the ISO 37001 standard	• % of significant Group companies certified to ISO 37001	• 100% by 2022	2018	• 100%	
	Increase personnel training on the Group's ethical principles (including respect for human rights)	• % of Group employees involved	• 100% by 2022	2018	• 100%	
	Group-wide implementation of the sustainable procurement framework	• % coverage on Group purchases	• 100% by 2024	2021	• 30%	
	Verify ESG aspects in the supplier qualification process	• % of suppliers belonging to significant product categories qualified according to ESG criteria	• 100% by 2022	2018	• 100%	
	Carrying out sustainability audits (ESG) aimed at defining, establishing and consolidating a supply relationship compliant with the Minimum Safeguards and capable of supporting the process of alignment to the Taxonomy of economic activities acquired from third parties by the Poste Italiane Group	• % of the Group's qualified suppliers subject to sustainability audits	• 100% by 2024	2022	NEW	
	Implementation of the new Integrated Anti-Fraud Platform (PIAF) that combines fraud prevention objectives with improved customer satisfaction	• % financial, insurance, digital products	• 100% by 2024	2020	• 60%	
	Definition of ESG parameters in the participation requirements and in the evaluation criteria of the technical tender offers	• % ESG coverage for OEPV tenders	• 100% by 2024	2022	NEW	

Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Work with transparency and integrity NFS

Poste Italiane recognises ethics and transparency as founding values of the corporate identity, as they support the Company in driving a responsible business and managing relations with stakeholders in a direct and transparent way. Compliance with regulations, internal and external policies and codes of conduct, respect for rules and the strictest fairness are elements of strategic importance for the Group and are the basis for preventing any situation of conflict that may arise between corporate and personal interests.

MAIN RELATED TYPES OF CAPITAL



Poste Italiane signatory of the Global Compact principles
The Group is a member of the UN Global Compact and has prepared in 2021 a Communication on Progress at “Advanced” level

Since 2003, Poste Italiane has adopted its own Organisational Model, which is continuously updated in line with regulatory, organisational and business developments, with the aim of building a structured and organic system of guiding principles, operating procedures and other specific safeguards, inspired by criteria of sound business management and aimed, in line with the Company’s purpose, at preventing the commission of the offences set out in the Decree, as well as protecting the interests of stakeholders relevant to the Company itself.

The Model consists of a General Section and Special Sections, each of which relates to a class of offence relevant to the Company. The General Section provides a description, adapted to the business specificity of Poste Italiane, of the contents explicitly required by Legislative Decree 231/2001, (e.g. the regulation, the governance of the Company, the Supervisory Board, training/information activities, the system of sanctions, etc.) as well as the Company’s integrated internal control and risk management system (e.g. the integrated risk management process, the Company Regulatory System, the Group’s Code of Ethics and Policies, the Corporate Governance System); the individual Special Sections outline, according to a logic based on processes, the different types of offences concretely and potentially relevant in the Company, as well as the corporate processes, sensitive activities, rules of conduct and specific control principles analysed for each class of offence.

In Poste Italiane’s Model 231, sustainability issues are also of significant importance, in line with the Company’s current strategic direction and in consideration of the correlations and synergies between them and Decree 231. Model 231 constitutes a tool that, through the identification of specific control measures to prevent the perpetration of offences ascribable to Decree 231, also contributes to supporting the Company in the realisation of the material topics defined by it within the 8 Pillars of Sustainability that contribute to the achievement of the United Nations Sustainable Development Goals.

Poste Italiane, with a view to strengthen and continually improve its Internal Control and Risk Management System, promptly adapted to recent regulatory developments concerning non-cash payment instruments and cultural heritage, given the Company’s important role in financial intermediation, as well as the importance of movable and immovable assets subject to cultural protection and in the Company’s possession.

Following the recent regulatory developments mainly concerning non-cash payment instruments, cultural heritage and public disbursements, the Risk Assessment and 231 Gap Analysis was updated, by verifying the adequacy of internal organisational and procedural tools.

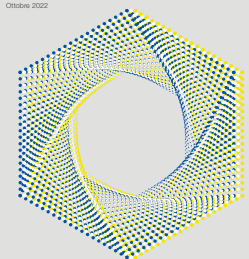
Following the aforementioned analyses, activities were carried out to update the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, aimed at ensuring its adequacy and suitability.

Model 231

“The principles that guide our organisation in the management of business activities.”

MODELLO DI ORGANIZZAZIONE, GESTIONE E CONTROLLO DI POSTE ITALIANE S.P.A.
AI SENSI DEL DECRETO LEGISLATIVO N. 231/2001

Ottobre 2022



Poste Italiane **4C**

Gruppo Poste Italiane

In order to clearly define the values and social role with which the Company contributes to the processes of cohesion, inclusion and sustainability of the country, as well as the rules of conduct in the performance of professional activities, the Poste Italiane Group has adopted a Code of Ethics for directors, supervisory bodies, management, all employees and all those

who work, directly or indirectly, permanently or temporarily, to pursue the objectives of Poste Italiane. The Code is disseminated to all levels of the organisation with the aim of spreading its values, including through training and information initiatives, as the Company requires that all persons to whom the document is addressed become aware of its contents.



The Code enshrines the principles that inspire the culture, behaviour and way of doing business of the Company and its stakeholders, such as the principle of legality, impartiality and fairness, respect and development of people, transparency and completeness, confidentiality, quality, diligence and professionalism. In this document, Poste Italiane affirms its commitment to adopting criteria of conduct that exclude conflicts of interest with the Group and promote the ability to make decisions that are consistent with the Company's objectives; criteria that avoid corruption, money laundering and terrorism and that encourage conduct of integrity, while respecting the health and safety of workers and protecting the privacy of all the recipients of the Code.

In addition to the Code of Ethics, the Company adopted a Group Integrated Policy, which reflects and documents the commitment made to all Company's stakeholders, to improve its performance and, at the same time, build and develop trusting relationships with them, as part of a process of generating and sharing value for the Company as well as for the communities in which it operates, with a view to achieving continuity and reconciliation of the related interests. In order to further emphasise the central importance of Integrity and transparency issues in relations with all the Group's stakeholders also in line with the requirements of ISO 37301 - Compliance Management Systems, the Integrated Policy was integrated with the principles and activities related to compliance management.

In addition, Poste Italiane has set up a reporting system and an Ethics Committee with the task of managing reports and violations. In this regard, the Group has introduced the "Guideline on Whistleblowing", a document aimed at regulating the system through which reports can be made by personnel and third parties, with reference to acts or facts referable to violations of internal and/or external regulations, as well as illegal or fraudulent conduct that may determine, directly or indirectly, a financial or image damage for the Company. The Group has made a reference portal available to the recipients of the Guidelines, the management of which is entrusted to the Whistleblowing Committee, which also performs the functions of the Ethics Committee and is responsible for receiving, examining and evaluating the communications received. The Whistleblowing Committee envisages assigning to an external professional with high standards of professionalism, honourableness and independence and the permanent presence within the Committee of the Group Risk Management structure/Oversight 231, in order to ensure constant assessment of the relevance of the reports received.

Poste Italiane's internal system for reporting violations is further strengthened by the provisions of the Organisation, Management and Control Model, prepared pursuant to Legislative Decree no. 231/01 and approved by the Board of Directors as of October 2022. With reference to the management and monitoring of corporate risks, the Company, as part of its Internal Control and Risk Management System (SCIGR), has adopted and implemented a management system that, through an organic and integrated vision, is able to provide an unequivocal and effective response to the risks to which the Group is exposed, thus defining an integrated risk management process.

The integrated compliance Model adopted by the Company fits into this context, creating operational synergies between the various compliance risk specialists and guaranteeing unified governance in the management of these risks, thanks also to a clear definition of the roles and responsibilities of the players involved in the process. This Model has been formalised in the Integrated Compliance Guideline, drafted in line with best practices and in particular with the provisions of the new ISO 37301:2021 (Compliance Management Systems), becoming a further fundamental pillar for the strengthening of the SCIGR, with the specific purpose of guarding against the risks of non-compliance to which the Group is exposed, thus fully implementing the principles of integrity, transparency and legality.

Moreover, in line with the Group's Integrated Compliance Process and in order to respond to the Group's opening to the international market as a result of significant agreements and the acquisition of foreign companies, Poste Italiane has defined the Foreign Compliance Process that disciplines governance aspects and reporting flows to and from the Parent Company, as well as the operating procedures at the level of individual Foreign Group Companies for the execution of the various compliance activities.

On 28 November 2022, Poste Italiane's first Compliance Day "Compliance, a strategy for global challenges" was held. Its purpose was, on the one hand, to bring together Poste Italiane's Compliance Professional Family in an institutionalised format, with the contribution to the work of the heads of important Compliance functions at central level and within the Group, and, on the other hand, to maintain the training profile, broadening the participation to the heads of corporate functions and structures affected by the widespread application of regulations and by the management of compliance risks. The event, which took place in the Palazzo delle Poste in Piazza San Silvestro and virtually via the Microsoft Teams platform, involved around 1,400 participants, of which 40 in attendance (managers and members of the main functions within the Compliance professional family) and the remainder through a remote connection (managers and executives responsible up to the fifth level of the Group). In line with Poste Italiane's commitment to disseminating the culture of Compliance at all levels in a context - characterised by the health emergency, the economic crisis and geo-political instability - that continues to confront the Company with increasingly demanding challenges, the event was an opportunity for all Poste Italiane's Compliance people and professionals to meet and exchange views, which saw the commitment also of the Top Management reaffirmed in the operational and daily management of non-compliance risks as an essential component of the strategy for sustainable development.

**Poste Italiane's
Compliance Day:
"Compliance,
a strategy
for global
challenges"**

Compliance with the UNI ISO 37001 standard, relating to anti-corruption management systems, represents an opportunity for Poste Italiane to strengthen its commitment to fight corruption and contribute to consolidating the principle of legality, with obvious benefits for the protection of the Company's reputation and assets. As far as Group companies are concerned, after Poste Vita, PostePay, BancoPosta Fondi SGR, SDA Express Courier head office and Poste Assicura obtained the certification (as of 2019), in 2022, EGI and Postel also obtained this certification, which was extended to the territorial areas of SDA Express Courier.

**EGI and Postel
obtain the
ISO 37001
certification**

ISO 37301 "Compliance management systems - Requirements with guidance for use" governs the elements necessary for an organisation to develop, implement, maintain and improve an effective Compliance Management System, focusing on the importance of spreading a culture of compliance within the organisation that contributes to the pursuit of sustainable success. In April 2022, Poste Italiane was the first company in Italy to obtain this certification from IMQ for the management of Integrated Compliance to oversee the processes of design, development and delivery of Postal, Financial and Logistical Services in the areas of administrative, accounting and fiscal responsibility.

**Poste Italiane
obtains
ISO 37301
and ISO 37002
certifications**

In 2022, Poste Italiane also obtained ISO 37002 "Whistleblowing", an international standard aimed at providing a comprehensive guide to help organisations define, develop, implement, and effectively maintain a Management System on the process of receiving and handling whistleblowing.

As evidence of Poste Italiane's commitment to disseminating the principles of integrity, preventing corruption and ensuring regulatory compliance, the Company adopted a Group-wide Competition and Consumer Protection Compliance programme and drew up the "Guideline on Competition and Consumer Protection Compliance", which is the cornerstone of the programme.

The document provides indications on the regulations for the protection of competition and the consumer and defines the rules of conduct that all members of corporate bodies, executives, employees and all those who work to achieve the Group's purpose and objectives must observe. In par-

ticular, the objectives set out in the document concern: ensuring compliance with competition and consumer protection rules, of which no violation is tolerated; strengthening awareness and disseminating knowledge about the importance of competition and consumer protection regulations; consolidating an operating and control environment that mitigates the risk of commission of antitrust and anti-competitive offences as well as violation of consumer protection regulations; providing guidance to prevent actions, behaviours and omissions that violate competition and consumer protection regulations, and outlining monitoring tools to identify any violations.

Poste Italiane and Guardia di Finanza together to ensure legality and transparency

Posteitaliane



Guardia di Finanza

The historic collaboration with Guardia di Finanza (Finance Policy) and the signed protocol provide even more effective and up-to-date tools to counter any abuse and make a concrete contribution to the country's development.

The Memorandum of Understanding with Guardia di Finanza consolidates the entrenchment of company standards and rules in processes, through the increasingly widespread dissemination of the principles of legality and transparency in the market and the prevention of financial offences. In particular, within the framework of the Protocol, the shared objectives are the fight against tax evasion, avoidance and fraud, offences relating to public expenditure, economic and financial crime, money laundering, counterfeiting and fraud concerning payment systems. The Protocol also stipulates that Poste Italiane shall assist in the work of prevention and law enforcement by sharing with Guardia di Finanza its wealth of information against unlawful acts in areas of institutional interest carried out also by exploiting technological and IT means. Under the agreement, Poste Italiane will make available to Guardia di Finanza the data in the "Identity Check" system, which will be useful for investigations to prevent and repress fraud and any other offence of an economic or financial nature. The Protocol also establishes regular meetings to review the progress of the collaboration and share information on new fraud scenarios and initiatives to be implemented.

Poste Italiane and Arma dei Carabinieri

Posteitaliane



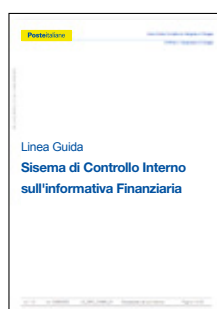
Through the Memorandum of Understanding with Arma dei Carabinieri, Poste Italiane consolidates the rooting of company rules and regulations in its processes and strongly reaffirms - internally and externally - the organisation's position on issues of legality, safety at work and training. On the basis of the Protocol with Arma dei Carabinieri, Poste Italiane also relies on the expertise of the Carabinieri to ensure maximum compliance with labour, social security and work safety regulations at construction sites opened for building work at Poste Italiane premises.

A further element in the path undertaken by Poste Italiane to pursue sustainable success, including through activities aimed at the evolution and streamlining of governance controls and the continuous strengthening of the SCIGR in compliance with the principles of integrity, transparency and legality, as well as to efficiently and uniformly cope with the growing complexity of the various legislative and regulatory requirements, is the Internal Control System on Financial Reporting.

In line with the strategic guidelines defined by the Company, the internal control system on financial reporting, through the analysis of risks and the identification of specific control measures, is therefore among the tools useful to contribute to the achievement of the objectives related to the material topic of working with integrity and transparency.

The "Internal Control System on Financial Reporting" Guidelines (hereinafter also referred to as "SCIIF") defines the rules and methods for establishing and maintaining the Poste Italiane Group's system of internal control over financial reporting over time, as well as for assessing its effectiveness. These standards and methodologies are consistent with the regulatory provisions and the market main best practices as well as with the Internal Control and Risk Management System Guidelines adopted by Poste Italiane SpA and with the Group's Integrated Risk Management and Compliance processes. By adopting such an integrated model, it is possible to ensure synergies between the specialised units of the various compliance areas

and to avoid redundancies in the operational activities of risk management models and specific compliance programmes, rationalising processes, optimising the effectiveness and efficiency of control activities, and facilitating the sharing of information between the various second-level functions.



In order to prevent and fight fraudulent phenomena, Poste Italiane carries out verification, assessment and monitoring activities on individuals and counterparties (corporate, financial and asset analyses on companies and exponents, analysis of existing relations with Poste Italiane) through the identification of all the operational and reputational details necessary to verify the reliability and honourable-

ness of individuals or counterparties. Boosting prevention of illegal activities, via integrated analysis of information within and beyond Poste Italiane, enables detection of direct and indirect relations that highlight possible critical issues. The fight against fraudulent phenomena is therefore implemented through a process of continuous monitoring of the degree of exposure to the risk of fraud and risk factors, through the collection and analysis of reports and indications of potential wrongdoing, the review of processes and the adoption of adequate and increasingly rigorous measures of governance and control aimed at preventing fraud.

In 2022, projects and activities were implemented as part of the fraud prevention management process through an integrated anti-fraud system. In addition, initiatives for the evolution and adaptation of support information systems continued, in specifically with the Integrated Anti-fraud Platform (PIAF), an innovative fraud prevention system that includes all digital financial products and services of: On US Monetics, e-commerce and digital banking, based on predictive analytical models and enabling - in real time and subject to pre-authorisation mode (as required by the Regulations) - the monitoring of transactions ordered by customers. This platform includes the implementation of a single behavioural prevention/detection machine learning solution for all channels, and the subsequent start of the migration of all Payment Cards to the new Integrated Anti-fraud Platform (PIAF).

The new Integrated Anti-fraud Platform (PIAF)

With the aim of disseminating the Group's ethical principles, Poste Italiane invests in training and information activities for its employees, offering seminars and courses on transparency, integrity and anti-corruption, communicating its principles to stakeholders through the dissemination of the Code of Ethics, Policies and Guidelines. Training and communication constitute, in fact, a continuum of coordinated actions aimed at supporting the dissemination of the culture of compliance and legality in line with the roles, responsibilities and levels of risk exposure of each individual, including through adequate top management commitment.

Legality rating

In 2022, Poste Italiane confirmed its **legality rating**, receiving the **highest three star rating** from the AGCM, which is awarded to just **8.7%** of companies

Fiscal transparency policies

In January 2020, both Poste Italiane and its subsidiary, Poste Vita, were admitted to the Collaborative Compliance regime with the tax authorities, an award granted following a positive assessment by the tax authorities of the system for identifying, managing, controlling and mitigating tax risk. This institution, provided for by the Delegated Law for the reform of the Italian tax system (Law 23/2014) and introduced in Italy by Legislative Decree no. 128/2015, allows for a relationship to be established with the financial authorities, one built on trust and collaboration. The goal is to increase the level of certainty on significant tax issues by creating an open line of communication so that issues that might give rise to risky tax scenarios are addressed in advance. Poste Italiane's admission to Collaborative Compliance consolidates the path inspired by the values of ethics, integrity and transparency also in the financial and fiscal area.

Poste Italiane Tax Control Risk Framework

Poste Italiane has developed its own tax risk management and control system, which, as part of the wider Internal Control and Risk Management System (SCIGR), meets the following requirements in line with legislation and best practices:

- the Tax Strategy in which the Group has defined its objectives and the approach adopted in managing the tax variable. The Tax Strategy is arranged as a set of principles and rules aimed at promoting dissemination of the values of honesty, fairness and compliance with tax regulations, thereby encouraging the development of collaborative and transparent conduct towards the tax authorities and third parties, in order to minimise any substantial impact in terms of either tax or reputational risk;
- adequate processes, procedures and tools for the detection, measurement and management of tax risks, as well as for monitoring the tax risk control system;
- a system of delegated powers, roles and responsibilities regarding the processes of detecting, measuring, managing and monitoring tax risk, defined within a specific Guideline, as well as detailed in the relative operating procedures and in the tax risk map (i.e. Tax Risk Assessment);
- adaptation to major changes affecting the Company, including changes in tax legislation;
- sending an annual report to the management bodies containing the results of the checks carried out and any action plans to be implemented to remedy the shortcomings that emerged from the monitoring. This report is also sent to the Revenue Agency for evaluation of the Tax Control Framework.

In line with its sustainability strategy and with the values set out, in the Group's Code of Ethics, the Poste Italiane Group has always managed taxation in full compliance with the principles of honesty, fairness and compliance with tax regulations, characterised by cooperative and transparent conduct towards tax authorities and third parties, in order to minimise any material impact in terms of tax or reputational risk. To this

end, the Group has adopted a Tax Strategy¹¹⁰ within which the Company has defined its objectives:

- manage the tax variable by protecting the interests of all stakeholders, including the government, shareholders, employees and the community in which it operates, including at local level, being aware that tax revenue is one of the main sources of contribution to the economic and social development of the country;
- always operate in compliance with tax regulations with regard to both the letter of the rules and the underlying rationale, monitoring and overseeing regulatory changes, including through continuous dialogue with the relevant institutions at national and international level;
- make decisions on tax matters in line with national and international best practices and with the guidelines dictated by sector bodies, as well as in line with its own strategic objectives and risk appetite;
- promote professional diligence in the management of tax-relevant activities and processes, and ensure that the related procedures are appropriate;
- ensure adequate technical training for all employees involved in the management of tax-related obligations and activities;
- establish complete and accurate information flows to management bodies and tax authorities;
- encourage the development of constructive, professional and transparent relations with the Tax Authorities, based on the concepts of integrity, collaboration and mutual trust.

The Collaborative Compliance Regime admitted Poste Italiane and its subsidiary Poste Vita with the tax authorities

The tax risk management and control system implemented by the Group requires top management to be kept constantly informed of the tax consequences of all strategic and operational business transactions, both planned and to be carried out, thereby ensuring that every decision taken on tax matters is consistent with Poste Italiane's tax strategy and that the Tax function is involved in the preliminary assessment of the tax impact of such transactions. The Tax function is divided into eight areas that are assigned distinct roles and responsibilities and are: Tax Planning and Business Support, Tax Risk Management, Processes and Procedures, Regulations, Studies and Tax Substitution, Corporate Income, Indirect Taxes, Local Taxes and Litigation, VAT and IT Compliance and Oversight of tax obligations envisaged for financial intermediaries.

Poste Italiane SpA's Board of Directors, subject to the opinion of the Control and Risk Committee, is responsible for assessing the adequacy and effectiveness of the internal control and risk management system. To this end, with specific reference to the tax risk management and control system, the Board of Directors, supported by adequate preparatory work by the Control and Risk Committee, examines at least once a year the report prepared by the head of the Tax function containing the results of the periodic review of this system.

Poste Italiane also coordinates with Group companies to ensure that they operate in compliance with current tax legislation and in line with the Group's risk management and control system.

As previously stated when it entered the Collaborative Compliance regime, the Poste Italiane Group is committed to establishing relations with tax authorities that are based on the utmost transparency and cooperation, undertaking to:

- communicate in a clear and transparent manner to the Revenue Agency any changes in the tax strategy, in the medium/long-term tax planning and the possible risks related to the most relevant transactions;
- provide correct, accurate and timely information and respond promptly to questions and requests for information received by the Revenue Agency;
- resolve any problems in a timely manner prior to the filing of tax returns, and, if differences subsequently arise, work out an agreement with the Revenue Agency to resolve them.

Following the Poste Italiane Group's entry into the Collaborative Compliance regime, the Group has adopted a well-structured set of procedures to govern the management of tax risk, including the activities, controls, roles and responsibilities defined within the processes.

Poste Italiane has also made it the responsibility of the Tax function to monitor updates to the relevant legislation. More specifically, the task of the Regulations, Studies and Tax Substitution (NSSI) unit, which is part of the Tax function, is to: monitor the evolution of the national, EU and international tax system, in order to propose measures to guarantee the interests of the Group and the optimisation of operating obligations; guarantee the study, interpretation and dissemination of tax regulations, assessing their impact on the Company and the Group in collaboration with internal functions/companies. To this end, the NSSI unit, thanks to the continuous exchange with the operational structures of reference, receives suggestions and input that give greater consistency to the actions implemented in this area. As part of the monitoring of regulations, the Processes and Procedures unit, in conjunction with other internal functions, analyses the impacts on processes and systems deriving from changes in tax regulations, defining the related adaptation plans. Finally, the Tax Risk Management unit monitors, with reference to the compliance plans developed by the Processes and Procedures unit, the proper execution of controls and related activities.

110. Poste Italiane SpA's Tax Strategy is available on the Group's website at the following link www.posteitaliane.it/it/strategia-fiscale.html

Tax Risk Assessment

During 2022, an update of the Tax Risk Assessment was carried out, which entailed a review of Poste Italiane's tax risks, both in terms of existing risks and their assessment, as well as an updating of activities and the related controls, partly in order to exploit potential synergies with other control systems within the Company. In general, the review of the Tax Risk Assessment covered the following points:

- updating of the tax risk map due to changes in tax legislation, the review of risks with a view to continuous improvement;
- updating of the qualitative/quantitative assessment of tax risks, in line with the risk assessment methodology developed during 2020;

- updating of the activities and related controls identified to mitigate tax risks in response to changes in tax legislation, of the organisational and process changes during the period, of any shortcomings in the design of controls identified during testing or with a view to continuous improvement in order to ensure the efficiency and harmonisation of Poste Italiane's existing control systems, and to increase the awareness of control owners regarding the methods of carrying out controls.

During 2022, the controls to guard against the risks envisaged within the framework of Poste Italiane's tax risk management and control system were monitored, in accordance with what was defined in the 2021 - 2023 Monitoring Plan and in line with the methodology adopted.

Communication and training on tax issues

In accordance with what stated in the Tax Strategy and aware of the fundamental role played by training in an area such as the tax area characterised by rapid change, the Tax function trains and supports all personnel involved in the management of tax-related activities, not limiting itself to resources specifically dedicated to tax matters, in order to ensure that all personnel have the right skills and experience to fulfil their responsibilities.

During 2021, the courses delivered by the Tax function covered the following topics:

- Communicating with the Revenue Agency: the obligations of financial intermediaries;
- National Tax Consolidation - Poste Italiane Group;
- Corporate Taxation - Direct Taxes;
- M&A - Tax implications of the main types of extraordinary transactions;
- Functionalities and usage of the fiscal risk management platform (GRC-RSA Archer).

In 2022, however, consistent with the ongoing health emergency, training events are being planned in the following areas:

- Tax concessions;
- Course on VAT and postal services with a special focus on aspects related to tenders and direct awarding, as well as the new features of the tax decree (international VAT);
- Definition of processes and identification of control points;
- Registration and stamp duty on contracts;
- Direct Taxes;
- Significant tax regulations with an impact on Poste Italiane's international structure (Sources of international tax law - CFC - Dividends from companies in privileged tax countries - TP - Hybrid mismatches);
- Voluntary tax correction/settlement;
- Collection;
- Tax substitution.

Legality and incorporation of ESG criteria within the procurement processes

NFS

Poste Italiane manages its supply chain responsibly with the aim of certifying the sustainability, functionality and traceability of procurement. In this regard, in addition to ensuring compliance with current regulations and corporate directives, the Group is committed to basing its purchasing processes on pre-contractual and contractual relations based on the values of legality and transparency, with respect for agreements, payment methods and payment times at the centre. Therefore, within its supplier base, the Company includes those with adequate quality characteristics that guarantee the protection of workers and compliance with environmental standards.

Poste Italiane Group gives each supplier the opportunity to compete in the awarding procedures, guaranteeing equal opportunities and excluding preferential treatment. Suppliers involved are obliged to comply with the EU and Italian legislation on competition, and shall refrain from anti-competitive or unethical conduct that is contrary to the rules that safeguard competition. In addition, the Company requires suppliers - including any subcontractors - and their partners to formally accept the guiding principles and criteria of conduct outlined in the Code of Ethics and Group Policies.

To select its suppliers, the Group is guided by objective and verifiable criteria, including ESG criteria, with the aim of ensuring fairness, impartiality, transparency and equal opportunities for collaboration

MAIN RELATED TYPES OF CAPITAL



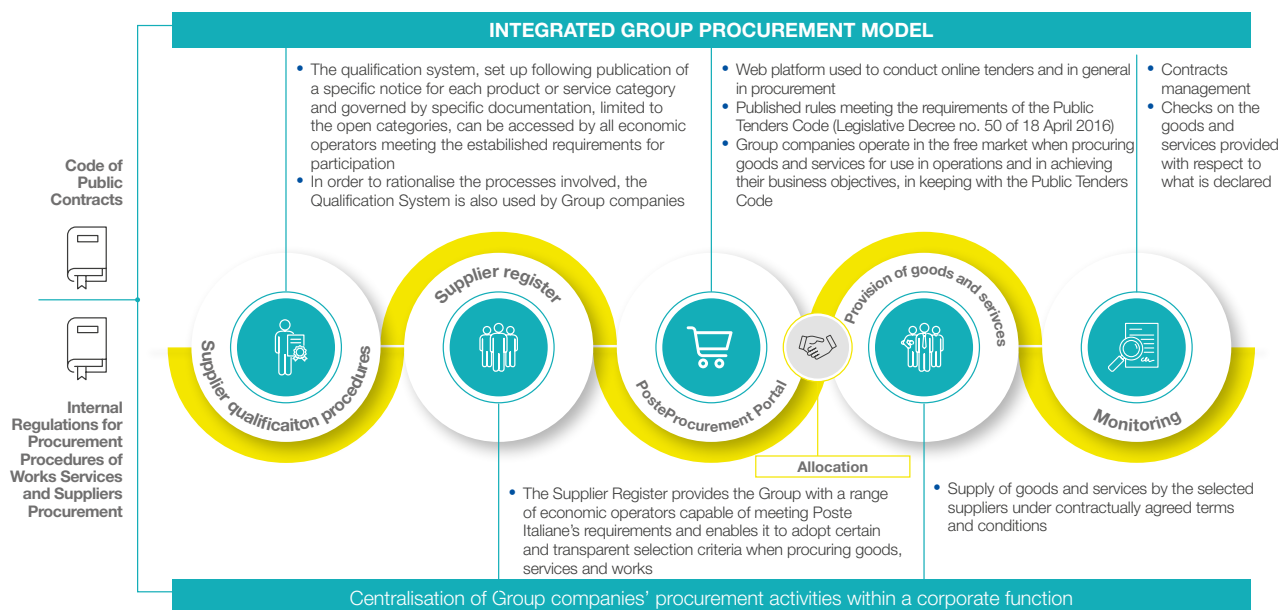
Through internal rules, Poste Italiane regulates the procurement process both for contracts subject to the Public Contracts Code and for those excluded from the scope of the Code.

In order to encourage and improve relations with suppliers and to ensure efficient and integrated management of the supply chain in full compliance with the principles of confidentiality, authenticity, competitiveness, integrity and availability in the exchange of data, purchases are made on the PosteProcurement Purchasing Portal, an electronic system dedicated to procurement activities and the management of the Supplier Register.

The Group's purchasing procedures are in line with the trend of recent years and record a massive and constant recourse to competitive procedures capable of guaranteeing competitive advantages for the Company.

The purchasing process takes ESG issues into account with the aim of pursuing sustainable procurement, acting as a vehicle for disseminating the culture of sustainability - understood as the set of the Group's sustainable policies integrated within the Company's regulatory system and outlined in the purchasing process itself.

Finally, it should be noted that the purchasing activity is regulated by a regulatory and procedural framework which, together with the Internal Regulations for the Award of Works, Service and Supply Contract Procedures (approved in November 2017 and modified in July 2019) and the Public Contracts



Since 2021, Poste Italiane has been among the leading Italian economic and production companies qualified in the sustainable management of purchasing processes and supplier relations. The ISO 20400 certification on Sustainable Procurement defines guidelines for integrating sustainability into an organisation's procurement processes.

**Poste Italiane
receives the
ISO 20400
certification**

Code, if applicable, constitute the main governance and regulatory oversight of Poste Italiane's contract awards. In this regard, in order to pursue continuous improvement, the process of revising the procedural system started in 2021 continued in 2022, introducing, among other things, the ESG principles already in force, functional to sustainable procurement and consistent with the provisions of ISO 20400 certification, as well as strengthening the centrality of Business Process Management (BPM) as a tool for managing, dematerialising and tracking the liability cycle.

The Group's Sustainable Development, Risk and Compliance Function in the Corporate Affairs area aims at recognising possible elements of risk to ensure compliance with the

requirements of reliability and integrity, through the assessment of the corporate, financial and equity profiles of the companies and representatives of the respective relationships with the Company. In particular, relationships with suppliers can become sources of strategic and reputational risks. Risk management is aimed at limiting risks arising from transactions with third parties, ensuring adequate supplier rotation and minimising bad debt losses through constant monitoring. In order to enable the identification of direct and indirect relationships prone to criticality, it is necessary to strengthen the prevention of unlawful phenomena through an analysis that considers internal and external information. During the Covid-19 pandemic, Poste Italiane expanded the assessment process to include pandemic risk analysis.

The Poste Italiane Group's commitment has been recognised by the UN Global Compact Network Italia, which included the Group's example in the Position Paper "La gestione sostenibile delle catene di fornitura: tra responsabilità e opportunità per le imprese". The document, presented as part of the CSR and Social Innovation Fair, recognizes the commitment of several companies, including Poste Italiane, to the sustainable management of supply chains, and their ability to identify opportunities related to this challenge.

**Poste Italiane
obtains the
Recognition
of the UN Global
Compact
Network Italia**

Main types of goods and services purchased

Within real estate procurement, in 2022, all tenders for the supply of furniture, cleaning services and works included compliance with the Minimum Environmental Criteria (MEC). In particular, in works tenders, in order to reduce the environmental impact on natural resources and increase the use of recycled materials, thereby increasing waste recovery, specific award criteria have been adopted for the use of new materials produced with a certain percentage of recycled content and which, at the end of their life, can be subjected to selective demolition, recycling or reuse. For each product subject to the award score criteria, the production of a special sheet was required, giving a general description of the product and indicating the physical characteristics, marks, environmental labelling and certifications proving that it is made of recycled or environmentally friendly materials.

The concession contracts for catering services at the property complexes also comply with the principles of Green Public Procurement (GPP – Green Procurement of the Public Administration), to guarantee the provision of a corporate catering service with a reduced environmental impact characterised, in terms of processes and contents, by compliance with environmental, economic and social sustainability. Poste Italiane rewards the supply of foodstuffs, such as BIO, IGP, DOP, sustainable fishing products,

etc., in excess of the minimum quantities prescribed by the MEC. In this context, local suppliers who guarantee certified products are potentially involved in the supply chain of food products for canteens and bars.

As far as the procurement of electricity for the Group is concerned, it is purchased from the reference market with 100% from certified renewable sources with guarantees of origin. A residual share of the requirements is self-produced by proprietary photovoltaic systems. In order to increase energy self-production, work is nearing completion on the installation of about 600 photovoltaic systems on the roofs of the Group's buildings, and the new tender for a further 1,000 interventions on the roofs of Post Offices as part of the Polis Project is being contracted out.

Postel's project initiative involving the construction of photovoltaic systems at its two production sites dedicated mainly to mass printing and industrial envelope stuffing activities is also significant: the first was installed in October 2022, and is located at the Melzo production centre, while the second was installed in December and is located at the Pomezia production centre. The installation covers a total area of 5,100 m² with an energy production capacity of 1,210,000 kWh/year, corresponding to a CO₂ emission saving of 560 tonnes/year.

The largest photovoltaic plant in Lazio belongs to Poste Italiane



The new photovoltaic plant that went into operation at the Postel plant in Pomezia accelerates Poste Italiane's interventions in Lazio as well, which will enable the Company to reach the carbon neutrality target by 2030.

Consisting of 1,170 mono-crystalline panels on the roof of the Centre, for a total of 1,900 square metres corresponding to about 7 tennis courts, the largest photovoltaic system built by Poste Italiane in Lazio is one of the largest in Italy, has a power of about 400 kWp, an average annual production of about 490,000 kWh, and a saving of CO₂ emissions into the environment of 260 tonnes, equal to the average annual emission of almost 87 households. In addition, the plant uses totally renewable electricity and the site lighting is 100% LED.

As part of the Smart Building project, 965 installations of micro-climate monitoring systems were carried out in 2022, bringing to 1,621 the number of sites equipped with continuous screening of optimal environmental comfort parameters (temperature and humidity), with a reduction in energy consumption of more than 15% compared to sites without them.

The commitment to the construction of recharging stations for hybrid or all-electric company vehicles also continues, with the purchase of 325 new columns that will be installed at company premises. Similarly, as part of the Polis Project, an EU tender was launched for the construction of a nationwide recharging infrastructure with 5,000 recharging stations that can be used by the community every day and at any time.

With regard to logistics procurement, with reference to the purchase of the main Full rent services of the operational and transport fleet, when tenders are being carried out, a bonus score is awarded to bids with lower CO₂ emission classes, as well as compliance with the relevant MEC, where applicable.

For footwear and Personal Protective Equipment, as well as for the supply of work uniforms, the relevant MEC are observed and offers aimed at environmental sustainability, also in relation to the possibility of recycling packaging, are valued.

In the procurement of technological parcel and letter sorting equipment, special attention is paid to the prioritization of offers with low energy consumption solutions and noise reduction.

In addition, the tender for the supply of vehicle fuels by Fuel Card for Poste Italiane Group vehicles is under way. The technical offer of the tender, besides providing for the introduction of new card functionalities and attaching value to the capillarity of the network, emphasises sustainability through the requirement of environmental management, corruption prevention and occupational health and safety certifications, together with the realisation of the Fuel Cards with plant-based/recycled plastic materials.

With regards to ICT purchases, the IT requirements for printers, multifunctional equipment, desktop PCs and laptops were also procured in compliance with the basic and rewarding MEC under GPP. In particular, for the management of printing processes, a new category of "ink-jet" printers has been identified for Poste Italiane Offices, equipped with large capacity tanks and refillable with special ink bottles that significantly reduce the replacement of refill cartridges, leading to savings

+965

micro-climate monitoring systems



on consumables and a significant reduction in plastic waste (packaging, spare parts, etc.). As well as helping to improve the quality of the working environment through zero ozone emissions, the new printers, relying on electronic optimisation in the printing process, enable the containment of running costs and a significant reduction in power consumption.

Lastly, as part of the verification of the technological obsolescence of the PCs used by company personnel and for which the operating system was found to be outdated, a "no replacement" project was launched with the aim of upgrading the devices, as an alternative to replacing them. This intervention, in addition to a significant economic saving, has in fact enabled the life of the equipment to be extended whilst reducing WEEE.

Supplier qualification procedures

In line with the provisions of current legislation (Article 134 of the current Public Contracts Code), in 2006, the Poste Italiane Group set up its own Register of Suppliers to streamline award procedures and ensure consistency among selected parties, in all product areas, as well as transparency vis-à-vis the market.

The Regulation of the Suppliers' Register and the Regulation of the Qualification System, which respectively govern the Qualification System in the Suppliers' Register and the qualification system and procedure for each of the product categories, regulate the formation and management of the Register. For each product category, access to the Register can take place at any time by submitting an application and the required documentation.

All suppliers, in order to be qualified in the Register, must possess not only general requirements, i.e. moral quality and professional suitability, but also special requirements, including those of an economic-financial and technical-organisational nature. These enabling prerequisites aim at consolidating the governance of the Group's purchasing process.

Moreover, in the context of relations with suppliers of works, services and supplies, the contractual clauses with which Poste Italiane operates are continually updated on the basis of any new regulatory provisions and special requirements communicated by the internal customer. This contributes to the acceleration of contractual time and ensures adequate governance of the most significant issues.

Poste Italiane Group ensures a high level of disclosure of

Selection of suppliers

The integration of environmental, social and governance aspects into Poste Italiane's purchasing procedures implies that suppliers undergo sustainability audits to verify that they meet specific requirements.

+1.4%

of tenders carried out on the basis of environmental criteria compared to **2021**

The Group pays special attention to the ESG aspects of supply chain management, recognizing that developing transparent and lasting relationships with suppliers, as well as paying the utmost attention to quality, respect for the environment, safety and social implications in the procurement process, can contribute to the public interest of the entire Country System¹¹¹ and to the constant improvement of the service offered to its customers.

84.8%

of suppliers have an **ISO 14001** or **EMAS certified** environmental management system

For this reason, there are specific environmental, social and governance criteria in the supplier selection process, in the participation requirements, in the evaluation parameters of the technical offer and/or in the contractual conditions, of the tender procedures carried out during the year. In particular, the Group, in relation to its relations with its suppliers, provides specific contractual clauses related to sustainability issues (e.g. human rights, health and safety at work, ethics, etc.).

Demonstrating the Group's commitment to these issues, significant increases were again reported in 2022 in relation to tenders held on the basis of environmental, social and governance criteria.

Specifically, 88.3% of suppliers, compared to 84.5% in 2021, were selected in accordance with specific social standards during 2022. Said indicator, when considered net of tenders

its procurement process, in line with the principles of transparency. In fact, pursuant to Law No. 190/2012 entitled "Provisions for the prevention and repression of corruption and illegality in the public administration", it regularly and voluntarily publishes information on both the purchasing procedures indicated by law and those not expressly mentioned in the legislation. To guarantee said information flow, the "Open and Transparent Contracts" portal was created and can be consulted on the Company's website.

without a technical offer (as they were awarded to the lowest price), certifies that almost all tenders launched require social criteria (> 98%).

On the other hand, 84.8% of the tenders issued in 2022, compared to 83.4% in the previous year, meet certain envi-

+3.8%

of tenders carried out on the basis of social criteria compared to **2021**

ronmental performance standards. Again, the percentage of tenders selected on the basis of these criteria would become greater than 99% if those without a technical offer were excluded from the calculation.

The Group maintained the governance indicator, introduced in 2021, by requiring specific qualification and evaluation principles from suppliers in the technical offer, in order to refine the ESG model in the procurement process. Analysing the tendering procedures launched with amounts above the EU thresholds, we obtain the figure that represents the initiatives with specific governance criteria in qualification, evaluation criteria (e.g. ISO 37001, Legality Rating, Code of Ethics/Conduct, Policy etc.) and contractual clauses.

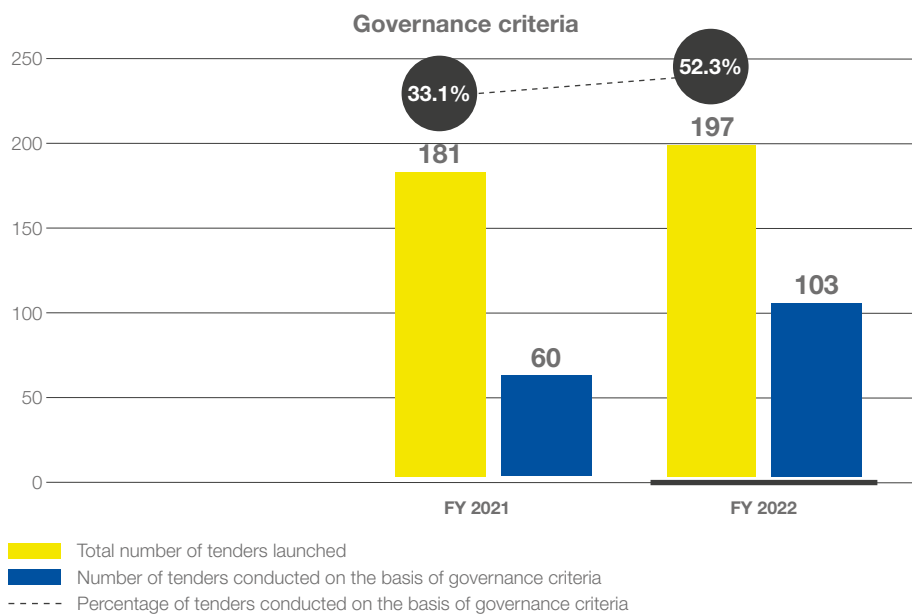
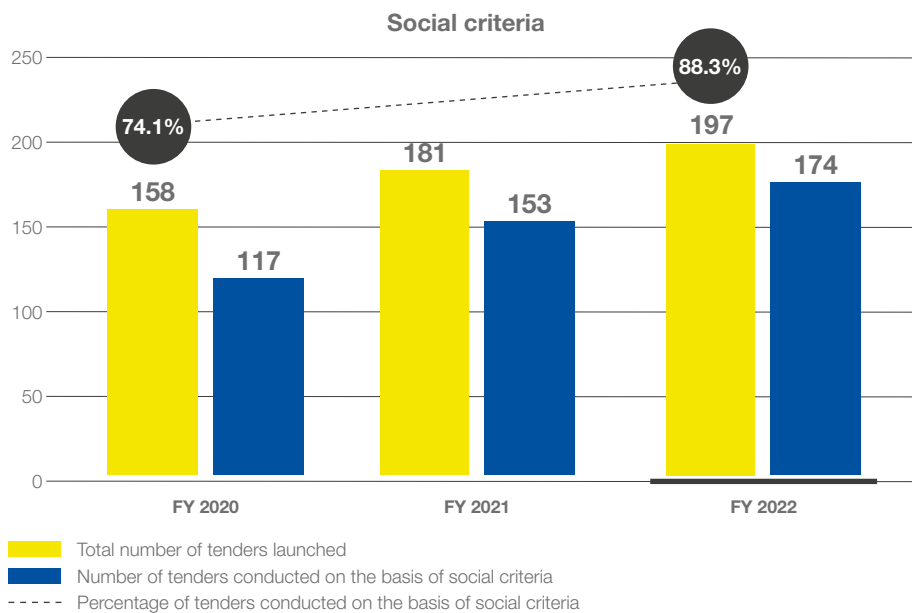
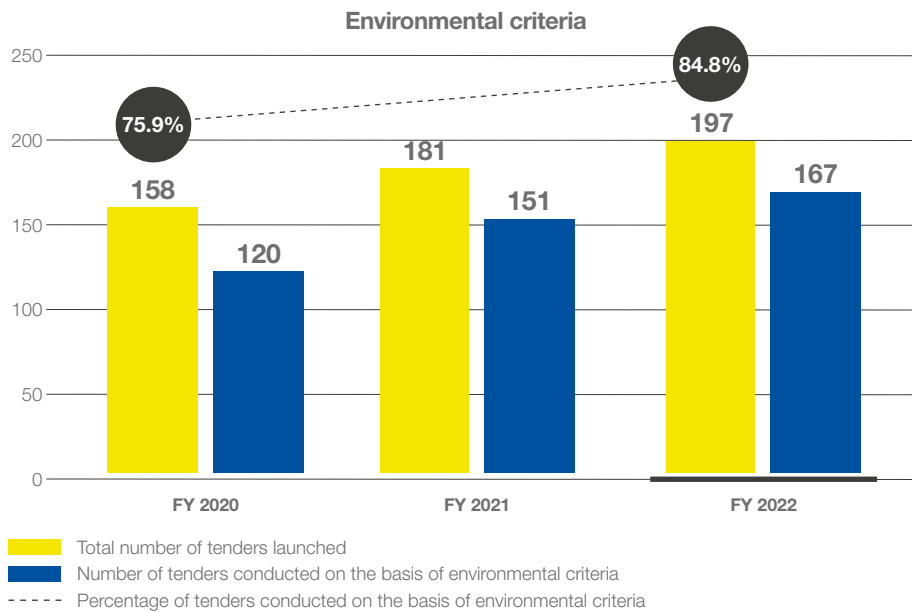
Of the tenders issued during the year, 52.3% took governance aspects into account, compared to 33% in the previous year. The same indicator, not including the tenders without the technical offer, certifies that almost all tenders launched require governance criteria (>80%).

The reporting scope refers to the current special sector procurement thresholds, conventionally extended to non-code tenders, for the lowest price (PBB) and economically most advantageous (OEPV) award criteria.

+19.2%

of tenders carried out on the basis of governance criteria compared to **2021**

111. In 2022, there are zero instances of supplier non-compliance with environmental and labour rights policies.



In 2019, the Group introduced the Green Procurement function in order to report on ESG issues within its supply chain management on a timely basis. This function is able to ensure a constant integration of sustainability issues within tender processes and ESG criteria in the technical evaluation of offers. The definition of highly relevant projects, such as logistics, decarbonisation of buildings, consumables, and by promoting a focus on resource utilisation, investment plans and technological development, together with the greening of more traditional requirements, promotes the achievement of the sustainable change objective.

The upward trend in Environmental, Social and Governance indicators is matched by the significant increase in the ESG relevance of the technical offer, measured in over 6 percentage points compared to last year, with the stable presence of criteria related to Environmental Management (65%), Occupational Health and Safety (64%), Attention to People (53.3%) and Integrity and transparency (52.3%). By encouraging the adoption of ESG criteria for selecting, evaluating and monitoring suppliers, as well as mitigating any ESG risks, Poste Italiane pursues the goal of increasing the effectiveness of business processes and competitiveness. In line with previous years and with the aim of combining sustainability in terms of reducing environmental impacts and rationalising costs, Poste Italiane Group has adopted the criteria set forth by the Green Public Procurement, implementing, where applicable, the Minimum Environmental Criteria (MEC), established by specific Ministerial Decrees. Furthermore, the ESG model in the Group's procurement process was implemented through the introduction of specific Integrity and transparency (Governance) criteria.

In the supplier qualification phase, in order to monitor their performance, Poste Italiane implemented a rating methodology characterised by the adoption of a customised approach, which resulted in the definition of an ad hoc questionnaire for each supplier (100% of qualified suppliers). The model is risk-based, as it allows for an assessment of how each provider manages the ESG risks identified as relevant according to the company's sector and size. As far as the sector is concerned, suppliers are classified by the Group within the 99 recognised ATECO sectors. As each sector

100%

of suppliers classified
by **ATECO sector** and size

is characterised by specific risks depending on the nature, the companies belonging to it are also affected by them and, consequently, are evaluated according to them. Poste Italiane used internationally recognised external references to identify the various types of risk, identifying around 40 main ones (environmental, social and socio-environmental). For each risk considered relevant to the sector in question, an evaluation of the companies is carried out considering the specific safeguards adopted to mitigate the negative impact of the individual risks examined. With regard to the size of the organisation, on the other hand, which according to the European Commission's regulations can be small, medium or large, the Company highlighted 8 main Governance risks potentially relevant for the suppliers under assessment.

Specific ESG Ratings

assigned for the selection of suppliers
on the basis of the controls
used to manage the
various relevant risks



Subsequently, the information obtained is analysed and processed through the definition of an ESG scoring process that involves, for each aspect analysed, the attribution of a rating for each relevant risk and a total ESG rating.

These elements provide the model with the following strengths:

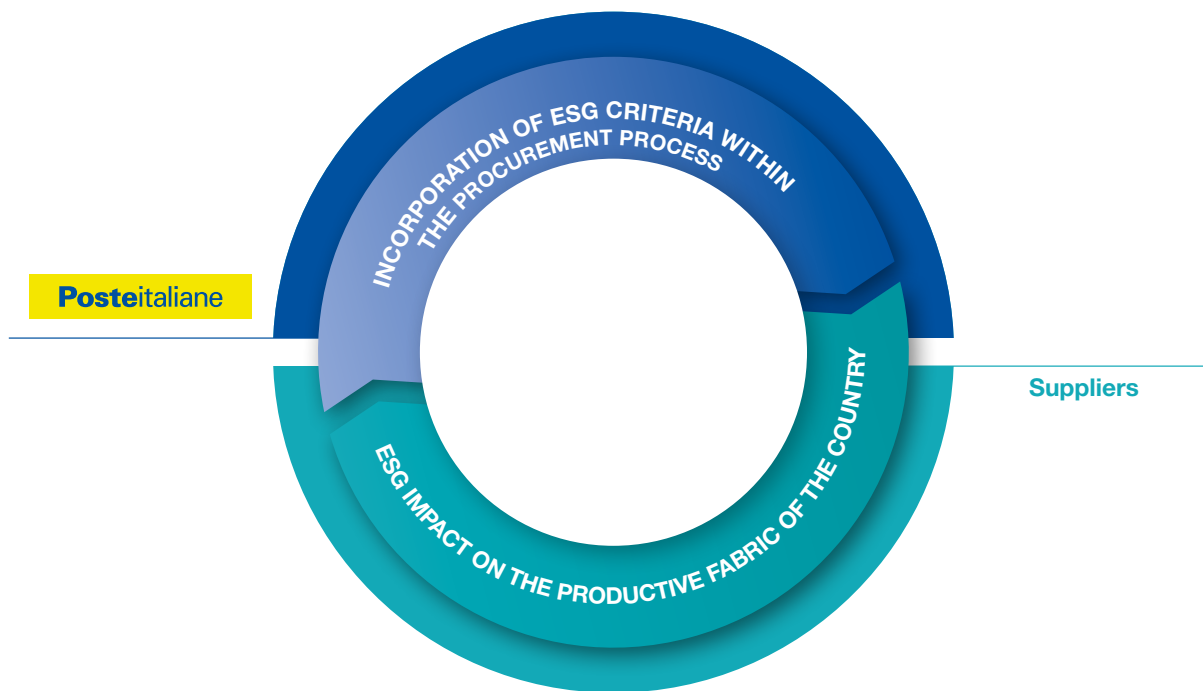
- assessment focused on the supplier's relevant ESG risks, through the use of a specific questionnaire for each economic sector (risk-based approach);
- strength of the analysis thanks to the use of a quantitative algorithm, which guarantees the attribution of a rating which is extremely representative of the level of risk coverage guaranteed by the supplier;
- risk visibility on different levels, with the opportunity to analyse ESG risk at the aggregate level, at the level of single E/S/G aspects, and at the level of individual risks;
- accurate identification of areas for improvement based on the rating given to the way individual risks are managed;
- facilitated completion of the questionnaire, characterised by multiple closed answers;

Poste Italiane's Vendor Rating (VR) system stems from the need to provide the Company with a system to measure the performance of suppliers and to evaluate them in the ESG sphere. This system represents an essential element of the supply chain, as it aims to define and implement a scoring model that allows for an accurate assessment of suppliers in relation to quality, safety, punctuality and environmental compliance of the services offered, as well as commercial behaviour and billing accuracy. The tool thus enables Poste Italiane to make informed choices on the purchase of goods and services. Through this system, all suppliers who carried out activities in the reporting period and were linked to Poste Italiane by contracts such as framework agreements and spot contracts were evaluated.

Poste Italiane's Vendor Rating system

- reliability and recognisability of the proposed methodology, based on internationally recognised studies that are affirmed best practices in relation to the area under analysis;
- marketability of the proposed model by the Poste Italiane Group, which may consider making it a proprietary model and offering it on the market once it has been registered with the appropriate trademark.

With the aim of raising awareness among its suppliers and accompanying them on a path of sustainable growth, Poste Italiane is committed to the gradual introduction of environmental, social and governance criteria in its tendering procedures over the years. In this way, it is able to ensure a progressive expansion of the required scope, coverage and weight of ESG criteria on the tender score.



Page intentionally left blank



People development

Human capital, a key element in the growth of our Company.

- > **6 million** hours of **training** provided
- > Project **INSIEME 24 SI** first place at the **AiFin Italian Award 2022**
- > **+127%** of participation to the **Poste Mondo Welfare** programme
- > **2022 performance bonus: 5% increase** in contrast to the inflationary phenomenon

< 7.10 People development



PEOPLE DEVELOPMENT FOR US:
scan the QR code and watch the video



MAIN RELATED TYPES OF CAPITAL



IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL

OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2022	OUTCOME
Provide continuous training to all Group employees	• Hours of training provided	• 25 million by 2024	2020	• 17.9 million hours	
Increase the quota of middle managers and white-collar staff involved in the MLAB development plans (Managerial LAB for the development of middle managers who have further growth potential) and POP (Professional Orientation Programme that identifies and develops talented young people)	• % of middle managers involved in development plans • % of white-collar staff involved in development plans	• 20% by 2022 • 25% by 2022	2018	• 21.5% • 40%	
Increasing the ability to harness the potential of the Group's people, in view of intergenerational inclusion, to foster better integration between talent and the organisation	• % of people involved in potential scouting processes	• +200% by 2022	2021	• 397%	
Implementation of a range of initiatives to strengthen the development, motivation and professional growth of employees by developing the Poste Italiane Group's people	• % of initiatives	• +5% by 2024	2021	• +2.3%	
Fostering the development of talented individuals identified in the Company's People Review process by expanding opportunities for professional growth (professional diversification, increased responsibility, participation in skill development programmes, etc.)	• % of talent (identified in People Review) involved in growth opportunities	• 25% by 2024	2021	• 28%	
Strengthening and spreading the corporate welfare initiative for the conversion of the performance bonus into goods and services by expanding the use of the dedicated platform, improving the range and user experience	• % enrolment	• +50% by 2024	2020	• +127% enrolment compared to the 2021 edition	
Strengthen communication and listening to the Group's community of employees, which is large and varied by geographical origin, age, professional role, providing timely responses in order to improve the continuous dialogue between the Company and employees	• No. of thematic communities promoted with engagement strategy, moderation and response to comments, qualitative and quantitative reporting	• 1 by 2024	2021	• Framework defined for launch of a thematic community for the purpose of its configuration and development	
Reduce the number of Group employees' occupational injuries	• Number of injuries	• -740 events in the PCL area by 2024	2021	• -956	
Reduce the occupational injury frequency rate for Group employees	• Injury frequency rate	• -8% by 2024	2020	• -13.89%	
Maintenance of Occupational Health and Safety Management Systems and related ISO 45001 certifications at Poste Italiane and the main Group companies	• % of Poste Italiane Group units with a certified OHSMS	• 100% by 2022	Every year	NEW	
Environmental monitoring for the determination of the annual average concentration of radon gas in the air, aimed at assessing the risk of exposure to ionising radiation, in accordance with Legislative Decree no. 101/2020	• % of Poste Italiane buildings monitored	• 100% by 2024	2020	• 34%	
Implementation of a new corporate welfare model: development of screening programmes for the prevention of illnesses and corporate welfare programmes to protect the health and safety of Poste Italiane's personnel and aimed at improving their welfare and well-being	• % employees involved • % progress of instrumental initiatives	• 100% by 2024 • 100% by 2024	2020	• 100% • 50%	
Inform and raise awareness of employee care, wellbeing and prevention activities with dedicated, integrated communications (interviews, TG Poste reports, intranet news, multimedia material)	• No. of continuous intranet editorial plans on employee health and well-being topics on different initiatives (target of 50 news items)	1 by 2023	2022	NEW	
Release of new NoidiPoste app and intranet version on Sharepoint platform with the aim of making content and services more accessible to employees of Poste and the Group companies concerned	• % average daily users compared to average for previous years	• +5% by 2023	2022	NEW	
Implement the upskilling and reskilling process targeting supervisors, consistent with the updates introduced by Law 215/2021, to improve their level of role awareness, performance and positive impact on the overall workplace safety system	• No. of supervisors to whom informational materials were distributed, in view of more effective exercise of the role and maintaining and developing skills	14,000 by 2023	2022	NEW	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Staff training and development

NFS

For Poste Italiane, human capital plays an extremely important role, as a distinctive element for the achievement of corporate objectives and an essential aspect for the creation of competitive advantage. Precisely for this reason, the Group promotes and invests in staff training courses that are able to prepare people to deal effectively with the demands of an ever-changing business. In particular, the role of training within the Company is a fundamental aspect of the process of continuous development of personal and professional skills, targeted at each person in the Group. With this in mind, Poste Italiane, through the adoption of innovative formats and knowledge sharing tools, is constantly striving to improve the learning experience in order to simplify access to training content and ensure continuity of learning.

The Company, in line with the Code of Ethics, expresses its willingness to recognise and value the importance of the individual contribution of each member of the Company's workforce, undertaking to guarantee equal opportunities in career paths to all employees, without distinction.

The Group considers training an essential lever for achieving competitive advantage in the market, constantly promoting its innovativeness and continuity

Consistent with the Strategic Plan, the training activities are part of a much broader project, which, in accordance with corporate principles and the needs of the market, customers and regulations, envisages the provision of around 25 million hours of training in the 2020-2024 five-year period. In order to promote the smooth running of training activities, in 2015, the Company established the Corporate University, identified as a Human Resources function that, through organisation in various Academies, delivers training on different business contents, depending on the skills to be developed. The Corporate University aims to define and guarantee the conduct of the training process in its entirety (including operational training). In particular, the "Training and Operational Training" Procedure, addressed to all corporate functions and all personnel, describes the Group's operational training model, explaining the operating mechanisms and organisational ownership of training and operational training activities. The logic guiding the Procedure is geared towards ensuring the effectiveness, efficiency and conformity of the expected results, through the introduction of organisational and control measures that are also relevant pursuant to Legislative Decree 231/01. In addition, the procedure complements other more specific policies/procedures for areas of activity/organisational functions that are being updated (e.g. funded training, BancoPosta training, etc.).

In 2022, the training plan focused on specific drivers identified with a view to promoting and accelerating the implementation of the Strategic Plan, in particular:

- innovative content: push on digital skills development, multichannel, business development and new business;

MAIN RELATED TYPES OF CAPITAL



- processes: re-focusing processes on the customer, by designing tools and solutions for simplification and streamlining;
- skills and costs: continuous investment in staff skills, in line with the Plan objectives, and a continuous push on the recovery of funded training.

In 2022, the learning experience improved through the introduction of new innovative formats, such as the learning game mode, but also through the continuous updating of the e-learning platform, which allows simplified access to all training content, and the adoption of digital learning tools used for specific training objectives.

In addition, the use of the Open Learning Area content, freely accessible by the entire corporate population for on-demand use of the training offer, is confirmed. The learning area enables staff to choose their own training in a self-development perspective.

A total of approximately 6 million training hours were provided during 2022. In response to the various training needs related to the Group's different businesses, training courses were developed for specific targets (e.g. tellers, post officers and women, customer service employees, salespeople) for the acquisition, consolidation and development of the specialist technical skills of the related role. Cross-training courses were also provided on issues oriented towards the adoption of cultural tools and models addressed to all company personnel, regardless of their specific role. Finally, through individual training courses, especially dedicated to developing resources, skills useful for more complex roles were strengthened.

6 million
hours of training in 2022

There were numerous free-participation initiatives dedicated to updating and acquiring digital and innovation skills. Among these, the "Digital Voices" programme saw voluntary participation in a rich cycle of webinars and online content with the aim of opening a window of observation on the external context, analysing the influence of digital on markets, to increase the predictive capacity required for the development of the Group's businesses.

Through the involvement of various organisational functions, the Corporate University represents the core of the training process and ensures the governance of the entire training process itself. This is organised in 5 Academies, each dedicated to specific skills. Three Academies focus on vertical business areas such as: the Commercial Finance and Customer Support Academy oversees the development of financial

and insurance skills of the financial advisor and salesperson networks on the basis of sector regulations (ESMA/IVASS), as well as customer relationship skills; the Postal, Logistics and ICT Academy oversees the development of skills of the delivery and logistics network, as well as those of the ICT professional family; the Corporate and Faculty Academy, on the other hand, is dedicated to the development of skills linked to the professionalism of corporate functions, as well as managing Poste Italiane's internal teachers, ensuring their training and certification of skills. Also in the Faculty area, the internal teaching staff was enriched with a new trainer figure - the instructor trainer - to manage teaching in operational contexts. In addition, Poste Italiane's School of Coaches in 2022 expanded the number of new coaches engaged in the development of high-potential staff and in the support during the return to work of fragile resources, including young mothers. The other two Academies, on the other hand, focus on transversal core competencies. Specifically, the Managerial Academy oversees the development of managerial skills for senior roles, professionals and talents who will fill more complex roles, while the Digital Academy and Innovation ensures the design and development of online courses and the re-engineering of learning processes and tools.

Finally, there is a Planning and Governance function that deals with the consolidation of the training plan and the periodic monitoring and control of progress.

With the aim of exploiting the synergies of tools, methodologies and competencies, in May 2022, the Education initiative was merged into the Corporate University. Its objective is to promote campaigns, initiatives and opportunities for discussion aimed at stimulating dialogue with citizens and increasing customer confidence in products and services.

The training process starts with the annual Training Plan, which incorporates the training needs expressed by the lines consistent with the objectives of the Strategic Plan. Listening to and collecting training needs is, in fact, the first step in creating pathways and designing refresher, role-enhancing and skills-building interventions for the entire population, from new recruits to managers.

In addition, the HR Business Partner functions are also involved through the figures of the training contact persons and the resources working in cross-services in the Human Resources macro-area.

In order to verify the achievement of the set training objectives, the Group has implemented a monitoring and control system shared periodically with the business lines, which includes:

- a general KPI system monitored on a monthly basis through the verification of:
 - hours of training provided (by function/area);
 - percentage of coverage;
 - value of perceived quality;
 - advancement of external costs;
 - recovery progress from Fondi;

- a specific control system for the individual training initiatives that evaluates:
 - effectiveness, i.e. the ability to achieve the training objectives of the individual course through the pass rate of the end-of-course test;
 - participation rate;
- specifically for compliance training, there are additional periodic reporting and monitoring systems for the control functions. In particular, on the progress of the training plan in terms of hours, participation, intervention backbones and trends, the Company has provided monitoring of utilisation for specific training campaigns being delivered.

In addition, the Company has provided for periodic audits by internal/external control functions (internal audits/certifying bodies/supervisory authorities) that assess the model adopted.

To support the monitoring system, Poste Italiane uses a number of additional tools such as surveys or focus groups in order to improve the design of the initiative and assess the effectiveness of the learners. The Company also pays close attention to the role of the media (the company website, Poste News, interviews on the TG Poste) in order to make potential employees aware of the importance of the training courses on offer. Finally, through long-term partnerships with leading business schools and suppliers, the Group has made available constantly updated training content that optimises the procurement process.

100%
of employees covered by **People Analytics** practices

For the improvement of systems, processes and strategies Poste Italiane, projected towards the achievement of sustainable business success, uses People Analytics, also known as HR Talent or workforce analytics, i.e. the practice of collecting and analysing organisational human resources data through the application of statistics and other data techniques. In particular, the Group used People Analytics practices in 2022 for the following purposes:

- a. strategic workforce planning through the collection of the needs of the various business lines combined with the management levers available (market recruitment, transformations from part-time to full-time, mobility flows, etc.) with the aim of defining the medium-term workforce frameworks consistent with the requests. The Group anticipates and guides workforce dynamics through People Analytics tools, considering in particular the use of incentive redundancies as a low-impact lever for controlling surpluses and directing prospective trends in resource deployment. People Analytics provides the possibility to analyse the impact of business projects and to identify and manage surpluses via "WebPers Pensionamento". This system makes it possible

to identify employees close to retirement and to manage the related exit process end-to-end, directly through the expulsion policy addressed to surplus organisational areas, while at the same time creating indirect redeployment spaces in different organisational areas, also according to the needs of the various business lines (e.g. counter, insourcing, etc.). Thanks to this tool, the Group managed the corporate reorganisation in advance and effectively and was able to guide the management dynamics to achieve business objectives;

- b. promotion through the Corporate University of a diversified training offer also through the analysis of a series of data (personal, organisational, of training assigned, used, completed and passed) in order to define, launch and monitor training courses for the development of basic skills (in the regulatory and general area), of related role (technical-specialist skills in the banking, insurance, postal-logistics, commercial and corporate compliance areas), aimed at specific segments of the population or even at individuals, from newly hired resources to managers. All data reside in an LMS platform and allow for constant analysis of training trends in terms of volume and impacted population, phenomena broken down by function and other dimensions of analysis;
- c. recruiting and hiring (e.g. evaluation of recruiting channels, candidate screening, talent supply/demand assessment) the data of which refer to external applications and are managed by several systems, in particular HCM Oracle, which is used to collect the information needed to start the candidate selection process;
- d. competitive Intelligence: through the HR Research Centre, which, as part of the Human Resources and Organisation function, aims to promote the alignment of professionals with market trends and best practices concerning the main processes that impact on human resources strategies, through the study, sharing and socialisation of new experiences and approaches. By way of example, the online Study Space was set up to analyse organised content and innovative solutions in the HR world, with a multidisciplinary and user-friendly approach, aimed at the contamination of knowledge and the emergence of innovative practices to be grafted onto functional strategies; in addition, contributions from the various business functions are proposed for the pooling of knowledge and the facilitation of implementation synergies with respect to corporate objectives, also with a view to achieving integration in the “people strategy” plans;
- e. analysis of the organisational network by understanding information flows, collaboration networks and informal exchanges between the various actors, in order to provide support for the re-engineering of organisational processes through the analysis of key relational dynamics. Organisational network analysis is also carried out by means of the Organisational Network Analysis methodology, which

makes it possible to graphically represent the networks of interaction between people in the Company. This methodology develops statistical and graphical models (maps) allowing for the study of the emergence of informal networks in the organisation, at the same time enabling the redesigning/restructuring of formalised organisational structures.

In addition, as part of its People Analytics practices, the Development function uses a series of additional data (personal, organisational, performance and potential data, etc.) for defining, monitoring and initiating people development and enhancement paths based on business objectives. The integration and analysis of such data provides a clear picture of employees with distinctive skills and performance, to be taken into account for possible access to evaluation programmes for potential or for possible activation of pathways to specific roles. In particular, POP (Process for Intercepting Potential Young People) and MLAB (Process for Intercepting Solid Professionals and Managers) are the Company's main scouting processes, which are managed with pre-defined access criteria (e.g. performance, company seniority) and allow the identification of eligible individuals. In both initiatives, it is possible to collect a specific amount of information on the potential that has emerged, with both qualitative and quantitative indications referring to the preservation of the Leadership Model's capabilities. In addition, as part of the HR Digital actions, an area of the Intranet called “Services for People” was set up, which outlines the services offered by the Company. The aim is to evolve the relationship model between employees and HR according to criteria of usability, simplicity, transparency and personalisation. To this end, the Group has implemented a pilot project for about 400 employees concerning an assistance tool available in the same area, through which the people involved can communicate with HR in a simple, transparent and fast way. This further innovation, the extension of which is being considered, will enable the systematic and constant collection of data useful not only for the type of requests and problems received, but also for the clarity of the services offered and the effectiveness of communication with Human Resources.

2.893 million
hours of training for compliance

As part of its training model, the Group always pays close attention to compulsory regulatory training, which refers to cross-cutting issues and is aimed at the entire company population (Safety at Work, Legislative Decree 231/01, GDPR, Integrated Quality and Corruption Prevention System, etc.) and specific training aimed at specific professional figures (e.g. ESMA/IVASS and Air Safety training).

Compliance training

Legislative Decree 231/2001

The online course “The Decree 231 in business ethics” continued to be delivered in 2022. It describes, through the stories of its protagonists, the general contents of Legislative Decree 231/2001 and the tools that Poste Italiane has adopted to comply with the principles and provisions of the Decree. The course falls within the scope of compulsory training and is therefore intended for all Poste Italiane Group staff. The training initiative illustrates general topics of Decree 231 that are also of interest to the Subsidiaries. Nevertheless, it is the responsibility of each Subsidiary to assess any additional training needs in this area, taking into account the specific activities carried out by its employees and the operational and organisational peculiarities of the Company. Moreover, within the scope of the training initiatives promoted for the managerial roles of the Poste Italiane Group, the following training events on the topics of Legislative Decree 231/01 “The types of corruption offences” and “Market protection and corporate offences” were introduced.

GDPR

Since 2019, the Group has been delivering the online course “The GDPR - General Data Protection Regulation”, which aims to provide an overview of the new features introduced and the obligations established by the General Data Protection Regulation EU 2016/679, focusing on the principle of accountability and the security measures that the data controller and data processor must take in order to ensure the protection of personal data. The course ends by outlining the relevant supervisory authorities, means of redress and sanctions in the event of a breach of the Regulation. The initiative is intended for all Poste Italiane Group staff, as part of the mandatory training programme. In addition, for the resources that have the role of Data Processing Delegate, of Compiler to support the delegate and their collaborators involved in the activity of keeping the processing register, the Company has organised training workshops on the subject of “Data Processing” delivered through webinars that provide an overview of the organisational and regulatory aspects of the GDPR, focusing in particular on the management of data processing, and aim to strengthen accountability and specific knowledge on the subject of personal data processing.

IT security

Like in previous years, the Group continued the delivery of the online course “Cyber Security”, which illustrates the topic of cybersecurity, highlighting its importance in relation to the many aspects of professional life on which it can impact. The initiative is intended for all Poste Italiane Group staff.

Antitrust

Since May 2021, Poste Italiane has been delivering the training webinar “New Group Compliance Programmes - Integrated Compliance and Antitrust Compliance” aimed at the Group’s management figures. In addition, since January 2022, the Company has started delivering the online course “Group Integrated Compliance”, which promotes awareness of the guiding principles of the “Integrated Compliance Programme” adopted by Poste Italiane.

The course presents the main corporate regulatory tools through the analysis of the reference guidelines and contributes to the creation and dissemination of a corporate culture that is aware and attentive to the issue of compliance as a strategic objective and fundamental value of the Company. The training initiative is intended for resources working in the Group’s central and territorial staff functions. Training continued with a further online course entitled “Compliance for competition and consumer protection” delivered for the same target group in February.

Anti-corruption

In continuity with the previous two-year period, training activities continued for all Poste Italiane Group personnel on anti-corruption, describing the integrated Quality and Anti-Corruption Management System that Poste Italiane has adopted, focusing on the provisions of the relevant regulations and, through the description and analysis of concrete cases, on the good practices to be followed to ensure quality and prevent corruption.

Anti-money laundering and anti-terrorism

In 2022, the usual ESMA/IVASS induction and refresher training programmes were delivered in line with the financial and insurance industry regulations, with a particular focus on Anti-Money Laundering and Ethics. For the Group Anti-Money Laundering function, a professional course was delivered with the aim of further deepening the knowledge of the pillars of AML regulation.



Sustainability and corporate policies

In this area, the Group continued with the provision of two courses in 2022 in continuity with the previous two-year period:

“Business and Human Rights Protection”, an online training programme open to all employees and aimed at promoting the knowledge and dissemination of the guiding principles adopted by the UN Human Rights Council. The course contents are produced and certified by SIOI (Italian Society for International Organisation), which can be taken through digital learning.

“Document Management”, a course intended for all Poste Italiane Headquarters personnel, down to the third organisational levels, which describes the “Document Management” procedure, essential to ensure that Poste Italiane’s Corporate Regulatory System achieves its objectives. The Regulatory System regulates both the reference principles, architecture and life cycle of regulatory documents and the roles and responsibilities of the various players involved in the document management process. It is therefore fundamental that these players, when drafting or updating company documents, know and apply the rules defined by the “Document Management” Procedure;

Transport safety and dangerous goods

The Group has organised “Air Security” training courses aimed at the resources involved in ensuring - for air freight - that security checks are carried out on cargo or mail in accordance with the regulations and in liaison with ENAC. In particular, they are made up of “Initial Training” and “Periodic Update Training” separated according to the activities/role performed.

In addition, in order to ensure the safety of employees driving HGVs, the Group organised “CQC - Carte Qualificazione Conducente” training for them. Again, the course consists of an “Initial Training” (CQC issue) and a subsequent “Periodic Update”.

Finally, with a view to ensuring regulatory compliance of the services provided by Poste Italiane with regard to the transport of dangerous goods, the Company provided courses on “Dangerous Goods”. Organised training is differentiated according to the mode of transport. For air transport, the “Dangerous Goods Regulation” course was delivered, a specific training activity to support resources in the proper handling of dangerous goods. With regard to road transport, on the other hand, the course “ADR: European Agreement concerning the international carriage of dangerous goods by road” was organized.

In 2022, the Group promoted specific training activities for the managerial class, following three lines of action:

- transversal initiatives: courses, pathways and formats for strengthening skills common to several professional groups;
- target segment initiatives: courses and learning paths aimed at developing and strengthening the managerial skills of resources belonging to the same cluster;
- initiatives by business segments: courses and courses designed vertically on specific business functions for the development of managerial skills related to business units.

In addition, webinar cycles were held to enhance managerial skills in the context of the guidelines of Poste Italiane’s Business Plan and to compare them with the best practices of excellent national and international realities. There are both institutional pathways that accompany newly appointed managers in their new role for the development of competencies in an inter-functional perspective, fostering an exchange of value, both personal and professional, and training initiatives in support of the Diversity & Inclusion Plan aimed at developing skills related to the Corporate Leadership Model. In addition, the Group has implemented training measures aimed in particular at Executives, using innovative formats, to strengthen managerial skills capable of generating an acceleration in the ability to govern complexity.

Diversified skills development within the Poste Italiane Group

Mail, Parcels and Distribution

Training initiatives focus not only on skills upgrading and testing programmes based on IVASS and ESMA regulatory requirements, but also on the development of digital, innovation and change and complexity management skills. The Group also invested in important training projects, involving the commercial structures of the Private Market and the Corporate and Public Administration Market. In 2022, in line with the regulations of the financial and insurance sector involving the Commercial, Customer Service and internal trainers of the BP - Channel Product Support function, the usual ESMA/IVASS 60 and 30 hour induction and refresher training programmes were delivered; the mapping of development and training needs (annual assessment) was carried out for both the financial and insurance sectors, with particular focus on Anti-Money Laundering and Ethics. In December, the 30-hour ESMA tests valid for maintaining the ISO 22222 investment advisory service certification of MP's sales network were completed. The year saw the completion of the training course on aligning the specialised skills of the Financial Claims Management function in SAC, which will provide for an annual refresher course from 2023 onwards. In the area of Customer Operations, in particular in the area of Customer Service, training initiatives were carried out focusing on the importance of the relationship with the customer and the ability to interpret his needs, as well as on the evolution of the omnichannel value assistance model with a view to proactivity and addressing the MP sales network. In the Postal and Logistics area, training initiatives were carried out, in continuity with last year, to foster the orientation towards transformation through the dissemination of the Lean methodology as a cultural model and approach to work, as well as specific projects concerning postmen and women and other professional figures, thus also strengthening management and operational effectiveness. In particular, training courses were held for Quality Managers and Safety Specialists, with the aim of enhancing integration, proactivity and cross-functional relations. Finally, with specific reference to counter operators, the training activity on relational proactivity aimed at understanding customers' needs and seizing business opportunities in synergy with the sales network was completed. To further support technical expertise and with a view to continuous improvement, training initiatives were carried out on the Methods-Time Measurement (MTM) methodology and on the design of internal micro-logistics flows. In the area of Information & Communication Technology (ICT), numerous training activities were carried out to develop, strengthen and update specialised IT skills. Given the highly specialised and broad context of Information Technology, the acquisition of an ICT Catalogue of over 4,000 courses made it possible to cover the thematic macro-areas of interest, supporting the training of specifically qualified structures. For Group companies, we highlight the training initiatives implemented by SDA to pursue innovation and optimisation in order to meet future challenges related to new business, and the training activities carried out by Poste Air Cargo to maintain and develop the specific knowledge of flight and maintenance personnel.

Financial Services

The Group provided various training activities for the BancoPosta function aimed at learning and consolidating specialised skills and digital skills. During 2022, various initiatives were carried out to support the specialist figures dedicated to BancoPosta and BancoPosta Fondi SGR functions, aimed at supporting specific skills in the area of market scenario and evolution; ad hoc training measures, in line with regulatory provisions, were also carried out on Compliance and Anti-Money Laundering issues, in response to the mapping of skills carried out and aimed at targeting the training actions to support them. Finally, training activities were carried out at BancoPosta Fondi SGR in 2022 with the aim of strengthening skills in various areas such as:

- mandatory regulatory: "Knowledge and Competence" course, "Relevant Personal Transactions" workshop (Market Abuse), "Group Business Continuity Management" training and anti-money laundering regulatory training;
- technical specialisation: in-depth analysis of regulatory and civil law aspects applicable to AMC in the areas of taxation, inheritance, seizures, privacy; non-banking financial intermediary financial statements; advanced bank risk analysis; corporate credit analysis; financial markets-investment choices and uncertainty factors; the new outsourcing framework between Bank of Italy transposition of EBA guidelines and new ESMA guidelines on the cloud;
- managerial: delivery of webinars with SDA Bocconi.



Insurance Services

The aim of the training for the Poste Vita Group (Poste Vita, PosteAssicura) was to update the skills of the various professionals. In particular, the updating of skills has concerned regulatory and compliance issues specific to the insurance sector (IVASS regulations, Legislative Decree 231/01, Anti-Money Laundering and Anti-Terrorism, Quality and Anti-Corruption, GDPR Privacy, Information Security, Fraud Management, Occupational Safety, Sustainability and Company Policies, ISO 9001 and 37001, Data Quality, Business Continuity Plan, Company Regulatory System, Privacy-Processing Register). In addition, training initiatives were focused on specialised knowledge development topics (Actuarial training, Life and Non-Life insurance product updates, Innovation, Finance, ESG, Fintech, SQL Server standard training, insurance anti-fraud). Finally, in line with the previous year, ample space was reserved for the development of soft skills, new talent development and managerial skills.

Payments and Mobile

The training courses for Postepay continue to focus on cross-cutting topics, with a focus on digital, financial and professional effectiveness. The Group promoted the strengthening of skills in banking, service design and ICT. In order to support managerial development and the acquisition of skills on core issues for the Company, 24 “Executive Lab” courses and annual Master’s courses with strategic and innovative content were provided, organised by the Luiss Business School, Fondazione CUOA and Scuola Palo Alto. Finally, for specialised training of particular relevance, the “EU Telecoms Regulation Master Programme” organised by the Cullen International SA School, which aims to provide a comprehensive overview of regulatory issues and developments in telecommunications in the sector; the “Master Program in Advanced Data Science and Quantitative Finance” organised by the ARPM School, which addresses topics related to quantitative risk management and portfolio construction. Lastly, in the field of Energy, we note the participation in the Milan SUMMIT organised by ARCHITECTA.

Continuous performance improvement

The Group is committed to periodically monitoring the effectiveness, efficiency and quality of the training programmes provided, as these are key performance indicators of the training programmes. Effectiveness is measured by means of learning tests at the end of the training activities, while efficiency is identified as the ability to achieve the aforementioned objectives through consistent use of the available economic and organisational resources. Finally, quality is measured through questionnaires investigating the degree of employee satisfaction with the various levels and areas of the training offer.

The development system

The Development, Change Management and Digital HR Function ensures the growth of the business through the valorisation of people, with a view to employee experience, capturing potential and talent, supporting motivation and enhancing experience. Specifically, the function accompanies the evolution of the Company’s culture by promoting the change of mindset, behaviour and modus operandi of employees in a logic of diffuse leadership, whose main drivers are responsibility, integration and collaboration. Moreover, through an integrated system of development policies, programmes and tools, People Review and engagement processes, the Group favours an organisational culture focused on the person in all his or her expression, both personal and professional.

Each initiative is dedicated to heterogeneous target populations belonging to all corporate functions and all Group Companies. Particular attention is paid to ensuring equal opportunities in participation in terms of age, gender, functional and geographical affiliation, always taking into account the entry criteria specific to each initiative.

The Development System is built on the following 3 pillars that integrate an articulated set of processes, tools and methodologies:

- 1. scouting:** allowing the differentiation of growth opportunities according to target audience and level of professional maturity. Scouting programmes contribute to enhancing talent through activities to detect and develop the potential of resources;
- 2. management planning:** aimed at identifying development priorities with a view to succession and the reduction of “managerial risk”;
- 3. development:** to accompany people in their growth and expand the enhancement of skills in relation to company and business needs.

Consistent with the objective of enhancing business performance by attracting and developing talent, the Group’s Development System can be seen from an employee experience perspective, favouring a culture that focuses on the individual and his or her needs.

All Development, Talent and Change Management initiatives are periodically communicated to the corporate population through the main internal (TG Poste, newsletter, corporate Intranet, etc.) and external (social media, specialised press) communication channels.

The objectives pursued in 2022, in continuity with previous years, were aimed at maximising the effectiveness of scouting and development programmes, expanding their capillarity and impact, including in terms of numbers, with a priority focus on business and the needs identified by internal customers. In addition, the establishment of the Development, Change Management and Digital HR function enabled the maximisation of integration between the scouting, development and People Review processes, as well as initiating a HR digitisation process within a broader HR and Organisation service evolution strategy.

The main drivers directing activities are as follows:

- expand knowledge of people, their skills, potential and motivation, to support business functions in defining talent pipelines at various seniority levels;
- consolidate People Review processes aimed at the shared identification of talents and the implementation of development paths dedicated to them;
- greater impact on the corporate population through a more widespread use of development tools and their consolidation with a view to continuous improvement;
- promote and systematise the use of relation-based development programmes, such as mentoring and coaching, as enablers for the enhancement of the skills needed for change management;
- ensure equal opportunities in participation in development programmes, also considering the broadening of career prospects for women;
- improve people's involvement and motivation through bottom-up processes of participation in initiatives with a strategic focus;
- experiment with innovative tools for the promotion of new models of work, interaction and collaboration;
- improve the knowledge of the initiatives activated and their impact on the organisation, through the activation of multiple channels and communication opportunities.

INSIEME 24 SI" platform

Poste Italiane, in order to consolidate its sustainable development strategy, launched in November 2021, "INSIEME 24 SI", the platform for collecting ideas and contributions aimed at the entire Group population. It transversally involves the different areas of the Company's organisation, consistent with the objective of responsible growth and the process of digitalisation and social cohesion, promoting proactivity, innovating and creating shared value. In the context of Poste Italiane's Strategic Plan, "INSIEME 24 SI" represents a space in which the contribution of all stakeholders, as contributors, can be taken into account for the purposes of the Plan's implementation, fitting within the eight pillars of the sustainability strategy. The initiative is cyclical: the first edition, which ended in June 2022, saw in its main stages the participation of around 100 teams, comprising a total of 350 people, in an innovation marathon, the Bootcamp, during which the proposed ideas were discussed in greater depth and pitches presented to the jury of in-house managers. From the Bootcamp, 10 proposals were selected that followed an incubation path typical of start-ups: the teams, comprising a total of 56 people, working with the agile/sprint methodology and thanks to internal mentors and external tutors, produced a prototype that was presented to top management during the final event. These 10 prototype solutions, thanks to the sponsorship of business functions, are currently being consolidated and implemented so that they can become concrete projects capable of generating a positive impact inside and outside the Company.

The best three ideas further pursued the development of skills related to innovation and sustainability through participation in the training initiative "Entrepreneurial mindset & Launch your start-up", developed in collaboration with LUISS Business School. The experience, aimed at strengthening the entrepreneurial approach, allowed the participants to interface with the start-up eco-system in an immersive way, reflecting on possible internal barriers and facilitating the process of changing existing processes.

In September 2022, the 2nd edition was launched. Since the start of the programme, more than 1,300 ideas submitted by employees have been proposed and evaluated, and as of January 2023, 2,000 people are registered on the platform as contributors, putting their skills at the disposal of the Company and the ideas collected.

Both editions saw wide participation and engagement, also witnessed by the accesses to the intranet and campaign news (27,000 in the 1st edition, over 21,000 in the 2nd edition, until January 2023) and the "likes" receive during the "social" scoring of the ideas of the two waves (about 18,000 in both the 1st and 2nd editions).

With regard to people development and the promotion of professional development, the Group, in line with its work in previous years, digitally delivered scouting programmes to intercept potential and capabilities that could feed the talent pipeline at various organisational levels. The programmes are part of a digital structure that spans and supports all process steps. Ad hoc platforms allow optimal access from all devices, both fixed and mobile, thus increasing the efficiency of both dispensing times and the environmental impact of dispensing in terms of CO₂ emissions and zero paper use.

These initiatives return information both with respect to the level of potential that has emerged and integrated quantitative and qualitative indications regarding the monitoring of the Leadership Model's capabilities, the orientation of participants and their motivation. These are:

- **POP:** the process of identifying high potential young people with limited company seniority, that are inserted, according to predefined criteria, in a process of assessment and professional orientation, functional to growth towards managerial roles. The process is directed by internal Assessors certified for the digital management of the assessment and subsequent development sessions;
- **MLAB:** the process of intercepting established professionals and managers, with consolidated experience in the role of manager to be developed on positions of greater complexity. This path has also been entirely redesigned in a digital perspective.

481

people involved in the **POP and MLAB** programmes in 2022

Following the assessment of potential, both programmes provide specific interventions to strengthen the profile of skills detected, which find in coaching a privileged support tool. In addition, managerial scouting processes, aimed at targeting rising middle managers towards roles of greater responsibility, were further expanded, providing for individual solutions alongside those of the Group. Both programs received a positive evaluation from the participants with respect to the level of usefulness, the degree of professionalism of the Assessors and the appreciation of the IT tools made available for use.

In addition to the scouting processes, the Leadership Assessment programme is aimed at senior managers, with a view to supporting executive development policies, designing career paths and succession plans. Consistently with the Diversity & Inclusion objectives that Poste Italiane has defined to support the 24SI strategy, the 2022 programme envisaged the priority involvement of female managers, mainly identified as potential 'successors' to positions of greater complexity. With this initiative, Poste Italiane proposes further support for the growth of leadership development skills.

With the aim of increasing the number of resources involved in the potential assessment processes, also involving populations not eligible for the scouting programmes already in place - POP, MLAB, Leadership Assessment - the significant investment in the use of smart potential assessment tools, usable online, continued and, thanks to the speed of delivery, allowed to involve +397% of people compared to 2021. In particular, this new approach was used in the People Review processes, for the valorisation of PCL postmen and, in MP, for the identification of Branch Operations Management Referents.

+397% vs 2021

resources involved in **massive scouting**

The results of the potential, together with the performance trend and seniority, have guided the structured launch of the People Review, a Group talent enhancement process involving the business lines together with RUO in a cross-sectional comparison, aimed at bringing out a shared concept of talent within the organisation.

In 2022, the People Review involved PCL, DTO and Marketing. Line managers and HR managers met with a talent pool of about 700 resources to define accelerated development solutions and to expand the pipeline of candidates to fill business positions, also from a cross-Group perspective. In 2022, the Blooming Programme, a programme of development initiatives dedicated to personal 'blossoming', was launched for identified talent.

+159%

presence of **women in coachee** activities compared to **2021**

With regard to the introduction of innovative tools, in the area of skills development, the initiative SkillGym was confirmed, following the successful pilot test carried out in 2021. In 2022, more than 1,000 employees were involved in practising "critical conversations" to strengthen soft skills related to managing the feedback process, through the use of a digital platform that provides simulated environments guided by artificial intelligence.

Coaching activities were also enhanced in 2022, carried out by coaches both internally and externally, which involved managers and young talents in transversal skills enhancement courses. The number of coachees increased by 81% over the previous year, with a significant presence of women (+159% vs 2021). A specific programme was then launched - Mums at Work - which involves employees returning from maternity leave, accompanying them in their effective reintegration into the Company through dedicated coaching courses. The initiative is consistent with the Support for Active Parenting Policy, launched in 2022, which defines the Company's framework to support both women before and after motherhood and the

evolution of the concept of shared parenting. An empowering asset within the Policy is the role of leaders and managers in creating an environment of trust and engagement for the expression of each employee's personal and professional abilities. In order to accompany the cultural and social paradigm shift, continuous dialogue, through anticipatory plans and time-structured moments, is an enabling lever to spread a growing awareness of the value of differences and inclusion. The Policy therefore introduced management and caring processes that offer a concrete response to male and female workers in innovative ways, approaches and perspectives.

Again with a view to enhancing the value of people in line with the talent expressed, expertise and results achieved, is the "Territorial Development Paths" project which, in continuity with 2021, has defined specific paths for key roles in the territory, through co-planning between central and territorial HR functions and Line, in an agile manner and capable of strengthening, at the same time, the development skills of the functions concerned.

+47%

female mentors compared to 2021

Market pressures and the continuous drive for change require people to become increasingly engaged and motivated, putting the concepts of responsibility, autonomy and flexibility at the forefront. In this context, Poste Italiane's mentoring programme has evolved, establishing itself as a stable and widespread process throughout the Company as a space of exchange for managerial best practices and different role models. In 2022, more than 440 mentors and mentees were active within the Company with a significant presence of women (+72% female mentees and +47% female mentors compared to 2021). Mentoring ensures the expansion of a global vision as it allows a comparison between diversity of gender, age and experience. Cross-fertilisation, i.e. transversality between functions and integration between centre and territory, is the main driver of the programme as it promotes mentorship relationships between managers and professionals from different areas and functions.

+72%

female mentees compared to 2021

In connection with the 2022 Middle Managers evaluation campaign, the evaluation and feedback tools were further consolidated, with regard to a greater involvement of managers both in providing information on the development potential of employees and in being empowered, through a specific target, to be the main sponsors in their development. The roles of the team leader and team members were introduced into the evaluation process as additional providers of feedback on the performance of employees involved in cross-functional projects. This approach allows the direct manager to broaden the view of his or her staff and take this into account in the overall performance evaluation.

The use of the Oracle HCM Cloud Platform from 2021 allows integrated management of people evaluation and development processes. The platform made it possible to rethink the evaluation process as a pivotal process for people's development. Precisely because of the relevance and centrality of individual competence and performance development, the evaluation process is called the Performance Development Plan (PSP).

The PSP is based on conscious engagement and motivation of people, combined with a culture of results and collaboration. Achieving the goals of involvement and participation is contingent on making the links between organisational and individual goals clearer and more transparent, along with strengthening communication processes to make people more aware of their potential for development and growth and of their own role.

Feedback is a pivotal element of the PSP as a tool for growth and constructive confrontation that ensures continuous improvement leading to a feed-forward logic based on possible future improvement actions and solutions.

Corporate Mentoring of Poste Italiane



In line with the positive activities undertaken over the past three years, a new edition of Corporate Mentoring was launched in 2022, involving 81 aspiring mentors in a learning-oriented group coaching course. The Corporate Mentoring programme, coordinated by the Development and Performance Management function, is part of the personal development initiatives and aims to ensure a circularity of experience and leadership between company managers (Mentors) and employees (Mentees), through an exchange of values that is enhanced by the logic of inclusion and diversity in all its facets (generational, gender, territorial, cross-functional). The Mentoring relationship helps to reinforce the values and identity that the Poste Italiane Group wishes to express, as well as to ensure the successful accompaniment of the development of younger employees.

The design and implementation of development, talent management and change management programmes are managed by the central Development, Change Management and Digital HR function, which delivers the operational processes and monitors them across all functions and companies, providing regular information, data and feedback to all HRBP involved. With respect to the management, monitoring and governance of the data obtained, IT systems are exploited, and for some specific programmes, digital platforms belonging to HR partner suppliers are used (e.g. SAP, WEB PERS, MS Teams, Oracle HCM).

The results generated and the feedback gathered make it possible to assess the level of effectiveness of the development policies and criteria of the various initiatives. One of the goals of the Development, Change Management and Digital HR function is to ensure equal participation in terms of diversity through awareness-raising and careful monitoring.

After the initiatives, the Group carries out regular satisfaction surveys to assess their effectiveness.

In order to provide support to the teams and increase the level of engagement, Poste Italiane introduced in the Performance Development Plan the possibility of involving the project teams in the evaluation of performance, both during the assignment of goals (goal management) and in the actual evaluation phase. Contributing to the process in the manner outlined in the methodology are Project Managers, Organisational Contacts and cross-functional team members.

In order to enable a greater involvement of people, the implementation of a working model with greater individual responsibility and organisational integration and participation (bottom up, team) that goes beyond the traditional evaluation model (top down, leader-collaborator) was carried out for an initial target population. This provides:

- self-assessment, with which to give an opinion on the achievement of goals and the skills implemented during the year, also for the purpose of further comparison during the feedback interview;
- self-assignment of objectives, both operational and developmental, with the possibility of direct monitoring of the progress of the assigned objectives;
- participation in the evaluation of employees and project leaders for members of cross-functional teams.

The rest of the corporate population, from 2021 onwards, saw the introduction in the PSP of ad hoc questionnaires for project information and scouting and people review processes, which allow individuals to express their interests, motivations, professional orientation and suggestions for improving integration and inclusion in work teams.

Taking into account the experience of the platform evaluation cycles, specific working tables were implemented for the design and implementation of evolutionary practices and for the simplification of the process, tools and system with the aim of increasing staff participation.

An important role within training is certainly covered by cross-training activities, which enable knowledge to be increased on topics common to several professional families, developing skills from an inter-functional perspective and fostering an exchange of value, both personal and professional.

A significant cross-cutting initiative, carried out during 2022 together with the Corporate Protection function, was dedicated to the topic of Eco-Driving. This activity is part of the actions implemented by Poste Italiane to contribute to the reduction of CO₂ emissions in the air and raise awareness of environmentally sustainable driving.

The Corporate University also has two in-house Academies that focus on transversal core competencies, namely the Managerial Academy, which oversees the development of managerial competencies for senior roles, and the Digital Academy and Innovation, which ensures the design and development of online courses, the re-engineering of learning processes and tools, and scouts for innovative training solutions.

Digital is a cross-cutting area but it is vital to every activity in the Company. For this reason, several initiatives were carried out during 2022 to increase employees' skills in this area, such as the "Digital Voices" programme.

In addition, activities aimed at developing managerial skills related to the Business Units in Post, Communication and Logistics (PCL) continued with training on the Lean methodology (Lean Academy), while in the Private Market, courses were developed for Sales Managers and Operational Management Managers aimed at strengthening their roles following the revision of the territorial organisational model. In BancoPosta and in Mercato Business and Public Administration, "Team building" projects were carried out to foster knowledge and cooperation between the members of the Top Management of the respective functions.

Cross-training to support the Company



Benefits of employee development programmes

Insourcing and re-employment

Poste Italiane's "Insourcing and Re-employment" project provides for the redeployment of staff previously employed in other production sectors in new or strategic activities, fulfilling a social function of valorising people. The programme, designed to train and provide new skills with a view to professional growth and flexibility, was also dedicated to the re-employment of 'workers in a condition of fragility' within the meaning of current legal provisions who, unable to work on company premises in relation to health emergencies, found different employment to protect health and safety in the workplace. The re-employment of internal staff enables the in-house management of previously outsourced activities, with benefits both in terms of maximising productivity and saving on the profit and loss account, enabling the reduction of the use of external supplies. During 2022, 1,900 people were interviewed, of whom 1,252 were redeployed within the targeted functions/areas of re-employment through reskilling and training aimed at enrichment and acquisition of new knowledge. The programme was very successful among the employees.

Development programmes in the 2020-2021-2022 three-year period

The development programmes put in place in the 2020-2021-2022 three-year period resulted in benefits both in terms of containing the absenteeism rate and in a visible impact on the turnover rate for voluntary departures from the Company. The analysis of the target group involved in at least one development initiative in the last three years refers to diversified programmes and actions, such as:

- **scouting processes** (MLAB; POP; Smart assessment, Talent Review, etc.) functional to bring out talented resources;
- **competence development initiatives** (Coaching; Mentoring; Counselling, etc.) functional to accompany people in their growth and accelerate their development in relation to company and business needs;
- **engagement activities** (INSIEME 24SI) and putting into play a self-entrepreneurial and innovative approach to contribute to the realisation of the Company's strategic objectives.

Generally speaking, development programmes not only enhance and consolidate participants' skills, but also offer benefits in terms of engagement, motivation and a sense of belonging.

In order to improve the working conditions of employees, Poste Italiane pays particular attention to active dialogue with the Company population. In light of this, the Group has effectively developed an internal communication channel, the NoidiPoste Community, which aims to generate, promote and

implement constant interaction between all members of the Group, facilitating the sharing and management of information, enabling a wider dissemination of corporate culture, providing support for brand reputation and encouraging active participation in company dynamics by employees.

Poste Italiane obtains ISO 29993 certification

Confirming the validity of Poste Italiane's training offer, the Group obtained certification of its training processes in November 2021, valid until 2024 (UNI ISO 29993:2019). The certification came after the profound transformation of training processes through the revision of the organisational model of the Corporate University for Academy, the implementation of new tools and support systems, and the delivery of training almost exclusively by remote. This certification is important for the robustness and solidity of the implemented training model.

In October 2022, the annual surveillance audit was passed with no findings, which highlighted positively evaluated elements such as the constant adaptation of the training management process and its supporting processes with the implementation of meaningful monitoring indicators, and the strong push for innovation in digital processes from training needs analysis to user satisfaction.

Staff welfare and well-being

NFS

The Company considers the well-being of its employees to be essential and for this reason is constantly striving to improve their conditions and those of their loved ones. In 2022, the Group increasingly considered responsibilities related to the care and well-being of people through actions aimed at consolidating the welfare system and spreading the corporate culture with initiatives for employees and their families. In addition, Poste Italiane pays increasing attention to aspects such as the personalisation of caring, reconciliation, the support and growth of the younger generations, the protection of the fragile and the strengthening of the sense of belonging and corporate identification

The needs of individuals, as well as the improvement of the conditions of the entire workforce, are at the heart of Poste Italiane's welfare strategy, and it is around these issues that initiatives are implemented every year to promote the well-being of each individual

Poste Italiane is committed to promoting activities that aim to improve the well-being of its employees, enabling easier living conditions and promoting better work performance. The initiatives are implemented in the process of strengthening staff engagement, as a prerequisite for the realisation of a positive corporate climate that ensures social well-being and productivity levels aligned with business objectives.

The implementation of the corporate welfare system is characterised by the adoption of an integral vision of the person, which goes beyond the work dimension, capable of taking charge of the individual's experience, also in the social, family and territorial dimensions, and by increasing attention to listening to and enhancing individual contributions in a logic of greater involvement towards common and shared objectives.

Poste Italiane, in its strategic business vision, aims to increasingly and constantly foster the integration of social and relational dimensions in order to improve its competitive positioning in the market. This has led the Company to play a primary role in a wider context than its business scope. The social vocation towards sustainable growth models, proximity to the territory, and the ability to establish a close bond with people has, therefore, led the Group to outline a new backbone of intervention towards community welfare logics, in synergy with local communities for corporate welfare services to support the vulnerabilities of employees and citizens.

The Company aims to make community welfare solutions and services available both to employees and their families and to local citizens, through forms of collaboration with the Third Sector and local authorities. The plan therefore envisages a reorientation of welfare services to make them usable for the community as well.

To this end, a design and feasibility study was launched in 2022 for the redevelopment of a company property located in Bologna, with the aim of creating meeting and socialisation places for people belonging to weak or vulnerable groups, such as the disabled, the elderly, unemployed young people, and women victims of violence.

MAIN RELATED TYPES OF CAPITAL



With the aim of keeping welfare initiatives up-to-date, the Group adopts internal policies and specific procedures that aim to constantly recognise the emergence of new needs. In this regard, the Company uses company networks and dedicated working tables to develop benchmarks, while it makes use of internal and external questionnaires and surveys for employee satisfaction surveys. In addition, an intergenerational vision is adopted in the process of designing and developing the welfare plan, combined with targeted analyses of gender, age, professional characteristics, family situation and possible vulnerability of the people involved in the initiatives to support them throughout their life cycle.

The path taken by the Group has enabled it to gain experience and strengthen collaborative and cross-functional working methods characterised also by participatory models in bottom-up logic, because they enable a virtuous path in terms of identification, trust and a sense of belonging, which constitute an important link in the adequacy of welfare policies. This makes it possible to maximise, on the one hand, the qualitative and quantitative impact, in terms of the opportunities offered to people, and, on the other hand, it makes it possible to facilitate a faster implementation for the pooling of different competences and skills.

Thanks to the adoption of more and more timely and targeted welfare policies, it has been possible to identify certain behaviours that promote personal and organisational well-being:

- disclosure: what the Company does for its people must be brought to the knowledge of the entire organisation, without intermediaries or cascading processes through the hierarchy;
- proactivity: managers, the HR function and employees must be mutually active in order to foster the dissemination of values and plans that support people's well-being;

Poste Italiane supports corporate and community welfare

- proximity: solidarity mechanisms must be activated in the workplace that facilitate proximity and exchange relationships between people, including through horizontal collaboration models;
- customisation: the identification of the most suitable levers, measures and solutions is shaped on the individual through listening and involvement;
- dynamic adaptation: the solutions and responses identified at a given moment may not be the final ones, as people change and, often, the organisation does too. For this

reason, it is necessary to activate work adjustment mechanisms to ensure that proposals and solutions respond to the evolution of work situations, the relational and social context and the market.

Poste Italiane's objective is to introduce a corporate welfare system capable of neutralising inequalities and contrasts through the development of a circular, modular, interconnected and fair system that responsibly takes charge of people's well-being and collective balances.

Poste Italiane listens to its personnel

Survey "Poste Mondo Welfare": survey aimed at non-executive employees of the Parent Company and the Group Companies participating in the programme to detect the satisfaction of the participants in the plan to convert the result bonus into welfare and to incorporate the needs of the entire company population for the launch of the edition referring to the year 2022. In particular, the activity consists of a series of surveys aimed at programme members to detect their enjoyment of the experience of the various services and their prospective needs, and at the entire corporate population to increase the level of engagement and participation on the value of the programme in relation to the launch of the annual edition as well as the better setting of the offer in relation to the real needs of the corporate population. The rating scale on which the survey was based provided values from 1 to 10.

2022 Home-Work Mobility Survey: annual survey that analyses employees' home-work travel habits in order to identify, in the medium and long term, sustainable mobility solutions to reduce CO₂ emissions in the interests of employees and the community. The survey was conducted using CAWI methodology and featured multiple-choice questions, radio buttons and open fields.

New Intranet Survey: survey aimed at co-designing the content of the new "NoidiPoste" intranet. The survey was conducted using CAWI methodology and featured multiple-choice questions, radio buttons and open fields.

"Call to Action" Survey: fact-finding survey addressed to Internal Workers and Production workers (profiled) to acquire the orientation of the personnel affected by the reorganisation with respect to the various relocation options, as defined by the trade union agreement of 2 August 2022.

"Dicci la tua su Poste Energia" Survey: listening survey on "Energia160", the PosteEnergia electricity and gas offer reserved to employees.

New Newsletter Survey: questionnaire on the new format of the weekly internal communication newsletter. The survey was carried out with Microsoft Forms and featured multiple-choice questions, radio buttons and open fields.

"Posteln – Diversity & Inclusion secondo te" Survey: survey of the entire company population with the aim of understanding how Poste Italiane's commitment to Diversity & Inclusion issues is perceived by employees. The survey was carried out in cooperation with online administration and dissemination through the company intranet, official news, TG and newsletters.

"Progetto di ricerca con Polimi" Survey: the survey, launched in June 2022, is part of the research project conducted by the Politecnico di Milano to build an interpretative model on employee engagement/disengagement with respect to set variables. The target group was approximately 11,000 people representatives of the main corporate functions. The project envisaged the administration of the survey at two different times approximately one year apart.

The analysis of the results of the first survey was completed in 2022, and the second one is planned for the first half of 2023. The survey was structured with a set of questions attributable to the following clusters:

- level of well-being;
- working in Poste Italiane;
- leadership in Poste Italiane.

"DDay Poste Plurale, Universale" Survey: feedback questionnaire conducted anonymously among employees who participated in the corporate event Diversity & Inclusion day with testimonies from employees and external guests on the topics of gender, generations, vulnerability, interculturality to collect satisfaction and programmatic ideas for the next editions of the initiative.

By intensifying its internal communication activities, Poste Italiane Group, through innovative projects and methodologies, has been able to strengthen the dialogue with its employees and achieve multiple international recognition. In this regard, in 2022 the Company continued to publish in the innovative Postenews app, launched last year, with the aim of reporting daily news with features and video reports from

49

editions of Postenews in 2022

inside and outside the Group. The Poste Italiane magazine, therefore, offers updates on topics related to logistics, savings, the economy, institutions, security, welfare, the environment and digital. TG Poste, on the other hand, was created in response to the Group's need to continue its mission of being close to its employees on information issues too, providing the most important news, and to tell the outside world about the Group's business inspired by the principles of sustainability and customer focus. TG Poste is broadcast every day, Monday to Friday, and is streamed live on the Poste.it website and on screens in Post Offices, as well as being visible on demand at tgposte.poste.it and for employees also from the company intranet or the NoidiPoste app.

4,949

services on TGPoste in 2022

Work-life balance

With regard to the Group's welfare strategy, the Company pursues the improvement of its employees' well-being by seeking a work-life balance. In line with previous years, Poste Italiane has provided orientation paths for young people and support for families, strengthening the focus on the social and family dimension of workers, also to support parenthood.

In the area of contractual welfare, the Poste Mondo Welfare programme was launched for the fourth consecutive year, implementing the trade union agreement on the performance related bonus, which allows employees, on a voluntary basis, to convert all or part of the performance bonus in

87%

percentage of utilisation of the Bonus converted into welfare in 2022

welfare goods and services characterised by specific social, educational, recreational and welfare purposes. The programme provides tax benefits related to current legislation and additional company welfare credits to increase the purchasing power of employees and their families. In this regard, the welfare platform has been revamped to make it simpler and more intuitive to use, and has received - also using the listening survey published on the NoidiPoste intranet - feedback from both the previous year's subscribers and those who had not yet undertaken this experience. In 2022, Poste Mondo Welfare was characterised by an improvement in the employee experience, a widespread and multi-channel internal communication plan, information workshops, dedicated ambassadors, travelling promotional stands in the most staff-intensive organisational structures, and an expansion of the network of goods and services offered to promote greater awareness of the related opportunities. In addition, the benefits of the tax legislation in force were valorised, with specific reward measures relating to the recognition of additional fuel vouchers - based on the percentage of membership and use of the programme - and the reimbursement of household bills for electricity, water and gas. During the year, platform members were able to benefit from an increased economic value compared to the previous year. The programme has been so well received by the employees that it has more than doubled its membership rate compared to past editions.

+127%

sign-ups to the Poste Mondo Welfare program compared to 2021

For many years, the Company has identified part-time work as a valid instrument of labour flexibility that enables it to meet the individual work-life balance interests of employees with the organisational needs of the Company, and provides economic incentives for workers' requests to transform full-time employment into part-time work.

In addition, on the occasion of the renewal of the relevant CCNL, signed on 23 June 2021, regulations were introduced for the presentation of requests for the transformation from full-time to part-time by the workers concerned, providing for the possibility of formulating the request every six months and with reference to the specific time slots (so-called clusters) made known, from time to time, by the Company.

Employee support programmes

Part-time work options

Poste Italiane and its continuous support for parents

An important role within the Company is attributed to professionals who are parents in their private lives, for whom initiatives, policies and support services are put in place to support and reconcile private and working life.

One example is the Company's decision to launch the Support for Active Parenting Policy in 2022, in order to support the role of parents and enhance gender balance, overcoming stereotypes, discrimination and prejudice in the workplace.

Poste Italiane provides crèches at its Rome and Bologna offices for the children/grandchildren of Group employees and, for a portion, for users from municipal and third-party entities as a subsidiary response to the needs of local users. The service is extended to more than 100 families with children from 3 to 36 months and an employee contribution from the Company of 55% of the value of the monthly fee is provided. The objective is to guarantee a flexible educational service in relation to work pace, to combine professionalism and quality in respect of the values expressed by families. The distinctiveness of the educational programme is represented by an integrated relational approach on the part of all the players involved in the process, by attention to the values of environmental sustainability (such as the use of at least 50% organic, PDO and PGI and 0 km food), by cross-culturalism (bilingualism) and by inclusion and educational alliance with families to foster a structured dialogue, also through innovative communication methods. These include new opportunities for exchange and participation, such as the interactive app, new seminar programmes to support parenting, thematic webinars extended to all employees, and a counselling service as a listening and reflection space offered to parents to explore any difficulties related to their children's developmental processes and transition phases.

To strengthen the initiatives in support of active parenthood, in line with previous years, the Company continued the Lifeed project, a digital platform active since 2015 formerly known as MAAM, and activate the MultiMe@Finder programme, in order to improve awareness of the roles played in different life experiences.



On the Group's 160th anniversary, Poste Italiane promoted the "IINostroXcorso" project, with the aim of rediscovering Italian localities by travelling mainly by bicycle, the mean of transport symbolically linked to the postman's work. Through an application available on the NoidiPoste app and intranet, users had the opportunity to share their travel experience undertaken alone or in company, running, walking, or using a bicycle, starting from their home, place of work or a place they considered important. With this initiative, the Group wants to introduce the people of a large Company, spread across many parts of Italy, inclusive, attentive to environmental sustainability and united in teamwork to achieve increasingly challenging goals, in pursuit of the well-being of all.

Health and prevention

With reference to initiatives aimed at fostering primary prevention and the maturation of social awareness in young people, Poste Italiane organised, in collaboration with the Veronesi Foundation, a series of informative meetings aimed at employees and their families on issues related to ethics, healthy lifestyles and scientific disclosure with content proposed from an intergenerational perspective.

In line with previous years, in order to guarantee the health of staff and the protection of the environment, post officers have been provided with uniforms bearing the green OEKO - TEX Standard 100 certification, which ensures that the

"Poste Centro Medico"

Poste Italiane's healthcare facility for its People

With 11,000 health services in two years, Poste Centro Medico consolidates its role as a safeguard of the well-being of employees and their families.

In 2022 the activities of Poste Centro Medico, the centre of excellence dedicated to the care and prevention of Poste Italiane employees, their families and pensioners continued, with the aim of strengthening the well-being of employees in the workplace by offering medical services and preventive healthcare. The Outpatient Clinic is coordinated by a Clinical and Healthcare Director and brings together a significant number of professionals working in the most important national healthcare facilities.

Poste Centro Medico offers qualified services and provides specialist examinations, instrumental and ultrasound examinations in 13 medical areas, as well as diagnostic imaging and other medical services. The Centro Medico is also equipped with state-of-the-art medical equipment (state-of-the-art ultrasound scanners, videodermatoscope, gynaecological unit, ophthalmic equipment, etc.). In particular, in 2022, Poste Centro Medico expanded its range of services: one example is the introduction in May 2022, of equipment to also perform mammography for the early diagnosis of breast cancer.



product is carefully checked for ecological and health aspects. With regard to the PDA given to post officers, on the other hand, over the years, Poste Italiane has developed a new feature that allows a voluntary request for help to be sent in the event of the need for medical intervention. In this way, the device used by post officers also becomes a tool to increase safety at work through certain functions, such as the SOS function that allows, in the event of an emergency, to activate a call to the so-called “Situation Room” where a team of operators is ready to respond to distress calls. In addition, before leaving for the delivery, a reminder function is activated on the smartphone reminding the post officer of the protective equipment he must always have, such as a jacket or high-visibility waistcoat. Finally, twice a month, a pop-up reminds the postman to check the maintenance status of the vehicle and to report any service requests.

Culture and education

Poste Italiane reinforces the Company’s commitment to the development of the new generations with the desire to contribute to the growth of young people through numerous initiatives for school and professional orientation and the development of soft skills for the children of employees and for young people also from vulnerable social backgrounds.

19

**scholarships for employees’
deserving children**

In fact, in continuity with past editions, the Group has implemented the “Next Generation” project dedicated to the employees’ children and children from secondary schools in fragile territories. The programme aims to introduce young people to issues of innovation, diversity and social inclusion and to the professions of the future. In this regard, the following were realised: skills development workshops, orientation meetings in which the students also learnt how to write an effective CV and how to prepare themselves for interviews, the “Digital Creathon” with the launch of the corporate challenge and the Innovation hub. During the “Digital Creathon”, the participating young people - students from schools and children of Poste Italiane employees - were able to get involved in responding to the challenge launched by Poste Italiane: “Oltre l’apparenza” (Beyond Appearance). The challenge was also designed in line with the UN Agenda 2030 and the 10th Sustainable Development Goals (SDGs), in particular, “to reduce inequalities” and thus to empower and promote the social, economic and political inclusion of all, regardless of all forms of diversity. Hence, the idea to ask

them to make a presentation and a video that, starting from their family, school and social experiences, would tell stories of marginalisation and separation and also show the way to overcome them, going “beyond appearances” and valuing each person and path.

Poste Italiane took part in the two-year “School4Life 2.0” project, discussed in detail in the previous chapters, and in the new editions of the STEAMcamp initiative, dedicated to the employees’ children and their families with the aim of deepening their knowledge of STEAM subjects. STEAMcamps are able to promote innovation and the distinctive skills needed for future professions through a learning and gaming experience that stimulates confrontation with new models ranging from coding, artificial intelligence, gamification, robotics and more, whose only boundary is creativity. In 2022, new awareness-raising proposals called “Social Media Lab” were launched, focusing on the language of digital innovation, to help young people understand the evolution of identity on the Internet and to raise their awareness of online sociality.

In addition, the “Future Lab” programme for employees’ children has also been strengthened with the new editions, with the aim of fostering their integration into the world of work, stimulating reflection on their personal development plan on the ability to design a study and career path. Specifically, the programme aims to bring young people closer to the world of work in a more conscious way, supporting them in their choices so that they can pursue paths in line with their skills and passions and learn about the main market trends on the professions of the future.

Finally, with a view to promoting cross-cultural exchanges, 19 scholarships abroad were awarded to deserving children of employees, supported entirely by the Company.

Sense of belonging

As part of the initiatives aimed at consolidating the sense of belonging, 58 Group employees were awarded the “Stella al merito del lavoro” (Star of Labour Merit) in 2022 for distinguishing themselves by virtue of their particular expertise and industriousness in their work for the Company. Stars of Merit are awarded annually to workers employed by public and private companies, who are at least 50 years old and have worked continuously for at least 25 years. Half the honours are reserved for those who started from the lowest contractual levels and have distinguished themselves for their human and professional contribution to the Company. Specifically, employees were identified throughout the country and are representative of most of the professions in the Company. The honour carries the title “Maestro del Lavoro” (Master of Labour) and is conferred by Decree of the President of the Republic, upon proposal of the Ministry of Labour and Social Security.

Financial and non-financial benefits for personnel

Financial benefits

Below is a list of the main financial benefits that are paid to executive personnel.

- **Life insurance and coverage for disability and invalidity:** in the interest of the executive, Poste Italiane takes out an insurance policy that ensures an additional sum, with respect to the normal salary, in the event of death, permanent disability and injury occurring even if not during work;
- **Healthcare:** the Company contributes to the financing of the FASI Healthcare Fund and other supplementary funds, so that services supplementary to the National Health Service may be recognised.
- **Pension:** the Company contributes to the financing of the PREVINDAI Supplementary Pension Fund in order to provide pension benefits in addition to the compulsory pension.

The main financial benefits due to non-executive personnel are listed below.

- **Parental leave:** more favourable treatment than that provided for by law (art. 43 National Collective Labour Contract);
- **Healthcare:** the Company provides a supplementary healthcare plan with a contribution paid by the Company for the “Basic” package (art. 79 National Collective Labour Contract);
- **Pension:** payment of contribution to the FondoPoste by the Company (art. 79 National Collective Labour Contract).

Non-financial benefits

To complete the remuneration package, Poste Italiane Group provides executives and certain types of managers with additional non-financial benefits, in compliance with applicable regulations and taking account of market practices. These benefits are subject to specific guidelines, which require the application of common criteria depending on the uniform category of employee concerned. Examples of non-financial benefits attributed to executives are the company car for mixed use and the medical check-up, also provided for facility managers.

Relations with social partners

NFS

Poste Italiane, through periodic meetings with the Trade Unions (OO.SS.), maintains constant dialogue with workers' representatives, not only with regard to ordinary management but also in the event of major organisational changes, with the aim of placing the well-being and protection of workers' rights at the centre. Therefore, it concludes agreements governed by the National Collective Labour Agreement (CCNL) and the Consolidated Text on Representation to facilitate the creation of a positive corporate climate and ensure compliance with the applicable regulations. The Group implements every activity envisaged by the Industrial Relations System, described in Chapter I of the CCNL of Poste Italiane SpA (Information, Consultation, Participation, Bargaining), also in order to accompany the actions envisaged in the Company and Group Strategic Plan. In this way, the Company ensures appropriate and fair solutions on issues that can have significant impacts not only on the organisation and the business, but also and above all on human capital, which is considered a fundamental asset.

Consistently with the requirements of current legislation, Poste Italiane ensures impartiality and independence in its relations with Trade Unions, as set out in the Group's Code of Ethics, and at the same time, undertakes to ensure the well-being and protection of the rights of its workers and their freedom of association and collective bargaining.

MAIN RELATED TYPES OF CAPITAL



Poste Italiane is committed to ensuring the welfare and protection of its employees, who are at the heart of its strategy, and maintains constant dialogue with the social partners

Poste Italiane refers to the national collective bargaining, which provides for a specific procedure of discussion between the Company and the national Trade Unions stipulating the CCNL in the event that significant organisational changes (such as company reorganisation and/or restructuring and/or transformation processes) entail social consequences, with repercussions on working conditions.

100%

of employees covered by collective bargaining agreements

In this regard, the Group is required to provide prior information to the National Trade Unions stipulating the CCNL, indicating the date of the start of the discussion, in order to seek possible solutions to manage the social effects. The negotiations shall be completed no later than 25 working days, including Saturdays, following the date set by the Company for the first meeting. During this period, the Trade Unions must refrain from any direct action, while the Company cannot implement the planned projects. After 25 days, if the outcome of the discussion is negative, the Parties may make their own autonomous decisions; in the event of a positive outcome, on the other hand, the Company shall provide adequate information to the competent territorial structures of the Trade Unions. Prior to the start of discussions at the territorial level, the RSUs (Unitary Labour Union Representatives) must be consulted, a phase which must be completed no later than 13 working days, including Saturdays, from the date on which the hypothesis of agree-

ment was signed. Subsequently, the Parties shall meet at a territorial (regional) level to carry out a joint examination, to be concluded within 7 working days, including Saturdays, following the end of the consultation of the RSUs.

The continuous dialogue and constructive relationship between the Company and the Social Partners represents a characterising and significant element in the Group's growth and evolution strategy. Continuous dialogue with the Trade Unions is ensured through significant information and negotiation activities with the Social Partners conducted by the Industrial Relations function. The most significant outputs of this activity are represented by the signing of specific agreements with the Trade Union Organizations both on the subjects expressly indicated by the National Collective Labour Agreement of 23 June 2021 (CCNL), and on further topics relating to the achievement of the Plan objectives that have regulatory and/or managerial effects on personnel.

The National Collective Labour Agreement

With the aim of pursuing the well-being of employees and guaranteeing the protection of their rights, both during ordinary management and in phases of change in the Company's organisation, Poste Italiane considers dialogue with employee representatives to be a central aspect of the Group's organisation and management. Therefore, the Company is committed to a constant dialogue with the Trade Union Organisations (OO.SS.), guaranteeing impartiality and independence in the promotion of relations in compliance with current legislation and ensuring, at the same time, the protection of rights, freedom of association and collective bargaining.

In this regard, in 2021 the Group renewed the National Collective Labour Agreement (CCNL), valid until 31 December 2023. The Agreement, which introduced important improvements both in the economic area and in the organisation's regulatory framework, covers the entire non-managerial staff of the Poste Italiane Group and strengthens the focus on the defence of workers' rights, their security and economic stability. The concept of Corporate Social Responsibility is a fundamental principle for the Company, through which it is possible to combine the Group's development objectives and economic results with the respect for social and environmental values, enhancing the continuous and constant contribution of human resources.

Active labour policies

In line with previous years, Poste Italiane signed agreements on labour policies, realizing its commitment to relations aimed at the welfare and protection of workers' rights.

With the Agreement signed on 8 February 2022, the Parties, before identifying the overall active policy measures to be implemented for the year 2022, defined an extraordinary measure, of an anticipatory nature, for a total of 1,100 FTE (Full Time Equivalent) between counters and placements from the external market, in order to support the needs of front-end structures in the most critical territories. The Agreement signed on 12 May 2022, also in order to support the reorganisation actions already shared and the further organisational review actions discussed in detail with the Trade Unions, provides that, for the three-year period 2021-2023 - in line with what was defined in the Agreement of 13 June 2018 - the Company will ensure an adequate number of Active Employment Policies actions in relation to the incentive-based redundancies that will be recorded in the period. Specifically, Active Employment Policies (stabilisations, conversions from part-time to full-time, recruitment from the external market, counters, job postings) were implemented for a total of over

6,900 FTE. On 6 September 2022, the Parties agreed that for 2022, by way of exception, the limit on the use of fixed-term contracts in the regions of Emilia Romagna, Lombardy, Veneto, Piedmont, Liguria, Valle d'Aosta, Marche, Campania and Calabria is set at 12%. In the Understanding of 21 November 2022, the Company and Trade Unions agreed on an advance of the Active Labour Policy 2023 for Post, Communication and Logistics (PCL) by defining strengthening actions both in delivery (700 full-time availabilities) and sorting (60 conversions from part-time to full-time). Similarly, on 19 December 2022, Active Labour Policies interventions were agreed, again in anticipation, in relation to the Private Market, to be implemented starting from January 2023. In particular: conversion from part-time to full-time for 350 Counter Operators (175 FTE), transfer to front-end roles of 225 postmen and women eligible for job posting under the Agreement of 12 May 2022 (counters) and 250 recruitments from the external market to fill specialist roles. In the Agreement of 1 February 2023, the Parties agreed on the need to evaluate, within the framework and subsequent employment agreements for the year 2023, dedicated measures for the Digital, Technology & Operations function.

On 2 March 2023, an Agreement Report on Voluntary Mobility (transfers on request) was signed whereby, pending the definition of the new agreement that will regulate the matter for the years 2023/2024, the Parties acknowledge that any transfers - both at national and regional and provincial level - will be carried out taking as a reference the 2022 rankings drawn up on the basis of the Agreement of 4 May 2021, which expired on 31/12/2022.

With the Agreement of 1 February 2023, the Company and the Trade Unions defined, with regard to "Back Office Services", a rationalisation and a new micro-organisation of the Territorial Depots through a reduction in the number of sites (from 10 to 5) and the elimination, in the course of 2023, of the Depots in Bari, Bologna, Genoa, Padua and Turin. The related employment effects will be dealt with progressively when the individual depots are closed. In addition, a Planning and Operational Control Specialist role was introduced to support the Depot Manager. A new credit management model was presented, characterised by dedicated supervision and a single interface with the customer, to reduce overdue loans and make the whole process more efficient. The new model will be subject to a trial with the parties committing to meet no later than May 2023 to review its progress. A number of actions were also defined to merge and relocate sites of the Territorial Centres, with the aim of optimising processing and consolidating the supervision of document management services through the establishment of a single facility for the sites in the same city. The resources concerned will continue to perform the same activities and, where the conditions are met, they will be granted the benefits provided for in Article 38 of the current CCNL. In relation to the services of "Customer Assistance", the Company presented the Value Assistance service that will provide support in the purchasing phase of products/services and interact with customers through sales proposition initiatives. The introduction of this new service will be accompanied by dedicated training courses for the staff involved. With regard to Information Technology services, and especially with reference to the Technology Poles, the operational model and the micro-organisation model were redefined, also through the introduction of specific support figures for the territorial technical structures. Field Technical Services were introduced with the aim of ensuring a better coordination of technical support interventions and offering a quick response to business structures. Finally, as of March 2023, the remodelled timetables according to the new organisation of the Technology Centres will come into force, characterised by a single nationwide model with a Saturday presence as well. The parties agreed on the need for specific meetings at regional and national level to best accompany the reorganisation processes of the Digital, Technology & Operations function.

With the Agreement Report signed between the Company and the Trade Unions on 12 May 2022, the process of organisational revision of the Private Market function initiated with the Agreement of 30 September 2021, and which had focused on strengthening the business model, continued. With this latest agreement, the Company and the Trade Unions implemented further organisational reviews of both the business

model and the operational platform of the sales support functions. Specifically, the number of the Protection and Financing Contact Persons was increased and the relational activities carried out by the Reception Workers were developed. The Agreement also provided for the strengthening of the Corner 2.0 network, which evolved into the "Punto Poste Casa e Famiglia" format. The territorial operational management model was updated by enhancing the coordination, support and control activities at the Macro Area level and streamlining the structure at the Branch level. Finally, new momentum was given to the Hub & Spoke project, with the release, on a trial basis, of the new posting application, which will be adopted by the Hub DUP on the first six branches starting from June. On 19 December 2022, the Company and Trade Unions signed an agreement covering three macro topics: 1. the Polis Project - House of Digital Services; 2. the evolution of the organisational model Small Economic Operators (POE); 3. the anticipation of the Active Employment Policies 2023 measure. The Polis Project involves about 7,000 Post Offices, located in municipalities with a population of less than 15,000 inhabitants, which will be reconfigured to enable the provision of a wide range of PA services, as well as the creation of co-working spaces in an interconnected national network of 250 properties. The evolution of the POE organisational model, on the other hand, envisages the reconfiguration of the Mercato Privati sales chain from a synergic perspective, placing the POE channel alongside the retail channel. In particular, at the Macro Area level, the role of POE Sales Representative was created and the role of the Enterprise Sales Manager was superseded, with the relocation of resources within the Private Market or Enterprise Market and Public Administration functions. At the branch level, the Small Business Specialists (SSB) and Mail and Parcel Specialists (SPP) were moved to report to the Branch Sales Manager (RCF).

On 1 March 2022, the Company signed an Agreement with the Trade Unions, in force until 31 March 2023, which regulates the application of agile working in Poste Italiane and in the Group Companies applying the National Collective Labour Agreement (CCNL), renewed on 23 June 2021. The Agreement, in tracing the regulatory framework of the previous 2020 Agreement - which, among other things, provided for the possibility for all employees to activate agile working for a maximum of 3 days per week and 13 days per month - introduced some new elements that make it consistent not only with the National Protocol on agile working stipulated by the Social Partners on 7 December 2021, but also with the organisational and management evidence that emerged from the observation of the implementation phase of the Institute in the Company during the emergency period. Specifically:

- some organisational areas/figures previously affected by agile working (e.g. Sorting Centres, Operations Centres, Premium Referrers, etc.) were reduced;
- for managers and for specific professional figures, the need to guarantee in-presence supervision of activities and coordination of resources has been emphasised, with the possibility of flexible use of the Institute during the month, without reference to any single week;

- the provision contained in the 2020 Agreement that provided for the sterilisation of unrecognised injury events for the purposes of accounting for the performance bonus and voluntary national mobility was eliminated, bringing the case back to the normal management of absences due to injury/sickness;
- a specific Joint Observatory was set up with the task of monitoring the implementation phase of the Institute.

On 8 June 2022, on the basis of the provisions of the Agreement dated 1 March 2022, the Joint Observatory on agile working met and carried out an initial survey on its implementation in the Company. The Trade Unions emphasised the need to study certain issues in greater depth, including, by way of example, reasonable accommodation, fragile workers, etc. The need to provide for agile working for training purposes for all workers whose work cannot be remotely performed was also emphasised. The Agreement Report signed on 3 August 2022, taking into account the epidemiological crisis from Covid-19, extended the possibility of smart working to staff hired on a temporary basis as well as, for training purposes only, to CTD staff at operational facilities.

Agile working is a useful tool for the Company to optimise the organisation and use of resources in a way that is more respectful of environmental sustainability and collective well-being, by limiting home-work journeys, reducing traffic and cutting emissions. Moreover, this working mode is also considered a welfare tool, as it allows not only to combine personal and family needs with professional ones, but also to protect employees who are in particularly fragile conditions, safeguarding the Company's production and quality standards. On 2 March 2023, the Agreement was signed by which the Parties agreed to extend the effects of the agreements of 1 March and 3 August 2022 until 30 September.

On 29 July 2022, the Agreement on performance-related bonus for 2022 was signed for Poste Italiane SpA and the Group Companies. With reference to the unit value of the bonus, the agreement provided for a 5% increase, allowing for a recovery of the inflationary pressure resulting from the overall economic/monetary trend. With respect to the national indicators which the payment of the bonus is correlated to, Group revenues per employee were introduced for Poste Italiane. Moreover, in order to further enhance the importance of the professional contribution of individual resources to

the achievement of company results, a bonus (an additional €50 to the individual value of the Bonus) was introduced for employees who did not take any leave of absence in the year of reference, and the incidence of sickness events on the determination of the sum to be paid as a performance bonus to each worker in June 2023 was also revised. In addition, the possibility of converting all or part of the bonus into welfare has been confirmed, simplifying and making more advantageous the mechanism of credit recognition by the company against the converted amount.

With the Agreement of 2 August 2022, the Parties outlined the organisational and management guidelines under which the organisational revision processes of some important production areas of the Post, Communication and Logistics (PCL) function will be implemented. Specifically, the Understanding provides for:

- the evolution of Internal Processing activities, which are brought back into the organisational framework of sorting at 150 Centralised Centres;
- the definition of new working hours for the resources employed in the sector;
- the updating of postmen's entry times as a result of the new timing and feeding methods of the Distribution Centres (CDs).

In addition, the staff members Market articulation were also called upon to perform activities at the centralised nodes (so-called residual activities on CDs). This move defined the new needs of the sector and, with respect to the management of the employment effects generated by the project, the levers to be activated were identified in order to achieve the correct workforce size (redeployment at centralised nodes, professional enhancement/mobility in different organisational areas, retraining courses, redeployment within the Insourcing project, voluntary redundancies based on incentives, possible activation of the Solidarity Fund). The Parties, in defining the macro-frameworks of intervention, agreed to postpone to a further Agreement the identification of the detailed rules aimed at regulating all the application aspects of the project, including the criteria for the relocation of resources. The new model was applied on an experimental basis on 18 centralised nodes and 25 connected CDs. The trial started on 10 October on 11 CDs and on 24 October on 14 CDs respectively.

During 2022, an agreement was reached between Poste Italiane and the Trade Unions on the centralisation of in-house processing relating to the Post Communication and Logistics (PCL) division. The aim of the new agreement is to deliver greater service efficiency in postal communication, enhancing the central resources in Poste Italiane's growth strategy. In a context in which the postal services sector is also evolving, the agreement concerns the bringing of in-house processing activities within the organisational scope of sorting, the concentration of these activities at the nodes where the product will be processed and sorted, and the evolution of the figure of in-house processing employee into production employee. The signing of the agreement confirms the spirit of trust and fruitful cooperation between Poste Italiane and the Trade Unions.

**The agreement
between
Poste Italiane
and the
Trade Unions**

On 21 November 2022, completing the relational path outlined in the agreement of 2 August 2022, the Company and the Trade Unions signed the Agreement Report with which the specific regulations for the implementation of the reorganisation project of the Postal, Communication and Logistics (PCL) function were identified. The Parties defined the micro-organisation of the Logistics Centres, as well as the management levers for about 1,700 redundant resources that are to be relocated to the counter, i.e. to Digital, Technology & Operations through the Insourcing project. Incentivised voluntary redundancies were activated for those resources that met the requirements. The Parties also redefined the management system for unsuitable delivery personnel, in relation to both temporary and permanent unfitness, adapting it to the new organisation of the sorting process. Provision was also made for the possible activation of voluntary mobility on an exceptional basis at territorial level, with a commitment to evaluate it upon conclusion of the reorganisation project. The Industrial relations system accompanying the reorganisation, which is scheduled to end in 2024, provides for a mechanism of discussion between the Company and Trade Unions at both central and territorial levels.

On 11 July 2022, the Company and Trade Unions set 28 and 29 March 2023 as the dates for the general elections of the Unitary Trade Union Representatives (RSU) and of the Workers' Safety Representatives (RSL) of the Companies Poste Italiane SpA, Postel SpA, Poste Vita SpA, Poste Assicura SpA, PostePay SpA and Nexive Network Srl. On 21 December 2022, the Parties signed the Agreement Report amending the RSU protocol of 27 February 2023, in which they confirmed the dates of the elections on 28 and 29 March 2023 and updated the number of production units due to the new company structure, especially with reference to the Digital, Technology & Operations function. On 17 January 2023, the Parties, without prejudice to the provisions of Law 300/70 and the National Agreement of 21 March 2000 whereby the heads of the RSU - elected in Production Units employing more than 200 employees - are entitled to paid leave equal to 96 hours per year, in order to allow each RSU to benefit from the above-mentioned pro-rata leave, limited to the year 2023 and for Production Units employing more than 200 employees, have provided that each RSU currently in office shall benefit, until the date on which the new representatives take office, from 1/3 (32 hours) of the 96 hours of leave available to him/her. Similarly, this provision will apply to Workers' Safety Representatives who, only for the year 2023 and until the date on which the new representatives take office, will be entitled to 1/3 (10 hours) of the 30 hours per year per capita of paid leave. Following the elections on 28 and 29 March 2023, the members of the RSU/RLS who are validly elected and appointed will be able to take the remaining 2/3 hours of RSU and RLS leave for the year 2023. With regard to RSU elected in production units employing up to 200 employees, it has been provided that the provisions of article 2 of the Agreement of 21 March 2000 will be applied, with the annual entitlement of leave hours being re-proportioned to the extent of 1/3 for incumbent RSU and 2/3 for RSU to be elected.

Lastly, in view of the persisting Covid-19 emergency, the Company and the Trade Unions continued their discussions within the OPN (Organismo Paritetico Nazionale per la Salute e la Sicurezza sul Lavoro - National Joint Committee for Occupational Health and Safety) Committee aimed at guaranteeing the safety of people and the containment of the virus by favouring the use of smart working and monitoring the preventive screening activities implemented by the Company. On 6 July 2022, the Company and the Trade Unions continued their discussions within OPN in order to give continuity, according to the new indications contained in the aforementioned Protocol of 30 June 2022, to the measures to contain the Covid-19 virus.

Also in the context of the work of the OPN Committee, the Parties, at the meetings of 30 November 2022, 1 February 2023 and 20 March 2023, defined the project structure and methodology that will be followed for the new detection of the risk of Work-Related Stress, initiating the same by proceeding in the meeting of 20 March to draw the name of workers who will be part of the Regional Assessment Teams that will have the task of compiling the INAIL check list. At the regional level, specific OPR sessions will be convened to illustrate the methodology that will be followed for the new survey, which is to be completed by the end of July, in order to start the subsequent activity of analysing the results and verifying them for the purpose of determining the risk level.

In the context of the OPN work of 20 March 2023, the Company, in view of the positive evolution of the Covid 19 pandemic crisis - which in fact has led to the re-establishment of the processes and procedures in place in the pre-pandemic period in practically all production and social sectors informed the OPN that - always in compliance with the principle of precaution and protection aimed at ensuring the appropriate levels and standards of safety in the workplace - a gradual process of reviewing the prevention measures adopted in the Company in the initial phase and during the evolution of the pandemic crisis to counter the spread of the virus will be initiated.

All of the Agreements and Understandings adopted have shown the substantial effectiveness of the provisions and regulations contained therein. Proof of this is the fact that no agreement between the Parties has recently been terminated and that the majority of Trade Union Agreements always find the consensus (signature) of all six signatories of the CCNL. From the Company's point of view, the various agreements signed have made an important contribution to the realisation of the plan's objectives. By way of example, the implementation of the new organisational model of delivery, the so-called Joint Delivery, was made possible through the signing of the Agreement of 8 February 2018 that redesigned the organisation of Poste Italiane SpA's mail delivery, as well as with the recent Agreements of 2/8/2022 and 21/11/2022 which allowed the process of streamlining and rationalising Internal Delivery Processing to begin.

Participatory organisations with mixed composition (members from Poste Italiane and Labour Unions)

Together with the labour unions, Poste Italiane has set up joint bilateral bodies at national level regarding issues that are also relevant in terms of sustainability, including:

- **Comitato per l'Attuazione dei Principi di Parità di Trattamento e Uguaglianza di Opportunità (The Committee for Implementation of the Principles of Equal Treatment and Equal Opportunities)**, with the objective of “implementing and strengthening a culture that pays attention to diversity, including gender diversity, through positive actions aimed at creating examples of good practice within the Group and removing obstacles that actually prevent achievement of equal opportunities”. In this context, the Committee addresses issues relating to the integration and inclusion of disabled people, as well as those regarding other factors of discrimination.
- **Ente Bilaterale per la Formazione e Riqualificazione Professionale (The Bilateral Agency for Personnel Training and Retraining)**, through which the Parties joint-

ly promote activities in the field of training and retraining, with regard to the provisions of the Consolidated Law on Occupational Health and Safety, and also with reference to any processes of reorganisation/restructuring/transformation of the Company, or the introduction of technological innovations;

- **Organismi Paritetici per la Salute e la Sicurezza sui Luoghi di Lavoro (The Joint Bodies for Occupational Health and Safety)** also continued activities relating to the uniform and correct application of the guidelines regarding occupational health and safety, in particular concerning issues relating to the new work-related stress risk assessment criteria with the aim of “implementing measures to improve occupational health and safety”. At the end of 2018, the Osservatorio Paritetico sulla Sanità Integrativa (Joint Observatory on Supplementary Healthcare) was set up, with the role of proposing and monitoring the services offered by the Supplementary Healthcare Fund.

Occupational health and safety

NFS

The Poste Italiane Group considers the protection of health and safety at work a fundamental value, which all people must be inspired by in carrying out their daily activities. The Company, in addition to having identified organisational responsibilities and having specific policies, in line with legislation, collective bargaining and national and international reference standards (e.g. ILO) to ensure adequate supervision of all aspects of occupational health and safety it is constantly committed to taking all necessary measures to reduce accidents, injuries and occupational diseases. These policies are implemented with reference to all Group operations, including activities related to partners and suppliers, and are addressed to each individual working for or under the supervision of Poste Italiane. Moreover, through prevention policies and programmes and information and awareness campaigns, it promotes people's psychophysical well-being. The Group's Chief Executive Officer, as Employer, is the highest figure responsible and in charge of overseeing health and safety issues in the Company. The Board of Directors approves the Policy and, through its Endoconsiliary Committees, supervises the appropriate management of the risks involved and the respect of the relevant principles.

495 thousand

hours of Work safety training
delivered in 2022

MAIN RELATED TYPES OF CAPITAL



The integrated policy and the Group health and safety policy define the key elements of the occupational health and safety management systems adopted, including:

- continuous assessment of risks and definition/update of related rules and procedures;
- ensuring that innovations and changes in work processes are always accompanied by occupational health and safety objectives;
- timely adaptation to all regulatory changes and updates;
- identification of roles and responsibilities within the organisation and allocation of the necessary resources for planning and implementing the programmes aimed at achieving the objectives;
- effective and transparent communication that ensures dissemination of any information that might be useful for prevention purposes, including cooperation and coordination measures with contractors;
- periodic review of the management system by top management to assess its correctness and effectiveness with a view to achieving constant improvement;
- the prioritisation of the actions to be implemented in order to manage the risks related to health and safety at work, identified during the assessment phase, and the consequent integration of the action plans with quantitative objectives to address the above risks.

Starting with the integrated policy and the Group policy, each employer has approved the policy for its production unit, making it available to all workers. For the purposes of the Occupational Health and Safety Management System (OHSMS), the responsibility of each production unit of the Parent company and the main Group companies lies with its employer. Within the Parent Company, employers are assisted by the Corporate Affairs/Corporate Protection function, which ensures, at Group level, policy, coordination and control activities relating to Health, Safety at Work and the Environment, taking care, in particular for the Parent Company, of the design, implementation and dissemination of Occupational Health and Safety and Environmental Protection Management systems, in line with the current regulatory framework.

Occupational health and safety issues are a priority for the Group. In this regard, Poste Italiane has defined quantifiable targets for Business Unit managers, which are evaluated on an accident reduction target. In fact, the CEO, the top management and all those responsible up to the fifth organisational level were assessed on an accident reduction target. The Company has also set up dedicated teams with the specific task of monitoring the data relevant to the defined quantitative targets on a daily basis.

Promoting and developing a shared safety culture at all organisational levels of Poste Italiane is an enabling factor to reduce accidents and encourage the constant improvement of the management systems adopted

Among the main objectives pursued by Poste Italiane, the continuous awareness and involvement on the subject of Health and Safety at Work of all those who work within the Group is fundamental and a priority. Of particular importance is the dissemination and enhancement of the safety culture within the territorial operational centres (distribution centres and Post Offices) and their coordination structures. In addition, the Company is committed to the continuous improvement of its Management Systems, through the planning and execution of initiatives aimed at implementing the principles set out in the Occupational Safety Policy, and in the periodic review for the definition of new challenging objectives.

For years, Poste Italiane has pursued the objective of reducing accidents, especially in the sectors most exposed to road traffic risk, such as logistics and delivery (postal mechanisation and distribution centres). The constant monitoring and control of said phenomenon contributed, also in 2022, to the implementation of various initiatives on prevention and on occupational health of workers and protection of the workplace. From this point of view, the Occupational Safety Management Systems, which have already been adopted for some time in accordance with the regulations in force, confirm the conviction that an effective management system makes it possible both to manage the safety of workers in an organic and systematic manner and to implement and develop the Company's safety policy by monitoring the risks of all operational processes. Poste Italiane, aware of the fact that the continuous improvement of OHS Management Systems is conditional on the contribution and participa-

tion of all workers, according to the roles and responsibilities assigned, is committed to disseminating and enhancing the culture of safety from a systemic and participatory perspective.

The activities carried out to achieve the objectives include continuous training, awareness and involvement of personnel on OHS issues, plant-structural site improvements, continuous improvement and maintenance of Management System certification, as well as constant risk assessment in relation to processes and workplaces, monitoring of the implementation of the Improvement Plans referred to in the risk assessment, and constant checks on compliance with the requirements of current legislation.

Poste Italiane Group allocates annual budgets dedicated to the implementation of improvement plans for occupational health and safety aspects. In particular, the Company invests heavily in the maintenance of its real estate and in the continuous improvement of its plant and structural aspects. Equally important are the resources deployed for the management and maintenance of the company fleet, for the implementation of training, information and education campaigns, as well as those for OHS audits/controls, health surveillance, and the development and maintenance of systems/applications supporting the management of the issue.

In the risk assessment process, the Group analyses all potentially hazardous situations related to work processes and workplaces and, after identifying their potential to cause harm, assesses the associated level of risk. The assessment takes into account the actual manner in which the work is carried out and the exposure of personnel, as well as any protective measures already in place in accordance with the criteria defined by current technical regulations, technical standards, good engineering practice and company guidelines. In particular, the Company considers all foreseeable and objectively present hazards related to work activities, those arising from the correct and normal use of equipment/machines/plants, those foreseeable due to exceptional conditions and those due to possible malfunctions or failures. Systematic control of all possible hazards applicable to and correlated with workplaces and processes is guaranteed by the preliminary compilation of a check list annexed to the company procedure "Risk Assessment Document Management". The Employer refers to the skills of the Prevention and Protection Service to supervise and carry out the risk assessment with the consequent drawing up of the Risk Assessment Document (DVR) as well as of all the relevant specialist technical reports.

In particular, with regard to occupational health and safety risk management, this is also achieved through dialogue and the continuous exchange of information between human resources, managers and the various Business Units. On a quarterly basis, the competent control function coordinates with the risk specialists and, through them, also with the risk owners, with regard to monitoring activities on the trend of risk indicators and treatment actions related to the Top Risks concerning health and safety at work. The result of the activities is represented in quarterly integrated risk monitoring reports and presented to senior management and the Control and Risk Committee (CCR). This is followed by an annual reporting

phase of the activities through the consolidation of the contributions from the various control functions within the “Risk and Compliance Report”. This is presented to the Corporate Bodies and Top Management and provides a concise and integrated view of the initiatives promoted and/or introduced during the year in the various aspects of corporate operations, under the coordination of the Joint General Manager, as well as the main activities and interventions carried out by the structures of the function to ensure the implementation of appropriate safeguards, tools and organisational structures for the continuous strengthening of the Internal Control and Risk Management System and for the management of relevant compliance and sustainability issues.

In addition to the compulsory training imparted to all Personnel, the Group transmits in controlled form the Safety Operating Instructions (IOS) that describe the dangers related to the work processes concerned, as well as the organisational, preventive and protective measures for reduction of the corresponding level of risk. Within them, the IOS include the obligation (deriving from Legislative Decree 81/08) for workers to report the presence of possible dangers or dangerous situations at work to the person in charge and/or the competent Workers' Safety Representative, as well as containing a detailed description of the roles and tasks of the main players in safety management. Similarly, the Compliance Officers and Managers are required to collect such reports and to act in accordance with the Company procedures identified for the management of critical issues, respecting the timescales and methods corresponding to the level of risk associated with them. Considering the relevance of this issue, Poste Italiane has adopted information, education and training mechanisms for all employees, in order to adequately manage, in accordance with both the protective measures set out in the Risk Assessment Document and the corporate reference, any work situations from which injuries or occupational diseases could result.

The Company, in line with specific processes codified within the adopted health and safety management systems, carries out near-miss and accident analysis at work. With a view to continuous improvement, each production unit of the parent company and the Group companies carry out constant monitoring of accidents, specifically related to incidents, in order to identify - or manage - the triggering factors.

By means of the three-year moving average, which considers accident data from 2017 until 2022, before and after Covid-19, it is possible to observe the development of the number of occupational accidents of the Parent company. This metric, in addition to mitigating the distorting effects caused by exceptional events (such as pandemics) in the calculation of the accident trend, makes it possible to assess the effectiveness of management actions aimed at containing the risk factors controllable by the Company (such as the progressive adoption of the Lean methodology in the sorting centres), with a medium to long term time horizon.

Health Surveillance is carried out in the Group by a pool of company doctors who, within specific territorial perimeters, carry out the provisions of article 41 of Legislative Decree 81/08 (visits, inspections, periodic meetings, spot

consultations). The network is coordinated by a competent doctor who supports the Employers and the Prevention and Protection Service for the governance aspects of health surveillance. The Risk Assessment Document for tabulated risks, pursuant to Legislative Decree 81/2008, as amended, and the Group's five Health Protocols list the activities subject to health prevention measures:

- specific risk of manual handling of loads;
- specific risk from exposure to display screen equipment;
- night work;
- no addiction to narcotic and psychotropic substances, no alcohol dependence;
- specific risk from site inspections.

With regard to workers engaged in tasks/activities involving exposure to a specific (tabulated or assessed) risk, a health surveillance programme is activated, which includes medical examinations, supplementary health checks and toxicological tests.

During 2022, Health Surveillance activities were carried out continuously, throughout the country, in compliance with health protocols and current regulations. In addition, until September 2022, exceptional Health Surveillance was ensured for personnel with a “Fragility” condition, as well as the management of the post-sickness return process from Covid-19 with the adoption of all the necessary precautionary solutions for the worker's health to cope with the risk from SARS-CoV-2.

The Workers' Safety Representatives (RLS), who are among the main players in the management of health and safety in the workplace, are chosen directly by the workers within the framework of the Company's trade union representatives, as provided for by Legislative Decree 81/08. The RLS are periodically consulted not only following the introduction of new risk assessment methodologies, but also on the occasion of organisational or process changes that may have an impact on occupational health and safety, as well as during the drafting of the Risk Assessment Document. Adequate, timely and preventive consultation with the RLS allows them to obtain useful advice for the timely fulfilment of legislative obligations and for the continuous improvement of workers' health and safety. The consultation may concern all the Workers' Safety Representatives of the national territory or only those of a specific territory.

Discussion between employers and workers, promoted by the Group, takes place through the National Joint Observatory (OPN) and the Regional Joint Bodies (OPR). Thanks to these committees, in which national and territorial, employer, trade union and RLS representatives participate, the Company involves all stakeholders in order to address specific health and safety issues arising also from workers' reports, share occupational health and safety initiatives and start the process of consulting RLS on risk assessment. Therefore, Joint Bodies meetings are convened whenever the need arises and not according to a pre-established schedule.



Over the years, Poste Italiane has defined a multi-year plan for the Company-wide adoption of health and safety certifications, which in 2021, led to the completion of the certification process for all of the Parent Company's production units. In 2022, Occupational Health and Safety Management Systems compliant with the UNI ISO 45001 standard were kept active, with related certifications, in all the production units of the Parent Company, according to the plans and strategic objectives set. Group companies also adopt OHS Management Systems certified by accredited certification bodies. As of 2022, the main Group companies certified according to the UNI ISO 45001 standard are: EGI SpA, PosteVita SpA, PosteAssicura SpA, SDA SpA, Postel SpA, Poste Air Cargo Srl, Bancoposta Fondi SpA, Postepay SpA. Poste Italiane's goal is to maintain this certification in all of the production units of Poste Italiane SpA and of Group Companies.

Health and Safety at Work audits and controls are systematically carried out not only by each production unit within its own OHS Management Systems, but also by Corporate Protection, transversally, in each production unit of the Parent Company and in the Group Companies. Specifically, the activities carried out in 2022 by the latter consist of:

- audits on Occupational Health and Safety/Environment Management Systems with the aim of verifying that the management systems adopted in the Company comply with the requirements of the reference standards and that they are correctly implemented and maintained;
- technical audit, control activity aimed at analysing and evaluating the state of OHS compliance of sites, with particular reference to plant/structural aspects;
- operational checks and raising awareness of the health and safety of personnel working at sites, in particular operational checks at Delivery Centres and Post Offices aimed at assessing the overall state of safety in terms of infrastructure, systems and working processes.

To monitor and control the effectiveness of the OHS policies adopted, Poste Italiane uses several tools, including:

- GISLA (Computer, Occupational Safety and Environment Management);
- Platforms for training management;
- GIW (Digital Accident Management);
- SSA (Safety Self Assessment);
- Real Gimm (share for the management of maintenance impacting OHS);
- File Maker (share for the management of real estate works impacting OHS);
- EDVR (Electronic management of Risk Assessment Documents);
- EPI (Emergency Management Poste Italiane);
- Green Pass (GP Control System).

The performance and targets set are constantly monitored and reviewed at the planned review of adopted OHS Management Systems.

Finally, it should be noted that with the end of the state of health emergency on 31 March 2022 and the improvement in the epidemiological development, mainly linked to the considerable reduction in the expected damage in the event of contagion, a reshaping of the anti-contagion measures was implemented during 2022. Specifically, the protective measures adopted according to the actual level of risk, the regulatory framework in force from time to time and the indications of the Health Authority, were as follows:

- information to external personnel (maintenance staff, consultants, customers, etc.) and employees about the risk containment measures adopted by the Company and the relevant rules of conduct;

- distribution, at such intervals as to ensure their availability at all times, of respiratory protective masks for all workers;
- publication of safety procedures and operating instructions for the management of symptomatic cases and Covid-19 cases in the Company;
- communication campaigns aimed at continuously raising staff awareness on the adoption of correct behaviour aimed at preventing the risk of infection.

In any case, the Committee for monitoring the implementation of the described protection measures, established by specific agreement within the National Joint Observatory, remains active.

With specific reference to the logistics and delivery sector, which is the sector most exposed to road traffic risks, Poste Italiane implemented several initiatives, including the constant risk assessment and updating of risk assessment documents (DVR) following the reorganisations in the delivery sector and the measures taken to combat Covid-19.

It is planned to record any type of event (from unsafe condition to unsafe action, medication and near miss) in a new computer application, S-EWO, with an in-depth analysis of the dynamics of accidents, as well as to increase the use of the sanctioning lever in cases of non-compliance with existing procedures/instructions.

In order to share information on the accident phenomenon with the territory, daily, weekly and monthly reports were produced centrally. Furthermore, in order to adequately analyse the phenomenon and share best practices, it is emphasised that there is a monthly Security Committee with all Macro Logistics Areas (MAL) coordinated by the central Security and Infrastructure structure.

With regard to the reduction of accident events, the Group has replaced all equipment that is a source of potential accidents with new equipment, such as Automated guided vehicles instead of man-mounted trucks and/or pallet trucks.

Lastly, thanks to constant innovation, Poste Italiane uses modern types of sorting equipment (TOP2K, XMS, Solysort, Easy Sorter) and has introduced the "App Safety" function for the post officer's PDA that allows:

- self-certification by workers of the PPE worn prior to the start of outdoor work;
- increasing the risk awareness of post officers by involving them in the detection of unsafe conditions, near misses and accidents;
- promptly informing post officers of imminently dangerous conditions;
- speeding up the dissemination of information/news/procedures related to occupational safety and the environment.

Security in Logistics





**LEARN ABOUT THE ARTWORK
WITH AUGMENTED REALITY**

Scan the QR code with your smartphone
and click on the link.



LIVIA MASSACESI |
Visual designer



Diversity and inclusion

The value of diversity for an inclusive corporate culture.

- **Equal Salary certification** obtained for **pay equity policy**
- **ISO 30415** certification obtained for “**HRM – Diversity & Inclusion**”
- New **Support for Active Parenting Policy** approved
- **46%** of middle and senior **women managers**

< 7.11 Diversity and inclusion



DIVERSITY AND INCLUSION FOR US:
scan the QR code and watch the video



MAIN RELATED TYPES OF CAPITAL



IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL

OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2022	OUTCOME
------------	-----------------	--------	----------	------	---------

Strengthen the presence of women in management succession plans, instrumental to increasing the presence of women in positions of greater responsibility in the Group	• % of female succession candidates	• 45% by 2024	2021	• 36.4%	
Invest in the internal development of STEM skills and roles and the promotion of cultural reference models from a pluralistic, gender equality perspective, with male and female role models	• No. of awareness-raising campaigns • No. of editions within the framework of initiatives for the younger generation • % role models	• 2 by 2023 • 10 by 2023 • +50% by 2023	2021	• 1 • 18 • +110%	
Increasing the involvement of women in the mentoring programme	• % female mentees • % female mentors	• + 65% by 2022 • + 35% by 2022	2021	• 72% • 47%	
Promote intergenerational matching between mentor and mentee within the mentoring programme	• % matching of mixed-generation pairs	• 40% by 2024	2022	NEW	
Increase the involvement of women in coaching programmes	• % of female coaches	• +65% by 2022	2021	• 159%	
Strengthen caring measures towards colleagues with chronic diseases and/or serious pathologies through corporate awareness plans and the availability of services aimed at inclusion	• % of the detected target reached by the caring measures identified	• 40% by 2022	2019	• 85%	
Extend caring and listening measures for colleagues with chronic and/or serious illnesses or who are in vulnerable and fragile situations, to accompany their inclusive return and support their mental well-being	• % of the detected target reached by the caring measures identified	• 40% by 2024	2022	NEW	
Implementation of campaigns and awareness-raising actions on issues of labour inclusion and LGBTQ+ rights	• No. of awareness-raising campaigns and/or welfare in support of social parenting	• 2 by 2023	2021	• 1	
Specific employer branding on diversity and inclusion, in synergy with universities	• No. of universities involved	• 4 by 2022	2019	• 6	
Carry out training and awareness actions on the protection of human rights	• % of the company workforce	• 60% by 2022	2019	• 77.4%	
Support on the company intranet for diversity and inclusion themes and the related commitment of the Group	• No. of dedicated editorial plans (e.g. new "D&I" column) • No. of serial podcasts with progressive publication addressed to all employees	• 2 by 2022 • 1 by 2022	2021	• 74 published news items • One podcast series "In other words" created with the first three releases	
Take pervasive actions to implement the diversity and inclusion strategy through envisioning workshops, meetings and thematic awareness-raising events integrated into work processes and relations	• No. of initiatives (workshops, D&I meetings, thematic events)	• 28 by 2024	2021	• 17	
Contribute to the strengthening of measures and pathways to promote active parenting, including as levers to combat the falling birth rate, and to foster an increasingly balanced distribution of care burdens	• Active Parenting Policy formalised • No. of interventions carried out	• Active Parenting Policy formalised by 2023 • 2 by 2023	2021	• Publication of the Active Parenting Policy • 1	
Create an ad hoc diversity and inclusion community to spread a growing sensitivity and awareness of the value of diversity and inclusion at all levels of the organisation	• % of company population involved	• 100% by 2022	2020	• A community with 40 supporters was created	
Promote the creation of Employee Resource Groups (ERGs) among employees with common interests on diversity and inclusion issues to set up open exchange and discussion groups within the dedicated community	• No. of Employee Resource Groups (ERGs)	• 2 by 2024	2022	NEW	
Promotion of an intercultural vision in the Company for the development of inclusive solutions through the implementation of participatory processes characterised by the coexistence of a mix of different cultures among employees	• No. of regional cases to which the pilot project was extended	• 2 by 2023	2021	• Launch of the nationwide pilot project	
Set up an editorial content plan to support women's employment and leadership focused on Goal 5 of the 2030 Agenda, which is also aligned with global events and initiatives on the topic	• No. of integrated, multi-channel editorial plans	• 1 by 2022	2021	• One editorial plan with eight published news items	
Equal Salary Certification	• Certification	• Obtaining certification by 2022	2020	• Obtained	
Strengthen the Employee Corporate Volunteering project through the development of a new engagement platform and the definition of social programmes integrated with the corporate sustainability strategy	• No. of engagement and training plans • No. of programmes with social value	• 1 by 2024 • 3 by 2024	2021	• One engagement plan	
Openness to community welfare logic in synergy with local communities, providing corporate welfare services to support the vulnerabilities of employees and citizenship	• No. of initiatives/services activated	• 2 by 2024	2021	• Planning commenced for redevelopment of company property	
Increase the implementation of initiatives that use inclusive formats to facilitate accessibility for people with disabilities or special educational needs	• No. of educational formats for Group employees	• 1 by 2024	2022	NEW	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Protection of human rights

NFS

Poste Italiane is aware of the key role it can play in promoting the principles of sustainable development, given its great importance as a Company within the Italian economic and social context. Therefore, the Group has adopted a Code of Ethics, supported by several corporate policies and guidelines to protect and safeguard Human Rights. These include the Corporate Policy on the Protection and Safeguarding of Human Rights, the Policy on the Diversity of Management and Control Bodies, the Diversity & Inclusion Policy and the more recent Active Parenting Support Policy. Moreover, in compliance with the international principles concerning the protection and safeguard of Human Rights, in addition to following the above-mentioned corporate policies and guidelines, Poste Italiane is committed to ensuring the well-being of all the people working in the Company or collaborating with it, and to improving the conditions of the community in which it operates, by playing an active role in the dissemination of the principles laid down in the regulations and international standards.

Poste Italiane is committed to assuming increasing responsibility for the protection of Human Rights, both in the interest of the people who work with the Company and those in the community in which it operates

The Group's Corporate Policy concerning the safeguard and protection of Human Rights reiterates the rules of conduct to be observed in relations with all stakeholders with whom the Company interacts, as already set out in the Code of Ethics. Poste Italiane pays particular attention to the protection of the rights of all those who are included in the Group's value chain, and who belong to specific categories such as: own workers, women, children, indigenous people, migrants, external workers, local communities, suppliers and partners, customers, people with disabilities, and people who are victims of any form of discrimination and violence. The Policy sets out the Company's commitment to align company processes with the main international standards and best practices, and to promote these principles and periodically report on the performance achieved, in terms of management and monitoring methods, identified risks and management and mitigation actions. The Policy also regulates various aspects concerning the prevention and condemnation of all forms of discrimination or violence, including forced or child labour and human trafficking, and promotes freedom of association, the right to collective bargaining and fair remuneration, with the aim of supporting personal well-being.

Poste Italiane considers it essential to encourage and develop a business culture based on respect for and appreciation of diversity in all its forms and manifestations, at all levels of the organisation. Managing diversity in an inclusive manner not only creates shared social values, but also provides a competitive advantage for the entire Group and intensifies people's engagement and commitment to the Company's goals.

MAIN RELATED TYPES OF CAPITAL



The projects and initiatives promoted by Poste Italiane in order to ensure social inclusion and enhance diversity are part of a broader strategic framework, which is aimed at developing balanced organisational models that favour communication and the emergence of personal characteristics, while protecting individual vulnerability. The path taken by the Group is geared towards evolving from an approach focused only on the protection and integration of diversity, towards a more proactive strategy aimed at overcoming barriers and solving the factors that hinder the employment inclusion of individuals. In fact, the Company's mission and strategy on diversity and inclusion are defined with the aim of creating a collaborative, supportive and open working environment that allows the Group to maximise the resulting opportunities, both for the well-being of the Company and for competitive advantage in the business.

The Group has enshrined its guiding principles and values through the elaboration and formalisation by the Board of Directors of a Diversity & Inclusion Policy, through which the governing body defines measurable, multi-year objectives. In particular, the Diversity & Inclusion Policy is based on four pillars: Gender, Generations, Disability/Vulnerability and Interculturality/Inclusive Culture, and was developed through a bottom-up process involving listening to the ideas and the needs of the corporate population. Thanks to this process, numerous projects were proposed on topics such as development and opportunity, open communication, inclusion and care, participation and dialogue, culture and awareness. The Policy is available online on the company website, and is communicated to all employees through specific training sessions, based on roles and responsibilities. With reference to updating, the Policy is evaluated at least once a year, based on the evidence emerging from the assessments and from the monitoring of national and international trends.

Gender

The Group has embarked on a path with more than 10 projects to support gender equality and remove obstacles to women's professional development. In particular, the Group contemplates the strengthening of governance systems for career progression, the design of composite focus groups aimed at assessing the main conscious or unconscious biases that influence inclusive leadership, improving work life adjustment mechanisms in terms of reconciling and sharing family responsibilities, and adhering to the path for the prestigious international Equal Salary certification, achieved in November 2022, as per the ESG plan, further sanctioning and confirming the Group's commitment to pay equity between women and men within the organisation.

The Group broadened its focus on issues concerning sexual orientation and the prevention of gender harassment in the workplace by extending an information programme to raise awareness among all employees. The aim is to provide an overview of gender harassment and its impacts on individuals and organisations, to promote a culture of respect in the workplace.

Generations

Poste Italiane promotes integrated strategies to foster dialogue and exchange between the different generations within the Company, taking into account demographic perspectives and their effects on turnover. The Group promotes the contamination of different social, cultural and professional experiences, as well as the different skills, knowledge and competences typical of each generation. This openness to complementarity and diversity encourages the interchange of experiences to support inclusion and employment opportunities.

Disability/Vulnerability

The Company has undertaken awareness-raising initiatives at a collective level to preventively recognise situations of vulnerability and facilitate job placement and quality of work for people with sensory, motor or cognitive disabilities.

In this context, Poste Italiane is committed to developing intervention policies aimed at spreading an inclusive business culture and introducing a distinctive identity that takes into account situations of fragility.

Interculturality/Inclusive culture

Poste Italiane has designed multi-year initiatives aimed at promoting interaction between different cultures and experiences through envisioning programmes and the dissemination of knowledge in organisational and managerial environments, with the objective of promoting a cross-cultural vision open to multi-level confrontation and geared to organisational and social cooperation.

The Diversity & Inclusion programmes, in line with the provisions of the Company Policy, are monitored using indicators developed annually in collaboration with the Group's Sustainable Development, Risk and Compliance function in the Corporate Affairs area, in line with the evolutionary guidelines of the corporate sustainability plan.

Poste Italiane maintains, in continuity with the previous year, its Diversity & Inclusion Plan, drawn up following an active participation process which envisaged the establishment of cross-functional working groups made up of professionals and middle-managers who operated according to a bottom-up logic, elaborating project proposals that have been evaluated on the basis of two variables, the qualitative-quantitative impact on the company population and the speed of implementation. The Plan is aimed at generating significant change processes that bring added value to people, organisational behaviour, leadership styles and relationships within the Group. Through the implementation of targeted projects and initiatives, as well as communication and awareness-raising campaigns, the Group promotes engagement, listening and trust, the creation of inclusive working environments, and in general, the improvement of the corporate organisation through the enhancement of differences.

Moreover, to further spread knowledge and understanding of the importance of each individual within the Company and of the initiatives supporting diversity, and to promote the contamination of different cultures and experiences in order to trigger participatory processes characterised by the co-presence of a set of different cultures among people, a special "Diversity & Inclusion" section is available on the NoidiPoste corporate intranet, containing news, documents and multimedia material. Finally, a series of podcasts entitled "In Other Words" was launched, which aims to focus on listening in the telling of stories of diversity and inclusion.

The Company's commitment to promoting an inclusive culture is a cultural journey that can enrich the experience of staff throughout their working careers, with both individual and collective benefits. To this end, the Company works constantly and systematically, implementing synergistic actions to develop analysis models and indicators consistent with people management processes. This system allows management to evaluate scenarios, objectives and metrics in a transparent and visible manner both within the organisation and for external stakeholders.

Smart Café

Thematic paths
on interculturality



To underline the Group's commitment to promoting initiatives for development and integration of the management community, Poste Italiane is carrying out the "Smart Café" project, which consists of conversations dedicated to managers with the aim of fostering dialogue with a high level of interculturality at work and beyond.

These conversations focus on thematic paths that make different cultures and knowledge visible, also considering generational differences. Using an innovative mode of communication and relationship, the project aims to create an intercultural space for the exchange of contributions, points of view and social, cultural and work experiences.

In particular, with the special edition of "Smart Café" dedicated to generational confrontation, the contamination of different social, cultural and work experiences is promoted to strengthen the alliance at work between the different generations.

In 2022, the Company was certified according to the standard ISO 30415:2021 Human resource management - Diversity and Inclusion for its ability to integrate the principles of diversity and inclusion in all processes of design, direction, control, coordination and delivery of postal, financial, insurance and digital services. The Group is the first large company in the FTSE MIB certified according to the Uni ISO 30415:2021 standard, an acknowledgement that once again confirms the central role that Poste Italiane assigns to the principles of sustainable development.

The conscious management of diversity in an inclusive key, in addition to creating shared social value, determines a competitive advantage for the entire Group and is functional to promoting people's engagement with respect to corporate objectives. In fact, obtaining the ISO 30415 certification represents a further merit of the Company, which is added to other important recognitions obtained by Poste Italiane.

Poste Italiane obtains the Acknowledgement Diversity and Inclusion

During 2022, the first 8 innovation workshops were also conducted for territorial operational heads, who, with the methodology of polarity thinking, concretely tackled the issues related to one of the four aspects that make up the Diversity & Inclusion Policy, putting themselves into play concretely and drawing up their own personal action plan.

During the year, all Diversity & Inclusion activities were carefully monitored and evaluated through a feedback system to ensure continuous improvement and to enable participants to co-design subsequent initiatives. The Company recognised the importance of increasingly integrating the social, relational and process dimensions of Diversity & Inclusion into its strategic vision. To this end, a survey was launched in November on the entire company population through the survey "Poste IN Diversity & Inclusion according to you", which aims to gather information on individual and collective knowledge and perception of Diversity & Inclusion issues, as well as the Company's commitment in this area. Specifically, employees' perceptions on the following different areas were requested:

- Diversity & Inclusion knowledge of respondents;
- Knowledge of the four areas of D&I;
- D&I attitudes;
- Ratings and opinions on D&I in the Company;
- Knowledge and opinions of D&I projects and policies in Poste Italiane.

The survey was carried out in cooperation with "Work Wide Women", and was disseminated online via the company intranet, official news, TG Poste and the newsletter.

In order to prevent any possible negative impact on the corporate population to whom the initiatives are addressed, all events are publicised, enhanced and communicated on the internal website, so that the corporate action in this area can be made known and the population can participate. In addition, feedback is systematically provided to employee comments and reports on the company intranet community in order to ensure timely clarity of information and offer contextualisation elements useful for participation and contribution to the collection of any aspects of process improvement.

The main actions aimed at promoting Diversity & Inclusion are overseen in the Human Resources and Industrial Relations area through the People Care and Diversity Management function, set up in 2019, within which a contact person

operates with the role of promoting the implementation of the project initiatives envisaged in the Diversity & Inclusion Plan, also taking care of programme management activities for cross-functional projects. To support these initiatives, a budget defined on the basis of annual planning is allocated. Generally speaking, Diversity & Inclusion projects and initiatives are managed by internal databases through dedicated company systems for mapping participants, reporting and monitoring, as well as through the company intranet.

In order to ensure alignment with market trends and best practices, the HR Research Centre continued its activities in 2022, participating in inter-company round tables, also exchanging views with associations and institutions to generate new opportunities, visions and enabling orientations with respect to corporate objectives. The Centre also provides selected content, organised in thematic areas presented in an innovative editorial manner, using the dedicated online site, available to all employees in Human Resources and Organisation. The user-friendly platform encourages the exchange of information, the socialisation of experiences and the broad sharing of content and approaches in support of inclusive culture and people's well-being in general.

In order to act on the cultural awareness of the context in which Poste Italiane carries out its activities, professional figures called "Diversity and Inclusion Supporters" have also been identified, who operate in the Human Resources area throughout the country, with the aim of supporting and disseminating corporate initiatives and gathering suggestions and ideas from staff in the relevant areas, always in a bottom-up logic of collaboration and expression of needs, involving all corporate entities. The supporters were also included in a training course with the Palo Alto School to acquire the techniques of animation and management of corporate communities.

A wide range of initiatives promoted by the Company translate the principles of inclusion and equal opportunities into action. Fundamental to this was the drafting of the "Framework agreement on harassment and violence in the workplace", with which the Group aims to maintain a working environment in which respect and dignity are guaranteed for each person. Poste Italiane also cooperates with the two main advocacy organisations operating at national level, the Anti-Violence Network "D.i.Re" (Donne in Rete) and the voluntary association "Telefono Rosa", and finances a fund for the economic and working autonomy of women victims of violence, providing many of them with training opportunities, job placement

and in some cases accommodation. The principle of equal career development opportunities is applied by ensuring that personnel selection is carried out on the basis of professionalism and skills in accordance with the Company's needs, regardless of personal characteristics such as age, gender, sexual orientation, disability, ethnicity, nationality, political opinions and religious beliefs.

10

lodgings were made available for 40 women victims of violence throughout the country

There are also many good Company practices supporting maternity and paternity. In cooperation with "Valore D", an association of companies promoting diversity, talent and female leadership, Poste Italiane has committed to managerial training to promote the professional growth of its female employees. Poste Italiane promotes activities to raise awareness of gender-based violence through awareness-raising initiatives and constantly monitors the impact of such activities on the territory, in accordance with the Memorandum of Understanding entered into with the Ministry of Equal Opportunities. To this end, institutional messages of awareness-raising on these issues are visible on the screens of Postamat ATMs. In addition, the counter monitors also provide useful information such as the freephone number 1522 and the app for preventing and combating violence, including stalking and mistreatment.

Poste Italiane pays particular attention to every aspect that can increasingly reconcile work and family life, as well as to instances of violence against women. Faced with the emergency and the difficult consequences of the pandemic on the condition of women victims of violence, and given the availability of its own residential accommodation, the Group promoted the project "Housing autonomy for women victims of violence". The project, introduced in 2021, is in continuity with the project aimed at the labour inclusion of women victims of violence and their job placement launched in 2019. Poste Italiane has confirmed its commitment to these issues by fully funding the initiative for the second year running, demonstrating its leadership among companies on the Italian social sustainability scene. An important phase of the project was completed in March 2022, with the identification of 10 housing units belonging to the Company's real estate throughout the country to be reserved for the independent living of women and their daughters and minor children who find themselves in a particularly difficult economic situation, for a maximum of about 40 women per year, and for a total of 200 pathways to be followed over the entire duration of the project. Nine regions were involved, namely the provinces of Vercelli, Brescia, Padua, Bologna, Macerata, Rome, Bari, Naples, Salerno and Messina. The five-year project is coordinated by the Corporate Social Responsibility function in collaboration with the Real Estate function, and is enriched by the consolidation of the partnership with the associations D.i.Re (Donne in Rete) and Differenza Donna, Third Sector organisations

working to combat gender-based violence, widely present throughout the country, with the task of selecting women and following them along the entire path of housing autonomy.

Moreover, through the "Mortgage loan instalment suspension", Poste Italiane's commitment to the inclusion of women victims of violence through the implementation of the memorandum of understanding between ABI and the Trade Unions, to facilitate the repayment of loans by women victims of gender-based violence, was confirmed for 2022 as well. In addition, the Company signed the three-year Protocol on the implementation of policies on gender equality, equal opportunities and combating gender-based violence with the Ministry for Equal Opportunities and the Family on 13 April 2022, confirming its commitment within a broader institutional framework. The agreement signed on 25 November 2019 between ABI and the Trade Unions, which provides for suspending, where required, the payment of the capital portion of the instalments of mortgages taken out by women victims of gender-based violence who are on certified protection pathways and are in economic difficulty, was recently extended until 25 November 2023. Therefore, Poste Italiane, in continuity with the actions already undertaken, in agreement with the lending banks Deutsche Bank SpA and Intesa Sanpaolo SpA, has implemented the agreement with ABI and offers women the possibility of requesting the suspension of the payment of the principal amount of mortgage loans, with the corresponding extension of the amortisation plan, for a period not exceeding 18 months and in any case not exceeding the duration of the "protection path".

In relation to the Company's commitment to combating gender-based violence and the Housing Autonomy project, Poste Italiane held a webinar dedicated to project contact persons and Human Resources Managers. The aim of the initiative was to raise awareness on the topic of gender-based harassment and violence and the main tools to recognise the phenomenon and prevent it, while offering an overview of programmes for the employment and housing inclusion of women victims of violence.

Furthermore, during 2022, in order to strengthen the Group's commitment to its diversity and inclusion policies, an intervention plan has been identified in the area of affective orientation and gender identity, divided into the following areas, for which four working tables have been set up:

- Active parenthood: concerns the regulation of the employment relationship and in particular the institutes pertaining to parenthood and their application to homogeneous families. This is an area characterised by an important legislative intervention such as the Cirinnà Law no. 76 of 2016, which introduced same-sex civil unions into the Italian legal system;
- Change of corporate culture: focused on training and informing staff at all levels of the organisation to raise the level of awareness of each employee and overcome prejudices that often condition people's behaviour;
- Gender transition: the topic has important impacts in the corporate area in various aspects, from the initial phase of finding employment to dress codes, from management support for bosses and employees to identification docu-

ments during the transition process, to the rules of use of company premises (e.g. changing rooms and toilets). A further area for exploration is the possible support interventions that the Supplementary Health Fund can provide to accompany the transition process;

- **LGBTQI+ Policy:** drafting of a company policy that integrates the principles, values and rules that the Company intends to adopt with regard to standards of behaviour and internal organisational processes, also making a structured synthesis of the results emerging from the other working tables.

Poste Italiane considers to be of primary importance, and which it promotes and pursues also within its governing bodies. For this reason, the Group has adopted a “Diversity Policy for Management and Supervisory Bodies”, which is the document with which the Company declares its responsibility to adopt a perspective of this value

The Policy establishes the criteria for a qualitative and quantitative composition of the Board of Directors functional to the effective performance of the tasks and responsibilities entrusted to it, through the presence of individuals who ensure a sufficient degree of diversity of perspectives and skills, which are crucial for a good understanding of current affairs and the risks and opportunities associated with running the Company's business over the long term.

The Policy defines the criteria for selecting the members of the Board of Directors according to their responsibilities and tasks, as well as ensuring the presence of people with differ-

44.4%

of the **BoD** of the Parent Company is made up of **women**

ent perspectives and competences, who are able to manage the risks and opportunities related to the Company's business in the long term. Through the Policy, the Group is able to ensure a qualitative composition of the Board of Directors that is optimal for the effective performance of its functions. In defining said criteria, the Board of Directors considered various factors, such as the nature and complexity of the Company's business, the social and environmental context in which the Company operates, the experience gained by the Board itself with regard to the activities and functioning methods of the Board and of the internal Board Committees, as well as the results of the self-assessment processes carried out in recent years.

Finally, while respecting the requirements of professionalism, honour and independence, as well as situations of incompatibility and/or disqualification provided for by law, regulations and the By-laws, the Policy also takes into account age and seniority in office, gender, geographical origin and international experience. In addition, the Policy recommends specific professional expertise in the areas of finance or contribution policy, accounting and risk management, as well as adequate knowledge of the sector in which the Company operates in order to assess the associated risks.

The Company has started a partnership with “Parks - Free and Equal”, a non-profit association whose members are exclusively employers, whose aim is to help member companies, organisations and institutions understand the business potential of developing diversity-friendly strategies and best practices, in order to create inclusive and respectful workplaces for all employees, and in particular those belonging to the LGBTQIA+ community.

Poste Italiane promotes policies of inclusion to protect diversity, and the collaboration with Parks allows this path to be further strengthened. Awareness-raising initiatives were implemented to value the richness of plurality, accompaniment in cases of gender transition, counselling in the definition of training and communication programmes, and evolutionary integration in work processes and relations.

The collaboration thus aims to strengthen the cultural positioning of the Company in its diversity management path.

In this context, Poste Italiane has undertaken a series of initiatives to promote an inclusive working environment that is attentive to the needs of people according to their different identities. These initiatives include the production of an episode of the company podcast “In other words”, available on the company intranet and the NoidiPoste app, in which the Company emphasises the importance of creating an inclusive working environment that takes into account the different identities of people and their needs. Feeling welcome and included has a significant impact on the ability to relate and work effectively, crucial factors for an organisation that cares about the well-being of people both as individuals and as a community.

Parks – Liberi e Uguali

Gender identity
and coexistence of
differences



46%

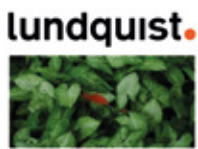
of female middle and senior managers in 2022

The Board of Directors, thanks to the assistance of an external company specialised in the sector, annually carries out the Board Review, a self-assessment in line with a procedure that

involves conducting interviews, also making use of specific questionnaires, with each director, statutory auditor and with the Secretary of the Board of Directors.

The final report prepared by the commissioned company is reviewed and shared with the Board of Directors in its collegiality. The Board Review carried out in 2022 showed that the quality profile of the administrative body in terms of skills, professionalism, experience and diversity, in its various meanings, is appropriate.

Poste Italiane's D&I strategy "The Hidden Potential of Inclusion"



Poste Italiane was cited as one of the "inspirational cases" within the research report entitled 'The Hidden Potential of Inclusion', conducted by Lundquist.

The research was promoted with the aim of creating a space for dialogue and pragmatic comparison in order to build paths of transformation in the area of Diversity and inclusion. Therefore, the Poste Italiane Group was taken as a positive example for having adopted a strategy based on objectives and measurability of the same, with the following reason: "Poste Italiane, through 21 targets set in 2021 and scheduled to be reached in 2024, shows what it wants to achieve and when. A well-set goal is halfway achieved."

Equal career development opportunities

NFS

Human Resources management is a priority for the Company, which is committed to ensuring respect for equal opportunities by recognising the value of each individual, and to reducing situations of individual fragility. In fact, as regulated in the Code of Ethics, the Group promotes the management and fair growth of intellectual potential, in line with the criteria of merit and the results achieved, guaranteeing equal treatment and condemning any form of discrimination. In accordance with this principle, the selection of the corporate population is based on individual skills and professionalism, in line with the Group's needs. The selection process is carried out irrespective of age, gender, sexual orientation, disability, ethnicity, nationality, political opinions and religious beliefs, which are not evaluation criteria, in accordance with the principle of impartiality expressed by the Group.

The development and enhancement of people's distinctive skills, in all their forms and manifestations, at all levels of the organisation, are key factors in supporting the growth of the Group's business. Poste Italiane adopts an approach aimed at the widest involvement of employees, enhancing their skills throughout the value chain, in order to gain a competitive advantage in the market and to generate shared social value.

MAIN RELATED TYPES OF CAPITAL



By maintaining constant dialogue with its employees and containing all forms of discrimination, Poste Italiane is able to promote the well-being of each individual in the Company

In line with previous years, Poste Italiane supports the "Charter for Equal Opportunities and Equality at Work", a declaration of intent voluntarily signed by companies of various sizes with the aim of promoting a corporate culture and human resources policies that are inclusive and free of discrimination and prejudice. By supporting this statement, the Group reinforces its commitment to valuing the individuality and diversity of the people in the Company. In fact, the Charter promotes principles aimed at fostering the creation of a working environment that reflects the values of inclusion and pluralism, offering equal opportunities to all people and valuing individual skills. Encouraging and developing a corporate culture based on respect for and appreciation of diversity is also a prerequisite to develop remuneration systems functional to enhancing the skills of each individual, which can guarantee optimal work performance and thus contribute to the creation of lasting shared value.

Poste Italiane continues to implement what has been set out in the Memorandum of Understanding with the Ministry of Equal Opportunities, in line with its commitment to enhance

diversity and to create a joint and effective action in communicating, raising awareness and disseminating the following issues:

- promote initiatives aimed at the protection and full affirmation of human rights, as well as preventing and combating all forms of exploitation of human beings and people trafficking;
- promote full implementation of policies regarding equal

opportunities between men and women, with particular reference to work-life-balance and career issues;

- prevent and combat sexual and gender-based violence, stalking and any other form of violence against and abuse of women and children;
- prevent and eliminate all forms of discrimination directly or indirectly based on ethnic origin, religion, personal beliefs, age, sexual orientation or gender identity.

Supporting maternity and paternity

In line with previous years, the Lifeed initiative, launched in 2015 under the name “MAAM”, “Maternity As A Master”, which supports family reconciliation, with a special focus on women’s participation in the world of work, continued in 2022. The programme, which can be used digitally, is aimed at enhancing parenting skills, which are also particularly useful when returning to work, in order to become more aware of the changes and skills acquired through the experience of caring for a child.

Registration is open to both women on maternity leave and new parents of children from 0 to 3 years of age, as well as managers involved with their employees, and from this year also parents of children up to the age of 18. During 2022, the programme involved the participation of about 900 users, who had the opportunity to enhance the skills acquired during their parenting experience.

The initiative is also supported by an online community that allows mothers and fathers to discuss parenting and the path they have taken, integrating their different experiences within a network of participants from various companies, sharing their learning, training and skills development process in a protected and stimulating environment.

In addition, a pilot edition of the MultiMe®Finder programme, a new tool offered by Lifeed in cooperation with the Kellogg School of Management at Northwestern University in Chicago, will be launched in 2022. This programme allows to explore and discover own skills and roles in different life experiences, both personal and professional. The initiative involved over 350 employees and extended not only to parents, but also to all people interested in improving their awareness and developing their skills for personal and professional growth. In fact, the programme aims to increase awareness of the roles played in different life experiences, enhancing the skills acquired as opportunities for personal growth, also in the work context.

The Group recognises the importance of parenting for men as well, being aware that it represents a significant opportunity to improve skills such as empathy, listening, understanding of others, patience and communication, and offers free and systematic parenting support seminars for all staff on paediatric prevention and parental support in the developmental and relational journey with children.

~900

employees participated in the **Lifeed** project in **2022**

In addition, an Active Parenting Support Policy was approved in 2022, with the aim of creating a customised support programme based on the professional profile and personal needs of employees, as well as encapsulating the Company’s programmes and regulations to support staff with children.

Through the Active Parenthood Support Policy, in line with ESG objectives, Poste Italiane strengthens its commitment to enhancing gender balance and overcoming stereotypes, discrimination and prejudice in the workplace, in order to promote conditions, measures and paths aimed at the individual and organisational well-being of people, focusing on paths to support the role of parents and actions to support the condition of women.

This programme consists of pre- and post-work development paths, the use of platforms to improve the soft skills acquired through parenthood, and the possibility of participating in refresher and coaching programmes to facilitate, if necessary, a return to work. In this way, the Group has introduced management and care processes that offer a concrete response to employees, enhancing inclusive policies and representing an investment in the future of the Company and families. Attention is also paid to the role of fathers and the sharing of care burdens in order to strengthen work-life balance mechanisms and measures to promote culturally ready contexts to accommodate these needs.

These initiatives are driven by increasingly innovative ways and perspectives, which aim to improve the quality of life of employees and promote a sustainable and fair working environment.

Within the actions envisaged by the Active Parenting Support Policy is also the launch of the “Mums At Work” project, which aims to offer company coaching programmes to support women returning from maternity leave, in order to facilitate the achievement of a work-life balance. In particular, new mothers are supported for about four months by in-house coaches who help employees refocus their goals and reconcile their new family needs with their return to their jobs at the Company.

The Company, in addition to guaranteeing the use of breastfeeding time off in accordance with the regulations in force, recognises the possibility for working mothers to be assigned during the first year of their child's age to their municipality of habitual residence or to a neighbouring municipality, provided that it is within their own Macro Territorial Area, without preju-

dice to their duties. In addition, with regard to tasks that can be remote, from 2022, the possibility of increasing the number of days on which work can be performed in smart working has been introduced for parents of children under three years of age.

Developing women's leadership

Poste Italiane's corporate identity has always been characterised by a strong female presence and a working environment free from all forms of discrimination and prejudice so that everyone can express themselves to the full, in accordance with the objectives shared in the Diversity and Inclusion Policy.

In the area of support for gender equality, numerous initiatives were promoted, starting with the partnership with "Valore D", and ending with the Equal Salary certification and the valorisation of STEM skills through the inclusion of young women with this course of study. These initiatives represent an important chapter of the Diversity & Inclusion Plan, which also includes strengthening management systems for career progression in middle management positions, enhancing work life adjustment mechanisms in terms of sharing family responsibilities, and removing potential obstacles to gender equality, including those related to sexual orientation and gender-based violence. Adhering to the Equal Salary certification pathway has enabled the Company to verify pay equity between women and men within its organisation,

enriching innovation processes, improving the Company's reputation and image, and offering maximum transparency with respect to Poste Italiane's ongoing commitment to gender equality issues.

The conscious management of diversity in an inclusive key, in addition to creating shared social value, determines a competitive advantage for the entire Poste Italiane Group and is functional to promoting people's engagement with respect to corporate goals. This is confirmed by the numerous awards obtained by Poste Italiane, including global leadership in gender equality according to Bloomberg's Gender-Equality Index and entry into the Top 100 global rankings on gender equality compiled by Equileap.

The recognitions obtained by Poste Italiane for its policies of attention to gender diversity demonstrate the rooting of these values in the corporate culture and the sharing of the path at every level of responsibility, further enhancing the Group's reputation in the markets and among the financial community.

Alliance between the generations

The Company supports school and career guidance projects, recognising the responsibility of socially responsible companies to promote the growth of the younger generation and to collaborate with the school system and families. For this reason, Poste Italiane collaborated with Consel-Consorzio Elis to participate in the two-year "School4Life 2.0" project, aimed at fostering a structured connection between schools and businesses and preventing school drop-outs.

Poste Italiane has also implemented programmes to strengthen the alliance between the corporate world and the world of education, with initiatives for orientation and dialogue between generations. These programmes provided opportunities for collaboration between seniors and students to overcome vertical barriers and foster the exchange of experiences to support inclusion and employability.

Role models, mentors and in the future also trade masters are the roles that the company experts identified play to inspire young people and guide them in their study and work choices, encourage the expression of their critical thinking, transfer trade-related skills and bring them closer to the complex and ever-changing world of work. In fact, Poste Italiane continued its collaboration with "Valore D" for the realisation of orientation programmes aimed at encouraging girls and boys of school age to follow their aspirations, free from gender conditioning, through dialogue with internal role models, in order to actively affect common stereotypes that accompany the younger generations.

Poste Italiane, as part of its actions in support of intergenerational exchange within the organisation, has promoted the “Generazioni Connesse” (Connected Generations) survey, an initiative in continuity with the “FishBowl generation” project, which aims to focus on the languages, working styles and needs of the main generations present in the Company in order to identify and enhance shared actions capable of stimulating generational alliance.

The survey analysed, among other aspects, the frequency and quality of relations between employees of different generations and gathered feedback and suggestions for improving collaboration between them. Numerous employees with a wide range of skills, including tellers, delivery personnel and staff members, participated in the survey. The results showed that most of the participants regularly have the opportunity to work with people from different generations and believe that generational differences represent an added value.

The research also provided relevant insights to develop further initiatives to foster dialogue and exchange between generations in labour relations, such as the experimental project “The value of experience”, job training between pairs of employees of different generations to compare techniques, approaches and skills acted upon.

“Generazioni connesse” Enhancing intergenerational collaboration



Enhancement of disabled personnel

Consistent with the objective of enhancing diversity and social inclusion, the LIS Project continues at Poste Italiane in a number of Post Offices nationwide. This project aims to set up a desk offering services in sign language to customers with hearing disabilities. The customer is assisted by staff able to express themselves in Italian sign language for normal counter activities, such as paying bills and sending mail and parcels. Currently, the initiative involves 10 Post Offices with a total of 11 resources in the six Macro Territorial Areas. In September 2022, on the occasion of the International Day of Sign Language, Poste Italiane broadcast the webinar “Digital

Citizens”, which illustrated the essential elements to pay attention to when surfing the web and also provided food for thought to increase digital awareness. The webinar is in addition to the multimedia content available on the Poste Italiane website, created to meet the different needs of users in terms of accessibility and communication methods. In fact, tools with predominantly visual characteristics such as infographics and video briefs, playful-educational narrative elements such as interactive games were created. These initiatives are part of Poste Italiane’s broad programme to offer services and tools accessible to all users.

Supporting vulnerability

In 2022, Poste Italiane continued its commitment to the “Noi Siamo Qui” (We Are Here) caring initiative, aimed at supporting workers with fragility due to serious illnesses or chronic diseases with dedicated listening actions, work flexibility interventions, and the activation of business coaching paths with an inclusive approach to accompany an effective reintegration into work. The aim is to offer, among other measures, a listening

pathway to identify the main cultural, organisational and management implications of fragility conditions and, at the same time, to spread growing awareness and company proximity on the issue. Among the new services launched for the project target group, the possibility of requesting a second opinion for oncological and cardiovascular diseases was also introduced in cooperation with the Company’s Medical Centre.

In December, Poste Italiane organised the first Diversity Day event “**Poste Plurale Universale**”. The aim of the event was to share a moment of transversal attention on the inclusive path undertaken by the Company, in line with the objectives of the Group’s Strategic Plan and the pillars of the Sustainability Strategy.

During the event, external guests and employees gave testimonies on the four dimensions of Diversity & Inclusion: Gender, Generations, Vulnerability and Interculturality, offering an immersive experience in diversity.

The event was made accessible to the entire corporate population in streaming, which is also accessible thanks to the presence of LIS interpreters.

In addition, an itinerary was created at the event to raise awareness among families on digital inclusion and the risks involved in building a digital identity.

A feedback questionnaire was also conducted anonymously to employees who attended the corporate event to gather ideas and reflections for improvement. Employees shared their experiences with authenticity, generosity and courage to help other participants learn about the actions implemented by Poste Italiane. Numerous positive feedbacks were received, underlining the appreciation of the initiative and the value of the inclusion pathway.

“Poste Plurale Universale” People at the centre of the inclusion process



In addition, in order to ensure the re-employment of “workers in fragility condition” who were unable to work at the Company’s premises in connection with the health emergency, Poste Italiane continued the Insourcing and Re-employment programme, which started in 2021.

In order to promote the psychological well-being of its employees, a new project has been set up in 2022, which will start in early 2023, a “Listening, Guidance and Support Counter”, whose services include access to a dedicated platform to support people’s mental well-being and offer a concrete response to challenges, changes and vulnerable situations that may arise in daily life. The platform will provide access to a network of selected psychologists and psychotherapists to undertake an accompanying pathway, and will make available various accessible content, such as various scientific tests for the self-assessment of global well-being.

In order to promote the psychological well-being of its employees, a new project has been set up in 2022, which will start in early 2023, a “Listening, Guidance and Support Counter”, whose services include access to a dedicated platform to support people’s mental well-being and offer a concrete response to challenges, changes and vulnerable situations that may arise in daily life. The platform will provide access to a network of selected psychologists and psychotherapists to undertake an accompanying pathway, and will make available various accessible content, such as various scientific tests for the self-assessment of global well-being.

In 2022, Poste Italiane promoted, for the tenth edition, the initiative dedicated to disabled children and siblings of employees, which includes two summer holiday periods of fifteen days each. Thanks to this initiative, around 40 boys and girls had the opportunity to spend time being entertained and receiving individual assistance from dedicated caregivers, thus fostering an experience of socialisation and full integration, as well as allowing families to benefit from relief in their daily care needs.

For the third consecutive year, Poste Italiane also participated in “4Weeks4Inclusion”, the largest inter-company event in Italy on diversity and inclusion. Over the course of four weeks, the event involved more than 300 partners including companies, universities, associations and non-profit organisations who shared events, in presence and digitally, realising moments open to the public and thousands of social interactions. Through the initiative, the Company realised its own event on the occasion of the “Day against Violence against Women” on 25 November, entitled “Corporate Volunteering in Support of Women Victims of Violence”, to show the continuity of its commitment in this area. This was followed up with a targeted editorial plan on the NoidiPoste corporate intranet. In addition, the Company, already a signatory of the Equal Opportunities Charter, joined the “European Diversity Month”, a thirty-day initiative promoted by the European Commission that aims to raise awareness of the importance of diversity and inclusion in the workplace. The Company participated in the project by making an intercompany video with testimonies of people from different cultures and involved the entire company community in the “Let’s Movie” initiative, through which employees were able to share their preferences on diversity and inclusion, suggesting films and TV series on stories of inclusion and respect for diversity to build a virtual commented and shared list.

As part of the promotion of diversity and inclusion, Poste Italiane further intensified its cultural awareness and training activities, including through six “Diversity Innovation Meetings”, with the aim of exploring the main aspects of diversity, focusing specifically on the issues of gender equality, intergenerational alliance, vulnerabilities, interculturality and inclusive language. During these meetings, start-ups, third sector organisations and institutions were invited to share their experiences and knowledge on promoting inclusion. Following their speeches, the participants divided into working groups and discussed together co-generating ideas to be implemented in our specific reality. The initiative received positive feedback from participants for the effective interactivity and the high level of inspiration of the testimonials.

Poste Italiane’s support to food collection

Together in the 26th edition



Among the solidarity initiatives held during the course of 2022 that saw the participation of Poste Italiane was the twenty-sixth National Food Collection Day, the initiative organised by Banco Alimentare Onlus that allows people to donate part of their grocery shopping to those in need.

The Group provided over 150 Company vehicles to transport the donated foodstuffs and employees responded positively to the solidarity day, participating both as drivers and as volunteers in the supermarkets. In just one day, 6,700 tonnes of food were collected in 11,600 outlets, a sign of trust that testifies to the value of the solidarity initiative as concrete help for the weaker sections of the population.

In December, the first functionalities of a Diversity & Inclusion KPI monitoring dashboard were released. Based on the typical processes of the Human Resources function, it analyses, by organisational function and territory, the trend of the main variables on the four Diversity aspects: gender, generations, disability/vulnerability and interculturality. The dashboard will make it possible to keep track of movement across the four aspects and intervene promptly in the event of out-of-line targets and critical situations. It will be a useful tool to accompany an ongoing and widespread awareness-raising on processes impacting on Diversity & Inclusion dimensions.

In addition, to support the focus on the Corporate Volunteering project, an inspirational streaming event was organised, extended to the entire company population, with the aim of reflecting, through external and internal testimonies, on the meaning and value of the role of a volunteer in the social area and in the Company. The event was an opportunity for colleagues to take a closer look at the activities of Corporate Volunteering and its evolutionary perspectives, with the possibility for everyone to contribute with their own participation to the new social objectives that arise and move also in workplaces and relationships from a social and community welfare perspective.



**LEARN ABOUT THE ARTWORK
WITH AUGMENTED REALITY**

Scan the QR code with your smartphone
and click on the link.



RICCARDO GUASCO
Illustrator



Creating value for the country

Helping Italy recover.

- **Financial and digital education and inclusion projects** for citizens, customers and businesses
- **Certification of 100%** of the Group's **financial consultants** in accordance with **ISO 22222**
- **70.000** participants to the **Edufin events**
- **42%** of investments for **well-being** and **social inclusion**

< 7.12 Creating value for the country



CREATING VALUE FOR THE COUNTRY FOR US:
scan the QR code and watch the video



MAIN RELATED TYPES OF CAPITAL



IMPLEMENTATION
STATUS 2022

MAIN TYPES
OF CAPITAL

OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2022	OUTCOME
Polis Project	<ul style="list-style-type: none"> Creation of "One-Stop Shops" for 6,933 Post Offices located in small municipalities Creation of a national network of 250 co-working spaces 	• 2026	2022	NEW	
Increase the inclusiveness and sustainability of financial education activities through the implementation of a comprehensive Edufin Events Plan	<ul style="list-style-type: none"> No. of basic sequence events No. of themed web sequence conferences 	<ul style="list-style-type: none"> • 134 by 2022 • 9 by 2022 	2021	<ul style="list-style-type: none"> • Around 70,000 participants 	
Increase people's knowledge of new delivery and logistics models and digital issues through webinars dedicated to the individual macro areas and also accessible to people with hearing disabilities	<ul style="list-style-type: none"> No. of webinar sessions held on new delivery and logistics models with sign language translator and subtitles No. of webinar sessions held on digital with sign language translator and subtitles 	<ul style="list-style-type: none"> • 6 by 2022 • 6 by 2022 	2021	<ul style="list-style-type: none"> • 6 • 6 	
Maintaining certification of financial advisory service and the skills of people operating in accordance with the ISO 22222 standard	<ul style="list-style-type: none"> % of ISO 22222 certified financial advisors 	• 100% by 2023	Every year	NEW	
Increase the Group's support for initiatives in the "well-being and social inclusion" category	<ul style="list-style-type: none"> % of well-being and social inclusion investments 	• +10% by 2022	2019	• +55%	
Strengthen the Group's action in support of the community through initiatives aimed at promoting sectors related to culture and art, on which the continuation of the pandemic and health restrictions had the most serious impact	<ul style="list-style-type: none"> % of areas covered by initiatives for the promotion of the culture and art sectors 	• +10% by 2022	2021	• +29%	
Strengthen Poste Italiane's local presence with initiatives and projects to benefit increasingly large and broad local areas	<ul style="list-style-type: none"> % increase in the number of Italian municipalities involved in initiatives supported by Poste Italiane 	• +10% by 2023	2022	NEW	
Support the implementation of the Polis Project through specific training activities	<ul style="list-style-type: none"> No. of training pills for the entire population No. of specialised courses for the population of POs involved in the project 	<ul style="list-style-type: none"> • 1 by 2023 • 3 by 2023 	2022	NEW	
Increase knowledge of financial education topics	<ul style="list-style-type: none"> One editorial plan on financial education topics and a focus on young people (high school students) with initiatives aimed at the children of employees, including younger children 	• 1 by 2023	2022	NEW	
Increase knowledge of financial education activities	<ul style="list-style-type: none"> No. of events held 	• 30 by 2024	2022	NEW	
Increase knowledge of new delivery and logistics models and digital issues	<ul style="list-style-type: none"> No. of events held No. of webinars conducted with sign language translator and subtitles No. of videopodcasts made with sign language translator and subtitles 	<ul style="list-style-type: none"> • 30 by 2024 • 6 by 2024 • 10 by 2024 	2022	NEW	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Support for the socio-economic development of local communities

NFS

Through the implementation of modernisation and digitalisation processes aimed at increasing the well-being of citizens and the socio-economic development of the territory in which it operates, Poste Italiane pays particular attention to local communities. The Group, committed on a daily basis to the promotion of organic and widespread social inclusion initiatives, sets itself the goal of generating a positive impact in the context in which it is present and, relying on an inclusive approach and constant dialogue with citizens, institutions and Third Sector associations - both local and national - is committed to achieving this goal thanks to the capillarity of its Post Offices and the development of high-quality products and services. In addition, following a continuous process of listening to and reconciling the legitimate interests of the community, the Company pays greater attention to the most vulnerable, who are hindered by particular physical, mental, family, economic, ethnic or social conditions.

Poste Italiane's commitment is aimed at generating a positive impact throughout the country, promoting an inclusive approach and constant dialogue with citizens, in order to protect their well-being and interests in an organic and widespread manner

In order to contribute to the socio-economic development of the territory in which it operates, Poste Italiane affirms its commitment to the territory and the community within its Community Initiatives Policy.

The Policy, which highlights Poste Italiane's attention to the most vulnerable categories of people and the needs of the community, is part of the broader regulatory framework already outlined by documents such as the Code of Ethics, the Group's Integrated Anti-Corruption Policy and the Human Rights Policy. The Policy also describes the main areas of intervention by the Group for the creation of shared value in the long term, which, in line with those described in the Human Rights Policy, concern the integration of the categories most at risk of exclusion through the offer of dedicated products and services, culture and education, economic sustainability and social connection. Through collaboration with central and local governments, the Third Sector and communities, the Company involves its stakeholders by maintaining an ongoing dialogue with them, to meet the needs of the most disadvantaged groups.

Poste Italiane also contributes to the achievement of the following Sustainable Development Goals defined within the 2030 Agenda of the United Nations: to end all forms of poverty (SDG 1); to provide quality, equitable and inclusive education and learning opportunities for all (SDG 4); to encourage sustainable, inclusive and lasting economic growth, full and productive employment and decent work for all (SDG 8); to reduce inequality (SDG 10).

MAIN RELATED TYPES OF CAPITAL



The Group invests for the benefit of the community in full compliance with the principles of integrity and transparency, in line with the provisions of the Code of Ethics and consistent with the values defined within the Group's guidelines. The way in which Poste Italiane grants contributions through sponsorships and donations to partners, entities, associations and institutions operating in the territory is laid down by a specific procedure governing its organisational controls. As stated in the Integrated Policy, contributions must not be exploited to conceal acts of corruption or any other conduct that is not in line with the Group's principles. For this reason, the Company's assessment of the provision of such contributions takes into account the relevance of the initiatives, the reputation of the potential partner and the alignment with the Company's objectives and expected benefits. In order to ensure the performance of activities and monitor sponsorship initiatives, the Company has a specific "Sponsorships and Product Placement" office in Corporate Affairs/Coordination and Support Corporate Affairs and Sponsorships, with a core of dedicated resources. Poste Italiane also adopted a specific "Sponsorships and Donations" procedure, which accurately regulates the process of disbursing contributions to partners, bodies, associations and institutions operating in the territory, defining specific organisational safeguards aimed at avoiding any possible conflict of interest. All requests for sponsorships and donations are evaluated by the Sponsorships and Donations Committee, which is chaired by an external President with high requirements of professionalism, integrity and independence.

Furthermore, in order to proceed with the disbursement of the contribution, an assessment is made regarding the consistency of the initiative with the contractual content, the regular performance of the activities and the correct execution of the contractual obligations.

During 2022, the Sponsorship and Donations Committee met 10 times, evaluating a total of 291 initiatives, of which 120 had a favourable outcome. In choosing the initiatives to support, preference was given to those with a significant social impact, seeking to strengthen Poste Italiane's presence in the territory, and in particular in the country's peripheral areas. The initiatives supported by Poste Italiane, in the entire country, were selected to pursue two main objectives: increase the Group's support for initiatives in the "welfare and social inclusion" category and strengthen Poste Italiane's intervention in the territory through initiatives aimed at promoting sectors related to Culture and Art on which the continuing pandemic and health restrictions have had the most serious impact.

291

socio-cultural initiatives approved by the Sponsorship Committee that met **10** times in **2022**



In order to identify specific KPIs that measure the benefits generated by the initiatives for both the community and the business, Poste Italiane uses a monitoring tool based on the classification and measurement standard proposed in the London Benchmarking Group (LBG model), which establishes specific criteria for managing, measuring and reporting on community involvement, according to principles of transparency and participation.

In March 2022, version 8.0 of the "Sponsorships and Donations" procedure was approved to take into account the changes in the acquisition process via the website and for the evaluation of sponsorship initiatives according to the SELECT model, which had already been revised in 2021 in order to strengthen it through more robust media value calculation methods and a standardisation of the qualitative evaluation of initiatives. With the aim of transferring the algorithm and database from Excel to a more powerful software, the model uses the SELECT 2.0 tool, developed in 2021 with the support of the Digital Technology & Operations Function and integrated into Poste Italiane's systems, and fed with quantitative data provided by potential partners on the web platform. In 2022, an online form was also created to guide Sponsees through the sponsorship application process. The platform aims to ensure greater transparency and traceability, to structure and homogenise sponsorship requests from potential partners, and to make quantitative

information on the initiative compulsory, which is useful for the enhancement of the SELECT model.

To help citizens in the Marche region affected by the 2016/2017 earthquake, Poste Italiane has extended until 31 December 2022 the possibility of using the 'Seguimi' (Follow Me) service free of charge. Designed to help citizens affected by catastrophic events, the service is dedicated to all those who have not yet defined their housing situation, and allows them to automatically receive mail from their old address to their new address with validity for correspondence destined both in Italy and abroad. In addition, in December 2022, Poste Italiane helped to support the community living on the island of Ischia, affected by the flood of 26 November 2022, in returning to their daily lives. The Poste Italiane office was a point of reference for the population, as well as a place to meet and gather initial information on the events that took place on the rest of the island. Poste Italiane, which acted in the front line since the day after the flood, has cleared the water and mud from the Post Office in Casamicciola, which was reopened to the public as soon as possible, so that residents could carry out all necessary financial and postal transactions, such as withdrawing pensions. In addition, the Company organised a collection service for undelivered parcels at the Ischia Porto office, to help restore normality after the flood.

Monitoring Seismic Movements

Poste Italiane
in support
of the National
Institute of
Oceanography
and Geophysics

Seismic areas such as the North East need constant monitoring of seismic movements. Poste Italiane made itself available to the OGS (the National Institute of Oceanography and Experimental Geophysics) for the installation of seismographs in its buildings, taking care to find the most suitable locations both to ensure careful monitoring and not to disrupt the daily activities of its employees. The Group promptly responded to the Institute's request for seismographs to be installed in various parts of the territory for precise monitoring, making all the buildings used in the area available.

The collaboration included the initial installation of 42 seismographs, of the approximately 100 planned. So that the installation would not interfere with the daily work of the employees and to ensure their safety in the workplace, the seismographs were installed inside the rack, the structure that stores the servers and from which the telephone lines originate.

During 2022, coinciding with the dramatic events related to the humanitarian crisis linked to the outbreak of the conflict in Ukraine, Poste Italiane took the lead in working with institutions to support people in need.

Thanks to the cooperation with the Fire Department of the Ministry of the Interior, Poste Italiane delivered 500 sleeping bags to Ukrainian refugees accommodated in Latvia, and two radiation detectors to the embassies in Prague and Krakow, useful in the event of exposure of the population to radiation.

The Civil Defence also requested support from the Company for the correct and safe provision of a subsistence contribution for refugees: this is a measure that is paid directly to the beneficiary, for a maximum of three months and for a total amount of €900. Poste Italiane also ensured timely reporting of the contributions made. In addition, thanks to the synergy of BP, MP, MIPA and DTO, and with the collaboration of PostePay, the design of the process shared with the Civil Protection and the continuous and constant alignment between all company structures made it possible to activate the disbursement of the contribution in a very short time, so much so that the first payment was made at the end of May, while the engagement of Poste Italiane took place in April. Finally, all the problems presented, related to the tax code and cyrillic writing, were solved promptly. Thanks to the support of Poste Italiane, a total of more than 140,000 payments were made to over 30,000 refugees in 2022.

Poste alongside institutions

The Company's support for the humanitarian crisis caused by the war in Ukraine



A New Life for Small Municipalities

Poste Italiane assumes a fundamental role as a link between the country's institutions, territory and services, making available its capillarity on the territory that guarantees the country's quality of life and allows citizens to relate to the largest service distribution network, through its omnichannel offer.

Thanks to the new digital infrastructure connected to the PA, Poste Italiane is fighting the 'desertification' of small towns that have lost more than half of their residents over the past 50 years and now find themselves at risk of depopulation due to factors such as poor job opportunities, transport difficulties and the progressive reduction of services, such as bank counters and Public Administration offices. In this sense, investment in services and infrastructure is of strategic importance as it can affect the quality of life of those who wish to remain in, or return to, small towns.

Zero

Post Offices closed in 2022



The Group continues to invest in the programme, launched in November 2018, dedicated to supporting the communities of Small Municipalities, in awareness of their fundamental role in the national socio-economic dimension. The project affirms Poste Italiane's desire to establish a solid and active relationship with the territory, in order to promote specific initiatives to support the development and inclusion of under-served territories. In 2022, in continuity with previous years, the Group ensured continuity of service by maintaining an immediate and transparent dialogue with local and central institutions, as well as by involving the public in educational initiatives, from financial to digital education. Poste Italiane took into account the solicitations received from local communities regarding the risk of depopulation and decided to invest in the peripheral net-

work by involving the local authorities, so that they could point out the needs of the territories, in order to systematise the Company's presence in local communities.

Poste Italiane also reiterated its commitment against commercial desertification in small mountain municipalities, participating as a partner in the National Assembly of Uncecm Piemonte, the National Union of Municipalities, Communities and Mountain Authorities, entitled "1952-2022 - Walking Together. Entities, Territories, Communities in the Challenges of Ecological Transition and Country Unity". The Assembly, held in Rome on 13 December 2022, was attended by parliamentarians from different parties, who interacted with mayors, local administrators, businesses and university professors to discuss what territories and communities are today.

Finally, Poste Italiane closed in 2022 the experimental phase of the "Smart Letter Box" initiative, which had seen the installation during 2021 of 57 boxes with screens in the cities of Rome, Milan and Turin. By 2022, more than 400 smart boxes will have been installed throughout Italy, 300 of them in small municipalities. The testing phase was also useful to monitor and develop the management of the information collected by the boxes, which through IoT technology are able to detect certain parameters such as temperature, humidity, atmospheric pressure, and the detection of particulate matter and nitrogen dioxide. Through the low-power e-ink screen, both environmental and logistics-related information can be conveyed. In fact, the new boxes make mail collection even more efficient and sustainable: the presence of sensors that check whether or not there is mail inside the box allows post officers to know, by consulting their hand held devices, whether the box needs to be emptied. Therefore, the benefits of the operation of the new cassettes can be found in a reduced environmental impact, since it avoids the passage of the post officer if the cassette is empty, and in increased work efficiency of the post officer himself.

Poste Italiane in support of local communities

The agreement signed by Poste Italiane and Unione Nazionale Pro Loco d'Italia



The core of the agreement signed by Poste Italiane and the Unione Nazionale Pro Loco d'Italia is the offer of innovative services and products to support the activities of UNPLI Pro Loco organisations. The agreement will enable the approximately 221 Pro Loco organisations in Friuli Venezia Giulia to use the services offered by the Group at advantageous conditions, thus being able to fulfil the new obligations imposed by the Third Sector reform, thanks to digital payment systems including "Codice Postepay" and "Mobile Pos Postepay". Through the "Codice Postepay" service, transactions made by framing a QR code from a smartphone can be accepted through biometric recognition and PostelD entry, without the use of Postamat or prepaid cards. The service can be used by around 29 million Postamat or prepaid card holders, 5 million of whom already have the PostePay app. The "Mobile Pos Postepay" service, on the other hand, allows mobile acceptance of transactions via Mobile POS with payment cards belonging to the circuits for which authorisation has been requested.

The agreement between Poste Italiane and Unione Nazionale Pro Loco d'Italia confirms the Group's central role in supporting not only local businesses, but also Third Sector organisations.

Poste Italiane at the service of the territory

The new Post Office at the Biomedical Campus in Rome

On 20 April 2022, a new Post Office was opened at the Fondazione Policlinico Universitario Campus Bio-Medico, located at Via Alvaro del Portillo 200, Rome. This is an important achievement for the benefit of the citizens of the neighbourhood: in fact, the facility serves the university campus in Trigoria, at the gates of the Decima Malafede Nature Reserve. The new service made available by Poste Italiane is part of the Campus Bio-Medico "Campus Hub" multi-service hub project development framework and is intended to integrate training, research and care facilities with socially useful public services in compliance with the criteria of innovation and environmental sustainability.

As of 31 December 2022, Poste Italiane has achieved important goals that are part of the Group's broader Strategic Plan, enhancing one of the essential resources for the Company and the country, namely the territory and the communities that inhabit it. With regard to environmental sustainability, Poste Italiane's commitment to achieving carbon neutrality targets by 2030 and thus reducing emissions and the environmental impact generated by its activities is also strengthened in relation to the initiatives undertaken by the Group to support small municipalities. In this regard, the Company aims to offer zero-emission services in 800 small municipalities and 35 historical centres by 2024.

This is the background to the ambitious "Polis Project - Digital Citizenship Service Houses", which through tools such as proximity "Single Points of Contact" aims to trans-

form the 6,933 municipalities with fewer than 15,000 inhabitants, with at least one Post Office, by equipping them with a cutting-edge technological and digital infrastructure that enables the automation of services and the rapid dissemination of new PA digital service. The project represents a significant milestone in the fight against depopulation of small municipalities, also with a view to supporting the country's digital transition, as envisaged by the PNRR (National Recovery and Resilience Plan) and the PNC (National Plan for Complementary Investments). Poste Italiane not only strengthens the relationship with its vast customer base, but also contributes in this way to the streamlining of processes within the public administration. Some 35 million people currently use the physical and virtual counters provided by Poste Italiane and will be able to benefit from the project's advantages.

Poste Italiane is taking an active part in the mission to boost training, the efficiency of the public administration, and the competitiveness of the Italian production system, thanks to a specific line of action called “Polis Project”, financed with €800 million from PNRR funds and a further 400 million from the Poste Italiane Group, which will involve almost 7,000 Post Offices. The Project constitutes a major social inclusion programme and comprises two lines of action: the first consists of bringing telematics services of the Public Administration inside Post Offices with the creation of proximity “Sportelli Unici” (One-Stop Shops): in the 6,933 municipalities with a population of less than 15,000 inhabitants, equipped with at least one Post Office; the second, “Spazi per l'Italia” (Spaces for Italy), plans to make 250 spaces available throughout the country, 80 of which will be activated in municipalities with less than 15,000 inhabitants, converting them into co-working spaces of small (about 100 square metres), medium (about 450 square metres) and large (about 1,500 square metres) size, all interconnected to form a single digitalised and smart network. Poste Italiane, which has already built 28 Post Offices, plans to start or complete a total of 1,500 sites by 2023.

In particular, with regard to the “Sportelli Unici” line of action, the aim is to equip the Post Offices concerned with new technologies and tools to allow, 24 hours a day, a complete, fast, easy and digital use of services relating to: identity documents, civil registration certificates, judicial certificates, social security certificates, services to the regions and other types such as, for example, the exemption from the RAI licence fee. Through the development of physical-digital access channels such as the Counter, the Totem, the evolved ATM, the Call centre and the Web channels, and thanks to the support of a special IT platform developed to deliver services in multi-channel mode, Post Offices will be transformed in order to make a widespread, concrete and resilient contribution to the achievement of the objectives that the European Union and Italy have set themselves with the “Next Generation EU” plan, in terms of digitalisation and social inclusion. In addition, the Post Offices network, thus transformed, can also be made available for the deployment of further government and PA initiatives on connectivity and cloud services. Specifically, the line of intervention envisages the installation of 4,000 self-service columns for the use of public utility services, 7,000 evolved ATMs for the provision of services to citizens, 500 lockers for the use, 24 hours a day, of mail, parcel, e-commerce and public utility delivery services, and 4,000 interactive digital shop windows for communication with citizens. In addition, the Project also envisages the implementation at Post Offices of interventions aimed at environmental sustainability and social growth of communities. In particular, the following will be installed: 5,000 electric vehicle recharging stations available to the Group's delivery fleet, which will be made entirely green, and to local communities; 1,000 photovoltaic systems that will help reduce CO₂ emissions; smart building systems and environmental monitoring sensors; 1,000 outdoor spaces equipped to host cultural, health and wellness initiatives. In addition, by providing the possibility to access public administration services from a One-Stop Shop, citizens' journeys and the consequent congestion of roads and public offices will be reduced, allowing the reduction of CO₂ emissions.

The objective of the second line of intervention is to create the most widespread, digitalised, accessible and immediately available co-working network in the country: workstations, meeting spaces, shared services, areas dedicated to events and training whose use will be open to private individuals, companies and the public administration, universities, and research centres with which service agreements can be defined to best meet the needs and vocations of each type of stakeholder. The national co-working and training network will be able to offer interested administrations and local stakeholders physical locations where they can test innovative solutions of broadband-supported services dedicated, for instance, to distance learning, health, safety, becoming an essential partner for the transformation of services and the acceleration of economic and social growth. The network, which is based on the transformation of important Poste Italiane office buildings and large Post Offices entirely made available to the Project, will also be an important reference point for the innovation of small and medium-sized enterprises and for the enhancement of cultural and natural assets, being present in various industrial districts and in the areas of greatest cultural and tourist attraction.

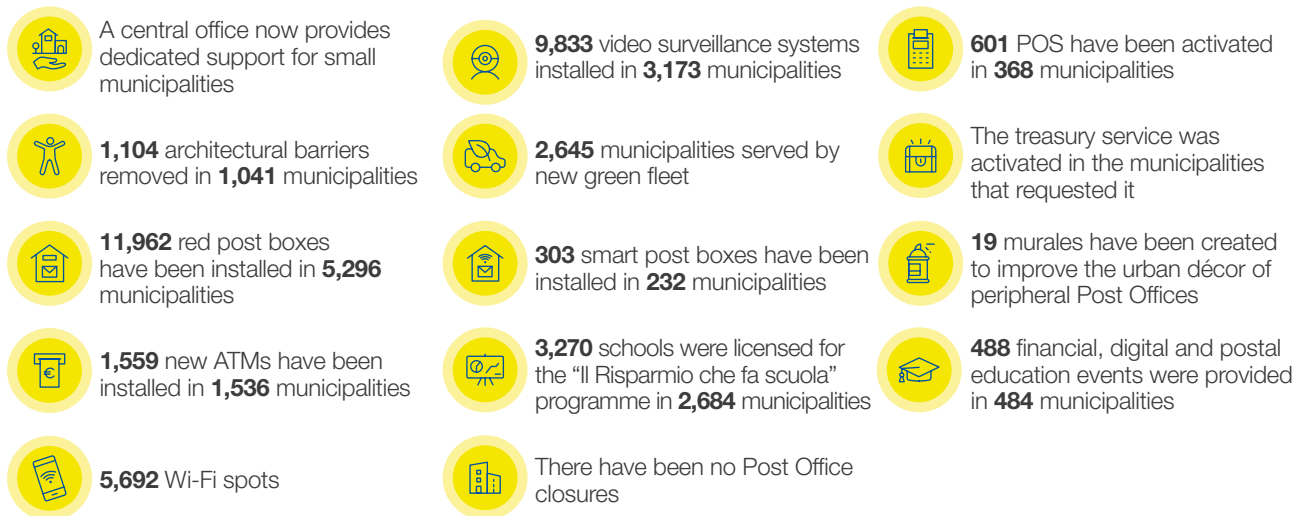
The Polis Project covers an area where approximately 40 million people reside, or 65% of the Italian population. In this regard, Poste Italiane has estimated that in the first six years of operation, the Polis Project will generate a positive impact on the community and the environment worth a total of €380 million, of which 348 million will be for road safety and the reduction of traffic and waiting times, and 32 million for the reduction of polluting emissions. The Group also estimated an impact generated by the Project over the investment period 2022-2026 and the operation of the Post Offices until 2031 of €1,061 million in terms of GDP and €484 million in terms of the distribution of labour income, for a total of 18,600 jobs created.

Finally, the Polis Project generates significant impacts throughout the territory, also with a view to achieving the Sustainable Development Goals (SDGs): Gender equality (SDG No. 5); Clean and affordable energy (SDG No. 7); Decent work and economic growth (SDG No. 8); Enterprise, innovation and infrastructure (SDG No. 9); Sustainable cities and communities (SDG No. 11); Combating climate change (SDG No. 13); Life on earth (SDG No. 15); Peace, justice and strong institutions (SDG No. 16).

“Polis Project”

P O L I S
DAI PICCOLI CENTRI
SI FA GRANDE L'ITALIA

With reference to Poste Italiane's achievements in providing support to small municipalities, the following should be mentioned:



Poste Italiane's logo becomes a national interest



In 2022, Poste Italiane's logo, in electric blue block letters with the initials PT standing out against a round, yellow background, received recognition as a "historic brand of national interest", becoming a new example of Made in Italy. This was reported by TGPoste as part of a report on the initiatives of the Company on its 160th anniversary. The 242 offices in Naples and its province also received recognition from the MISE, with registration in the ad hoc register set up to protect and enhance Italian-made products.

With the aim of celebrating its link with the life and transformation of the country, Poste Italiane has evoked places and paths of the logo in the 'Poste Storie' exhibition space, set up inside the Post Office in Piazza San Silvestro, Rome. The exhibition, which is free and open to the public, traces the Company's activities and values through historical objects, films, immersive videos, augmented reality and works of art created for the occasion.

Cresco Award "Città Sostenibili" (Sustainable Cities) 2022

In keeping with Poste Italiane's mission to represent, with its widespread network of Post Offices, a link between institutions, the territory and the country's services, in 2022 the Group once again took part in the CRESCO AWARD "Città Sostenibili" (Sustainable Cities) award, promoted by the Sodalitas Foundation in collaboration with ANCI (National Association of Italian Municipalities), under the patronage of the European Commission and the Ministry of the Environment, an initiative that aims to reward the commitment of Italian municipalities to the sustainable development of their territories.

The Company awarded the prize "For the sustainable development of small municipalities" to the municipalities of Marene (CN) for "Marene: may their example become Culture - 10 years of the Municipal Library of Marene", Tornareccio (CH) for "Pallano: origins and evolution" and Acireale (CT) for "Space Music". The projects and programmes being developed in these places will contribute to creating virtuous styles and behaviour in sustainable development.

"Valori ritrovati" (Rediscovered values): a project of circular economy

In continuity with the Memorandum of Understanding stipulated with Caritas in 2018, and renewed in 2019 for a further 5 years, the initiative "Valori ritrovati" (Rediscovered Values) continued in 2022, a circular economy project that aims to allocate the so-called "anonymous parcels" or "abandoned parcels", to families in need, through "Empori della Solidarietà", a circuit of supermarkets managed by Caritas that provides basic necessity products free of charge. The objective of this collaboration, which reinforces the Company's presence in promoting local development through initiatives of inclusion and social solidari-

ty, is to recover abandoned parcels destined for waste, for the benefit of those most in need.

More than 120 tonnes of abandoned parcels have been recovered by Poste Italiane - with the support of its employees, who participate as volunteers - in the course of this circular economy project, with a total economic value of more than €500,000. Approximately 35,000 anonymous or abandoned parcels have been delivered to Caritas every year since 2019, thus fostering the culture of reuse.

Corporate Volunteering

Promoted in the context of social responsibility, corporate volunteering represents an ethical choice of the Company and a concrete commitment to the community, in line with the values and principles stated in the Code of Ethics and the Sustainability Policies. This commitment has been reaffirmed with the Group's adoption of an internal procedure called "Defining, developing and monitoring corporate volunteering initiatives", which is consistent with the Poste Italiane Group's Sustainability Strategy, and which identifies the strengthening of corporate volunteering as a means of creating a network of solidarity in the area and strengthening the collaborative capacity between people by fostering the development of social networks that can bring long-term value to the Company, consolidating its reputation in terms of social responsibility. The ultimate goal is to make a significant impact on society by creating virtuous volunteering.

The definition of activities to promote corporate volunteering and fundraising for social projects in compliance with Poste Italiane's Code of Ethics, is part of the Memorandum of Understanding signed in February 2022 between Poste Italiane and the Forum of the Third Sector, aimed at promoting the development of inland areas through targeted projects and services and to encourage the re-employment of the most

vulnerable people. The memorandum of understanding, which leverages Poste Italiane's widespread territorial distribution, is aimed at the creation of a corporate volunteering platform, through which the 100 national member organisations of the Forum, representing over 158,000 territorial branches, can present projects in which Poste Italiane employees can take part as volunteers, outside working hours.

Moreover, the protocol envisages Poste Italiane's participation in shared events and initiatives organised by the National Forum of the Third Sector, thanks also to the support of a permanent discussion table with the Forum, in line with the Group's stakeholder engagement policies, by providing information material on Poste Italiane's tools and products dedicated to the Third Sector and communities. Similarly, the Forum is committed to participating in the activities and events organised by Poste Italiane, with the aim of disseminating knowledge of the incentives managed by the Company among the non-profit entities belonging to its organisation, in order to facilitate their use by the associated organisations. The Forum can also avail itself of the technical support of Poste Italiane in defining proposals for public finance interventions to support Third Sector organisations.

Close to young people

In continuity with previous years, Poste Italiane is supporting the digital transformation path in collaboration with the academic world. After last year's meeting with around 100 students from the master's degree course in Data Science at Rome's La Sapienza University, who were the protagonists of the initiative promoted by the Data Science Industrial Liaison Program (ILP), Poste Italiane continued its path of bringing together Italy's most important industrial realities and the students of the degree course at the same university. The objectives of the ILP include identifying opportunities for internships or final projects for students, including presenting the latest industrial products for big data management and analysis, and explaining their use in the development of innovative solutions for business and the Company. In general, the aim of the initiative is to introduce students to the labour market, showing them opportunities in large companies such as Poste Italiane, a company with the highest number of employees in Italy.

March 2022 also saw the conclusion of the "Future Lab" project, which had already started last year. The initiative was aimed at the children of Poste Italiane employees between the ages of 16 and 23, who set out to find out what path to take in their future. The aim of the project was to support boys and girls in their study choices, bringing them closer to the world of work in a more conscious manner, to undertake paths in line with their skills and passions and to learn about the main market orientations on future professions.

In 2022, the School4Life 2.0 project, aimed at combating high school drop-outs, continued. The initiative involved 133 schools, 15,000 students from all over Italy and 11 major companies, including Poste Italiane, with the co-ordination of Consel Consorzio ELIS, a non-profit training organisation

that brings together more than 100 large groups and SMEs. School4Life 2.0 consists of school and career guidance, in the awareness that socially responsible companies should take charge of the younger generations, accompanying them towards a professional future through a structured link between school and business. The aim of the project is to give young people a more direct insight into the world of work and a greater awareness of their own potential. The lines of intervention, which made up the project in 2022, were: project-based teaching approach with technical interventions by corporate figures; motivation and inspiration through role models and corporate mentors; training on topics such as the SDGs and Agenda 2030; bringing the female population closer to STEM subjects (Science, Technology, Engineering, Mathematics). The Company experts with their testimonies trained over 530 young people from 14 schools nationwide.

Finally, Poste Italiane promoted ten special projects to support children and young people with fragility and their families, included in the wide-ranging social action plan "Presenti sul territorio, vicini alle comunità" (Present in the territory, close to the communities). The package of actions in support of children was realised in collaboration with ten non-profit organisations of national importance selected by Poste Italiane. The spirit of the initiative and the details of the ten educational, recreational and training projects were illustrated during a meeting in the presence of the Chair of Poste Italiane, Maria Bianca Farina, the Joint General Manager, Giuseppe Lasco, and representatives of the 10 non-profit programme partners: Canovalandia, Fondazione Don Rigoldi, La Caramella Buona, Associazione Italiana Cuore e Rianimazione "Lorenzo Greco", Le Ali dei Pesci, I Bambini delle Fate, Associazione Andrea Tudisco, Dynamo Camp, Fondazione Theodora and Be&Able.

Hires

Poste Italiane to support young people



Poste Italiane was able to take advantage of the recovery following two years heavily marked by the health emergency by enhancing, in continuity with previous years, the employment of young people. In 2022, the Group continued to actively promote a recruitment campaign aimed at young people and recent graduates, recruiting around 3,700 people under the age of 30, well over twice as many as in the previous year for the same category of new hires.

Poste Italiane recognises the value of younger resources in facing the new challenges emerging in an increasingly digitalised and changing environment. Moreover, the Company, aware of the competitiveness that characterises the world of work today, considers it essential to offer young people a work opportunity that allows them to explore their skills and express their potential, confirming its commitment to supporting the development of the community in which it operates.

Dialogue and transparency in relations with the authorities

NFS

The Group's capillary presence in Italy and its desire to act as an intermediary between institutions, the territory and citizens, implies maintaining a constant and proactive dialogue with public decision-makers and collaboration with all national and local institutions, in order to generate a system-wide benefit that extends to the entire community and not just those directly involved in the process.

Specifically, dialogue with authorities and institutions can be a useful tool for public decision-makers in assessing the impact and possible consequences of the introduction of a given piece of legislation, both with a view to preventing problems and creating opportunities, as it allows them to identify the Company's position with regard to particular issues of legislative relevance.

In addition to guaranteeing the effective delivery of services to citizens, the satisfaction of the social needs of the community and, at the same time, increased competitiveness and business continuity, Poste Italiane aims to maintain a positive and constant dialogue with the institutions in order to encourage the sharing of projects for the development of the territory.

The Group collaborates with central institutions, such as the Government and Parliament, to represent corporate interests and promote shared socio-economic development projects in the interest of the community.

The institutional activity carried out is therefore developed along two lines:

- towards the Group, ensuring the protection of corporate interests and supporting business development by monitoring the institutional framework, assessing the impact of regulations, identifying risks and opportunities, the preparation of texts and positioning documents with the specialist functions and the representation of requests to institutions;

MAIN RELATED TYPES OF CAPITAL



- towards institutions, actively contributing to the institutional dialogue through an ongoing discussion on issues of relevance to the country system, consultation on the impact of regulations in the relevant markets, the provision of supporting information and knowledge and partnership for project development.

The analysis of the impact of regulations is necessarily supported by institutional dialogue aimed at clarifying and exploring the application aspects of a given regulatory provision, also through the presentation of proposals aimed at supporting specific business needs, in order to mitigate or prevent specific risks. In this regard, during 2022, steps were taken to ensure the protection of the interests of the Company and the Group by monitoring the measures under review and regulatory provisions that, if approved, would be critical for the various business areas with loss of revenue or increase in operating costs for the Company.

During 2022, regulatory interventions mostly focused on the drivers of innovation and digitalisation, which are fundamental for the country's strategic progress, for the accessibility and functionality of services offered to citizens and for the connection with the business fabric and the Public Administration, as well as for the provision of cutting-edge technological solutions.

400
meetings with local administrations during 2022


The activities aimed at the management of institutional relations, and more specifically the legislative activity and the representation of interests, are governed by the procedure "Release of information and management of relations with institutional sub-

jects”, which is periodically reviewed and updated on the basis of the evolution of the system of relations and the corporate organisation. The actions to be implemented, the effectiveness of which is measured downstream by the proposing business and/or corporate functions, are supported by assessments of the expected benefits, which are subsequently represented in periodic reports describing the scope of the initiatives undertaken in economic, commercial and governance terms.

Collaboration with local institutions is intended to foster the sharing of development projects in the area, as well as to identify shared solutions aimed at accompanying corporate reorganisation processes with attention to the specific features of the various territories, in order to foster the most effective service delivery to citizens, the satisfaction of the community's social needs and, at the same time, the enhancement of competitiveness and business continuity.¹¹² The promotion of dialogue with representatives of local institutions is necessary for the Company in order to stimulate knowledge and sharing, and to prevent possible critical issues in relation to the Group's activities. In particular, the emergence of negative impacts may take the form of critical situations with institutions or negative media coverage. The management of these impacts takes place through territorial oversight and the appropriate central structures, through an internal analysis aimed at analysing the characteristics of the various criticalities. In order to share the internally agreed solution between the heads of the Institutional Relations structures and those of the Business Units involved, this process is being reported on, and is supported by the implementation of an institutional database for the integrated management and archiving of applications, reports and contacts. In addition, in order to measure and verify the actual quality of the actions undertaken, quality and quantity indicators are used on a monthly and quarterly basis included in analyses of global reports and managed on a comparative basis across geographic areas and in comparison to previous years. This reporting is based on meetings by macro-topic and on weekly and monthly developmental analyses of engagements with institutions, in relation to requests received. Approximately 400 meetings with local administrations were organised during the reporting year.

An effective dialogue between Poste Italiane and consumer associations began in 1999 and grew over time, until the first Framework Agreement was formalised, signed in 2011 and renewed first in 2014 and then in 2018. The following are the primary objectives of the agreement:

- constant improvement of the quality of Poste Italiane's products and services;
- transparency and fairness of the Company's relations with consumers;
- improving consumer knowledge of products and services;
- information for the correct and conscious use of products and services and for the dissemination of the instrument of joint conciliation.

The Framework Agreement also established the Cantiere Consumatori, a regular monthly consultation with representatives of the Associations aimed at presenting products and services and explaining them in detail.

A further objective of the relationship with the associations is to follow up the Conciliation procedures, also provided for in the Agreement, for the amicable settlement of disputes for all areas of the Company's activities. Finally, also on the basis of the Agreement, which lays down the principles for transparent cooperation and information sharing for the benefit of customers, the newsletter “Dialogue with Consumers” was established.

Constant and transparent relations with consumer associations continued in 2022, therefore, on the basis of the Framework Agreement, the Consumer Forum and the newsletter “A dialogue with consumers”. Topics include the repricing of the BancoPosta account, the new mailboxes distribution plan, and the public consultation launched by AGCom, the Communications Guarantee Authority, on the subject of compensation in the postal sector. On the subject of training, a new course for conciliation experts was organised during the year, as well as 8 local refresher training meetings at the Bologna and Landriano hubs. Finally, on the topic of anti-fraud, four thematic webinars were held, organised in cooperation with CERT. This activity is regulated and described by the Company procedures pursuant to Legislative Decree 231/2001 and by the procedures defined on the basis of the Framework Agreement entered into between the Company and Consumer Associations, referred to in the procedures pursuant to Legislative Decree 231/2001. The success of the policies adopted is verified and evaluated in relation to the lack of critical interventions by consumer associations in the media, both at national and territorial level.

Relations with consumer associations at central level are managed by the “Relations with Trade and Consumer Associations” function, which consists of a manager, four resources in the Rome office and one in the Milan office. On the other hand, relations with consumer associations at the territorial level, in particular with regard to Retail Postal Conciliation procedures, are managed in connection with the territorial offices of the function. The objectives of the function, which are included in the MBO of the managers in charge, are measured by analysing the discussion questions by assessing the percentage of questions conciliated, i.e. concluded with an agreement with the consumer associations, in relation to the total number of questions discussed. Conciliation procedures are governed by the “Retail Postal Products Conciliation” Procedure, updated in 2021 and drawn up in cooperation with several consumer associations.

Among the main central institutions and regulatory and supervisory bodies with which Poste Italiane interacts are: the Italian Communications Authority (Autorità per le Garanzie delle Comunicazioni - AGCom), the Ministry of Economic Development (Ministero per lo Sviluppo Economico - MISE),

¹¹² Poste Italiane is a member of Confindustria (Confederation of Italian Industry) on the basis of a specific agreement that has been renewed on a multi-year basis since 2005. This agreement regulates membership procedures, the benefits deriving from the status of associate and the definition of the contribution regime. The agreement for the three-year period 2020-2022 envisages, among other things, strategic initiatives aimed at promoting a new corporate culture involving business models and choices geared towards innovation and economic and social sustainability. For the association year 2022, the membership fee stands at €3.2 million.

the Ministry of Economy and Finance (Ministero dell'Economia e delle Finanze - MEF), the Ministry of Foreign Affairs and International Cooperation (Ministero per gli Affari Esteri e la Cooperazione Internazionale - MAE) and the European Policies Department of the Cabinet Office.

In particular, as part of its relations with the MEF, on 20 February 2020, Poste Italiane's Board of Directors approved the renewal of the three-year agreement for 2020-2022, which aims to regulate treasury services and the movement of funds on behalf of the State.

Furthermore, on a European and international level, Poste Italiane maintains relations with the European Parliament,

the European Commission, the Universal Postal Union (UPU), PostEurope, the European Center of Employers and Enterprises providing Public services (CEEPE), the International Post Corporation (IPC), together with other institutions and associations in the sectors in which the Company operates. The Group is involved in the coordination, representation and monitoring of the political agenda, both at European and international level, within the above-mentioned bodies. In addition, the Group is engaged in the release of information for regulatory purposes at national, European and international level, as well as in the preparation of proposals for amendments and additions to the relevant legal and regulatory framework.

Financial inclusion

NFS

Based on the experience gained in previous years in relation to the Covid-19 health emergency, which emphasised the value Poste Italiane places on people, especially in times of difficulty, the Group maintained its commitment to ensuring that its products and services are also available to those who cannot easily access them. Thanks to its extensive network, the Group was able to stay close to the community also during 2022, a year further affected by the conflict between Russia and Ukraine.

Poste Italiane supports the protection of the rights of local communities in order to ensure the accessibility of its products and services to those territories and categories of users who would otherwise not be able to access them, as set out in the Company's Policy on the Protection and Safeguarding of Human Rights. At the same time, the Company undertakes to promote initiatives aimed at disseminating and supporting the

MAIN RELATED TYPES OF CAPITAL



right to study, economic sustainability and social connection, intercepting, thanks to the network of company resources, the needs deriving from the various forms of disadvantage.

Thanks to its widespread presence throughout Italy, Poste Italiane maintains its proximity to the communities in which it operates, guaranteeing products and services accessible to all and aimed at social inclusion

Poste Italiane's offering

The expansion of the Group's services in 2022

During 2022, Poste Italiane maintained its commitment to an all-round sustainable future by expanding its range of offerings with the introduction of new services. In this regard, the Group promoted, like in the previous year, the "risparmiosemplice" (simple savings) formula. The Savings Plan, which can be subscribed to at any Post Office by holders of a BancoPosta current account or a Post Office Savings Booklet, has an indefinite duration with a periodicity defined by the customer, and is based on the 4-year postal savings bond issued by Cassa Depositi e Prestiti SpA. By subscribing to this bond within the Savings Plan, it is possible to periodically set aside amounts - even small ones - in order to build up capital over time, with the possibility of also making additional subscriptions. The sums deriving from the maturity of Postal Savings Bonds, subscribed under the Plan itself, will be automatically reinvested in the "risparmiosemplice" Savings Plan and, in addition to the capital invested, also include the accrued interest, net of tax charges. In addition, the postal savings agreement with Cassa Depositi e Prestiti, renewed in 2021, offers the Group a sustainable remuneration over the four-year period 2021-2024, with an annual fee for collection targets of between €1.6 and 1.85 billion.

A further service, launched in November 2022 in cooperation with Banca Aidexa SpA, is the "Prestito BancoPosta Business Link Online", which allows digital loans to be offered to sole proprietorships and small businesses. In the area of insurance services, on the other hand, the mixed life insurance product "Poste Progetto Dinamico Bonus" was launched, with a duration of 15 years, aimed at combining a performance-linked insurance project with unit-linked insurance investment components. In addition, the new "Digital Protection" feature of "Poste Vivere Protetti" has been included in the modular offer. Through PostePay's omnichannel platform, the Group has assumed a strategic role in the provision of payment services, reaching a number of "Evolution" cards of almost nine million and more than 23 million users who have adopted PostelD to certify their digital identity.

The Group monitors its initiatives and its range of products and services by promoting continuous and structured dialogue initiatives, such as the annual dialogue with key stakeholders. The purpose is to monitor the needs of the community and the degree of satisfaction with the products and services offered. Poste Italiane uses principles of seriousness, reliability and elasticity in providing dedicated offers to all categories of customers to whom it caters, also on the basis of specific needs.

Furthermore, the Group maintained the program to relaunch postal savings, guaranteeing the improvement of the quality and efficiency of the services offered to customers, also through the implementation of the digital channel. In particular, online operations on BancoPosta current accounts for the purchase of Buoni Fruttiferi Postali were guaranteed 24 hours a day, 7 days a week. In addition, the variety of the Postal Savings Bond catalogue and the possibility of subscription also online make it possible to meet the various needs of consumers. Among the aforementioned Bonds, the following are noted:

- the 4X4 Bond, the interest of which, fixed and increasing, accrues at the end of each four-year period from the date of subscription and, after 4, 8 and 12 years, is also recognised in the event of early redemption;
- the 3X4 Bond, with interest, fixed and increasing, accruing at the end of each three-year period from the date of subscription and, after 3, 6 and 9 years, is also recognised in the event of early redemption;
- the 3X2 Bond, with interest, fixed and increasing, accruing at the end of each three-year period from the date of subscription and, after three years, also recognised in the event of early redemption;
- the 3-Year Plus Bond, with a term of 3 years, provides for the capital invested and interest to be recognised at the end of 3 years;
- the Ordinary Bond, the interest on which is fixed and increasing and is paid after one year from subscription and every two months thereafter. It is possible to request redemption at any time, within the statute of limitations, the return of the invested capital and, one year after subscription, also the accrued interest;
- the Sustainable Savings Bond, which pays a fixed return and the possibility of earning, at maturity, a premium linked to the performance, if positive, of the STOXX® Europe 600 ESG-X index;
- the Renew Bond, dedicated to those who have redeemed an Interest-bearing Postal Certificate that expired after 20 September 2022 and within the placement period of the Renew Bond. It has a term of six years, with interest, fixed and increasing, accruing at the end of each three-year period from the date of subscription and after three years being recognised even in the event of early repayment;
- the Inheritance Solution Bond, dedicated to beneficiaries of an inheritance procedure concluded in Poste Italiane, recognises a certain yield at the end of the four-year period.

In order to encourage the use of the digital channel by all citizens, also taking into account the experience gained during the emergency period, Poste Italiane encouraged several communication campaigns aimed at promoting the online operation of postal savings. In order to encourage its customers to manage their postal savings online, the Company offers a wide range of services available through digital channels, ranging from displaying balances and movements for holders of a “Libretto Smart” or “Ordinario” to the management of the “Libretto Minori” by parents, from the subscription of dematerialised postal savings bonds to the transfer of money between books and BancoPosta current accounts, to the recharging of Postepay cards and the association of IBAN to the book. As of 2022, the Group also made it possible for the legal guardian to carry out online transactions with the “Libretto Minori”.

With a view to digital and financial inclusion and in line with the country's objectives, Poste Italiane has confirmed its considerable contribution in Italy in providing digital identity to citizens, the Public Digital Identity System (SPID) which aims to provide users with a single login system with which to access all the services of the Public Administration. During 2022, more than 6 million new digital identities were activated and more than 1 billion accesses were executed through this system. It is also possible for younger people to request activation of the digital identity: parents or guardians of minors can request activation of the SPID by accessing their personal area and managing access authorisations.

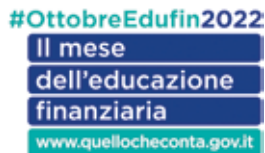
Financial and digital inclusion of seniors and young people

Poste Italiane is constantly seeking innovative solutions aimed at reducing the digital divide and increasing financial inclusion, with a particular focus on the most fragile and at-risk groups, supporting and sustaining the different population groups within the communities in which it operates.

With regard to the issue of financial inclusion, the Group promoted, in continuity with previous years, financial education initiatives to enable citizens to train and inform themselves, so as to be able to make informed choices in financial matters.

In addition, Poste Italiane periodically updates the page of its website dedicated to Financial Education, publishing new content, video briefs and useful tools for users to become more aware of their financial, insurance and pension needs and to better orientate themselves among the various solutions with the support of a financial advisor. Financial Education events, run live by experts, aim to explore the importance of proper financial education and its usefulness in everyday life for oneself and one's family members.

Poste Italiane participates to “Mese dell’Educazione Finanziaria”



The unknowns linked to the international scenario and rising inflation force us to act with foresight, and financial education can be a key tool to face and overcome this period of crisis. With this in mind, Poste Italiane is at the forefront of the country and is aware of the need to strengthen and systemise initiatives aimed at increasing the financial, insurance and pension knowledge of Italian people. During 2022, the Group participated in the fifth edition of the “Mese dell’Educazione Finanziaria” (Financial Education Month), #ottobreedufin2022, the largest Italian event on financial education, established and promoted by the “Comitato per la programmazione e il coordinamento delle attività di educazione finanziaria - Comitato Edufin” (Committee for the planning and coordination of financial education activities - Edufin Committee) with information and awareness-raising activities and events on financial, insurance and pension.

An interesting new feature introduced this year, shared with the Philately Department and the MEF, is the philatelic initiative dedicated to the event, which includes a philatelic postmark available in all 487 Post Offices with philatelic counters and in the 10 Philately Spaces from 1 October and throughout the month, and the weekly distribution of 5 postcards with contents inspired by the “Moments that Count” described on the Edufin Committee website.

With the aim of enhancing the economic and financial knowledge of students at all levels of school, in order to educate them in active and aware citizenship, the multi-year initiative “Il Risparmio che fa scuola”, promoted by Poste Italiane and Cassa Depositi e Prestiti, in cooperation with the Ministry of Education, continued. This project offers a completely free, unique and original educational path, aimed at training the



citizens of the future, leading them to reflect on their own economic, environmental, energy and food saving behaviour, and on how much these can affect everyone’s life and that of own community.

Until its natural expiry date, June 2022, the project delivered the initiative’s training content only through digital channels, updating the dedicated portal www.ilrisparmiochefascuola.com in such a way as to facilitate the use of all the materials present (training sheets for teachers and students, thematic videos, games for children). In this way, the project continued to contribute to the education of students on topical issues such as basic economics, savings and the valorisation of all resources.

In 2022, the Company continued to expand its offering of financial inclusion products in the ‘green’ sphere aimed at young, senior and new Italians. In this regard, the Postepay Green prepaid card, voted Product of the Year 2022, is dedicated to 10-17 year olds, and is made of biodegradable mate-

rial, with 82% polylactic acid of organic origin. The Postepay app allows to access to an innovative payment system, share expenses with other Postepay Green holders, and purchase tickets for transport.

With regard to Payments and Mobile services, PostePay’s range of products and services is designed to allow access in an inclusive manner to all categories of users, such as new Italians, young people, students and seniors. In particular, the main products and services offered are:

- Western Union APN service, which allows to easily send money online 24 hours a day, 7 days a week to over 200 countries and territories using a Postepay prepaid or debit card enabled for the service. The recipient can also withdraw cash at a Western Union agency, and can choose in which currency, among those available, make the payment for sending money to certain countries;
- Postepay Digital, an electronic money tool that aims to improve the customer experience with a focus on simplifying the processes of selling and using the prepaid card through the Postepay app, a single and simplified access point to the world of payment and mobile services offered by PostePay SpA, with over 21.7 million downloads.

In addition, PostePay aims to improve knowledge and usage of the products through constant attention to the information available on the used channels, in particular through the content on the institutional website and FAQs.

The Digital Education project



In continuity with 2021, Poste Italiane promoted the Digital Education project, with the aim of fostering the acquisition by citizens, customers and businesses of digital skills in order to consciously and safely seize the opportunities arising from the technological transformation. The initiative, which is part of the company’s broader programme as a guide for citizens in the development of knowledge and increasing skills between technology and innovation, aims to provide users with an overview of technological and digital innovations through dedicated multimedia content and free webinars.

Activities can be followed on LinkedIn, Facebook and Twitter via #educazionedigitale.


Transfer of the tax credit

In line with previous years and confirming the support offered by Poste Italiane at the national level, the Group continued to offer tax credit transfer during the course of 2022. The service, which will be launched in autumn 2020, allows citizens and businesses with a BancoPosta account to transfer their tax bonuses and obtain liquidity in one go. The service can be requested online on the poste.it website using internet banking credentials or in all Post Offices, and the request process is simple and immediate. It is also possible to view the value of credits in real time, using a simulator available both on the website, in the public section, and at the Post Office.

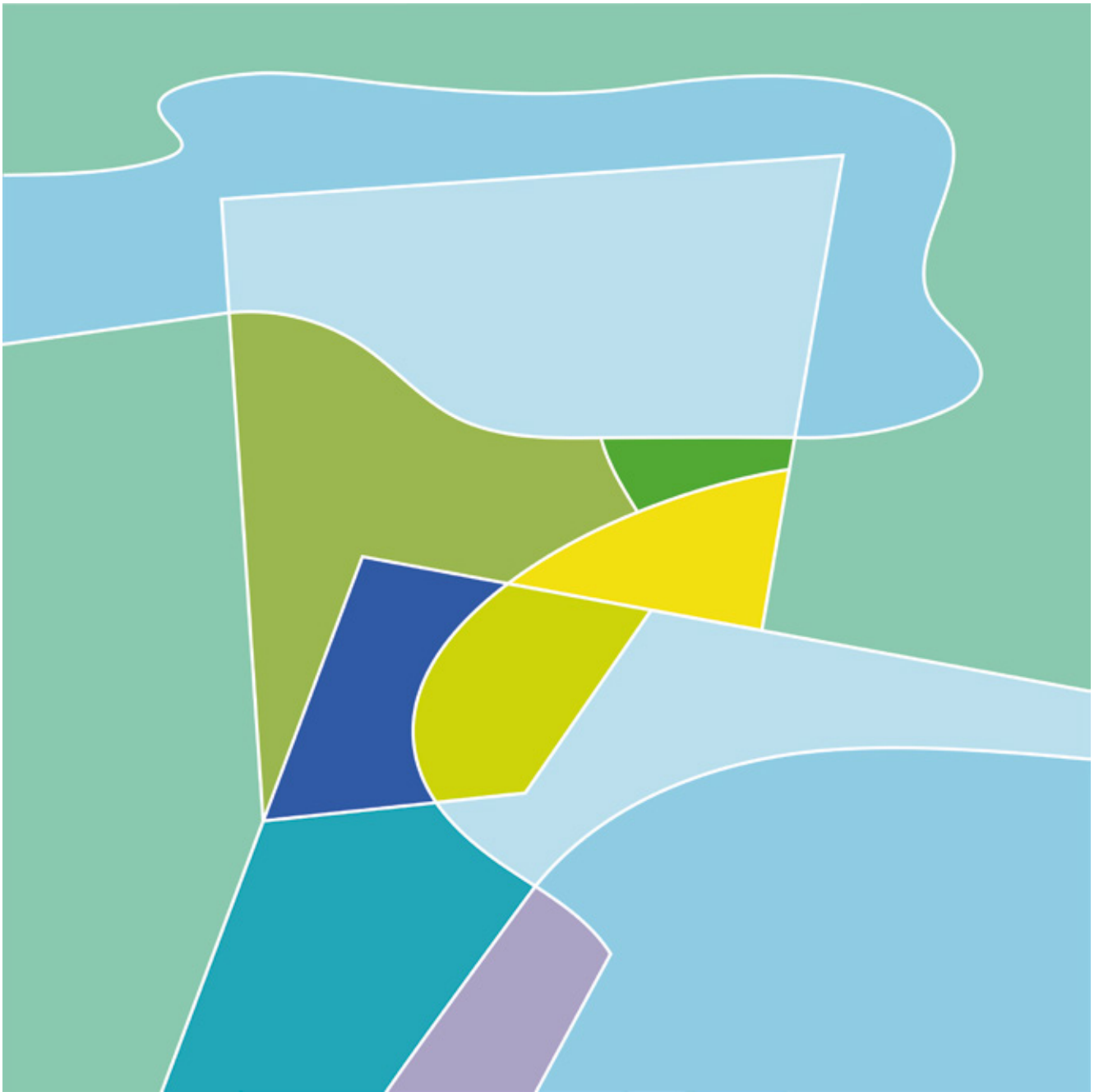
Following the interruption of the tax credit transfer service due to the successive anti-fraud regulatory changes enacted by the Government, on 7 March 2022 Poste Italiane reopened the platform for the purchase, subject to the availability of the sums on the Revenue Agency platform, of tax credits deriving from building works. Since the anti-fraud rules enacted by the government limit the use of the service for taxpayers and businesses, the transfer of the credit through Poste Italiane is restricted to those who have directly incurred the “Bonus casa” charges. Since the platform has been reopened for first transfers only, at the moment, Poste Italiane does not purchase any tax credits that have been the subject of a previous transfer, including tax credits accrued as a result of invoice discounts.

In 2022, Poste Italiane was honoured as a Sustainability Leader thanks to its socially responsible behaviour.

Leaders of Sustainability is the list of the 200 Italian companies awarded as most sustainable created by “Il Sole 24 Ore” in cooperation with “Statista”. The ranking was drawn up following a complex process of research and selection of companies, and the evaluation criteria were determined according to independent criteria. Specifically, the intensive research is based on the analysis of a total of 40 indicators in the three areas of sustainability: environmental, social and economic. The data are searched in the sustainability report (or an equivalent document) and in annual reports or financial statements for 2020 or 2019. Subsequently, the data collected is aggregated and evaluated and scored and each company receives a total score in the three areas. The 200 companies with the highest final score (the maximum score being 100) are named Sustainability Leaders.



**Poste Italiane
awarded as
Leader in
Sustainability**



**LEARN ABOUT THE ARTWORK
WITH AUGMENTED REALITY**

Scan the QR code with your smartphone
and click on the link.



GUMMY GUE |
Urban artist



Green transition

Respecting the environment to create sustainable value.

- > - **19%** of the **Group's emissions** due to the **energy efficiency** in the buildings
- > **99%** of the electricity requirement of the Group from **sources 100% renewable**
- > Poste Italiane included in "**Change the World 2022**" among the **50 companies** that are **changing the world**
- > **21.7 million** invested in projects to **reduce emissions**
- > **37%** of **green vehicles** that make up the company fleet

< 7.13 Green transition



GREEN TRANSITION FOR US:
scan the QR code and watch the video



MAIN RELATED TYPES OF CAPITAL



IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL >

OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2022	OUTCOME
Reduce the Group's total emissions in line with the Paris Climate Agreement targets and contribute to limiting global warming to 1.5°C	• tCO ₂ e	• -30% by 2025	2020	• -10%	
Achieve Carbon Neutrality	• Net tCO ₂ e	• 0% by 2030	2020	• Green Challenge framework developed	
Reduce the Group's direct (Scope 1) GHG emissions from physical plant	• tCO ₂ e	• -7,000 by 2024	2020	• -6,667 tCO ₂ e	
Decrease the Group's indirect (Scope 2) GHG emissions from physical plant	• tCO ₂ e	• -5,000 by 2024	2020	• -6,395 tCO ₂ e	
Reduce emissions from the postal delivery fleet	• % of emissions produced	• -40% by 2024	2019	• -18%	
Increase the share of environmentally friendly vehicles (electric, hybrid, low emission) of Nexive, SDA, Milkman	• tCO ₂ e	• -15% by 2025	2020	• Identification of activities instrumental to achieving the target	
Increase the share of environmentally friendly vehicles (hybrid, low emission) of sender	• tCO ₂ e	• -8% by 2025	2020	• Identification of activities instrumental to achieving the target	
Use of electricity from renewable sources	• % of electricity consumed	• ≥ 98% by 2024	2020	• >98%	
Replace the company fleet with vehicles with reduced environmental impact	• No. of company vehicles with reduced environmental impact introduced	• 27,800 by 2024	2019	• 22,610	
Introduce Smart Building solutions for the Group's entire physical plant	• GWh of energy consumed	• -8GWh by 2024	2020	• -2.7	
Reduce the number of locations with diesel and LPG tanks	• No. of locations	• -220 by 2024	2020	• -436	
Increase the production of GWh of renewable energy that can be used for self-consumption	• GWh of renewable energy produced	• +20GWh by 2024	2020	• +0.8	
Make a large building Carbon Neutral	• Carbon Neutral Buildings	• 0 net tCO ₂ e of a SC by 2023	2020	• Project on SC site in Padua defined. Planning started and project guidelines set	
Selling electricity produced entirely from renewable sources and offsetting CO ₂ emissions from the consumption of natural gas sold by the Group, through the use of instruments to offset these emissions (e.g. through voluntary CO ₂ off-setting credits)	• % of energy sold produced 100% from renewable sources • Offsetting instruments used	• 100% by 2023 • Offsetting instruments used by 2023	2021	• 39,100 contracts activated in 2022	
Maintenance of ISO 14001 certification	• ISO 14001-certified corporate processes	• 100% by 2022	Every year	NEW	
Implementation of Environmental Management Systems according to ISO 14001 in Poste Italiane's production units	• % of Group sites with >300 employees with an Environmental Management System	• 100% by 2024	2021	• 100%	
Maintenance of Environmental Management Systems according to ISO 14001 in Poste Italiane's production units	• % of Group sites with >300 employees with an Environmental Management System	• 100% by 2023	2022	NEW	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Environmental impacts of real estate facilities NFS

Poste Italiane attaches particular importance to environmental protection, aware of the need to use resources responsibly in order to minimise negative environmental impacts and pursue sustainable development aimed at creating value for the community and the territory in which it operates, in full implementation of the Group's Code of Ethics.

By adopting a conscious approach to the use of energy, water resources and waste management, Poste Italiane aims to generate a positive impact for the community in which it operates, following a path aimed at the green transition of its activities



In 2021, Poste Italiane became an official supporter of the TCFD (Task Force on Climate Related Disclosures), committing to climate-related disclosure to help create a more resilient financial system. This action reinforces the Group's willingness to align with national, European and international environmental and energy objectives, in compliance with applicable laws and regulations.¹¹³

In this regard, to ensure the compliance of the Group's activities with current regulations on energy use, Poste Italiane entrusts the management of the processes of monitoring, measuring consumption and identifying sources of savings to a single corporate function, which oversees the areas of environmental responsibility related to the Group's real estate assets.

Consistent with previous years, in 2022, Poste Italiane maintained its commitment to environmental protection, promoting initiatives aimed at reducing its environmental impact, in pursuit of the Group's ESG objectives.

Notable actions implemented by the Company include the management of utility contracts with the purchase of commodities from 2023 directly in wholesale markets, the gradual replacement of endothermic vehicles with electric vehicles and the installation of charging stations for electric vehicles. Considering the monitoring of environmental impact as a functional element for a green conduct of its business, the Group is constantly renewing its commitment to install data collection

MAIN RELATED TYPES OF CAPITAL



tools and management platforms to control consumption and utility bills. In addition, Poste Italiane has promoted energy efficiency through an increase in the production of renewable energy and has fostered the reduction of emissions through dedicated projects including: planting initiatives, installation of consumption data collection tools, promotion of internal team development dynamics and conscious behaviour in the use of energy by employees.

As of 2019, Poste Italiane has adopted an Environmental Sustainability Policy, which allows it to identify the Principles and initiatives on environmental sustainability towards which to direct its commitment and action. This Policy is also a useful tool to formally communicate to stakeholders the green approach of the Group's business model, with reference to logistics, transport and property management activities.

The Policy consists of several Principles, which define how Poste Italiane acts in the area of environmental sustainability. Specifically, the issues covered in the document concern resource efficiency, innovation to support the transition to a low-carbon economy, the reduction and prevention of the environmental footprint and the promotion of an environmentally conscious culture.

Over the years, as a demonstration of the willingness to reduce the environmental impact of its activities, Poste Italiane has achieved certification of the environmental management system for the companies Postel SpA and SDA SpA, and has held since 2020 the certification of the environmental management system for the processes of design, direction, control and coordination of Postal and Financial Services according to the international standard UNI EN ISO 14001. The certification was issued by IMQ-CSQ, one of the most authoritative accredited certification bodies at international level.

In order to improve the Group's performance with a view to efficiency, Poste Italiane has developed an Environmental Management System compliant with the ISO 14001 standard, which represents a key tool in the systemic management of environmental issues, with reference to business processes. In order to support its improvement objectives, the Company promotes actions and interventions aimed at reducing the impacts linked to the performance of its activities, as well as initiatives aimed at raising awareness of environmental protection and respect issues. In this sense, the Environmental Management System provides valuable technical support to achieve Poste Italiane's sustainability goals.

Specifically, in order to achieve the objectives and Principles set out in the Environmental Sustainability Policy, Poste Italiane has identified three areas of intervention, for

¹¹³. During 2022, the Company did not incur any fines or penalties linked to non-compliance with environmental regulations.

each of which a number of specific actions are envisaged, detailed below:

- **Reducing the environmental impact of its operations:**
 - optimisation of energy consumption and reduction of atmospheric emissions generated by buildings, thanks to renewable energy supply plans and investments in energy efficiency solutions, such as the consumption constant control systems, the use of eco-efficient lighting systems and other energy-efficient electrical/electronic devices;
 - encouragement of green transport for logistical activities and individual mobility, with the aim of reducing atmospheric emissions, also by providing employees with a company fleet of hybrid or fully electric vehicles;
 - decrease in the consumption of materials and correct waste management, specifically through the reduction and containment of paper consumption, achieved thanks to the dematerialisation of documents and through the maximisation of the share of waste that can be recycled/reused;
 - reduction of water consumption.
- **Incorporation of environmental aspects into the products and services offered:**
 - implementation of digitalisation processes for the products and services offered, as digital innovation can create shared value between Poste Italiane and its stakeholders, providing a valuable contribution to the reduction of the environmental footprint and to corporate profitability;
 - analysis of environmental risks and opportunities with regard to investment choices and the management of insurance activities, in order to contribute significantly to Italy's sustainable development path.
- **Raising the awareness of employees and third parties regarding the environmental culture:**
 - involvement of employees in programmes and initiatives regarding the natural environment and ecology, in particular also through the support and active participation of Poste Italiane's corporate volunteer network;
 - support for training and information projects on environmental issues, as well as initiatives aimed at protecting and restoring the environmental heritage;
 - dialogue and collaboration with bodies and associations operating at national and international level, in order to design and adopt models, policies and strategies that can mitigate climate change and hinder the inefficient consumption of resources;
 - analysis of risks and environmental management methodologies adopted by counterparties (suppliers, business partners, other companies) in supply processes and possible extraordinary finance operations.

Numerous initiatives demonstrate Poste Italiane's commitment to environmental sustainability. In this regard, we highlight the projects to increase energy production from renewable sources through the development of photovoltaic solutions and those to absorb CO₂ and other climate-changing emissions through the planting of green areas on the Company's land and buildings are highlighted.

The effectiveness of the approach adopted is constantly monitored through procedures for identifying and assessing risks inside and outside the Group, also referring to the dialogue with stakeholders and the systems for reporting violations and sanctions.

In accordance with reference regulations, Postel SpA and SDA, the two companies primarily involved in the certification process, have also defined specific environmental policies.

Occupational Health and Safety, Environment and Quality Policy of Postel SpA: the Policy aims to ensure and monitor appropriate business conduct in compliance with regulatory and legislative requirements on environmental issues, aligning the Company to the required standards in the field of occupational health and safety. In addition, Postel SpA defines its objectives with regard to environmental protection and prevention of negative impacts, with particular regard to efficient waste management, and its commitment to the responsible use of resources and the protection of biodiversity, relevant to its context.

Quality, Environment and Occupational Health and Safety Policy of SDA SpA: through this Policy, SDA SpA establishes and presents the principles relating to the proper management of quality, environment and occupational health and safety issues. In particular, the Company recognises the importance of environmental sustainability, committed to the protection of the environment and making specific reference to the prevention of pollution and excessive consumption of natural resources that may result from the activities carried out within the Company. With this in mind, SDA SpA promotes the recycling and, where possible, the reuse of the waste produced, and is committed to the constant pursuit of a supply chain based on sustainability.

For Poste Italiane Group, the decarbonisation strategy relating to property management is a sustainable choice, also in view of the effects on energy prices caused by the Covid-19 pandemic and the war in Ukraine.

In this regard, in July 2022, Poste Italiane opened a new photovoltaic power plant in Palermo, capable of satisfying the equivalent of one year's energy consumption of as many as 250 homes. This is only the latest of the major environmental sustainability measures implemented by Poste Italiane in the Region of Sicily. Despite the fact that the Covid-19 pandemic crisis has dramatically altered the timeframe for the commissioning of the system, due to the restrictive regulations applied across the country, Poste Italiane, with its 769 Post Offices and 122 delivery centres in Sicily, has embarked on a path that will lead it to achieve zero net carbon dioxide emissions by 2030. The Company launched five parallel projects in Sicily, investing in LED, photovoltaic and other technologies. The first plan of interventions includes the replacement of classic lighting fixtures with LED fluorescent lamps to reduce electricity consumption by around 50%, and over 9,000 installations have already been carried out on 378 sites on the island. Lighting systems, along with air conditioning systems, are also part of a "smart building" project involving an integrated, timed and remotely controlled in-building consumption management system. Through an integrated management of the systems, as well as their replacement and modernisation, 200 Post Offices in Sicily are currently working to achieve an average consumption saving of 15% for the electricity component and 10% for the gas component, according to the "energy efficiency" plan for air conditioning, electrical and lighting systems. Green areas have also become central to the Company's operations. The fourth project, which involved 12 locations, involved the conversion of old underground heating fuel tanks into water collection systems for new or existing trees and hedges planted in areas outside the buildings.

The photovoltaic plan was also implemented, with the installation of panels at 39 Sicilian sites capable of producing around 3 million 700,000 kWh a year, equal to the annual energy supply of more than 750 homes (with traditional 3 kW meters).

Poste Italiane's green strategy

A new photovoltaic power plant in Palermo



Poste Italiane has undertaken a number of initiatives to ensure that its buildings are increasingly sustainable. One of the relevant initiatives in Central Italy was the reclassification of the Passo Varano sorting centre in the Marche region. The centre underwent a major energy upgrade, with a view to decarbonize the buildings.

Specifically, work was carried out on the conditioning system. The system, consisting of a gas-fired central heating plant and cooling units, has been replaced by more modern and less impactful electric heat pumps, which, thanks to their state-of-the-art technology, have better energy performance and are also less harmful to the environment in the event of gas leaks.

Energy requalification

Poste Italiane in support of the Passo Varano sorting centre

The Group is aware that energy efficiency is crucial to succeed in combining economic growth and sustainable development. Therefore, in adopting an exemplary environmental behaviour, Poste Italiane bases its strategy on the following areas of intervention:

Renewable energy sources. Poste Italiane promotes the installation of photovoltaic panels in its buildings, located throughout Italy, in order to make the impact of its activities even more sustainable. The renewable energy project envis-

ages the development of around 300 photovoltaic plants on flat-roofed property sites totalling 18MWp and around 25 GWh/y of expected production when fully operational. In addition, in 2022, 96 realisations were completed with progressive networking of plants.

The initiative has a two-year duration and started in the first half of 2021, with a total investment of €31.5 million, of which €16.5 million in 2022.

99%

of the Group's electricity requirement comes from 100% renewable sources, certified by Guarantees of Origin

-19%

Scope 1 and Scope 2 emission reductions achieved through building energy efficiency initiatives

In addition to the approximately 25 plants built between 2009 and 2020, which now produce over 1.5 GWh per year, the new investments are aimed at building by the end of 2023 around 300 medium/large-sized plants that will cover all regions with one of the most significant interventions in Italy in recent years, certainly representing the most widespread initiative ever carried out in the country. This intervention will create a production capacity of 18 MW with a projected annual output of 25 GWh, equal to around 6% of current consumption, progressively leading to the connection of the first 9 MW of photovoltaic power to the national grid. The best practices for this type of plant are: the Padua Sorting Centre with 1,300kW of power that will be completed within the year, the Milan Roserio plant with 524kW and the Palermo Sorting Centre with 858kW completed and soon to be connected to the national grid.

Smart buildings. Confirming the Group's commitment to environmental protection, in continuity with previous years, the Smart Building project was promoted for the creation

~10,900

tonnes of saved carbon dioxide thanks to the energy efficiency initiatives implemented

of a management system for Poste Italiane's medium-small sites by monitoring consumption, climatic conditions inside and outside the buildings, and the automatic implementation of regulation and management systems for air conditioning, heating and lighting systems. The project, financed by the European Investment Bank, envisages the implementation on 2,000 Poste Italiane buildings of a Building and Energy Management System (BEMS) with a unique platform of integrated plant supervision, management and control aimed at optimising maintenance management and energy efficiency. The intervention includes both the installation in the buildings of sensors and plant control and monitoring systems, and the connection to a centralised platform that allows the progressive optimisation of plant and room management. With thousands of buildings scattered in every climatic zone and at every latitude and altitude in Italy, Poste Italiane is fully representative of the extreme diversity of climatic conditions that characterise the territory in which it operates. For this reason, the Company needs technical solutions that can be adapted to different conditions and that can optimally manage the comfort of environments for both staff and customers, in an attempt to use as little energy as possible and make the best possible use of the systems, so as to reduce breakdowns and increase the service life of the systems. More than 1,600 locations, mainly Post Offices and delivery centres, are already connected to the BEMS platform and therefore, efficiently managed and monitored remotely, also through the implementation of a dedicated Control Room,

and the expected electricity saving is about 7.6 GWh/year when fully operational. By 2022, more than 950 additional locations were installed, in addition to the progressive improvement of the Software of the BEMS platform, also shared with some professionals in the area. During the year, more than 1,600 sites were installed and on-boarded on the supervisory system, despite some difficulties in the procurement of materials, with an investment of €6.5 million, of which more than 3 in 2022. The project is scheduled to be completed during 2023, with an overall target of approximately 2,000 locations.

90

energy efficiency projects conducted on the territory, focused on reducing consumption (gas and electricity) and emissions

Energy optimisation. With regard to energy efficiency, Poste Italiane has started installing gas and electricity meters in the Company's main buildings, in accordance with the provisions of Legislative Decree 102/14, and expects the gradual completion and use of measurement data also for the new series of energy diagnoses by 2023.

In continuity with previous years, in 2022, Poste Italiane planned a series of measures aimed at achieving lower resource consumption, in particular for the heating and cooling management of its buildings. The levers that are used are manifold and range from the renewal of end-of-life installations with more efficient equipment to the renovation of buildings to improve thermal efficiency, as well as revise the heating and cooling modes by switching from vectors such as oil to natural gas, to electrically powered heat pumps. Again, interventions are carried out according to technical parameters renewed year by year by the "Gestore dei Servizi Energetici - GSE" (Energy Services Manager) which indicate the types of solutions that qualify for incentives for the increased efficiency of installed equipment. Approximately 270 interventions were completed in 2022.

As part of the so-called "green project", between 2020 and 2022, the decommissioning of diesel tanks no longer in use and their conversion into water tanks capable of collecting rainwater to be used for the irrigation of newly planted trees will be carried out at 81 locations.

In addition, the Company launched an energy efficiency project aimed at optimising the air-conditioning and heating systems at some of the Group's structural sites for more than 40 interventions and an investment budget of approximately €3 million in 2022.

21.7 mln€

invested in projects to
reduce emissions

LED lighting. In 2022, Poste Italiane's commitment to the use of smart technologies continued. Over the years, the Group has installed LED lighting systems. In particular, more than 30,000 new LED light fixtures were installed in over 500 buildings in 2022.

Encouraging virtuous behaviour. Poste Italiane, which has always been committed to promoting increasingly efficient and sustainable management of its operating processes, pays particular attention to the issue of reducing the waste produced, initiating and maintaining projects for the "virtuous" reuse of goods and equipment/equipment deemed obsolete, but which can still have a "second life". These initiatives, such as "Valori Ritrovati" promoted in cooperation with Caritas, consist in removing certain goods and equipment from the waste management cycle by handing them over to third parties for reuse. Poste Italiane also participates in numerous initiatives aimed at raising awareness on the rational use of energy, such as "Ora della Terra", "Sustainability Survey", "Libera il Tuo Talento", "M'illumino di meno". Finally, the Company launched the "Green Challenge" initiative in 2022, a path aimed at encouraging Poste Italiane's customers to adopt appropriate behaviour in the area of sustainability.

Like in previous years, the Group participated in the customary celebration of Earth Day, the world's most important event for environmental protection, established by the UN in 1970. The 52nd edition held in 2022 focused on accelerating the search for solutions to combat climate change in a collaborative effort between citizens and governments around the world. At the end of the day, a memorandum with 52 tips for reducing environmental impact was published.

During the day, special attention was paid to the education of the youngest. To this end, the "Festival of Education for Sustainability" was again proposed, designed to bring children closer to green issues. In addition, during the TV marathon #OnePeopleOnePlanet, which in recent years has replaced the "Earth Village" organised by the Focolari Movement at Villa Borghese, a moment was reserved for the youngest, for the stories of young people from all over the world and their commitment to the planet, also with the presence of guests, artists and schools. The event concluded with the awarding of the #locitengo contest: the project aimed at stimulating the awareness and active participation of children and young people in solving the global challenges undertaken by nations with the 2030 Agenda, through the creation of projects such as artwork or reportage.

By participating in this event, the Group reinforces the validity of its corporate strategy, which aims to integrate sustainability into all areas of the Group's business, with the goal of becoming carbon neutral by 2030.

**Poste Italiane
participates to
"Earth Day"**

**"Investing"
in the Planet**

Green Month

Poste Italiane pays attention to environmental sustainability issues

In continuity with previous years, Poste Italiane organised the “Green Month” on 20 April 2022, in order to strengthen the focus on the Group’s sustainability, also by joining international awareness campaigns. The initiative lasted 30 days, useful for working on the culture of good environmental protection practices through a number of appointments. Commitment to the environment is one of the pillars of Poste Italiane’s Sustainability Strategy, and developing a culture of concrete actions in our daily lives is the real challenge the Group needs to face in order to make a real contribution to the planet.

Below is Poste Italiane’s Green Month decalogue for 2022:

GREEN MONTH DECALOGUE POSTE 2022

1. Turn off lights when you do not need them e do not leave electronic devices on standby
2. Adapt lighting equipment (and not only) to efficient technologies (LED for lighting)
3. Defrost the refrigerator frequently: keep the coil clean and away from the wall so that air can circulate
4. Put the lid on the pots when boiling water and always avoid the flame being wider than the bottom of the pot
5. Maintain efficient heating/cooling systems, regulating them so as to intervene on the ambient temperature only when necessary and while in the house
6. Use curtains to create gaps in front of windows, window frames, external doors, and avoid leaving them closed in front of radiators
7. Favour to the purchase of reusable products that at the end of their life cycle are fully recyclable, paying maximum attention to their proper disposal
8. Study all possible synergies and exploit the opportunities arising from intermodal mobility, taking advantage of public and shared transport such as car-sharing/car-pooling an cycling pedestrian mobility
9. Save time, money and energy by rationally planning your trips
10. Choose the right means of transport according to needs, thanks to adequate information oon the different possibilities and trying to favour the most ecological means of transport

The theme of “Green Month 2022” was WEEE (waste electrical and electronic equipment) and its management. The focus on the management of WEEE, which if not properly disposed of can become powerful pollutants, draws attention to the issues of reuse, recycling and the circular economy, which are cornerstones of Poste Italiane’s Sustainability Strategy and which also find concrete expression in other company initiatives.

The Group has promoted numerous initiatives in different fields, from sustainable mobility to land valorisation, such as: ‘M’illumino di meno’, ‘Earth Hour’, ‘Sustainability Monitor Report’ to promote a conscious approach to environmental issues and to reach the carbon neutrality target set for 2030.

Demonstrating the Group’s concern for the environment, the Company promotes the consumption of certified and recyclable products with respect to internal and external printing and consumables. In this regard, the procurement of consumables, such as original and remanufactured consumables, reams of paper, packaging, and the supply of labels, forms and cartons, incorporates, where applicable, the Minimum Environmental Criteria (MEC) set forth in Article 34 of Legislative Decree 50/2016. In addition, specific product certificates/eco-labels conforming to ISO 14024 are used.

Consistent with the Group’s commitment to the use of recyclable materials, a project has been launched to replace traditional credit cards with cards made from sustainable materials, such as the new Postepay Green, produced in biodegradable material and composed of 82% polylactic acid of biological origin. Moreover, Poste Italiane confirms its focus on environmental sustainability policies through the use of FSC (Forest Stewardship Council) certified paper and transparent cellulose and biodegradable material for envelope

Postepay Green

made of biodegradable material, 82%
polylactic acid of organic origin

windows. Specifically, the use of FSC-certified paper for the Group’s mass printing plants ensures the procurement of this material through a value chain that guarantees environmentally friendly, socially useful and economically sustainable forest management.

For some time, the Group has paid special attention to the social and environmental aspects of its supply chain management, in the belief that the development of transparent and long-lasting relationships with suppliers, paying utmost attention to quality, respect for the environment, safety and social

implications in the procurement process, are useful principles for constantly improving the service offered to its customers, as well as for pursuing a public interest objective for Italy's entire economic system. The aim is to pursue sustainable change through the definition of projects with a significant impact, such as logistics, decarbonisation of buildings and consumables, favouring a focus on resource exploitation, investment plans and technological development, together with the greening of more traditional needs.

For the planning and preparation phase of tenders, the Sustainable Procurement Model adopted by the Group envisages a differentiated approach that, on the one hand, encourages sustainable innovation of materials and processes also with a view to the Circular Economy, and on the other hand, verifies and proposes the possible reference to the general framework of Green Public Procurement (GPP - Green Procurement of the Public Administration) recommending the use of KeyESG applicable to the individual procedure, taking into account the maturity of the reference market, the role in the supply chain and the business size of the economic operator. Specifically, KeyESGs represent the non-financial criteria for assessing a company's performance, measuring its sustainability in environmental, social and governance terms.

The upward trend in environmental, social and governance indicators is matched by the significant increase in the ESG incidence of the technical offer, recorded at over 6 percentage points compared to last year. In order to increase the effec-

tiveness of business processes and the competitiveness of the supply chain, Poste Italiane aims to encourage the adoption of ESG criteria for selecting, evaluating and monitoring suppliers, mitigating any ESG risks.

Like in previous years, Poste Italiane has implemented the criteria set out in GPP, in order to combine sustainability in terms of reducing environmental impacts and cost rationalisation, applying, where required, the indications on the MEC, established with specific Ministerial Decrees. Tender procedures with technical offers (OEPV) almost always include ESG criteria.

Poste Italiane promotes the supply of foodstuffs of BIO, IGP, DOP, sustainable fishing, etc. products, which are higher than the minimum quantities prescribed by the MEC. Therefore, even local suppliers involved in the supply chain of food products for canteens and bars are required to guarantee certified products.

Furthermore, in order to significantly reduce its environmental footprint, the Company has embarked on a path of eliminating plastic of the canteens since 2019. In this regard, the register of suppliers is developed through a qualification system for regional areas and territorial areas. By favouring the presence of local labour with a zero-kilometre supply of material in the process of awarding works contracts, especially for those involving building and plant works, Poste Italiane is able to keep procurement costs low while reducing its impact on the environment.

Poste Italiane's entry in the market of selling energy to Italian households

The Poste Italiane Group's entry into the electricity and gas sector was accompanied by the "Energia160" promotion, through which the Company provided a discount on electricity and gas supplies for its employees and pensioners. The transparent and completely green offer was introduced in honour of Poste Italiane's 160th anniversary and includes the supply of both gas and electricity for users. The pillars of Poste Italiane's "Poste Energia" electricity and gas solution, aimed at the free market and available at all Post Offices, on poste.it and on the Postepay and BancoPosta apps, are: transparency, predictability and sustainability.

In terms of how the offer works, the price of the raw material for electricity and gas is locked in for 24 months, and there are two payment options: the traditional one, with a variable amount based on how much is consumed in the month, and the fixed instalment option, which is calculated on the basis of the previous year's consumption. This innovative solution allows the customer to pay the same amount per month for 12 months, and thus plan energy expenses in the household budget. At the end of the year, the instalment is recalculated for the following year, upwards or downwards, on the basis of the actual consumption recorded.

In line with the Group's philosophy, "Poste Energia" is a transparent, predictable, innovative and sustainable service that strengthens the relationship of trust between citizens and the Company. The service represents another step along the path defined in the Strategic Plan, and contributes to the strategic

objectives of a multi-platform company with a diversified business consisting of postal and logistics services, finance, insurance, payment, telephony and, from now on, energy.

100% green

Electricity and gas offers

In addition, the "Poste Energia" offer is distinguished by its focus on environmental sustainability, with particular reference to conscious consumption. In fact, the Company is committed to guiding the customer towards good practices in the use of the service, aimed at limiting its consumption. Furthermore, the electricity sold comes 100% from renewable sources produced in Italy and the carbon dioxide emissions of the gas released for consumption are fully offset. Finally, "Poste Energia" is easy to subscribe to, simply submitting a recent bill, minimising paper consumption.

The supply of electricity and gas expands the multi-channel offer of services already offered by the Group, from postal services to financial services, from insurance to digital payments, from telephony to fibre Internet connection and other services. The approach adopted by the Group is based on reliability and transparency, maximising the predictability of customer spending and using 'pull' commercial channels, which differ from 'push' channels in that they are activated by customers

according to their own will, and do not prompt them to make a choice that is not always conscious or correct.

Through this new service, Poste Italiane intends to take a leading role in the country's energy transition path, while at the same time developing an advanced digital customer experience, relying on the widespread network of Post Offices close to the territories and people.

Waste Management

Among the Group's environmental sustainability strategies is the continuous reduction of waste produced in all activities, the use of products with less impact on raw material consumption, the increased focus on the life cycle of materials used and the reduction of packaging. Most of the waste produced by Poste Italiane is non-hazardous waste such as paper, cardboard and plastic packaging and wooden pallets. However, within some sites the production of special waste classifiable as special hazardous waste, such as containers of printing inks or ink waste, may originate, albeit residually. In this regard, the Group is constantly committed to the gradual elimination from the purchasing cycle, also through the adoption of CAMs, of the products and materials that at the end of their life cycle give rise to the production of hazardous special waste, favouring similar but more sustainable products. Special waste is sent for recovery/disposal under liability cycle contracts that the Company enters into with authorised companies, in compliance with the requirements concerning the handling and traceability of waste as set out in Legislative Decree 152/2006 and the like (e.g. forms, loading/unloading register, MUD). The share of recyclable waste is instead sent for recycling/recovery through asset transfer contracts. This activity currently includes the recycling/recovery of paper and cardboard, plastic, wood and, partially, iron ore.

Waste management is a critical issue for the Group, and consists of planning, monitoring and control processes. The following are also mentioned among the sensitive activities referred to in the organisational model pursuant to Legislative Decree 231/01, including those relating to the management of waste that should arise as a result of the adoption of special protective or organisational measures to oversee extraordinary situations arising from exogenous factors (e.g. health emergencies), with reference to the definition of appropriate behavioural and organisational rules and related control measures.

Poste Italiane ensures the constant assessment of impacts and the implementation of countermeasures also through the precise definition and identification of roles and responsibilities within its organisations. The responsibilities of the Company's various organisational structures with regard to activities that influence waste management and, more generally, environmental impact issues, are documented in the organisational structures and specified in the activity declarations therein. The verification of the conformity of the processes related to the correct management of waste is constantly carried out through the control of the technical and professional suitability requirements of the suppliers of the collection and recovery and disposal service, through the control of service levels

and through controls on the correct management of operational processes within the sites. The plant-structural audit activity carried out at the sites also includes verification of the conformity of the waste management processes produced, with particular reference to the correct management of collection points, temporary storage, separation by type and the processing and keeping of the required documentation (Forms, MUD, etc.). In addition, the Group has undertaken initiatives aimed at raising awareness on the issue of waste management, especially at sites where proper separation and disposal are an added value in terms of recovery/recycling possibilities.

Control over the proper performance and management of the waste collection and recovery/disposal service is carried out by verifying:

- the correct supply of various types of containers for the temporary storage of waste;
- the labelling of waste/containers;
- the execution of the planned waste movements;
- that the waste management documentation has been completed correctly;
- compliance with the limits for temporary storage;
- transport by suitable and authorised means;
- valid registrations and authorisations for transporters and disposers/recoverers.

Finally, with the aim of planning actions for continuous improvement in waste management, a risk and opportunity assessment is carried out within the framework of the adopted Environmental Management Systems. The criteria used are established according to the specifics of the activity performed. To this end, the following are therefore determined:

- risk and opportunity scenarios for environmental impacts and relevant internal and external factors, and consistent with compliance obligations;
- the business processes/functions concerned;
- the assessment of likelihood, impact and level of control;
- the classification of risks;
- risk mitigation and control measures;
- the level of inherent and residual risk;
- new interventions and actions to be implemented.

Actions implemented to address risks and, where possible, seize opportunities, are proportional to the impact of waste production according to site and type, and monitoring of waste production data is carried out both within the specific procedures/methods referred to in the Environmental Management System, and during periodic reporting, such as the preparation of annual activity reports.

In particular, in 2022, the Environmental Management System, adopted and certified according to ISO 14001 at the Roma Eur headquarters, was extended to all sites throughout the country with a number of employees greater than 300. The

main Group companies have also adopted an Environmental Management System, certified according to ISO 14001, which includes procedures and operating instructions to establish guidelines and operational processes for the management of identified environmental aspects/impacts.

Water resource management

As regards the water supply of the sites owned by Poste Italiane, this is carried out by withdrawal from the national water network and is mainly used for sanitary purposes, with discharge into the municipal sewage system. The Group's objective is to minimise the use of water resources by monitoring their overall consumption and to minimise the volume of water resources to be disposed of as industrial waste by monitoring their production.

With regard to the activities of Postel SpA, water is taken from local aqueducts or from wells for which it has a concession, for use mainly in connection with activities similar to domestic use or for air conditioning systems. Only at the Melzo and Pomezia sites, water is used for industrial purposes, and waste from industrial processing is delivered to disposals. In contrast, water that can be assimilated to domestic water or rainwater is discharged in accordance with local concessions.

With reference to the activities of SDA SpA, the water supply of the sites comes mainly from municipal aqueducts and

only in 3 of these is water derived from wells used. Water use is mainly for sanitary purposes, bathrooms and cleaning. In addition, the water supply for the Rome hub, Milan and Bologna sites is provided by a rainwater harvesting system, which is used to irrigate the adjacent green areas, while in the leased sites the activity is completely managed by the lessor.

With regard to consumption monitoring, Poste Italiane uses an integrated quality/environmental/safety management system certified according to ISO 14001:2015. In particular, a Meter Reading Register is compiled monthly at the SDA SpA premises, where water consumption readings are recorded. These data are collected centrally to calculate the total annual consumption and the average daily consumption. On the basis of consumption, through an ad-hoc indicator called "WCI" (Water Consumption Indicator), it is possible to relate consumption to productivity, i.e. 'litres/shipping'. Subsequently, a ranking is drawn up that highlights which locations have high and excessive consumption, in order to check for abnormal situations. The objective of SDA SpA is to keep within the standard of the average value of the WCI indicator, with the aim of reducing the WCI by 5%. The quantities of water resources used and discharged in the manner described in the concessions of the various water resource sites are reported to the local administrations, which then carry out the prescribed analyses. Suppliers using the water resource, contracted under Group agreements, manage the resource in accordance with the local contracts and concessions of the various sites where they operate.

Environmental impacts of logistics

NFS

Aware of its capillary presence within the country and the potential contribution it can make in reducing environmental impacts, Poste Italiane Group considers these issues a priority in carrying out its activities, as well as in the process of defining its Sustainability Strategy.

In order to generate a positive environmental impact with regard to logistics activities, the Group aims to support the green transition of its fleet

Like in previous years, in 2022 Poste Italiane continued to implement sustainability initiatives, with particular reference to reducing the environmental impact of the corporate fleet. In this regard, 11,409 alternatively fuelled vehicles (electric, natural gas and LPG) are already deployed in the fleet.

The Fleet Renewal Plan, which had already been activated in 2019 with the aim of replacing the entire fleet of vehicles used for the delivery of postal products with green vehicles, continued in 2022 through measures to reduce energy consumption, lower atmospheric emissions, increase safety and increase load capacity for delivery. In fact, in addition to increasing safety parameters by replacing two-wheelers with three- and four-wheelers, electrically powered vehicles

MAIN RELATED TYPES OF CAPITAL



have been increased in order to promote 'green mobility'. With regard to improving the organisation of the delivery load, Poste Italiane also introduced larger and more functional vehicles for the transport and delivery of parcels, and set up new fittings.

Improving the environmental performance of the Group's fleet generates significant impacts on the reduction of greenhouse gas emissions. For this reason, Poste Italiane demonstrated its commitment to pursuing the plan for the complete renewal of its vehicle fleet, increasing the green component of the fleet itself, through the introduction of electric and hybrid cars and motorbikes in line with ESG targets of a 40% reduction in emissions. The results of this policy are evident, as the Company has gone from 11% green vehicles in 2016 to 37% in 2022, more than doubling this percentage by 2021, with the aim of replacing the entire company fleet with low-emission vehicles by 2024, resulting in a CO₂ reduction equal to that of around 80,000 trees.

In line with the Group's objectives aimed at the efficient use of renewable sources and the rationalisation of energy consumption from fossil fuels, since 2018, the Company has been promoting and supporting the new plan for the green

-18%PCL fleet emissions
compare to 2019

evolution of the corporate fleet and the Joint Delivery plan, two key corporate strategies for achieving the objectives set in terms of environmental sustainability. Through the “Joint Delivery” plan, Poste Italiane adopts a model that allows the Group to radically reorganise the delivery network and its operating model, implementing a delivery style that provides for the transition from a single network structure to a structure with two networks, which differ in terms of delivery methods, frequency and type of product managed. The Fleet Evolution Plan and the Joint Delivery Plan reduce both the number of kilometres travelled for delivery activities and the need for a marshalling fleet itself.

Regarding the details of the green fleet transformation project, in 2022, Poste Italiane completed the fleetings of 1,956 electric vehicles, of which 1,170 cars, 264 vans, and 511 tricycles and quadricycles, 7,003 hybrid electric or methane vehicles, and 6,154 low-emission vehicles.

37%of the fleet consisting
of green vehicles

The green fleet reached 37% of the total Poste Italiane fleet in 2022: there are about 7,500 bifuel vehicles between cars and vans - well above the approximately 2,800 in 2021 - and over 3,600 low-emission motorbikes. Specifically, 15,113 low-emission vehicles were fleetings in 2022: 1,956 electric vehicles including 1,170 cars, 264 vans and 511 tricycles/quadricycles; 7,003 hybrid electric or natural gas vehicles; 6,154 low-emission vehicles. The total number of environmentally-friendly vehicles introduced as of 2019 is 22,610, and by 2023, a further 3,710 environmentally-friendly vehicles are expected to be introduced in the fleet, including: 2,250 electric vehicles; 684 hybrid electric or natural gas vehicles; 776 low-emission vehicles, a total of 26,320 environmentally-friendly vehicles by the end of 2023. The interventions are in line with the goal of reaching 27,800 vehicles by 2024.

The Green Delivery Model

Benefits:

- about 4 million passages saved and about 495,000 km avoided
- avoided emissions of 53 tonnes CO_{2eq} and 244 kg of air contaminants
- each parcel delivered avoided the emission of 5.3 grams of CO_{2eq} and air contaminants

Through the “Green Delivery” delivery model, the Poste Italiane Group has made a proximity network available to the territory, which guarantees greater flexibility for customers and, at the same time, generates environmental benefits.

Poste Italiane customers, in fact, can make use of both the PuntoPoste network (consisting of more than 15,000 pick-up points such as tobacconists, bars, stationers, newsagents, Kipoint shops, Carrefour, API and lockers) and the Post Office network for the delivery of parcels, as an alternative to home delivery.

This delivery model also allows for greater efficiency in Poste Italiane’s logistics as more parcels can be delivered to a single collection point, thus limiting the number of pick-ups and fleet movements.

In the course of 2022, through the PuntoPoste network and Post Offices, around 4 million parcel deliveries could be avoided, resulting in savings around 495,000 kilometres by the Italian Post Office fleet.

The journeys saved and kilometres avoided thanks to the Green Delivery model avoided the emission of 53 tonnes of CO_{2eq} and 244 kg of air pollutants into the atmosphere (i.e. COVNM, NH₃, SO₂, NO_x, PM10, PM2.5).

In particular, each parcel delivered through the Green delivery model resulted in a saving in CO_{2eq} emissions and air contaminants of approximately 5.3 grams.

On 30 May 2022, an experimental flight was carried out on the Bari-Brescia-Bari route using SAF, Sustainable Aviation Fuel, derived from waste oil of biological origin.

The use of environmentally sustainable fuel for the Poste Air Cargo fleet is the proposal of the "Green Fuel" project for Poste Air Cargo, presented by a team of Poste Italiane employees as part of the "Insieme 24 SI" initiative, the contest of ideas on the eight pillars of the environmental sustainability strategy. The fuel used was obtained from a mixture of conventional fuel and green fuel - SAF - obtained from sustainable resources such as waste oils of organic origin, e.g. used cooking oil.

Thanks to the dilution of traditional fuel with SAF, it is possible to save around 35 kg of CO₂ for each hour of flight, as SAF fuel allows for a significant reduction in CO₂ emissions.

Poste Air Cargo

The first flight with environmentally sustainable fuel

As of January 2019, the Group used the 'Fleet Management' function, set up for the purpose of indicating, managing and organising corporate strategies in the vehicle sector. This function has the task of defining and ensuring the governance, guidelines and appropriate tools to obtain the best services for the entire vehicle fleet of Poste Italiane and Group Companies.

In addition to all the stable sustainable mobility initiatives, Poste Italiane is taking steps to influence people's current and future behaviour, so that it becomes part of a new normality for the benefit of environmental protection.

- **smart working** for staff;
- **subsidised purchase** of annual season tickets for Group employees and their families;
- 24-Hour **Shuttle** service connecting the 11 cities where the service operates with the CMP premises;
- Company **Car Pooling service** in Rome and Milan and **Car/Scooter sharing** campaigns;
- **new Eco-Drive theoretical/practical course campaign** aimed at fleet and non-fleet personnel;
- **video briefs** on the permanent Eco Drive on the intranet;
- **#MyVirtualDrive campaign**, the ecodrive simulation system in Direct3D technology;
- **#MyPostoBiciVerona campaign** dedicated to the employees of the Verona CMP Headquarters who are systematic users of bicycles for home-work commuting with the allocation of a free bicycle parking space for one year;
- **#PostePedala campaign** on the PMO portal to increase the use of bicycles in systematic travel and Changing Room, the changing rooms for cycling and running employees;
- **#MyFiabCard campaign** to help spread the culture of sustainable mobility;
- **awareness-raising campaigns** related to sustainable mobility issues to promote rethinking the way we move around the city;
- **publication** of the e-Book 'The challenge of the car of the future: naturally electric';
- **News Magazine** bi-monthly dedicated to sustainable mobility and **Time & Money Saving section** within the PMO portal.

Sustainable mobility

Poste Italiane's main initiatives

Home-Work Travel Plan 2022

Sustainable Mobility Actions

Poste Italiane believes that the management of systematic movements of its employees is a key element capable of producing positive effects, both direct and indirect, on the relationship with key stakeholders that can be enhanced.

The environmental impact generated by home-work trips is one of the main indicators of the effectiveness of the Home-Work Commute Plan (PSCL). Year-by-year monitoring allows not only to report on the current situation, but also to estimate the emission trend caused by systematic corporate mobility.

The PSCL is aimed at reducing private vehicle traffic and identifying measures to direct the home-work journeys of employees towards sustainable forms of mobility alternative to the individual use of private motor vehicles, on the basis of an analysis of employees' home-work journeys, their mobility needs and the state of the transport offer in the area concerned. The PSCL also defines the benefits that can be achieved through the implementation of the measures it envisages, assessing the advantages both for the employees involved, in terms of travel time, transport costs and comfort, and for the Company adopting it, in economic and productivity terms, as well as for the community, in environmental, social and economic terms. According to current legislation, the observation is aimed at territorial offices with more than 100 employees in municipalities with a population of more than 50,000 inhabitants. The results allow the savings of tonnes of CO₂ emissions and the total economic value of the external costs avoided in the home-work journeys of staff.

The circulating car fleet is surveyed through the aggregated results of the survey conducted in 2022, where specific information was requested on the private vehicle used for home-to-work travel. Specific data on the composition of workers' car fleets were also obtained. The single cluster of analysis, which makes it possible to associate the number of private vehicles used by employees with the corresponding emission factor, consists of the intersection of three pieces of information from the survey: Cylinder Capacity, Euro Class and Power Supply.

Objectives related to the reduction of CO₂ emissions are the focus of the joint venture agreement between Poste Italiane and sennder, a European leader in the digitalisation of freight transport. Through the partnership with sennder, the Group

wants to improve the efficiency of long-distance road transport, covering the entire full-load transport sector and the handling of parcels and letters between all the Group's sorting and distribution hubs.

Poste Italiane in Green Postal Day 2022

Together to combat climate change

Poste Italiane participated in the fourth edition of the "Green Postal Day", an initiative organised by the International Post Corporation to enhance the contribution of postal operators to the reduction of CO₂ emissions and the global combat against climate change. Poste Italiane is in fact committed, together with the major players in the logistics sector, to the development of a more sustainable economy and society, through deliveries with ever lower carbon dioxide emissions. The postal operators' commitment resulted in an annual reduction of more than 30% in collective pollutant emissions and 30% in electricity consumption by 2022, compared to 2008. Companies participating in Green Postal Day also reduced their aggregate electricity consumption by more than 17.5 terawatt/hours.

The initiative promoted by the postal sector emphasises the importance of collaboration with a view to exchanging best practices and stimulating individual companies to go beyond their initial targets. The use of a common measurement system has also fostered transparency and guided sustainability choices.

This initiative contributes to the achievement of the objectives of the "2024 Sustain & Innovate Plus" Strategic Plan, in particular, those related to the decarbonisation of the corporate vehicle fleet in view of the zero-emission target set for 2030.

With particular reference to the supplier selection process, Poste Italiane also includes the use of specific criteria to monitor the indirect environmental impact. Specifically, the Company verifies the technical and professional suitability of its suppliers by requesting, for qualification purposes, the possession of specific requirements, including composition and type of vehicles in the fleet. In particular, in relation to the vehicles used to perform the services, the Group requires their consistency with the European standards on polluting emissions with a class no lower than EURO6 and that the XL boxed or tarpaulin semi-trailers equipped with TIR cable are equipped with GPS detection capable of transmitting all the detections on the position of the vehicles.

As regards the purchase of logistics services, Poste Italiane maintains conduct consistent with sustainability issues, selecting and rewarding suppliers in line with the environmental, social and governance issues that the Group promotes. In particular, for transport services there is a score that rewards eco-sustainability for suppliers who adopt vehicles with lower CO₂ emission classes.

Compliance with the reference MEC is also required for footwear and Personal Protective Equipment (PPE). In addition, bids aiming at the recyclability of packaging are emphasised in terms of the technical score awarded. In line with the services mentioned above, in the procurement of technological systems for parcels and letters, offers with low energy consumption in use are valued.

Poste Air Cargo, the Italian leader in full-freighter air transport, connects 8 Italian airports with a night-time network to serve the cargo courier segment logistics support of Poste Italiane. As far as the airline fleet is concerned, the rules of the UE Emission Trading System (UE ETS) stipulate that annually, by April 30th, companies covered by the greenhouse gas emission reduction scheme - including airlines - must surrender a sufficient number of ETS allowances to cover their emissions for the previous calendar year.

The price dynamics for 2022, influenced by the current socio-economic context, are characterised by stable quotations, with an average CO₂ price of about €81, significantly higher than in 2021, which was about €54. Poste Air Cargo, in line with the Group's green strategy, has launched a specific feasibility study aimed at identifying the possible and most suitable actions to be taken to contain greenhouse gas emissions directly attributable to air transport.

Offsetting of aircraft fleet emissions

ETS quotas



SERVIZIO ORGANIZZAZIONE
VELOCITÀ
DIAGNOSI
 Cortesia
 ASCOLTO
 RISPOSTA
 SOLUZIONE IN OGNI EMERGENZA
 RISPETTO
 Familiarità
 APERTURA
 Premura
 Empatia
 Puntuale
PRECISIONE
 VIGILANZA
 Cura
 E ATTENZIONE
CAPILLARITÀ



LEARN ABOUT THE ARTWORK
WITH AUGMENTED REALITY

Scan the QR code with your smartphone
and click on the link.



CHIARA RIVA
Calligrapher



Customer experience

Service quality and accessibility, attention to customers' needs.

- **83%** of customers are **satisfied** with the Group's services
- **ISO 27701** obtained for the **data protection management system**
- - **57%** IT security breaches/cybersecurity incidents
- - **90%** of customers involved in IT security breaches

< 7.14 Customer experience

**CUSTOMER EXPERIENCE FOR US:**
scan the QR code and watch the video

MAIN RELATED TYPES OF CAPITAL



IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2022	
	Increase Customer Satisfaction	• Customer Satisfaction	• +4% by 2022	2018	<ul style="list-style-type: none"> • +6% versus 2018 • +4% versus 2021 	
	Promote knowledge and skills development within the sales network	• Hours of training provided to the sales network	• 6.5 million by 2022	2018	<ul style="list-style-type: none"> • 8.5 million 	
	Evolution of the Service Model through the specialisation of Financial Advisors based on the clientèle target into Personal, Dynamic and Premium	• Number of specialised advisors	• > 10,000 by 2024	2020	<ul style="list-style-type: none"> • 8,372 	
	Evolution of the Omnichannel Service Model through further development of the digital channel and self-service offer for the subscriptions of interest-bearing postal certificates (BFP), Class I, Multi-class, Funds and GP Moneyfarm	• Number of subscriptions through Digital channel	• > 5% by 2024	2020	<ul style="list-style-type: none"> • 7.2% incidence of digital gross inflows on total gross inflows by volume • 18% of transactions via the digital channel related to subscriptions of postal savings certificates and investment products 	
	Evolution of the Omnichannel Service Model through further development of the digital channel and self-service offer for the subscriptions of interest-bearing postal certificates (BFP), Class I, Multi-class, Funds and GP Moneyfarm	<ul style="list-style-type: none"> • % of total volumes • % of total volumes 	<ul style="list-style-type: none"> • 8.0% by 2023 • 8.5% by 2024 	2022	NEW	
	Evolution of the Omnichannel Service Model through further development of the digital channel and self-service offer for the subscriptions of interest-bearing postal certificates (BFP), Class I, Multi-class, Funds and GP Moneyfarm	<ul style="list-style-type: none"> • % number of collection transactions finalised on the digital channel • % number of collection transactions finalised on the digital channel 	<ul style="list-style-type: none"> • 19% by 2023 • 20% by 2024 	2022	NEW	
	Dematerialisation of documents to reduce the use of paper at the Post Office, through the elimination of the customer copy for loan origination and customer record changes	• % number of transactions since solution release	• 30% by 2023	2022	NEW	
	Promote knowledge and skills development within the sales network	• hours per capita for employees working in the sales network	• 90 by 2024	2022	NEW	

Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Quality and Customer experience NFS

Customer satisfaction is a central objective of the quality policies of the Poste Italiane Group, which is committed to its pursuit by favouring moments of listening, which are essential to ensure the continuous improvement of the quality of the products and services offered. Offering customers a unique and distinctive experience is all the more important in such a rapidly developing and evolving environment, characterised by the increasing presence of mobile devices, social networks, e-commerce and multichannel. The correct approach within these channels enables a solid relationship of trust to be established and any changes in customer habits and behaviour to be intercepted.

Values such as courtesy, transparency, fairness and impartiality, which regulate the approach adopted by the Group towards its customers, are enshrined in the Code of Ethics and ensure correct, healthy and profitable management of customer relations.

Customer focus is the primary objective of Poste Italiane which, by offering a high level customer experience and a service based mainly on understanding and listening, succeeds in intercepting the needs of its customers, satisfying their requirements with great quality and professionalism

In this regard, the Company engages in a dual monitoring process, which allows for constant improvement of both the quality delivered and the quality perceived by the customer. With regard to the quality delivered, the Company monitors its targets and progress thanks to a KPI system that covers the entire range of products and services offered by the different business units and provides management with progress and trends based on a periodic reporting system. In the course of 2022, the development of the connected experience was pursued more intensively, whereby the 'connection' between customer ratings, operational performance and competitor results was initiated. As far as Post Offices are concerned, the

Poste in Pratica is the new service aimed at public administrations and citizens for the delivery, control, digitalisation and dispatch of administrative files. Administrations implementing the agreement can use the widespread network of Post Offices for the delivery and dispatch of files of any type, or request home collection. For Poste Italiane, this is a solution designed to simplify processes, streamline the administrative process and reduce the delivery/receipt time of paperwork with the public administration.

The citizen wishing to send a file is informed directly by the administration about the possibility of using the service and then, once the relevant documents have been prepared, can go to the Post Office. The operator, after recognising the customer, verifies the completeness of the data entered by issuing an acceptance receipt and initiates the document at the Group's administrative service centres. After verification, the file is dematerialised and then sent directly to the PA, either in paper or digital format. The citizen using the service can also monitor the status of the file and make use of Poste Italiane's assistance channels.

The "Poste in Pratica" service

The Poste Italiane network at the service of citizens and the Public Administration

MAIN RELATED TYPES OF CAPITAL



Private Market structure has activated a process of continuous monitoring of waiting times through the tool of the waiting manager, which also allows timely intervention through an alert system. In addition, the Post, Communications and Logistics (PCL) structure monitors and measures on-time delivery levels for mail and parcels, and first delivery success for parcels, using digital tools that contribute significantly to increasing quality and service delivery.

In connection with the value the Company places on the quality perceived by customers, a customer experience target has been set for 2022 for recipients of the MBO (Management by Objectives) programme as well. Therefore, a dynamic model has been developed that has the ability to determine targets by taking into account the changing environment through the analysis of internal and external signals, as well as to incorporate management's possible drive for ambitious growth in strategic areas through top-down improvement. Thanks to the development of the target setting methodology, Poste Italiane is able to identify, within each macro area of the Group, the relevant components for the measurement of Customer Experience, to cover all significant interactions with customers. Moreover, considering the increasingly integrated and central role of Poste Italiane's Partners in the definition and development of the various service components, a structured project was launched to listen to Partners and customers of third-party networks, in line with the Group's perceived quality model.

With the aim of pursuing continuous improvement of the customer experience and the quality of the service offered, the Group adopts a listening model aimed at identifying priority actions to be implemented. Specifically, Poste Italiane analyses verbatims (spontaneous customer responses on critical areas encountered during the customer journey with Poste Italiane products and services) obtained on the basis of periodic surveys in relation to the Group's ESG objectives. These opinions are then translated into Net Promoter Score terms, i.e. the extent to which customers are satisfied enough to

381

improvement actions addressed by the **Quality and CX Task Force** in 2022

recommend the products or services themselves to others. On the basis of this, the business units identify critical issues to be addressed and direct their own improvement actions, which are delivered by each owner within the Company for implementation.

83%

of customers say they are **satisfied** (engaged) with the **Group's services**

The continuous listening model is ensured by the Customer Feedback Management (CFM) service, a corporate service activated for the provision of surveys on the quality perceived by customers with respect to the Group's products and services. The tool makes survey results available in real time, thanks to the use of a performing semantic engine. Indeed, Poste Italiane is working to become an ecosystem platform for the delivery of innovative products and services in a cus-

tomers-centric logic, enabling operational and business models that are rapidly aligned to the growing needs of customers and the market. The work of the Quality and CX (Customer Experience) Task Force activated in July 2020 continued in 2022, which is dedicated to analysing and listening to customer opinions in real time, with the aim of triggering rapid and selective action in respect of the evidence emerging from ongoing discussions with customers and the front line. In the course of 2022, the activity involved more than 222 people, highlighted 361 feedbacks and addressed 381 improvement actions.

The impact of digital transformation is relevant in many industries, particularly in the postal sector. Poste Italiane is therefore called upon to recognise these changes and to take action to provide customers with new tools to meet their needs. The Company aims to implement all booking system in the Post Office so that each appointment can be planned exactly, considering that the percentage of customers planning an appointment, currently around 10%, is set to increase in the short term. Crucial in this respect is the added value resulting from the omnichannel experience.

Finally, Poste Italiane also implemented several interventions in the area of waiting time management, with the related attribution of new functions provided to the reception operator (ODA) in order to direct customers to the fastest and most suitable channel for their needs. In fact, the Company has long been focusing on strengthening the advisory service, entrusting each financial advisor with a portfolio of clients. The portfolio of retail customers is one of the pillars of Poste Italiane's strategy to achieve its objectives and is the lever for effective customer management based on the new advisory service model.

Poste Italiane's omnichannel strategy

The impact of digital transformation is relevant in many sectors and even more so in the postal sector. Poste Italiane is structuring an omnichannel service model that provides value and quality to both the many customers who prefer the digital mode and those who prefer to frequent Post Offices.

Poste Italiane's model is based on a strong integration between physical and remote accessibility to the services provided, and is based on four pillars:

- new reception model;
- relational desk;
- strengthening the tools that enable the Company to bring about this change;
- valorisation of consulting rooms.

The integrated model is necessary since 94% of Italians live within five minutes of a Post Office or PuntoPoste.

The full integration of its channels enables the Poste Italiane Group to effectively manage customers, from engagement to sales, through a data-driven service model supported by technology-intensive processes and customer operations. This model also contributes to the digitalisation process of the country by reducing the digital divide. Through its omnichannel interaction platform, Poste Italiane handles 20 million daily customer interactions, 6.7 million of which come from digital channels.

In addition, the "Punto Poste Casa & Famiglia", a new space where citizens can find the entire range of products and services dedicated to the home and family, designed to simplify and enhance customer relations, is active in many Post Offices. At the "Punto Poste Casa & Famiglia", it is also possible to find out about the offers of PosteMobile Casa, easily activate PostePay Evolution, subscribe to a Poste Guidare Sicuri RCA policy, or apply for all of Poste Italiane's more "traditional" products, such as the "Libretto di Risparmio Postale" or the "Buono Fruttifero Postale".



PostePay SpA is among the award-winning companies in the first edition of Italy's Best Customer Service 2022-2023. The award aims to identify the brands with the best customer service and the companies that have distinguished themselves for high quality customer service in Italy.

The ranking was carried out by the Corriere della Sera supplement "l'Economia" in cooperation with Statista GmbH, an international research and analysis company, and involved the opinion of around 15,000 consumers. The category for which PostePay took first place is that of Fixed Telephony and Internet Companies, with the PosteMobile brand. The consumer survey considered several parameters, including professional competence, communication, service availability, customer orientation, and service variety.

PostePay's commitment has always been to put the customer first by offering quality services, with the aim of satisfying the customer at every stage: from purchase, to use, to customisation, to requesting assistance.

PostePay's customer service is based on customer culture and is transversal to the Company, involving all staff in all phases of the design, development and delivery of offers and management processes. PostePay has constantly evolved its services, capabilities and customer care in this direction, offering customers increasingly advanced tools to manage their offers and services, from a multi-service and multi-channel perspective.

PostePay among the winners of Italy's Best Customer



Every year, Smau, Italy's leading trade fair dedicated to information and communication technologies, presents the Innovation Award to companies that have contributed to the growth of the country system with innovative and concrete proposals. This year's award-winners also include Poste Italiane, which has introduced a customer care service intermediated by artificial intelligence via voice (voicebot) and chat (chatbot and appbot), with the aim of promoting a radical cultural, organisational and technological change in the assistance model.

In the new model, the human operator was thus gradually supported at first by a chatbot, a system that operates in natural language, dialogues and provides answers and solutions to customers via chat on the site/app and WhatsApp, which was later joined by a telephone answering channel on the helpline numbers via voicebot, which provides voice answers in automatic mode on the various channels for the different areas of Poste Italiane's business, from finance to logistics.

The use of artificial intelligence has several positive impacts for both customers and the Company, as it allows for 24-hour customer service 365 days a year, which helps to bring part of the population closer to and familiarise them with advanced technological systems, relieves operators of the most repetitive tasks, and allows them to dedicate themselves to activities that require human intervention.

Poste Italiane: Awarded at Smau

Innovation in Customer Care Service Systems



Failure to meet customer needs is a risk driver that is assessed by the Board of Directors, also with reference to customer experience indicators, such as the complaint rate, which in 2022 decreased by 25% compared to the previous year.

The tool for optimising own operational activities and guaranteeing high quality standards is the monitoring of the quality delivered and perceived by the customer, both on a relational and transactional level. Indicative of the Company's desire to meet the needs of its customers is the use of quality resources in the Mail, Parcels and Distribution function, distributed at local and central level, who carry out targeted measurement, prevention and improvement activities to achieve the Company's objectives.

In order to collect and analyse data from the desired sources of interest, such as social networks, app stores, Post Office reviews on Google Maps, public online information sources, blogs and forums, the Company uses a Web Opinion Monitoring (WOM) service, through which it generates real-time reporting of all topics of interest. The service responds to the needs of different member structures and consolidates in

a single solution the services used by the various functions of Poste Italiane and Group companies.

At the organisational level, through the area dedicated to digital channel management, activated in 2020 to enable continuous improvement of experience KPIs gathered both from customer listening and from the analysis of external sources (store app, Google comments, etc.), more than 700 interventions were carried out up to 2022. These interventions positively affected the CES and rating app KPIs measured on the channels. The main releases include: the possibility for customers to purchase the main products online in a simplified manner (Postepay Digital Card, Current Account, "Libretto Minori", Loans), the evolution and innovation of the Home page of the Postepay and BancoPosta apps by grafting engagement elements aimed at driving sales and transactions, the possibility for customers to withdraw without the use of a card at ATM Postamat using the apps, the enabling of direct debits for utilities, the possibility of consulting their receipts for payments made online and at Post Offices directly on the notice board, and the possibility of requesting online and consulting the ISEE declaration on the notice board.

In addition, the continuous improvement and simplification of key processes from an omnichannel perspective continued in 2022. Among the most important interventions are the evolution of the access model in the Post Office, through an initial simplification of the booking process that will be completed in 2023, the simplification of identification in the Post Office, the completion of the customer profile to enable it to operate in multi-channel mode, and the signing of the digital signature also from the Post Office.

The areas for improvement that have emerged in relation to customer feedback constitute an important stimulus for process assessment and revision activities, together with the support activities functional to maintaining quality certifications and those identified by the “inter-functional communities”. In this area, the use of a process mining platform, purchased in 2022 by the Group, continued in 2021, which enables more effective service quality improvement projects with a strongly data-driven approach. During the year, the platform was used on improvement projects related to transversal processes such as “successions” and the “invoicing phase of the asset cycle”.

Since 2021, Poste Italiane has held UNI ISO 22222 certification for financial advisers who assist savers in their investment choices. The certification confirms the Group’s commitment to supporting the widest application of ethical and sustainability principles to enhance the development of professional skills and offer services dedicated to customers’ needs. Poste Italiane was, in fact, the first among large Italian companies to achieve UNI ISO 22222 and UNI TS 11348 certifications for the Investment Advisory Service Model of financial advisers engaged in the role of personal financial planners. In addition, the concomitant certification on purchasing methods places Poste Italiane among the country’s leading economic and production entities qualified in sustainable management of purchasing processes and supplier relations.

41 mln
contacts managed in **2022**
(+10.8% vs 2021)

Poste Italiane brings the system for collecting and managing complaints under the responsibility of the “Customer Care Services” function. The objective of this structure is to address and guide the customer’s expectations through a series of customised solutions, adopting a model that makes service a competitive lever both of the customer relationship and of the support of the business. The Group’s objective is to build a customer support journey for each business segment, enabling over time more efficient management of the customer experience, with the progressive adoption of innovative technological tools. With the spread of artificial intelligence within Customer Care Services,

39%
contracts managed
by **Artificial Intelligence**

Poste Italiane managed to increase the number of managed contracts by 10% in 2022 compared to 2021, with AI accounting for 39% of managed contracts (33% in 2021).

Poste Italiane has always paid the utmost attention to the needs of its customers to ensure their complete satisfaction, in order to offer the product or service best suited to their needs and preferences. In cases where the customer’s expectations are not met, the cooperation of the customer becomes essential for the Company to identify and remove the causes of the inconvenience. Co-operation, in fact, on the one hand allows the interested party to have its needs met, and on the other hand to put in place the necessary corrective actions and activities to improve business processes. In this regard, Poste Vita has adopted a Complaints Policy that precisely defines the principles for handling customer grievances aimed at their correct and timely handling. In addition, the preparation of a monthly Complaints Report allows the monitoring of the above activities, highlighting the main causes of complaints and the corrective actions put in place to resolve them.

The issue of quality, which is also strongly integrated within the corporate development strategy, takes on a primary role within the Poste Italiane Group’s Integrated Policy, with the aim of mapping, within the framework of quality management systems, all the processes that contribute to the design, development and implementation of a product or service.

Moreover, Poste Italiane considers it of fundamental importance to build customer relationships characterised by the pursuit of maximum transparency and fairness. For this reason, the Company requires its employees to constantly strive to meet its customers’ expectations, and envisages that the principles set out in the Integrated Policy should be transposed by the Group Companies, according to their autonomy and independence, adapting them according to their size, organisational and operational context and any regulatory provisions (e.g. Financial and Insurance sectors).

In order to ensure the highest level of effectiveness and efficiency of processes, activities and resources, the Company has adopted an Integrated Management System that allows it to produce reporting that represents the trend of complaints and customer experience indicators. As far as quality is concerned, the Integrated Management System enables the Company to constantly implement initiatives to improve the regulatory system and, without prejudice to the autonomy of the individual business units in the drafting of content and procedures, to pool formats and tools.

In particular, in accordance with the UNI EN ISO 9001:2015 standard, the Group has adopted an effective Quality Management System, thanks to which it carries out its activities in accordance with the following principles:

- maintain adequate service quality, specifically, by ensuring efficiency and continuity of service in accordance with the specific requirements;
- maintain the adequacy of the services offered to customers;
- respect time and optimise the cost/quality ratio of products and services.

The Quality Management System, which guarantees through its functions the satisfaction of customers' expectations, enables Poste Italiane to pursue the continuous improvement of its performance and standard of competitiveness on the market. The System plays an essential role in defining the rules and limits applicable to quality control at all levels. Therefore, any anomalies found are recorded and reported through specific audits and periodic checks.

With regard to the quality of the service and products offered, the foundations of the management model are based on dialogue with customers, which allows for the establishment of a relationship of harmony and to identify their needs in the best possible way. This action is characterised by:

- sharing with Top Management periodical reports on quality indicators;
- detection of the level of Customer experience in relation to the various business units, measured twice a year through the detection of the Net Promoter Score (NPS), indicative of the level of customer satisfaction. These are surveys using CATI (Computer-Assisted Telephone Interviewing) and CAWI (Computer-Assisted Web Interviewing) methods that an external research institute carries out on samples of customers representative of the reference universe;
- measurement of the level of customer experience with regard to the use of the channels, measured by the Customer Effort Score, which detects the ease of access to them. These are CATI measurements for customer service and CAPI (Computer-Assisted Personal Interviewing) for Post Offices;

- monitoring of the degree of customer satisfaction and gathering of opinions and suggestions to identify opportunities for improvement using the Customer Effort Score (CES) indicator, applied to the Group's channels (Post Offices, call centres and the web), which makes it possible to analyse how easily and in how long the Company solves problems;
- adequate management of complaints, aimed at identifying and remedying, through the necessary corrective actions, the causes that resulted in the inconvenience, with a view to continuous improvement of business processes.

Consistent with what was done in previous years, the Group further refined its customer listening activities through its multiple touch points for postal, financial and insurance services. Once a year, the NPS is also measured for the most representative competitors of the Poste Italiane Group's businesses.

Continuous listening to the front line of business channels was also activated in 2022. Large Customer Accounts and SME/POE Accounts thus have an always-on survey through which they can point out areas for improvement in sales and after-sales customer management. During the year, the frequency of NPS measurement of large customers was increased and the 'Inner Close The Loop' process was implemented, which consists of the analysis of customer verbatims by an inter-functional team with the aim of structuring a follow-up, which is returned to each individual customer by the Account.

As far as customer interaction is concerned, recall management is crucial for the Poste Italiane Group because it can be an instrumental indicator in defining the Group's level of service. It also contributes to the assessment and management of operational and reputational risks, as well as non-compliance and conduct risks. In this regard, specific reporting systems are used to analyse the progress of complaints, carried out on a weekly and monthly basis, which communicate the results to top management. Each Poste Italiane Group company has adopted and implemented specific procedures outlining the principles and procedures for handling complaints, and these procedures are periodically submitted to their respective Boards of Directors for approval.

During 2022, the Poste Italiane Group implemented its financial services offering. Customers can subscribe to the "Prestito BancoPosta Business Link Online", developed in cooperation with Banca Aidexa SpA, which enables digital loans to be offered to sole proprietorships and small businesses.

In the area of insurance services, the new "Digital Protection" feature of "Poste Vivere Protetti" has been included in the modular offer. Through PostePay's omnichannel platform, the Group has assumed a strategic role in the provision of payment services, reaching a number of "Evolution" cards of almost nine million and more than 23 million users who have adopted PostelD to certify their digital identity.

On 15 June 2022, the Group launched an offer under its own energy brand aimed initially at current employees and pensioners. The transparent and completely green "Energy 160" offer was introduced in honour of Poste Italiane's 160-year history and includes the supply of both gas and electricity for users, for a total of around 30,000 contracts signed.

Poste Italiane

Close to customers' needs



Dialogue with consumer associations

Poste Italiane shares with the Consumer Associations a path oriented towards confrontation, dialogue and collaboration, on a small and large scale. The Framework Agreement signed in 2011, and then renewed in 2018, through which the “Cantieri Consumatori” was set up, a permanent working and consultation group made up of a single representative of each Association and Group representatives, whose purpose is to identify the best solutions to reconcile the Company’s needs with those of its customers in the context of consumer-oriented corporate initiatives. Through the working group, the Company has been able to increase the quality of its products and services over time by adopting a constructive and transparent approach between the parties.

Furthermore, in order to follow up on the issues that emerged and were addressed at the round table and to promote initiatives, the newsletter “*Dialogando con i Consumatori*” was created, an information tool addressed to the territorial representatives of Consumer Associations. The aim of this project is to inform stakeholders about the main news related to Poste Italiane’s activities and to provide them with new insights

and recommendations, in order to further tighten the bond of knowledge and cooperation that has always characterised the relationship between the Company and consumers.

In order to guide consumers through the online purchasing process, Poste Italiane has made available to them the “E@sy commerce” manual, created in collaboration with nineteen Consumer Associations and Netcomm, the Italian E-commerce Consortium whose members include the most important national operators in the e-commerce sector.

In order to ensure the availability of all the information necessary for the efficient use of postal products and to describe the quality objectives that the Company is committed to achieving for each of them, Poste Italiane makes available the Postal Services Charters, which provide all the information on the main products, delivery targets and times for Italy and abroad, complaints and refunds. The Universal Postal Service Charter includes products covered by the Universal Postal Service (Legislative Decree 261/99). The Postal Services Charter includes products not covered by the Universal Postal Service.

Cybersecurity, IT Security and Privacy

NFS

In a global context characterised by an ever-increasing presence of the digital world as a cornerstone for business development and continuity, Poste Italiane attaches particular importance to the adoption and implementation of effective security systems for the defence of the Company’s information assets and consequent data breaches. Therefore, the adoption of valid computer security systems is instrumental to the correct functioning and provision of own services and guarantees the confidentiality of data and information, preventing any type of access to unauthorised parties.

Among the priorities of the Poste Italiane Group is the protection and safeguarding of the information assets of customers and stakeholders. This is made possible by technologically advanced systems and state-of-the-art defence measures

This includes the Corporate Affairs - Information Security structure, which carries out a monthly cyber risk assessment for the Group. The methodology currently in use considers this risk from a purely technological point of view based on preventive technical security audits carried out on the three applications: Vulnerability Assessment, Static and Dynamic Code Review, Penetration Test.

- **Vulnerability Assessment**, is the process of identifying, measuring and prioritising the vulnerabilities of a system. The assessment is performed with special tools twice a year for each application;
- **Code Review (Static and Dynamic)**, represents the pro-

MAIN RELATED TYPES OF CAPITAL



cess of checking the source code of an application to verify that the correct security controls are in place and that they are working as intended. By means of special tools, the verification is carried out of both the source code (“Static CR”) and of the code in execution (“Dynamic CR”);

- **Penetration Test**, the process of evaluating the security of a system or a network through the simulation of attacks that aim to gain undue access to the system. Being a time-consuming activity, it is performed on a specific perimeter of applications.

With the aim of ensuring effective and efficient management of potential cyber risks in the Company, Poste Italiane combines these precautionary measures with two other indispensable parameters: patching and hardening. Together, these activities are aimed at resolving vulnerabilities by keeping the operating system, firmware and applications up-to-date, activating only required ports and services, and obfuscating easily breached system components.

The cyber risk assessment revolves around two main dimensions, Severity and Confidence. Severity identifies the severity level of cyber vulnerabilities; on the contrary, confidence refers the level of reliability of the cyber risk value, which depends on the coverage degree of the checks carried out in terms of number of completed analyses. Downstream of the entire analysis process, Recovery Plans are drawn up, i.e. the main corrective measures necessary to fill the safety gaps identified during the various analyses, including the technical ones. In the past, the management

of Recovery Plans relating to the various security activities has involved the contribution of a number of Poste Italiane Group functions.

During 2022, the implementation of the new BCM (Business Continuity Management) model in the financial perimeter was started with the definition of the relevant Business Continuity Plan, Business Continuity Risk Analysis and Assessment Methodology. Organisational and technological solutions for continuity were tested and training events on business continuity were held. The following are the main initiatives of the year:

- Two cyber incident management drills in the financial sector;
- Involvement and coaching of the main corporate structures that have to adapt to the new model (Security Officers, Business Owners);
- Acquisition of specific licences to automate processes;
- Definition of the test plan for organisational solutions;
- Definition of test plan for technological solutions;
- Incident management and business continuity drills;
- Training event focusing on the supply chain and the role of Business and Process Owners.

In addition, Poste Italiane has undertaken a number of further initiatives:

- developed a **Security Planning**, defining and implementing a methodology for planning technical security audits (Penetration Tests, Static and Dynamic Code Review) deriving from regulatory/contractual requirements and from the Security By Design process;
- extended the **scope of Cyber Risk** analysis to include BancoPosta, PostePay, Poste Vita, Poste Assicura, Poste Welfare Servizi and other compliance/security areas;
- set up the **Information Security Committee - DTO**, a periodic working table between the Information Security and Digital, Technology & Operations functions with the aim of jointly planning and directing security activities and identifying areas for improvement;
- a **Chief Information Security Officer (CISO)** has been entrusted with the responsibility of the Group's cyber security to ensure better management of the issue.

In order to ensure business continuity for the management of crisis situations resulting from sectoral, corporate or extensive

incidents affecting the Group, Poste Italiane has defined and implemented a business continuity plan based on an appropriate identification of the most critical systems, the potential threats that may occur on them and the countermeasures to be taken. This plan must, therefore, describe the criteria, procedures, technical and organisational measures and tools adopted for emergency management (Contingency Plan) and for the restoration of operating conditions prior to the occurrence of a harmful event (Disaster Recovery) in accordance with the Service Level Agreement (SLA) agreed with the internal customer. To ensure its effectiveness over time, the business continuity plan is tested and updated periodically (at least every six months) and in the face of significant organizational, technological and infrastructural innovations or more generally, in all those situations that can generate new risks.

In relation to the crisis that emerged due to the conflict in Ukraine, levels of monitoring and attention to security events were raised and cyber intelligence activities were strengthened in order to prevent or promptly intercept potential cyberattacks against the Poste Italiane Group. In addition, specific measures were put in place to minimise the attack surface and its impact on Poste Italiane's customer base.

Timely and effective business continuity and crisis management is ensured by the application of a Business Continuity Plan and a Crisis Management Plan, which are an integral part of a framework that also includes a Disaster Recovery Plan, a Communication Plan, a Test Plan, and operational procedures and instructions. In particular, in 2022, Poste Italiane recorded a 57% reduction in cybersecurity breaches or incidents compared to 2021.

In order to minimise human factor risks and their impacts, several training initiatives for internal staff were launched in 2022. Technical drills were carried out for security guards with the aim of strengthening their capabilities to detect, analyse and coun-

-57%

IT security breaches/cybersecurity incidents compared to 2021

ter cyber threats or attacks, and Table Top Scenario cyber incident management and business continuity drills aimed at testing business processes and procedures, as well as the correct interpretation and effectiveness of procedures in real-life cases.

Through its "Poste Sicuri Online" anti-fraud campaign, Poste Italiane presented guidelines in 2022 to prevent fraud against its customers. The campaign aims to spread simple rules and tricks to avoid computer security issues. These rules protect all postal operations carried out by the user, whether traditional or digital.

In this sense, a supporting tool are the Poste Italiane apps, which can also be used to take advantage of the free push notification service in order to stay informed in real time about payment transactions made with a current account and payment cards. Alternatively, it is possible to activate the SMS notification service on a mobile phone, which is free of charge for payments on websites and apps.

"Poste Sicuri Online"

Navigating Away from Scams

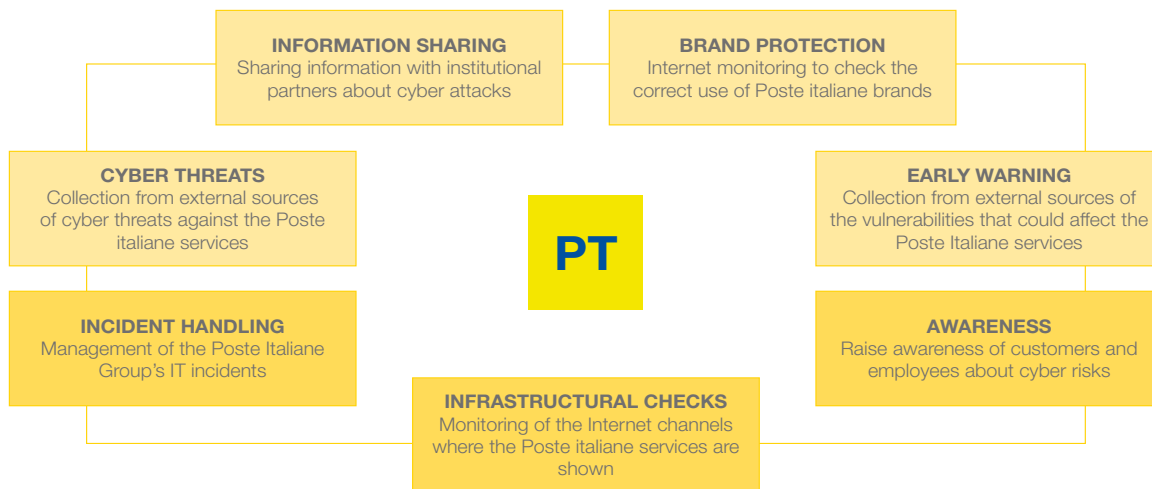
Computer Emergency Response Team (CERT)

Given the complexity that characterises Poste Italiane's underlying organisation, the Group's cyber strategy has increasingly matured over the years, through the adoption of different organisational and technological solutions to minimise exposure to potential attacks. In this context, Poste Italiane set up the Computer Emergency Response Team in 2013, in order to ensure Group-wide oversight of cybersecurity and data protection activities, and to actively fight cybercrime. The working group performs a governance function in Crisis Management and Group Business Continuity to ensure the continuity of services. The team is made up of IT security experts who carry out their duties by operating in real time 24 hours a day to prevent risks, manage IT incidents affecting company systems and develop actions in response to cyber events, reinforcing in this way the defence capability of the entire company. This organisation is part of a wider network of similar structures, both nationally and internationally, with which it interacts constantly by sharing information, indicators of compromise and attack models in general. In this regard, Poste Italiane collaborates with CNAIPIC (National Centre Against Cybercrime for the Protection of Critical Infrastructure) division of the Postal Police.

CERT has structured its services in such a way as to ensure the overall protection of Poste Italiane's business, acting on a number of levels:

- **External perimeter**, which prevents attacks by collecting and exchanging information on threats and vulnerabilities that may affect the Group's services;
- **Internal perimeter**, which protects the corporate infrastructure and responds to potential IT emergencies.

Over the last few years, CERT has evolved towards a new generation model oriented towards the management of big data and the use of modern data analysis and business intelligence tools, the increasing use of algorithms and techniques of Artificial Intelligence, machine learning and data mining. This model allows the centralisation of all information pertaining to Poste Italiane's security domain. In addition, CERT develops training and awareness initiatives aimed at promoting a cybersecurity culture among the Group's technical and non-technical staff, customers and citizens.



IT security

Results and next steps



Involving, informing and conveying awareness on cybersecurity issues to all the Company's personnel is the objective of Poste Italiane's CERT, a centre of excellence that deals every day with the protection of company data, through prevention, analysis and protection against cyber threats.

In 2022, a campaign was conducted to raise awareness of the spread of malicious e-mails. The introduction of the "Report Phishing" button on the Microsoft platform was an important tool in the prevention and fight against cybercrime. CERT also promoted a campaign on the 'cash for SMS' phenomenon, linked to smartphone apps that offer to buy unused SMS messages for promotional campaigns and advertising messages to other phone numbers, exposing the user to a number of risks.

In order to disseminate the culture of cybersecurity among the Group's employees, a 12-episode miniseries was produced, based on real-life cases, in which the protagonist is a cyber investigator dealing with cyber crimes. The series is loosely based on the novel "Il giorno del Bianconiglio" (The Day of the White Rabbit) by Alessandro Curioni and aims to show how the world of the Net can overwhelm the real world.

Poste Italiane constantly dedicates attention and security to its employees and customers. As proof of this, Poste Italiane recorded a 90% reduction of customers involved in IT security breaches compared to 2021. The figure confirms the effectiveness of the activities carried out by the Business Control Centre Group, the security pact with the Postal Police and further agreements with different institutions and finally, the prevention actions carried out on a daily basis.



The Business Control Center (BCC) is the area of the Head Office in which Poste Italiane's business processes are monitored according to an integrated service delivery model and is presented as the Company's technological hub. The tasks for which this function is responsible include:

- real-time control, 24 hours a day, of the services provided by the Group;
- the protection of the safety of customers inside Post Offices and of personnel in all workplaces;
- combating fraud and cybercrime;
- experimentation of the services offered by the Company.

The BCC consists of seven control rooms that use state-of-the-art applications and instrumentation to ensure the proper functioning of the postal-logistics network and guarantee the delivery of services and correct communication to Poste Italiane's customers.

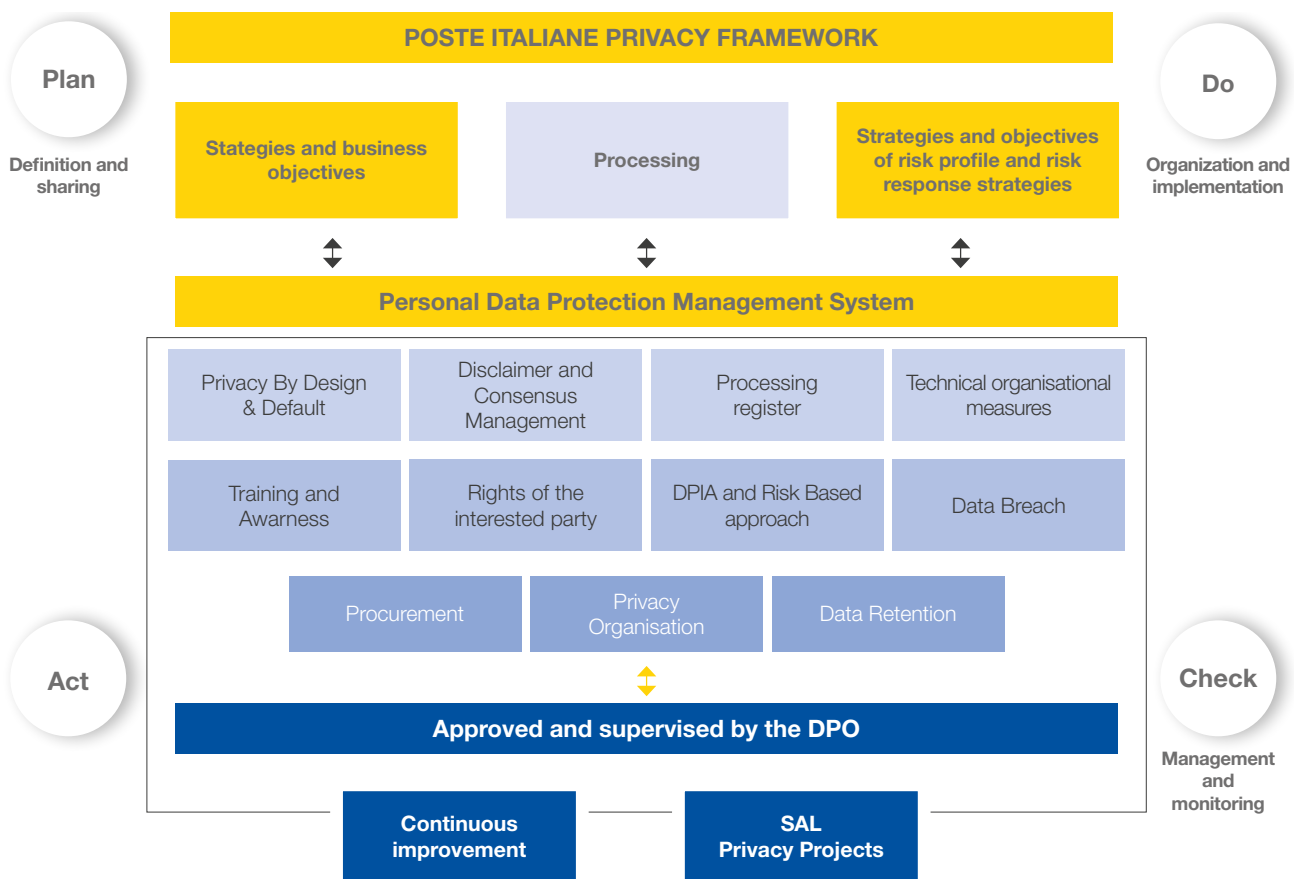
Poste Italiane also maintains its strong collaborative relationship with the Postal and Communications Police. This agreement envisaged activities aimed at preventing and combating offences relating to the products and production processes of the services offered by the Poste Italiane Group; surveillance at Post Offices during scheduled payment periods; the establishment of task forces to analyse new methods of computer fraud; and the development of new cybersecurity tools. These measures were necessary to cope with changing scenarios and new types of malicious events. This has prompted the Company to quickly readjust its operations over the years, especially with reference to payment systems for e-commerce and financial and insurance services, for which it was necessary to intensify the activity of control and updating of the physical and IT security structures.

Personal data protection

Over the years, the Company has attached great importance to the issue of personal data protection, constantly upgrading its corporate regulatory system and ensuring full compliance with current provisions and the General Data Protection Regulation (GDPR), taking charge of the control of the management review process at Group level, as set out in art. 32. This regulatory system, consisting of procedures, guidelines and policies, is also applied in relations with all partners and suppliers, in order to ensure proper management of the risks related to privacy in all the Group's operations. Failure to comply with the standards defined by the system that leads to the occurrence of violations, may result in the application to employees of the disciplinary sanctions provided by the CCNL of Poste Italiane, gradually stricter based on the severity of the violation (written warning, fine, suspension of service with loss of pay, dismissal without notice, etc.). In this regard, Poste Italiane has drawn up a Corporate Policy on Personal Data Protection and Privacy Guidelines and a Personal Data Protection Management System, the latter introduced with the aim of ensuring uniform data management at Group level. In particular, the Guidelines define the Company privacy model and implements the principles of Privacy by Design and Privacy by Default, which establish the need for the Company to ensure adequate protection of personal data from the design of products/services and IT systems and to guarantee compliance with privacy legislation by default in processes for the collection and processing of data. Poste Italiane is also committed to ensuring proper management of data protection risks, including by carrying out the periodic management review process at the Group level.

By adopting policies and information campaigns aimed at raising data protection awareness, the Group promotes the protection of the personal data of all stakeholders

Poste Italiane's Privacy Framework was created with the aim of ensuring compliance with these obligations and aspiring to the continuous improvement of the management system. This framework provides an overview of the areas of intervention in which the relevant organisational and technical frameworks that have been developed operate, in order to provide continuous monitoring of the progress achieved.



Poste Italiane identifies for the entire Group the figure of the Data Protection Officer, a privacy expert who assumes responsibility for supervising compliance with the regulations on the protection of personal data by the data controller, as provided for by the GDPR, and who also ensures the drive towards continuous improvement.

Consistent with this approach, the Privacy function ensures nomophylactic oversight at the Group level for all responsibilities relating to personal data protection issues and coordinates the development of the aforementioned framework.

The Privacy Service Center operates within this function and its task is to represent a single point of reference for custom-

ers in matters of privacy and to collect and manage efficiently and centrally all the requests received from customers, such as requests for access, rectification or integration of personal data and changes in the consent given, also monitoring their progress in order to identify any opportunities to improve business processes.

The Privacy Service Center, due to its approach towards continuous improvement, unique handling of customer requests and correct compliance with regulatory provisions, is certified for its information security management system according to ISO 27001:2013 and for personal data protection according to ISO 27701:2019.

In 2022, Poste Italiane achieved ISO 27701:2019 certification for its data protection management system.

ISO 27701:2019 specifies requirements and provides guidance for the establishment, implementation, maintenance and continuous improvement of a Privacy Information Management System (PIMS) in the form of an extension of ISO/IEC 27001 and ISO/IEC 27002 for privacy management in the context of the organisation. The document specifies the requirements for PIMS and provides guidance for those responsible for the processing of personally identifiable information (PII) and for those in charge of processing it.

By achieving this security standard, Poste Italiane's Privacy function is able to demonstrate compliance of certified services with GDPR and other data privacy requirements.

Poste Italiane obtains the ISO 27701 certification



**LEARN ABOUT THE ARTWORK
WITH AUGMENTED REALITY**

Scan the QR code with your smartphone
and click on the link.



NAZARIO GRAZIANO
Collage artist and graphic designer



Innovation

Transforming our services, products and processes for a simpler world, for everyone.

- > **LIS Holding SpA** acquisition
- > **+20%** incidence of **digital operations**
- > **+25% download** of the **PosteID App** compared to 2021
- > **+18% download** of the **Postepay App** compared to 2021



< 7.15 Innovation

**INNOVATION FOR US:**
scan the QR code and watch the video

MAIN RELATED TYPES OF CAPITAL



IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL

OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2022	OUTCOME
Development and deployment of digital and paperless services in energy supply	<ul style="list-style-type: none"> % of paperless contracts % of customers acquired via digital channels % of digital bills and/or digital payments 	<ul style="list-style-type: none"> 50% by 2025 15% by 2025 30% by 2025 	2021	<ul style="list-style-type: none"> 94% 8% 75% / 60% 	
Install SMART mailboxes	<ul style="list-style-type: none"> Number of SMART mailboxes 	<ul style="list-style-type: none"> 10,500 by 2026 	2022	<ul style="list-style-type: none"> 156 	
Increase the number of biodegradable cards	<ul style="list-style-type: none"> Number of biodegradable cards 	<ul style="list-style-type: none"> 16 million by 2024 	2020	<ul style="list-style-type: none"> 8.1 million 	
Increase digital transactions for the various products of the Poste Italiane Group	<ul style="list-style-type: none"> Number of digital transactions in financial, insurance and payment services 	<ul style="list-style-type: none"> +50% by 2024 	2020	<ul style="list-style-type: none"> +67% 	
Increase contactless transactions	<ul style="list-style-type: none"> Number of transactions 	<ul style="list-style-type: none"> 1.2 billion by 2024 	2022	NEW	
Replacement of all PCL operating personnel uniforms	<ul style="list-style-type: none"> Number of PCL operating personnel uniforms replaced 	<ul style="list-style-type: none"> 40,000 (all staff) by 2025 	2021	<ul style="list-style-type: none"> Tender awarded in December 2022 Roll-out plan defined to complete supply 	
Increase the level of automation of back office processes	<ul style="list-style-type: none"> % of back office resources supported by automated digital processes 	<ul style="list-style-type: none"> 75% by 2024 	2020	<ul style="list-style-type: none"> 56% 	
RDS-Digital Service Request Project	<ul style="list-style-type: none"> Preparation on digital channels of data for in-branch transactions 	<ul style="list-style-type: none"> Preparation on digital channels for data for in-branch transactions by 2024 	2020	<ul style="list-style-type: none"> Implementation of the solution in app PT Analysis for porting to One app 	
Digitisation of Customer Receipt – Phase 1	<ul style="list-style-type: none"> Digitisation customer receipt 	<ul style="list-style-type: none"> Digitisation paper receipt by 2024 	2020	<ul style="list-style-type: none"> Release on financial products throughout the PO network (credit transfer, phone top-up and Postepay) 	
Elimination of the paper list used for products destined for Distribution Centres	<ul style="list-style-type: none"> No. of A4 paper sheets saved 	<ul style="list-style-type: none"> 8 million by 2022 	2021	<ul style="list-style-type: none"> 8 million 	
Development of pre-sale and sale channels of products and services in multi-channel	<ul style="list-style-type: none"> % of new funnels created in multi-channel 	<ul style="list-style-type: none"> 75% by 2024 	2020	<ul style="list-style-type: none"> 68% 	
Full Digital POs	<ul style="list-style-type: none"> No. pilot POs 	<ul style="list-style-type: none"> One pilot PO by 2023 	2022	NEW	

Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Innovation and digitalisation of products, services and processes

NFS

Today, companies, in response to changes in the global competitive landscape linked to an ever-increasing quest for sustainable success, have had to rework their products, services and processes. For Poste Italiane, innovation and digitalisation are two central drivers of strategic progress and enable it to guarantee its customers innovative technological solutions, also through the integration of its own products and services with those of third parties. Through these drivers, the Company not only guarantees the accessibility and efficiency of its offer to all citizens, but also promotes the connection with the Public Administration and the Italian entrepreneurial world, setting itself as a reference point on the path towards innovation and digitalisation of the country. In February 2023, Poste Italiane plans to expand its range of services by entering the energy sector with a 100% green product. The Poste Energia offer provides custom-

+20%

incidence of digital operations

MAIN RELATED TYPES OF CAPITAL



ers with electricity produced exclusively in Italy from renewable sources and certified through guarantees of origin. This project allows the Group to correlate green transition issues with those of innovation and digitalisation, while representing a major opportunity for sustainable development at national level.

For the Poste Italiane Group, innovation and digitalisation are the main drivers of strategic progress, fundamental to ensuring cutting-edge technological solutions

By adopting an innovative approach, the Company has managed to supplement its traditional offer with new proposals and to adapt quickly and effectively to a changing socio-economic context. In the aftermath of the Covid-19 pandemic, the country was forced to accelerate the digitalisation and innovation path started in previous years and Poste Italiane, thanks to customer-oriented technological solutions implemented directly through digital channels, supported companies in the transition.

Innovation and digitalisation of products and services

During 2022, Poste Italiane achieved important results in terms of development and value creation for the country and the community, and thanks to its constant commitment to the search for cutting-edge digital solutions and the integration of new business models, it was able to revisit its range of products and services.

- information flows between distributor and manufacturer concerning the coherence between the target market identified for the product and how it was placed with customers;
- evaluation of the results and critical issues that emerged during the marketing phase.

Payments and current accounts

In order to mitigate potential negative impacts, measures were implemented in the area of payments to streamline existing processes aimed at improving the customer experience by increasing the use of PostePay's products/services increasingly focused on omnichannel. These actions also concerned communications, so as to make the information easily accessible to the customer. In particular, in the area of issuing, the Company confirmed its commitment to implementing communication activities in order to make the status of its charter and its operations clearer and more transparent. In addition, the content of the website and the documentation related to the services and products available for the Customer Service function are periodically updated using the feedback gathered through listening to the customer. Consistent with the PostePay Operating Rules (ROF) and in compliance with the Product Oversight Governance (POG) process, periodic monitoring is carried out for the products issued, with particular regard to:

Specifically, in order to address the actual negative impacts, an internal PostePay cross-functional table was opened to identify and map the critical points and take timely action on them.

In 2022, in continuity with previous years, the Company implemented the digital payment services available, through an ecosystem of collection services available to consumer, business and PA customers, which can be used either through the physical network or through web or app channels. Still considering digital payments, the Group extended the "SoftPOS" service not only to the express courier SDA - the first entity to be enabled for the service - but also to post officers. Thanks to the new PDA, Poste Italiane's operators are able to handle cash-on-delivery mail and parcels and, through Tap on Phone ("SoftPOS") technology, authorise contactless payments through PostePay's "Pay with code" functionality. Furthermore, in 2022, "SoftPOS" saw the enabling of a "posless" electronic payment acceptance service on proprietary devices of large merchants.

In order to ensure the evolution of the loyalty programme by introducing more flexibility and opportunities for the development and enhancement of the customer base, Poste Italiane, in addition to 'SoftPOS', introduced a new online payment method, the QR Code Web, which can be framed from the Postepay app by the cardholder, allowing customers a frictionless, secure and unique experience. Payment with QR code is in addition to the payment methods already available in Pay with Postepay.

In addition, during 2022, the Group introduced a new "MPOS Postepay" offer by restyling the device and its packaging, with a view to environmental sustainability, using sustainable materials and improving sales and activation processes. In line with the commercial launch of the new "MPOS Postepay" product, an integrated Service Model was implemented with the new technology provider, which aims to ensure a smooth and transparent customer experience in the service process. At the same time, this model allows the Group to have an all-round understanding of the product's user experience, as well as to monitor the supplier's performance thanks to the real-time alignment of Poste Italiane's support systems in relation to tickets opened by the supplier. Finally, the delivery process of the "MPOS Postepay" product was improved, ensuring the fast availability of the collection service for the customer.

In the area of e-money, the Group promoted the continuity of its innovative products and services, launching, for example, the release of digital functionalities on the business channel of Postepay Evolution Business, together with the consolidation of important partnerships in the field of acquiring.

Additionally, thanks to the Open Banking platform, customers can manage accounts and cards, even if they are held at other banks or payment service providers, directly on the BancoPosta and Postepay apps. These initiatives make Poste Italiane's infrastructure open and offer customers increasingly connected and comprehensive services.

Opening a BancoPosta account can be done directly from a mobile device thanks to the instructions provided by the app, and it is possible to choose the desired type from several options: "Start Giovani", "Start" e "Medium". The account is opened and activated after a few days. With regard to the "Premium" service, aimed at customers with high capitalisation and sophisticated needs, remote consultancy is guaranteed, at the end of which customers will be able to sign the necessary documents with an advanced electronic signature in the dedicated area on the Poste Italiane website. Premium consultants are carefully selected following continuous and highly specialised training.

As far as current accounts dedicated to Business and Public Administration are concerned, in 2022, "BancoPosta Business Link", a current account for Small Business customers, introduced in the previous year and provided with a modular offer accessible online, was awarded at the MF Banking Awards with the Innovation Award in the category "Accounts and payments for business customers".

The offer launched in 2021, whereby the fee for the first year of the Postepay Evolution Business card is reimbursed with the request for the "Tandem Mobile POS" or "Tandem Physical POS" acquiring service and, at the same time, with the request for the card itself, was activated for the duration of 2022.

BancoPosta

Towards an increasingly customer-centric approach

BancoPosta

In line with the Group's Strategic Plan, BancoPosta's contribution proved to be extremely relevant in 2022, confirming its position as the most reliable financial institution in Italy thanks to its omnichannel approach that guarantees a wide range of insurance and investment products.


The three pillars that guarantee the offer of an innovative business model are: people, the investment target for growth and the development of technical and professional skills; the platform, which increasingly guarantees adequate support for commercial activity and appropriate interaction with customers; and the products, which include, for example, multi-class policies, numerous partnerships and joint ventures.


By adopting an omnichannel logic, which allows for integration and synergy between channels for accessing products and services, BancoPosta is constantly adapting its activities to an increasingly customer-centric perspective.

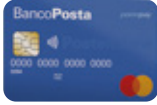
In 2022, the collaboration between Poste Italiane and Santander Consumer Bank continued for the development and release of the Prestito Personale BancoPosta product.

During the year, the Group encouraged the use of ATMs and digital channels and apps to perform various transactions, as an alternative to the counter for cash withdrawals. In the current context of digital progress, the Company is committed to guaranteeing its customers an offer that favours the use of electronic money and, at the same time, the fight against cash. The Group's research and commitment, as well as supporting government initiatives, have also enabled the development of a number of products and services:

- **Postepay Digital**, the first 100% digital Postepay prepaid card suitable for online payments, public transport payments, payments via QR code or Google Pay for owners of an Android-enabled smartphone. It is managed by the Postepay app and allows users to request an associated IBAN code to receive or make transfers, credit their salary and pay their utility bills. In 2022, the possibility was introduced for customers to apply for Postepay Digital also through the web. Users who decide to receive the IBAN version of the card have the opportunity to request free of charge the physical card at home, so that they can withdraw cash from any ATM and pay at establishments affiliated with the Mastercard circuit;


- **Postepay PA**, the prepaid card completely dedicated to the Public Administration, which since its launch, has made it possible to manage the funds and contributions to be paid out to citizens. The organisation can apply for the cards online through BancoPosta's Corporate Banking platform (BPIOL). The card funds are the property of the cardholder, who can top it up and use it for his or her personal expenses according to the limits defined by the institution during the agreement phase. The card has an IBAN code, which can be viewed from the PostePay and Bancoposta apps and from the postepay.it website, and allows SEPA Credit Transfers and Postagiرو to be received;
- **Postepay Green**, a biodegradable prepaid card made from environmentally friendly organic materials, reserved for young people aged between 10 and 17. The prepaid card allows children to make quick and secure payments, and parents to quickly make top-ups through the "pocket money" system and to control transactions (parental control). The services described can be used via both web and app channels;


- **Codice Postepay**, the new service that allows merchants to manage payments from the Postepay app via a QR code, identifying itself as a reliable and straightforward collection solution for professionals, artisans and small businesses in





the area. The possibility of making a payment by Codex, also within Post Offices, has been supplemented with a promotion that allows to



receive cashback for each transaction made. The initiative, which lasted until the end of 2022, gave the opportunity to obtain €3 cashback for every transaction made with a PostePay code worth at least €10 at one of the participating points of sale, with a maximum of €10 per day. The service can be purchased online and in Post Offices, where it is possible to generate lists of interested users (leads) who are subsequently contracted through sales representatives or contact centers. As of July 2022, the user experience of the Code payment mode was evolved with the launch of "QR Code Web", the solution that allows the cardholder to frame the automatically generated QR code on the payment page, without additional clicks;

- The **Postepay Evolution** card is a rechargeable card with IBAN code that guarantees the use of main banking transactions without being tied to a current account. The card, which is accepted by physical and online points of sale operating on the Mastercard circuit, allows money transfers via bank transfers/postagiرو, utility payments and the crediting of salary or pension. The Group, through a 'business' version (Postepay Evolution Business) dedicated to self-employed professionals with a VAT number and sole proprietorships, offers the possibility of sending money on wallets and accounts, 24 hours a day, via Postepay app and website to over 200 countries thanks to the partnership with Western Union. In 2022, the digital functionality was also introduced on the Business channel of Postepay Evolution and the conversion of Postepay Evolution to environmentally-friendly materials was planned;


- The **IoStudio Postepay** card is the Student Card created by the Ministry of Education, University and Research and distributed to high school students. The card declares student status in Italy and abroad and in addition to guaranteeing benefits and advantages in establishments affiliated with the MIUR, it allows membership of ScontiPoste. The card has the same functionality as the Postepay card and features high security standards, preventing payments to merchants in product categories prohibited to minors such as gambling, adult services and liquor sales.



Always with a focus on the business world, in the area of acquiring, the long-standing partnership between Poste Italiane and Lottomatica Italia Servizi (LIS) resulted in the acquisition of LIS from International Game Technology PCL (IGT).

Poste Italiane finalises acquisition of LIS

The Group strengthens its position as a leading paytech company



Poste Italiane, through its subsidiary PostePay SpA, on 14 September 2022, completed the acquisition of LIS Holding SpA (LIS) from International Game Technology PCL (IGT), after obtaining the necessary regulatory and competition authority approvals. This acquisition constitutes the largest M&A transaction in Poste Italiane's history and strengthens PostePay's position as a leading paytech company, contributing to the further enrichment of the Group's omnichannel strategy.

LIS has a proprietary paytech platform, distinctive expertise, a highly qualified management team and is active in the Italian proximity payments market with a network of around 54,000 affiliated points of sale. Its offer consists of various services, including bill payments, prepaid payment cards, phone top-ups and vouchers, as well as solutions for merchants and businesses. LIS also provides integrated management of all back-office activities at the point of sale and of payment and commercial services provided to customers.

In line with Poste Italiane's omnichannel strategy, PostePay further consolidates its leadership in the digital payments and services market, leveraging on LIS's technological know-how to expand its product offering and strengthen its solutions dedicated to Small and Medium Enterprises.

The year 2022 saw the continuation of the partnership with ENI with the gradual activation of Postepay acquiring services (physical POS and in digital mode through the Paga con Postepay solution within the ENI Station app) at participating service stations. The collaboration with ENI has enabled the activation of PagoPA payment slips in over 2,800 service stations, thanks to which it is possible to pay taxes, stamp duties and other payments to the public administration. This opportunity was also extended on the LIS PAY network.

In the transport area, the service that allows payment cards to be accepted through PostePay acquiring at Trenitalia's physical POSs continued, while, as part of the virtual POS Corporate e-commerce acquiring service, the MO.TO services. (Mail Order/Telephone Order) were included, capable of accepting card payments through the telephone channel, payments with saving of card data COF (Card on File) and recurring payments (Recurring).

In 2022, the cooperation between PostePay and Bancomat continued. Under the "acquiring" licence, payments on the Bancomat and PagoBancomat circuits will be accepted in Post Offices, Postamat ATMs and at PostePay-affiliated establishments, and under the "issuing" licence, Postepay cards will be issued on the same circuits.

PostePay is the largest player in the industry with 29 million cards and more than two billion transactions by 2022: more than one and a half million Italians have chosen Postepay

cards to make their first e-commerce payments. The agreement enables the interoperability of digital payment platforms thanks to the user-friendliness of the QR code, which has already been successfully exploited for cashback. Successful initiatives that have been introduced in previous years and continued in 2022 include:

- **Apple Pay**, enables contactless payments with Postepay debit or prepaid cards from enabled iOS devices;
- **Cardless withdrawal**, Postepay card holders can withdraw at Postamat ATMs without having to insert their card, thanks to the cardless mode that involves scanning the QR code shown on the ATM screen;
- **Postepay Open**, allows users to top up their Postepay prepaid card with accounts of third-party banks (Payment Initiation Service - PIS) and to be able to view the balance and movement list of the selected current account directly in the Postepay app (Account Information Service - AIS);
- **Postepay Business**, dedicated to retail customers, allows them to take advantage of the services of the Postepay ecosystem as well as those typical of a traditional debit card. Card operations can be customised via the Postepay Business app, on the dedicated web portal and at ATM Postamat. Additionally, the card allows authorisation of e-commerce purchases directly from the app.



Tap & Go® Public transport becomes contactless



The Tap & Go® agreement between PostePay SpA, Mastercard and the public transport management companies of Milan, Rome, Turin, Bari and Naples allows access to and travel on enabled public transport such as metro, train and bus without having to purchase a paper ticket in advance.

In particular, the agreement allows the use of a prepaid or debit PostePay card belonging to the Mastercard circuit to pay for tickets directly at enabled contactless turnstiles. Payment can be finalised through the use of Apple Pay for iPhones or Google Pay for Android smartphones.

The service has no additional costs over and above those charged by the public transport company.

Collections

With regard to the collections sector, Poste Italiane's role is stable in the PagoPA system, also thanks to the extension of the offer of services dedicated to the Central and Local Public Administration (PAC) in digital channels (web and apps).

Since 2020, in addition to BancoPosta, PostePay SpA has also been accredited as a payment service provider on the PagoPA system and it is therefore possible to carry out these operations on all digital channels, in Post Offices and through the portals of creditor institutions, also for payment notices drawn on bank current accounts.

In compliance with the Ministerial Decree of the MEF of 30 April 2021, Poste Italiane has developed the solution "Piattaforma Incassi per le Amministrazioni dello Stato" (Collection Platform for State Administrations), which allows the management of payments related to State Public Administration files through the use of the Bollettino postale (postal payment slip) as a collection tool on the postal current accounts of the treasury.

Poste Italiane's Digital Money Box (Salvadanaio Digitale) is a free digital service that allows customers to set aside specific sums and reach micro-spending and/or saving goals, through the management of their Smart passbook, BancoPosta account and/or Postepay Evolution prepaid card. The service provides the possibility of creating up to 5 savings targets at the same time for a maximum total amount of €5,000. The customer chooses the sum to be accumulated, the date of attainment (from 1 to 24 months) and the relevant category (e.g. travel, leisure) with the option of customisation. Through the sharing functionality, it is also possible to ask family and friends for a contribution to the achievement of the objective. Through the Digital Money Box, the Poste Italiane Group encourages and promotes savings education, customer loyalty and the attraction of new customers, also encouraging the younger target group.

Since 2021, Poste Italiane customers have the option of using the SEPA Instant Credit Transfer (or SCT Instant) service on digital channels. Holders of Postepay cards with IBANs and holders of BancoPosta current accounts can have payments credited to the beneficiary in less than 10 seconds, as well as being able to independently manage their payments on the web and app channels. Customers can consult their payments and individual debit history, activate and revoke new mandates, enter specific amount limits and change debit IBAN coordinates also in omnichannel mode. Consistent with the European Central Bank's Roadmap, the process of adhering to the TARGET Instant Payment Settlement (TIPS) system was completed, enabling BancoPosta account holders and Postepay holders with IBAN, as well as holders of 'Smart' savings books, to receive instant credit transfers also from PSPs participating in the TIPS circuit.

The implementation of these initiatives aims at improving the user experience by enabling new use cases and facilitating the replacement of traditional payment instruments such as cheques and money orders.

The "Supersmart" offer, dedicated to customers bringing in new liquidity, allows them to access higher than standard interest rates on the amounts set aside at maturity. The "Supersmart 180 Days" offer can be activated at post offices, on poste.it and the BancoPosta app.

Also in 2022, the Group provided the service in the third-party motor liability market, with the Poste Guidare Sicuri product, which saw the Company adopt a gradual sales enabling approach for the distribution network. The service provides extensive coverage and includes a number of free warranty extensions. The car policy is designed to put the safety of the family at the centre, and with the "Guida Libera" formula it allows maximum flexibility in the use of the insured vehicle by the members of the household. To subscribe to the policy, customers can go to one of the 5,000 authorised Post

BancoPosta has deployed one of the most innovative and engaging means to reach new customers and modernise the current account vision. As a result of a co-innovation project of Poste Italiane (thanks to the internal teams in DTO Open Innovation and in BancoPosta), together with the start-up Gamindo, an initiative to invent and realise video games was carried out. An advergame, a branded video game, was developed to promote Poste Italiane and the Conto BancoPosta - Start Giovani option. This race game allowed users to be immersed in a new user experience, involving and informing young people about the services and benefits of the current account dedicated to them, with a strong message of innovation and digitalisation. Through "Conto BancoPosta Start Giovani - The Game", young people can have fun and at the same time discover new information on the services offered, including the possibility of subscribing to the account in the BancoPosta app.

Around 25,000 matches were played by Poste Italiane customers who went online to learn about the BancoPosta Start Giovani account. By playing an average of more than 2 minutes per game (on the various social platforms TikTok, Facebook, LinkedIn etc.), around 1,400 accounts were opened at the end of the trial, including through commercial e-mails and links to product site pages.

The game, developed for the BancoPosta Start Giovani account, consists of driving a small blue car on a "suspended" road, preventing it from ending up off the track. Along the way, bonus icons depicting Poste Italiane products are collected. What is of particular interest is the way in which customers are informed about the various services: every time they start to play, or start again after a mistake, users have to answer a simple question dealing with the BancoPosta world. Through the game, much more information is obtained, which in an immediate and user-friendly manner makes customers more familiar with the proposals and advantages of the BancoPosta account.

Poste Italiane and gamification

The videogame dedicated to young people



Offices, after booking an appointment via the BancoPosta app or online.

Also in the area of insurance, Poste Italiane launched the marketing of an integrated Life and Non-Life offer whereby subscribers to specific Life policies receive a joint offer for a Non-Life policy. The Group's objective is to contain the country's underinsurance phenomenon through customer-oriented awareness-raising actions, as outlined in the Strategic Plan.

Finally, in the area of payments, in 2022, the company recorded a significant growth in the number of digital payments, demonstrated by the spread of cards and, in terms of volume, the increase in card transactions, both in large and small shops. With respect to the phenomenon of the spread of POS, favoured by legal measures and the changing habits of Italians, the Group has made the following services available through the Single Front End also to Small Economic Operators:

- **Postepay Physical POS Service**, allows affiliated merchants to accept payments with cards or smartphones (via NFC technology), also in contactless mode, allowing monitoring of card collections, as payments, transactions and online statements can be consulted at any time via Merchant Portal;
- **Postepay's Mobile POS service**, allows to accept payments via cards or smartphones, even on the move. This is a zero-fee solution with zero recurring monthly fixed costs, which only includes the one-off cost of purchasing the "Card Reader". The application of transaction fees is among the most competitive on the market. Additionally, the service offers the possibility of handling transactions via a Mobile POS terminal and the appropriate app installed on the smartphone and/or tablet. To accept payments, simply connect the terminal via Bluetooth to the smartphone on which the app is installed, and free monitoring of receipts via the Merchant Portal is guaranteed.

Poste Italiane among the 50 companies that are changing the world

The Company was included in Change the World 2022



Poste Italiane's sustainability plans take up one third of the investments in its Business Plan. Thanks to its commitment, the Company was included in Change the World 2022, a list of companies that through their business contribute to changing the world. Change the World does not focus on companies' turnovers, but on their social impact and sustainability.

In particular, Poste Italiane has been rewarded for its commitment to the electrification of deliveries: in fact, the complete renewal of the fleet is underway, with the aim of arriving at about 28,000 environmentally-friendly vehicles by 2024. Among the points emphasised in the analysis of the Group's initiatives is the digitalisation of its information system, with the gradual abandonment of paper, as well as the various initiatives for Italians; in fact, 80% of the more than 30 million Italians registered so far with the SPID digital identity have done so with Poste Italiane. In addition, the Company made its physical and technological network available for the vaccination campaign and accredited itself as a key player in the digitalisation process in Italy. Change the World is not the only award collected by the Group, which has not only been certified by the top rating agencies in almost all areas of sustainable comparison, but has also entered Morgan Stanley's STOXX Global Esg leaders by achieving AA ranking.

Mobile

In line with the communication services strategy of previous years, which aims to bring advanced internet connectivity solutions to individuals and companies, Poste Italiane, through PostePay SpA, has maintained its agreements with two national operators, Open Fiber and TIM. Open Fiber is a provider of direct internet access and connectivity services to customers through the use of fibre (FTTH) and fibre blended copper (FTTC and FTTE) access technologies. The second agreement, on the other hand, refers to Internet access and connectivity services, but only with FTTH technologies. The partnership with Open Fiber will ensure broad coverage in cities and small towns, while the agreement with TIM envisages the deployment of the FTTH network in more than 1,600 municipalities nationwide by 2025. The dual initiative expands the portfolio of offers aimed at the consumer and business market with new ultrabroadband fibre-optic services, and aims to reduce the digital divide in Italy.

During 2022, Poste Italiane also established itself as a major operator in the telecommunications sector, not only thanks to its partnerships with Open Fiber and TIM, but also by implementing further initiatives:

- **Postepay Connect Back**, a service offering an exclusive cashback function. Subscribers of the offer receive a monthly cashback discount that is credited directly to Postepay Evolution, equal to the unused Giga of the tariff plan. Cashback can be used without time constraints and for any type of expenditure;
- **PosteMobile Casa WEB** offers 4G wireless internet connection for the home. The service can be purchased online as installation does not require the presence of a technician, and offers unlimited high-performance traffic (speed up to 300 Mbps), with a Wi-Fi modem included on free loan;

- **PosteCasa Ultraveloce**, the data-only offer with which Poste Italiane entered the broadband market that allows users to surf from home at fibre speed (1 Gbps) without limits. The service, which can be subscribed to online in a full-digital process, includes a second unlimited connection on a 4G network to offer customers a fast provisioning and full connectivity experience. In addition to the provision of a Wi-Fi modem and a USB stick on loan for free, subscribers to the offer can also activate the 'voice' component for unlimited calls from home to all national fixed and mobile numbers. The fourth quarter of 2022 saw the launch of the **PosteCasa Ultraveloce Start** product, which can be subscribed to at Post Offices and provides only the fibre data connection, leaving the customer the flexibility to choose whether to also request the second connection on the mobile network with a 4G USB stick. PostePay customers with SPID can access a simplified process to apply online for fibre connectivity;
- **Mobile Tariff Offer**, offers mass market promotions, which can be activated from the physical or online channel, which include a high amount of giga and are reserved for all customers;
- **Mobile phone services in the Postepay app**, with which PosteMobile SIM card holders, after registering on the poste.it website, can monitor traffic details and make top-ups directly from the app. Additionally, customers have the opportunity to check their telephone rate plan, bonuses and active promotions, as well as available options.

In continuity with previous years, the PosteMobile Casa range of services, launched by PostePay in 2019, enabled the Group to increase its target market through flexible and convenient solutions. The expansion of the offer enables the consolidation of the Company as an institutional player of reference for the digitalisation and development of the coun-

+25%

downloads from the PostelD app compared to 2021

try, especially in areas defined as "failed areas opportunities". Services are provided entirely over the mobile radio network, giving customers maximum flexibility in the use of data services, which can be used anywhere with a Wi-Fi modem connected to the electricity network.

+18%

downloads from the Postepay app compared to 2021

Postepay Connect also continued, which saw the integration of the Postepay Evolution card and the PosteMobile SIM in a single app and proved to be a unique and distinctive offer within the Italian market, underlining the centrality of the online channel as complementary to the Post Office.

In line with the Group's ESG strategic objectives and specifically PostePay's green goals, the new SIM ECO was launched in August 2022. It has innovative features in that all the elements that make up the kit, both the SIM Card and the packaging (Envelope and Card Carrier), are made with materials and methods geared towards environmental sustainability. Specifically, the SIM was made of recycled plastic and half the size, while the card carrier and envelope carry Forest Stewardship Council (FSC) certification.

Thanks to a collaboration with the Ministry of Economic Development, which provides a government bonus, during 2022 Poste Italiane delivered free of charge to less well-off pensioners the decoders they need to watch TV programmes after the switchover to the new digital terrestrial television. The Group delivered TV decoders with a total value of no more than €30 directly to people's homes and also provided telephone assistance during installation of the device.

Customers could request the decoder in three different ways: through the toll-free number, through the form on the Nuova TV Digitale website, or by going to one of the almost 13,000 Italian Post Offices. This initiative is an integral part of the strategy of inclusion and support for the digitalisation of the country included in the Group's Business Plan.

Poste Italiane and decoder delivery

The initiative for less well-off pensioners



The Landriano strategic maxi-hub

Updates one year after

One year after its inauguration, the activities of the Landriano e-commerce plant have continued, ensuring fast deliveries throughout Italy. Landriano represents Italy's first major hub for e-commerce and express courier services, capable of processing up to 320,000 parcels per day and ensure fast deliveries throughout Italy. The Landriano hub represents for Poste Italiane a further step in the transformation process of its logistics infrastructure, focused on innovation and sustainability. The facility enables the strategic development of the logistics network along the entire value chain to capture the full growth potential of e-commerce. Furthermore, the Landriano hub is a key part of Poste Italiane's sorting line together with the hubs in Bologna, Piacenza and the Centro di Passo Corese hub in Rome. The four centres are connected to the more than 90 branches and 1,700 delivery centres distributed throughout Italy for the operational handling of parcels that will then be delivered by the network of post officers and couriers.

At the Landriano hub, the sorting system, the operation used to sort goods and shipments, consists of four interconnected machines that automatically sort parcels by destination and weight/volume over 694 outlets, allowing the handling of 39,000 items per hour, using the highest technological standards. The state-of-the-art equipment also includes an innovative sorting system based on 'autonomous mobile sorting' technology, through which goods are sorted according to weight/volume by one of four machines that handle objects by type: small, medium, large and abnormally shaped. Objects with abnormal shapes are sorted by a specific machine operated by 17 robots to be subsequently processed by one of the system's four machines.

The new Landriano plant strictly adheres to the sustainability principles promoted by the Group. The structure has obtained the BREEAM In-Use Excellent certification, one of the most relevant international certifications in the field of sustainability, for the design and construction choices made. State-of-the-art photovoltaic panels covering a total area of 2,500 square metres were installed on the roof of the facility, providing the hub's daytime energy needs and reducing annual CO₂ emissions by 210 tonnes. Additionally, construction materials were used that ensure high performance in terms of energy containment.



Parcels and Distribution

The Company, also in 2022, made use of an area fleet that proved to be a strategic asset to be able to meet the demanding market demand. In fact, thanks to its air connections, Poste Italiane has made it possible to deliver parcels within 24 hours throughout Italy, including the islands. The Company's aircraft fleet consists of six vehicles in total: five Boeing 737-400 Cargo and one ATR 72-500 Cargo. Domestically, it operates permanently at 8 airports.

In the delivery area, the Group continued its growth strategy in the logistics segment related to e-commerce purchases by strengthening the potential of its partnership with Amazon. PuntoPoste, Poste Italiane's network for the collection of online purchases and the delivery of any returns, is part of this strategy. It complements the 12,800 Post Offices and consists of around 15,000 alternative collection points including tobacconists, bars, stationers, newsagents, shops and KiPoints, as well as 320 lockers and 80 enabled Carrefour supermarkets. The choice by customers to pick up or send a parcel at one of these points is what is now called "green behaviour", a more responsible and sustainable behaviour as the logistical process behind the use of the service helps to reduce CO₂ emissions. This stems from the fact that Poste Italiane, instead of using numerous vehicles to deliver to customers' multiple domiciles, can concentrate collection at a

single collection point, thus reducing the number of passages and vehicle movements of the company fleet.

Furthermore, the agreement signed with the partner Italiana Petroli (IP) provides for an increase in pick-up points dedicated to purchases online, to the dispatch of pre-stamped parcels and returns from the main e-commerce sites that adhere to the PuntoPoste Network.

Regarding the partnership with Amazon, renewed in 2021 for another three years, the aim is to meet the growing demand of customers throughout Italy through innovative delivery services. In this regard, operators running an e-commerce site can activate the "Reverse Paperless" function of Poste Delivery Business, which not only makes the return service easier for the e-shopper without the need to print the shipping label, but is also beneficial for the retailer as it increases sales volume.

Additionally, in 2022 the Group continued its cooperation with Zalando, offering the possibility of using the PuntoPoste network for returns management and outward shipments. In continuity with previous years, the "Scegli Tu" (You Choose) service remained active, providing flexibility in the delivery of a shipment to the recipient, allowing it to be managed and customised even when in transit.

With a view to business development, a new postal distribution centre in Viterbo was inaugurated in the last quarter of 2022, and is expected to handle very large volumes, averaging around 255,000 kg of “ordinary” mail and around 700,000 “items” of signed mail and parcels per year. The centre was designed and built in accordance with the “Joint Delivery”, the delivery model introduced throughout the province that guarantees the delivery of mail and parcels even during the afternoon hours and on Saturdays, as well as having state-of-the-art equipment to optimise the work of employees.

In addition to the Viterbo distribution centre, the Group opened other distribution centres in 2022, including Bracciano and Firenze Novoli. The new centres were designed in a functional way for “Joint Delivery” and allow a considerable increase in the volume of mail handled by Poste Italiane.

In the new distribution centres, all post officers are equipped with PDAs with which they handle ordinary mail and signatures in a quick and traceable manner. The recipient can pay from home or work, at the same time as the mail or parcel is delivered, by Postamat card, Postepay card or using debit cards from the Cirrus/Maestro circuit. The Joint Delivery model therefore passes through new structures, new organisational processes and new distribution logics. With the change towards efficiency, the Group aims to improve the quality of service and delivery times.

Additionally, Poste Italiane announced that it will open its first Post Office inside a railway station, in Catania, to contribute to the redevelopment and enhancement of the surrounding area.

New hubs of Poste Italiane



With regard to the solutions offered to businesses, Poste Italiane has maintained Poste Delivery Business, an innovative service offering for sending goods and documents in Italy and abroad. As well as being modular, comprehensive and with services reserved for e-commerce, the offer integrates express courier expertise with the capillarity of the Group’s network. In fact, the services made available are differentiated according to the required delivery speed (express or standard) and destination, and can be customised according to the customer’s needs. For example, the “Reverse” option allows merchants to offer a simple and convenient return service, giving their customers the possibility to return purchases to Post Offices or PuntoPoste, while with the “Scegli Tu” (You Choose) option, the customer can change the destination address, reschedule the delivery at any time and view real-time updates on the expected arrival time. Furthermore, with the Offer “Prepagata” geared towards small businesses, it is possible to pay for shipments through an electronic wallet with free top-up amounts. Finally, by registering on the business.poste.it website, businesses can open an online shop window for free and be visible on the Postepay app map, so as to easily reach new customers. In 2022, the “Poste Delivery Business” offer was

enriched with a new feature that will allow sellers, users of Second Hand platforms, to send from proximity points also in paperless mode, i.e. without the need to print a label.

As part of its offerings for consumer customers, in continuation of previous years, the Company allows online parcels of up to 30 kg to be sent quickly and easily in Italy and abroad thanks to the “Poste Delivery Web” service. The customer, after registering and paying for the shipment via the website or app, can choose to take the shipment to the Post Office or the most convenient PuntoPoste showing the operator the waybill - or the 2D Code in the case of domestic shipments - generated during the purchase, or to book home collection and deliver the package directly to a courier without having to print the waybill. In this regard, from 2021, it is possible to choose instant delivery to send urgent documents and parcels, even in the evening or at weekends, with different delivery options: Instant (within 120 minutes), Today (same day), Tomorrow (next day). The service currently operates from 10am to 8pm in Rome and Milan, but will gradually be extended to the main Italian cities.

The sorting centre in Padua was awarded as part of Poste Italiane’s Lean World Class mail and parcel programme for the development of a lean culture and process optimisation. The scores obtained during the audits enabled the centre, which has made sustainability and production efficiency its strong points, to reach the bronze goal.

The Padua sorting centre has been placed on the highest podium of the Lean certification for having been able to develop the synergy between production efficiency, sustainability and safety in a particularly virtuous way, through a gradual and continuous improvement fuelled also by the direct suggestions of those working on the front line. In particular, the lean path involves process efficiency, as well as a focus on safety and quality, which requires bottom-up involvement, as the operational staff is directly involved in the change and operational activities.

Sustainability of production processes

Padua sorting centre awarded in the Lean World Class



In addition, Poste Italiane has once again this year maintained “Poste Deliverybox Express”, the service with a box included through which it is possible to ship at the same time as the purchase, or within one year at no extra cost directly from a Post Office or from one of the tobacconists enabled by the PuntoPoste network. There is a double delivery attempt, but if the addressee is absent even on the second attempt, they may collect the parcel within 10 days at the Post Office, without paying a penalty. Alternatively, it is possible to extend the delivery service to Europe and the United States using “Poste Deliverybox International Express”, available in three formats and equipped with the basic customs declaration to be completed.

In continuity with previous years, in 2022, Poste Italiane promoted “Poste Delivery Now”, the set of value-added services offered by the Group in collaboration with Milkman that enables e-commerce operators to offer their customers a simple and interactive shopping experience, thanks to the possibility of choosing the exact moment at which to receive the order. The offer is available in two options: the “Scheduled Delivery” mode allows flexible scheduling of delivery, choosing the day and time slot - even in the evening or on Saturdays - directly on the site where the purchase is made; with the “Same Day” formula, on the other hand, it is possible to receive the product ordered online on the same day of purchase, within an afternoon or evening time slot. Moreover, the customer, after making payment on the website and selecting the desired delivery type, can follow the shipment in real time through an advanced tracking system and, if necessary, interact with the courier. The “Poste Delivery Now” service is based on a data-driven platform that guides the delivery process and processes information quickly, ensuring a high-quality delivery service.

The home delivery service for medicines also continued to be extended to large cities and medium-small municipalities, which can take place in instant (within 90 minutes of pur-

chase), scheduled (at the desired time) or next day (day after purchase) modes. The service is active in over 170 municipalities. In order to complete the transition to a broad-based logistics model, in 2022, Poste Italiane acquired a majority stake in Plurima, a leader in hospital logistics, and signed a partnership with Redcare, a leading company in the online sale of para-pharmaceuticals.

Finally, with the acquisition of the entire share capital of Nexive Group finalised in 2021, the Poste Italiane Group has further strengthened its position on the market, consolidating the mail sector and related logistics infrastructures to protect its sustainability.

Innovation and digitalisation of processes

The digitalisation path undertaken by Poste Italiane has involved both the Group’s offerings and its business processes, transforming the distribution model from an omnichannel perspective to allow services to be delivered in an agile manner and in line with customer needs.

The roll-out of the omnichannel strategy affected all levels of the business and, through the extension of the physical footprint and the enhancement of digital channels, it was possible to radically reverse the Group’s paradigms.

In particular, the Covid-19 pandemic has fostered the implementation of business models based on an omnichannel strategy, forcing companies to adopt liquid and open operating models that combine technological innovation, data management at the service of the ecosystem, and digital and customer-oriented operations to successfully cope with sudden changes in the market.

~ 2 billion

will be invested in the Group’s digital transformation over **2021-2024**

Agile Lab

Agile Lab Poste Italiane acquires the majority of the Agile Lab Group



Posteitaliane

In October 2022, Poste Italiane formalised the acquisition of a 70% majority stake in the Agile Lab Group for a consideration of approximately €18 million.

Agile Lab is a company specialising in the field of data engineering and operates through three service lines - data strategy, data platform construction and related infrastructure management - through which it optimises data-intensive business processes, offering innovative solutions capable of enhancing the value of customer data and making the organisational structure that manages it more efficient. In this way, the Poste Italiane Group has equipped itself with distinctive elements in the modern data industry and strengthened its ability to build data-driven businesses for the market.

Poste Italiane, as part of its investment in the training of its employees, has promoted, in collaboration with the School of Management of the Politecnico di Milano, a course called "Digital Voices", which makes available some digital content from the "Osservatori Digital Innovation" platform of the School of Management of the Politecnico, with hundreds of contents and events created by analysts and experts for professional updating on Digital Innovation.

The objective of the programme, supported by the Digital Academy and Innovation of Poste Italiane's Corporate University in collaboration with experts in Market Data Analysis, was to involve all staff in order to foster the development and dissemination of the culture of digital innovation in the Company, also showing the opportunities and impacts that digital technologies have on people, businesses and the Public Administration.

Digital innovation in the Company

Employee training



Thanks to the use of digital platforms that create new and customised products and services by exploiting the opportunities arising from technological innovation, the Company has opened up new communication channels capable of offering its customers a seamless experience in line with their needs. The digitalisation era has made platform companies disruptive and successful business models, characterised by critical success factors - such as the joint use of exponential technologies, customer centrality, open and easily integrated platforms, guarantee of reliability and security - which have proven to be essential to efficiently manage the markets even during the pandemic.

In this scenario, Poste Italiane has positioned itself as the Distribution Platform of Choice of the Italian System to support citizens in the needs of daily life, encouraging the growth of the productive fabric and favouring the simplification of the Public Administration.

The Distribution Platform of Choice, in order to connect citizens, businesses and the Public Administration and meet their needs, has the task of addressing the emerging needs of the Country System through a Tech Ops Liquid Engine capable of enabling business evolution, articulated in four areas.

The omnichannel strategy transformed Poste Italiane into a platform company, resilient to the pandemic and the financial upheavals produced by the war in Ukraine. In the third quarter of 2022, the Company achieved a 17% increase in operating profit compared to the third quarter of the previous year, reaching, at €2.1 billion, the highest first nine-month result ever.

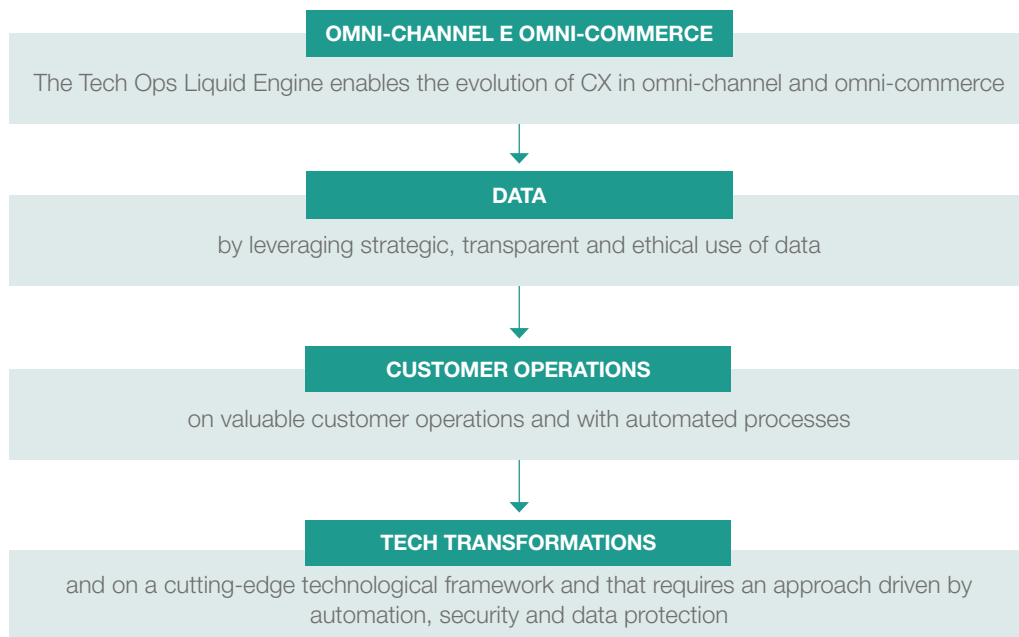
The Group has identified human capital as a vital resource for innovation. This is why, in addition to continuing its policy of open innovation and inorganic growth by acquiring or taking majority stakes in some of the most innovative companies and start-ups, it is also implementing a policy of "reshoring", hiring and bringing back home several "brains" that had emigrated for work. In this way, the Company contributes to the digitalisation and modernisation of the country and combines the virtualisation of services with a constant and qualified presence on the territory.

The Polis project, SPID, the launch of fibre connection services and the entry into the energy market show how Poste Italiane is a facilitator of the country's technological transformation.

Today, Poste Italiane is a platform-company

The winning strategy of the Platform Company





It should be emphasised that to make the transformation possible, it is necessary not only to develop strategic partnerships capable of accelerating the digitalisation of the country, but also to trigger a cultural change that involves all people in a number of respects:

- **culture:** it is essential to establish a generative culture in which people are strongly oriented to customers and continuous improvement;
- **collaboration:** adequate collaboration tools allow the creation of internal communities that progress independently and generate value for the entire corporate ecosystem;
- **improvement:** continuous improvement must be part of the DNA of all employees in order to anticipate customer needs;
- **agile:** the adoption of agile methods, not only on the production chain, makes it possible to provide a rapid response to the changes that a highly digital world imposes from the outside;
- **skill:** it is necessary to strengthen internal skills through the inclusion of specialised resources (e.g. architects, software engineers, etc.) in order to internalise skills and create strategic business platforms in-house, through the establishment of specialised IT factories also located throughout the territory.

Renewing with start-ups

Poste Italiane acts for innovation

Poste Italiane underlines its commitment to innovation by participating in the sixth edition of the OPEN ITALY programme promoted by the ELIS Consortium. The Company's objective is to continue the path of innovation and digital transformation envisaged in the Strategic Plan, promoting the culture of open innovation and strengthening its leading role in digital evolution and innovation in Italy.

Start-ups today increasingly represent a player with which companies can really develop innovation, through multiple modalities and approaches. For this reason, during the OPEN ITALY programme, Poste Italiane collaborated with Bleb Technology and Discovery.

The technology developed by Bleb Technology, an Internet of Things (IOT) start-up, has found application in the logistics of the Italian Post Office. The proposed solution is based on the use of "Blebricks", low-energy wireless modular bricks that can be integrated on mobile devices for data collection, analysis and geolocation. Together with this start-up, the Company developed the I-Fast project to evaluate the possible use of this innovative technology to improve tracking systems within its Sorting and Distribution Centres for mail and parcels.

From the collaboration with Dscovr, a start-up with a team of only under 35 that provides its platform to listen to the voice of customers and help make strategic decisions on business services, the Look Around project was created. The aim is to analyse some of Poste Italiane's services in an innovative and flexible way through the experiences of its customers, as well as to raise the awareness of the importance of data in production processes and customer interactions among the people working in the Company.



Poste Italiane offers an advisory model focused on sustainable investments that can be consulted through an online platform. The model focuses on a product catalogue including financial criteria and ESG preferences of the client. The criteria include knowledge of the product and the client, advice and suitability, and disclosure to the client. Each product in the catalogue is associated with an ESG score on two levels, an overall pillar score and a category score, together with a representation of ESG characteristics. In the profiling process, the client's level of interest and preferences on the ESG topic is explored, based on which a minimum portfolio score is associated with the individual pillar.

Advice is given in relation to financial drivers, thanks to the introduction of specific safeguards that verify the minimum portfolio score of each pillar, according to the client preferences gathered from the MiFID Questionnaire. The control is in addition to those of the current adequacy model. Finally, as far as client disclosure is concerned, the recommendation report is enriched with indications on the consistency of the proposed products with respect to the client's ESG preferences and changes in terms of individual pillar scores, between pre- and post-recommendation portfolios. The Advisory Platform in the information sheet of each product provides information on ESG, and under the heading "product sheet", the scores for each driver (E, S, G) are broken down. The Guided Advisory Platform aims to supplement the client's existing information set with information on the ESG Synthesis Profile and the score on each individual ESG pillar.

The ESG advisory model

A Guided Advisory Platform



In the course of 2022, the optimisation of purchasing processes in a one-click-to-buy logic and the expansion of the range of products and services that can be purchased directly online helped to strengthen the Group's digital sales channel.

Moreover, Poste Italiane has embarked on a significant digital transformation process, taking into account the main trends of technological change influencing the market in which it operates and focusing on the following elements:

- enhancing the Post Office network, integrating it with B2B2C partner networks, in synergy with the strengthening of digital channels;
- optimisation of digital solutions, favouring the inclusion and development of the digital economy, with the aim of satisfying the different needs of customers of all age groups;

- expanding the addressable market to smart customers with data connectivity needs;
- consolidating the Company's role as a key interlocutor for the Public Administration.

With the aim of improving and speeding up services and simplifying internal operations and customer interaction, the Company constantly strives to implement lean and innovative processes by automating most of its large-scale operational processes.

Through product diversification in line with the new hybrid world, the Poste Italiane Group responds to the needs of citizens in the transition to digital and configures itself as a platform company for the growth of the country

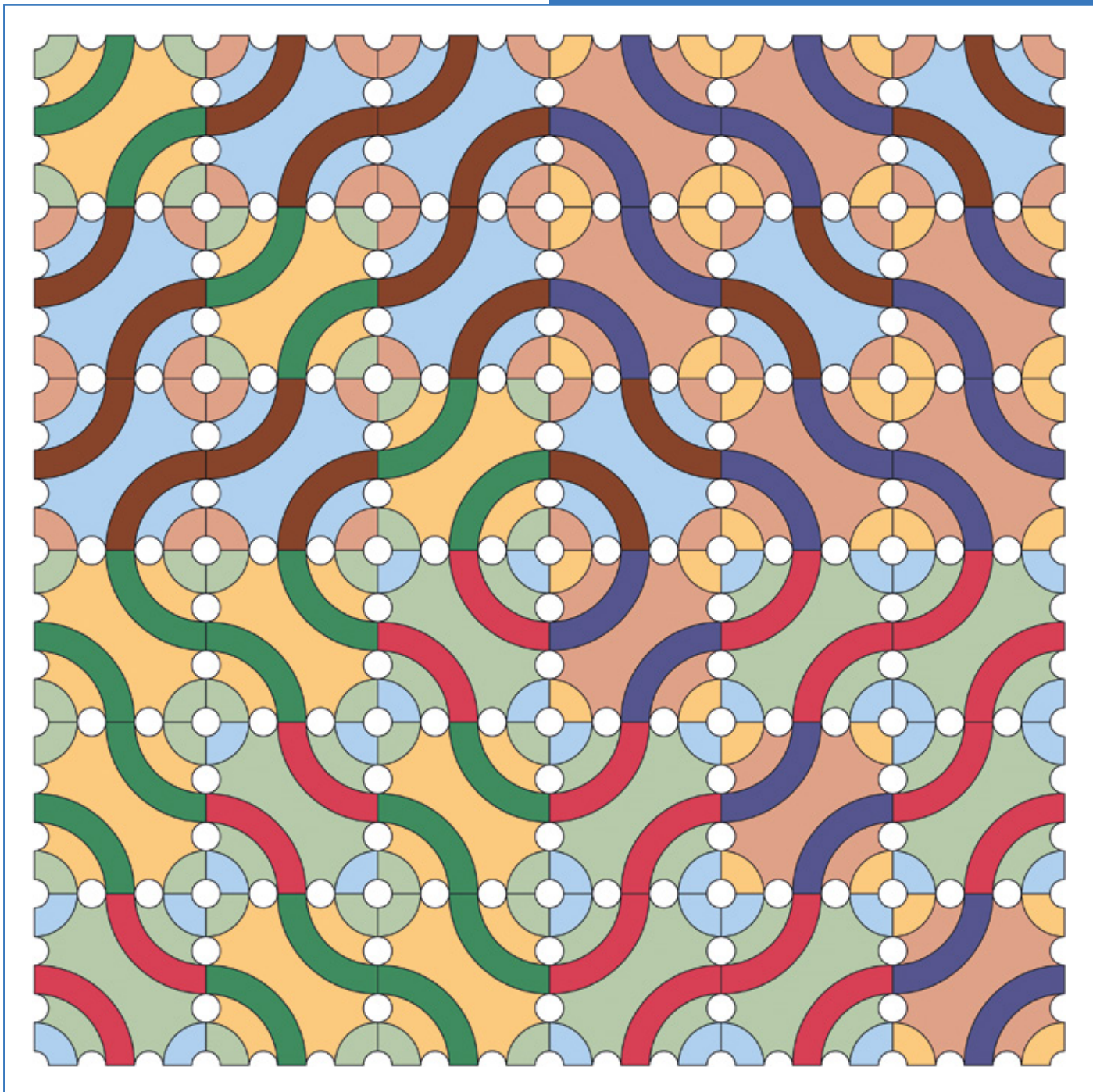
Following on from previous years, the partnership with Microsoft Italy and Postel continued, giving customers the opportunity to purchase packages of integrated offers to simplify business management.

Business customers are offered a range of packages that consider various specific needs; the Microsoft Standard package can be supplemented with Poste Delivery Business, the service aimed at companies that send documents or goods to private and business recipients in Italy, with delivery within two working days. The service can also be combined with "Salva e-invia Web", which offers an integrated system of web-based services provided by Postel to simplify the sending of mail. To meet the need for the digital signature of documents prepared with the Microsoft package, it is possible to proceed with the activation of the option the Remote Digital Signature of Poste Italiane to securely sign electronic documents with legal value. Finally, DataCerta Digitale is Postel's service that allows the certification of the date and time of production of any document, which is legally valid with the certainty of the date guaranteed by the EPCM (Electronic Postal Certification Mark) issued by Poste Italiane.

Poste Italiane with Microsoft

Posteitaliane





**LEARN ABOUT THE ARTWORK
WITH AUGMENTED REALITY**

Scan the QR code with your smartphone
and click on the link.



ADRIANO ATTUS
Designer e and visual artist



Sustainable finance

Responsible investments for sustainable growth.

- **Half-yearly monitoring** of the degree of **social responsibility** and **carbon footprint** of the **portfolios** of BancoPosta Fondi SGR and Poste Vita
- **Widened** and **strengthened** the range of **products** whose investment decisions take into account **ESG factors**
- Integrated into the **information system** portfolio analysis tools for **ESG data** integration and **ESG KPI** monitoring

< 7.16 Sustainable finance

**SUSTAINABLE FINANCE FOR US:**
scan the QR code and watch the video

MAIN RELATED TYPES OF CAPITAL



IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL

OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2022	OUTCOME
Development of sustainable finance initiatives dedicated to internal stakeholders	• No. of initiatives	• 4 by 2024	2021	• 3	
Gradual inclusion of an ESG component in Poste Vita investment products	• % of Poste Vita products with ESG elements	• 100% by 2024	2020	• 60%	
Increase BancoPosta Fondi SGR investments involving the integration of ESG criteria	• % of total AUM of the Funds distributed with: a) benchmarks composed of ESG indices for the Funds with benchmarks; b) investment policies with specific selection criteria for financial instruments linked to ESG factors for Funds without a benchmark	• 50% by 2022	2019	• 88%	
Increase BancoPosta Fondi SGR investments involving the integration of ESG criteria	• % of total AUM of the Funds distributed with: a) benchmarks composed of ESG indices for the Funds with benchmarks; b) investment policies with specific selection criteria for financial instruments linked to ESG factors for Funds without a benchmark	• 75% by 2023	2021	• 88%	
Market launch of Poste Assicura's digital risk protection insurance offer linked to Web use	Development of digital risk insurance offerings	• Development and launch on the market of offerings by 2022	2021	• Commercial offerings	
Market launch of Poste Assicura's specialist check-up, physiotherapy and diagnostic coverage, which can be purchased by a broad target and which supports the need to obtain private healthcare in a pandemic context of a generalised reduction in national healthcare spending	Development of offerings	• Development and launch on the market of offerings by 2022	2021	• Commercial offerings	
Development of offerings dedicated to people with fragility	• Development of offerings for people with disabilities	• Development of the offering on the market by 2022	2020	• Offering developed	
Integrate into at least one fund open to retail a strategy – also in competition with others – aimed at controlling and containing carbon emissions	• No. of funds	• 1 by 2024	2022	NEW	
Increase ESG indicators against which BancoPosta Fondi SGR's investment portfolios can be monitored	• Define a proprietary synthetic sustainability indicator	• Definition of the indicator by 2024	2022	NEW	
Development of a strategy concept integrating sustainability objectives (pursuant to Art. 9)	• No. of strategies with a sustainability objective	• 1 by 2024	2022	NEW	
Revision of offerings to include personal care services, according to a full ESG approach	• Expanding offerings with personal care services	• Expansion of offerings by 2023	2022	NEW	
Implementation of a new insurance check-up to tailor proposed cover to each client on by household, and not just by individual, to identify protection needs more precisely, and thus reduce the level of underinsurance of the Italian population	• No. of insurance check-ups in production	• 1 by 2023	2022	NEW	
Creation of a new model of access to and use of insurance products, with a main focus on personal coverage, to increase awareness and diffusion among the Italian population, in two phases: • Rationalisation and simplification of offerings, moving beyond the traditional "coverage" structure towards a "needs" structure; • Development of an advisory model that guides the client to the most suitable health facilities for the specific need and generally facilitates the "use" of the policy (i.e. claims management)	• Restyling of Persona line by Poste Vivere Protetti • New advisory and benefit management process	• Restyling of Persona line by Poste Vivere Protetti by 2023 • New advisory and benefit management process by 2023	2022	NEW	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

Integration of ESG factors into investment policies

NFS

The growing popularity of sustainable finance and the expansion of responsible investment testify that the integration of ESG considerations has now become a strategic axis, and that institutional investors have a duty to work towards the creation of long-term sustainable value.

This principle has, for years now, underpinned the responsible investment approach that the Poste Italiane Group has adopted and implemented in the investment activities of BancoPosta Fondi SGR and Poste Vita. In fact, the Group has long integrated this vision into its strategy, translating the principles of sustainability into all the sectors in which it operates, including the financial sector, strong in its conviction that, thanks to effective investment processes, the asset management and insurance sectors can help protect society, promote innovation and support economic growth.

Poste Italiane believes that the integration of ESG risks and opportunities in the management of investment portfolios can provide a concrete response to the social and environmental needs expressed by society, positively influencing the entire Country System

In order to define a holistic approach for the integration of environmental, social and governance (“ESG”) considerations into investment activities, as of 2019, a path was undertaken to develop the strategies and general approach of responsible investment for the Group’s financial companies, BancoPosta Fondi SGR and Poste Vita. The first step along this path is the formal commitment to integrate ESG criteria into investment activities, following the two companies’ signing of the Principles for Responsible Investment (PRI). This is an international network of investors, promoted by the United Nations, whose aim is to encourage the integration of ESG issues within their investments and the companies they invest in, proposing a long-term vision in the interests of the signatories, the

The last few years have seen increasing regulation at the European level in the area of sustainable finance, thanks to regulations enacted by the legislature with the aim of redirecting capital flows towards sustainable investments and promoting transparency and long-term vision in economic and financial activities.

During 2022, regulatory technical standards were defined. “RTS”, Delegated Regulation (EU) 2022/1288) governing the presentation and content of the disclosures required under Regulation (EU) 2019/2008 (“Sustainable Finance Disclosure Regulation” or “SFDR”) and Regulation (EU) 2020/852 (“Taxonomy Regulation”).

In view of the entry into force of the RTS, BancoPosta Fondi SGR and Poste Vita have been called upon to adapt to the provisions, in particular by updating the disclosure in the pre-contractual documentation with the preparation of the annexes and the adaptation of the disclosure on the website for all Group products that promote environmental or social characteristics (as per Art. 8 SFDR). For these products, periodic reporting will be conducted from early 2023.

MAIN RELATED TYPES OF CAPITAL



economy, the environment and society. The commitment made is not limited to the integration of ESG criteria, but also translates into a form of accountability with respect to policies and to the ESG integration processes adopted by signatories, who are obliged to report on progress in implementing the responsible investment approach after stipulation and on an annual basis. This step is therefore consistent not only with the Group’s perspective that the inclusion of ESG issues in investment processes is necessary to pursue long-term sustainable performance and reduce portfolio risk, but also with the principles of transparency and integrity in conduct.

Festival of Sustainable Development
Poste Italiane participated to the Festival of Sustainable Development represented by the CEO of BancoPosta Fondi SGR, bringing its experience in sustainable development and as an institutional partner of the event

In Poste Italiane’s vision, an important contribution to the dissemination of sustainable development models and the achievement of ESG objectives from an international perspective is possible through dialogue with issuers where Group companies choose to invest, involving them in initiatives dedicated to the management of ESG criteria. In line with this conviction, in 2022, BancoPosta Fondi SGR and Poste Vita renewed their commitment to engagement as a pillar of ESG integration strategies in their investment processes, taking part in collaborative initiatives, with the aim of fostering the achievement of concrete results through the shared mobilisation of resources, in line with the guidelines governing the exercise of voting rights and engagement activities.

European legislation on sustainable finance

The impact of war on markets and support for the green transition

During 2022, the financial markets and the economic outlook of all their participants - institutional investors, retail investors and corporations - were profoundly affected by the outbreak of war in Ukraine. In addition to the resulting financial instability, the huge increase in energy prices helped push up inflation rates, leading the relevant central banks to intervene by raising interest rates.

The price shocks experienced have once again underlined the urgency, also on the part of the financial and insurance sector, to accelerate the climate transition, working along global pathways of decarbonisation and promotion of clean energies, while ensuring long-term social development.

In line with this, the Poste Italiane Group, BancoPosta Fondi SGR and Poste Vita signed the "Business letter ahead of the publication of the RePowerEU Plan" addressed to the President of the European Commission Ursula Von der Leyen to support the European Union in ending its supply dependency on Russia and promoting the green transition by enhancing energy security and resilience.

Poste Italiane considers it fundamental to participate in dialogue with institutions, trade associations and the financial sector in order to contribute to the dissemination of sustainable finance and the promotion of sustainable development in the belief that joint action can generate more concrete results towards sustainable development

Specifically, the Group confirmed its adherence to social and environmental initiatives such as: Access to Medicine Index, aimed at raising awareness in the pharmaceutical sector and facilitating access to medicines for the world's poorest population groups in line with the UN Sustainable Development Goals; Land use and Climate Working Group of the international Ceres network, which since 1989 has aimed to improve the management of emissions and natural resources through targeted engagement activities; Access to Nutrition US Index, Workforce Disclosure Initiative (WDI), ClimateAction 100+.

Furthermore, like before, dialogue activities on ESG issues with listed companies were carried out as part of the "Engagement" Working Group of the Forum for Sustainable Finance and Borsa Italiana's Digital Italian Sustainability Week.

In 2022, BancoPosta Fondi SGR published for the first time a report of engagement activity and voting rights exercised in the previous year in respect to the instruments held in the portfolio.

The mainstay of BancoPosta Fondi SGR and Poste Vita's responsible investment approaches is the system of policies and guidelines adopted by the two companies to define the ESG integration strategy in their investment activities. Similarly to what has been described for the respective Guidelines for Voting and Engagement, in 2022, both companies revised their Guidelines for Investing in Sensitive Sectors, while Poste Vita updated its Responsible Investment Policy, taking into account both the evolution of the internal approach adopted and the external context, represented by regulation, market and international standards.

During 2022, a process was undertaken to update the system of policies that define the approach for integrating ESG criteria into the investment processes of Poste Italiane, with the aim of aligning the Responsible Investment strategy with changes in the external context, the regulatory framework and best practice and to incorporate internal developments

The Responsible Investment Policy is the reference document for all stakeholders that formalises the commitment to ESG integration in investment processes on the basis of the principles considered, activities, roles and instruments in the strategy defined. This strategy is based on the principle of including the environmental, social and governance profile of issuers in investment assessment processes, with the adoption of monitoring tools to identify the presence of inadequate sustainability profiles. With this in mind, the investment policies provide for exclusion criteria that limit the investable universe of BancoPosta Fondi SGR and Poste Vita with respect to issuers directly involved in the production of weapons banned by UN Conventions.

Controversial weapons

Poste Vita and BancoPosta Fondi SGR have anticipated for their own investments the prohibitions provided for by Italian law that came into force in 2022 with respect to the financing of issuers involved in the production and sale (and any activity thereto) of anti-personnel mines and cluster munitions, which were already excluded from the investable universe of the Companies in accordance with their respective Investment Policies

The policy system is complemented by guidelines defining the approach to deal with environmental, social and governance risks that may arise during the life of the investment.

In particular, the Guideline for investment in sensitive sectors of BancoPosta Fondi SGR and Poste Vita responds to the need to adopt an enhanced oversight for those activities or business conducts that present a significant inherent ESG risk, by defining the appropriate criteria and processes to identify, assess and monitor exposure to issuers involved in fossil fuels, coal, animal testing and human rights violations. In addition to the general revision of the process, the criteria for identifying issuers operating in the sensitive sectors to be monitored were also evaluated in 2022, leading to the extension of the issuers involved to include companies active in the unconventional fossil fuel sector and with coal-related transport and infrastructure activities.

In parallel with the exclusion criteria and the monitoring of exposures to sectors deemed sensitive, BancoPosta Fondi SGR and Poste Vita consider the potential negative impacts on sustainability factors caused by investment decisions.

The proper implementation of this policy system is ensured by the dissemination and communication of these policies within the organisation, in the belief that everyone's awareness is necessary to fully incorporate the integration of ESG considerations into business activities. At the same time, the clear allocation of roles and responsibilities enables the establishment of governance that favours the fluidity of processes and the creation of focal points within the companies for the management of ESG integration, which, through central coordination, ensure the consistency of approaches with the broader sustainability strategy and objectives of the Poste Italiane Group.

BancoPosta Fondi SGR and Poste Vita promote the integration of ESG criteria within them, including through the adop-

tion of an incentive system that includes, among the main performance drivers, parameters related to the achievement of the Poste Italiane Group's strategic guidelines on ESG issues and, in particular, the specific objectives defined in the area of sustainable finance.

Streams of information

BancoPosta Fondi SGR and Poste Vita integrated portfolios analysis tools within their information systems in order to integrate ESG data and to continuously monitor ESG KPI

ESG monitoring

In line with its Responsible Investment Policies, BancoPosta Fondi SGR and Poste Vita use a detailed and structured process to monitor investments in the portfolio, with the aim of: verifying compliance with exclusion criteria, verifying exposures to sensitive sectors, analysing the ESG profiles of the assets and assessing the appropriateness of engaging with the issuers in the portfolio. By means of the principles and processes adopted, the two Group companies monitor the overall ESG profile of their investments, using assessments by specialised and internationally recognised info-providers. To this end, the portfolios of BancoPosta Fondi SGR and Poste Vita are periodically analysed in terms of ESG, through the now multi-year collaboration with Moody's ESG Solutions (formerly Vigeo Eiris), an agency specialising in social and environmental issues, to assess their degree of social respon-

For the Poste Vita Group, the weighted average ESG score for the investment portfolio in 2022 was 53/100 for corporate issuers and 77/100 for country issuers. The results obtained are higher than the ESG performance of the reference benchmarks, iShares MSCI World ETF equal to 42/100 for corporate investments (equity and corporate bonds) and Xtrackers Global Government Bond equal to 64/100 for government investments, confirming the high quality of the Group's investments in terms of sustainability. With respect to the CFET (Carbon Footprint Energy Transition) analysis, the weighted average carbon footprint of its portfolio was 6,160,000 tCO₂eq, with an Energy Transition score of 55/100 for corporate issuers. The comparison with the benchmark iShares MSCI World ETF is slightly unfavourable in terms of carbon footprint (equal to 5,970,529 tCO₂eq for the ETF) while the Energy Transition of Poste Vita's investments is higher than that of the index (score 45/100). Finally, the CFET of government investments was 361,194,832 tCO₂eq, and the Energy Transition score 71/100.

With reference to BancoPosta Fondi SGR, the weighted average score for the portfolios relating to the Company's direct and indirect asset management (€101 billion of assets) was 53/100 for corporate issuers and 76/100 for country issuers. BancoPosta Fondi SGR also scored higher than the ESG performance of its reference benchmarks, iShares MSCI World ETF at 42/100 for corporate investments (equity + corporate bonds) and Xtrackers Global Government Bond at 64/100 for government investments. This result confirms, once again, the high level of quality of the Group's investments in the area of sustainability. Compared to the CFET analysis, the weighted average carbon footprint of the Company's direct and indirect management portfolios (€101 billion of assets) was 5,024,749 tCO₂eq, with an Energy Transition score of 55/100 for corporate issuers. Both indicators resulted in a higher score than the benchmark iShares MSCI World ETF (5,970,529 tCO₂eq, Energy Transition score 45/100). The CFET of government investments, on the other hand, is 473,390,426 tCO₂eq, and the Energy Transition score 72/100.

Monitoring the
ESG profiles of
the investment
portfolio

Postevita
Gruppo Assicurativo Postevita

BancoPostaFondi SGR

sibility and carbon footprint, in order to mitigate any emerging risks. These assessments are carried out in accordance with internationally recognised and disseminated standards, guidelines and norms by organisations such as the UN, ILO

and OECD, and cover both corporate issuers and country issuers within portfolios managed directly or held indirectly through third-party funds.

Offering investment products with environmental and social value

During 2022, Poste Italiane continued its efforts to expand its proposal of financial products that promote environmental or social characteristics, with a view to channelling an ever-increasing amount of capital in favour of sustainable development and meeting the demands of savers and investors attentive to the creation of positive social-environmental value through the investment products they subscribe to. In particular, the extension of the investment product offering includes, in addition to the application of the policies and guidelines implemented by Group companies, investment strategies aimed at achieving the best performance through investments selected on the basis of ESG characteristics, according to different possible approaches.

Poste Gestione Patrimoniale

In 2022, Poste Italiane, in collaboration with BancoPosta Fondi SGR and Moneyfarm, launched Poste Gestione Patrimoniale, a new portfolio management composed of 4 lines, the investment decisions of which take ESG factors into account

The offering of investment solutions classified under Article 8 SFDR, in line with the regulatory framework indicated by Regulation (EU) 2019/2088, stems from both the launch of new products and the revision of the investment strategies applied, with the introduction of additional ESG integration strategies.

This commitment was shared by both BancoPosta Fondi SGR and Poste Vita, which, with reference to its range of insurance investment products, finalised the configuration and launch of a product with a strengthened profile in terms of ESG integration in its investment activities.

Green Funds

Following the marketing in 2021 of BancoPosta Focus Ambiente 2027, BancoPosta Fondi SGR doubled its range of thematic products focused on the environment during the year, with the launch of BancoPosta Focus Ambiente March 2028. The funds, managed under delegation by Anima SGR, invest primarily in funds classified as products that promote environmental and/or social characteristics or pursue a sustainability objective (within the meaning of the SFDR regulation), in particular focusing on sectors and economic segments related to environmental protection such as, for example, the circular

economy, water management, blue economy, renewable energy and climate transition.

With regard to insurance, there is a multi-class product whose class III component can be invested in an internal insurance fund linked to a benchmark consisting mainly of ESG indices, including, for 20%, a global equity index aiming to reduce carbon emissions by at least 50% compared to the main index. In addition, Poste Vita's portfolio includes investments in alternative asset classes with an ESG component: for example, the Real Estate Diamond Eurozone Office (DEO) fund, which received a high sustainability rating from GRESB¹¹⁴ and was awarded the title of Green Fund, and the Real Estate Diamond Core investment fund whose underlying assets are WELL/LEED Gold-certified real estate and which received the first green financing in the Italian real estate sector.

ESG funds of funds

As part of the ESG integration implemented by fund-of-funds products, BancoPosta Fondi SGR operates as an asset manager through flexible solutions based on the structuring of a proprietary model to support investment decisions. In particular, the two funds of the Universo family, BancoPosta Universo 40 and BancoPosta Universo 60, have been joined by three internal funds representing the sustainable investment options offered by the first Article 8 SFDR product launched by Poste Vita, namely "Poste Vita Valore Sostenibilità Dinamico", "Poste Vita Valore Sostenibilità Equilibrato" and "Poste Vita Valore Sostenibilità Sviluppo".

In all cases, the selection of funds in which to invest is based on the consideration of ESG criteria that allow for the preference of the most virtuous fund houses from the point of view of the responsible investment approach adopted and the relevant funds with investment policies aimed at selecting issuers with positive ESG profiles. The evaluation of the fund house is, in fact, a selection criterion that ensures the consistency of its commitment with that of the SGR. To this end, a proprietary ESG rating methodology has been developed that assigns an internal rating to investable UCITS based on an assessment of the degree of commitment and application of responsible investment strategies.

At the beginning of 2023, BancoPosta Fondi SGR launched the placement of its new fund Universo Tematico, which uses the same criteria for selecting UCITS as described above, while focusing investments on three mega-trends (planet, innovation, population) that will drive future changes.

114. International organisation that analyses and compares real estate investments from an environmental, social and governance perspective worldwide.

Best-in-class ESG Funds

This category includes those investment products of BancoPosta Fondi SGR for which a delegated manager adopts a strategy aimed at selecting only issuers that meet certain acceptability thresholds, defined according to an ESG rating scale that may be elaborated by the manager himself or by the reference info-provider chosen by the delegated manager.

The offering of this type of fund already included in 2021 the Poste Investo Sostenibile, BancoPosta Selezione Attiva and BancoPosta Azionario Euro products, managed under delegation by Amundi, an operator with a strong vocation for responsible investment; these were joined in 2022 by the

BancoPosta Azionario Internazionale, BancoPosta Orizzonte Reddito and BancoPosta Azionario Flessibile funds, for which the SGR reclassified them as Article 8 SFDR products, via an amendment to their respective investment policies that redefined the objective and management style of these funds. In particular, issuer selection is conducted with the aim of minimising exposure to certain business sectors and maintaining a minimum level of ESG rating per issuer or portfolio.

The transition of the three BancoPosta funds Mix 1, Mix 2 and Mix 3 from Article 6 to Article 8 SFDR will also become effective in the course of 2023. The investment policy will be revised to include the application of sustainable finance criteria such as the exclusion of controversial sectors and the implementation of a best-in-class strategy.

Integration of ESG factors into insurance policies

NFS

The increasing scale of environmental and social issues and the macro-trends that have emerged in recent years have led to an urgent need to ensure adequate coverage of environmental, social and governance risks as well, drawing the attention of the insurance industry and the essential role it plays in this area. In fact, through proper and effective implementation of risk management processes also by industry players, the insurance sector can contribute to the protection of the community and the sustainable development of society.

In light of these considerations, the path of ESG integration in the financial business was also initiated with reference to insurance activities and Poste Vita, on the basis of this awareness, decided to define a robust approach formalised within its "Responsible Insurance Policy", which will undergo a review process during 2022. This Policy describes the principles, objectives and processes underlying the Company's approach to managing risks and opportunities related to ESG factors within traditional insurance processes. In particular, the Policy provides the principle of the systematic assessment of environmental, social and economic context variables that have a potential impact on people, with the aim of guaranteeing adequate management of the risks involved with a view to business continuity in the long term. In order to ensure the concrete effectiveness of its initiatives, the Policy also includes articulated management and monitoring processes through the definition of predetermined roles and tools.

The early adoption of an ESG integration approach in the financial business has enabled Poste Vita to anticipate developments in the relevant market scenarios by introducing innovative and sustainable insurance products with social and environmental impacts

MAIN RELATED TYPES OF CAPITAL



Since 2019, the Poste Vita Group has been a signatory to the Principles for Sustainable Insurance (PSI) promoted by the United Nations, affirming its formal commitment to the inclusion of sustainability criteria relevant to the insurance sector in its decision-making processes. This commitment is also emphasised through collaboration paths with customers and partners aimed at raising awareness in this area and the promotion of synergies with bodies and institutions with the aim of bringing about widespread and cohesive action on ESG issues

Brand Finance Global 500

In 2023, Poste Italiane ranks 283rd in the ranking of the 500 brands with the highest financial value worldwide

Insurance products with social and environmental value

The Poste Vita Insurance Group, consistent with its corporate objectives, defines and markets its products pursuing the objectives of enhancing the social role of insurance protection and inclusiveness facilitating economic affordability. For this reason, the Group develops insurance solutions that, on the one hand, encourage the adoption of sustainable and responsible behaviour by its policyholders and, on the other, are functional to the mitigation of ESG risks. During the development phase of its offering, the Group is

committed to including more vulnerable social groups that need greater attention, such as younger and older people, and people with particular illnesses. Specifically, in the area of individual pension plans, Poste Vita offers special complementary forms, accessible also to the younger generations, who find themselves having to fill a substantial pension gap, reducing the difference between the expected basic compulsory pension and what is needed to guarantee a decent standard of living.

Moreover, in so-called risk coverages, such as term life or health policies, which play a crucial social role, the Group seeks to broaden the pool of potential policyholders as much as possible by adopting inclusive underwriting criteria. With reference to Poste Assicura, as part of its important social responsibility to bridge the insurance gap, the Company pursues the objective of providing coverage for homogeneous groups of companies and their employees.

Starting in 2021, the Group has put in place a process to evolve the services and functionalities available to customers on the main digital channels (Insurance Reserved Area and BancoPosta app) with respect to life and protection policies. It is thanks to this update that policyholders have the possibility of viewing, in their Private Insurance Area, the summary of the characteristics of the insurance product they have subscribed to and of activating additional services, such as, for life policies, the possibility of requesting partial or total redemption before maturity or requesting the settlement of a policy close to maturity, while for protection policies the possibility of managing their claims from the opening of the claim to settlement. In the same year, as part of the evolution of Poste Italiane's advisory model, an experimental phase was launched, as part of the distribution strategy for insur-

ance investment products (Multi-class and Class I policies), of remote offerings through the dispatch by the BancoPosta distributor, in the reserved area of customers, of personalised advice tailored to their profile. In this way, customers have the possibility of finalising the remote consultations they receive online via "Firma Elettronica Avanzata - FEA" (Advanced Electronic Signature). This new mode of offering, which was included in most of the products in the catalogue in 2022, alongside the offering at Post Offices, confirms the multi-channel approach followed by the Group to improve the customer experience.

In line with its strategic objectives, during 2022, the Poste Vita Group continued the evolution of its range by considering the development of solutions that allow it to access the opportunities offered by the financial markets, including by seizing the return opportunities arising from investments in securities with positive ESG profiles. In particular, in May 2022, Poste Vita launched the placement of the first product in its range classified as a product that promotes features within the meaning of EU Regulation 2019/2088 ("SFDR"), namely "Poste Progetto Valore 360": in addition to satisfying the needs of customers oriented towards more sustainable investment choices, this product was designed to offer customers a 360-degree advisory service, which responds in an integrated manner to their investment needs and those of life and non-life protection, having, among others, the possibility to access in a single simplified process also "Poste Vivere Protetti", one of the insurance offers offered by Poste Assicura in the area of protection most recognised by customers, which aims to provide an integrated and modular solution of protection, assistance and services in the areas of the person, property and assets.

"Poste Progetto Valore 360"

"Poste Progetto Valore 360" is a multi-class insurance solution that provides for the allocation of the investment, according to a predefined combination, between the "Posta ValorePiù" segregated account and one of the internal insurance funds, which operate with the objective of achieving growth of the invested capital, namely "Poste Vita Valore Sostenibilità Dinamico", "Poste Vita Valore Sostenibilità Equilibrato" and "Poste Vita Valore Sostenibilità Sviluppo". Although characterised by different risk profiles, each internal fund adopts a responsible investment strategy aimed at promoting environmental and/or social characteristics.

In particular, the funds, the management of which is delegated to BancoPosta Fondi SGR, select UCITS instruments through a quantitative and qualitative evaluation process based on an analysis of the management company and an analysis of the individual UCITS, favouring those that apply at least one responsible investment strategy among the following: promotion of environmental or social characteristics, pursuit of sustainable investment objectives, or use of benchmarks with ESG characteristics.

Consistent with the commitment undertaken through the signing of the Principles for Sustainable Insurance in 2019, and with the promotion of transparency on operations that characterises the Poste Italiane Group, Poste Vita undertakes to periodically report on the progress in the implementation of the Principles it has signed up to, which are summarised in the diagram below.

Principle 1 – Incorporate environmental, social and governance issues relevant to the insurance business into its decision-making processes.

- Assignment of formalised responsibilities to top management regarding ESG: Board of Directors, Product Committee, Risk Office
- Ongoing training on ESG issues to top management and employees
- Presence of a dedicated section in the Company's Product Committee responsible for periodically reviewing and evaluating the criteria for the definition of ESG profiles and the Company's product catalogue
- Systematic evaluation of economic, social and environmental context factors that may have an impact on people and, therefore, on the Company's business in the long term and, in particular, social, technological, political, regulatory and environmental factors
- Development of insurance products with social and environmental value
- Integration of ESG criteria into investment activities in line with the Responsible Investment Policy, the Guidelines for Voting and Engagement Activities and the Guidelines for Investing in Sensitive Sectors adopted by the Company

Principle 2 – Collaborate together with customers and business partners to raise awareness of environmental, social and governance issues, manage risks and develop solutions.

- ESG assessment of suppliers
- Awareness raising and supplier involvement through specific activities
- Sharing relevant ESG information with customers

Principle 3 – Collaborate together with governments, Authorities and other relevant stakeholders to promote widespread action within the Company on environmental, social and governance issues.

- Membership within the Executive Committee of UNEP FI
- Participation in reference initiatives such as PRI, PSI, UN Global Compact
- Participation in national and international discussion and promotion initiatives on Sustainability issues
- Participation in collective engagement initiatives
- Participation in the ESG Committee of the trade association

Principle 4 – Demonstrate accountability and transparency in regular public reporting on progress made in implementing the Principles.

- Regular reporting on the Group's responsible investment and insurance performance and sustainability in general through a variety of tools, including the Integrated Report within the Annual Report, PRI Transparency Report, PSI Progress Report, corporate website and social media*.

* These documents outline all the details on how the Principles for Sustainable Insurance are applied and their evolution.

< 7.17 Indicators tables

NFS

MAIN RELATED TYPES OF CAPITAL



The following tables show the indicators required by the Global Reporting Initiative standards, together with other indicators that Poste Italiane believes important in order to illustrate its performance. The indicators are presented on the basis of the 8 Pillars of the Group's Strategy.

[GRI 2-6] Capillarity of the organisation*

Capillarity	2020		2021		2022	
	Unit	Personnel	Unit	Personnel	Unit	Personnel
Operation Area Manager	6	19	6	19	6	22
Branch offices	66	798	66	825	67	821
Total	72	817	72	844	73	843

* The figures refer to the Group company SDA SpA.

[GRI 2-6] Capillarity of the organisation*

Capillarity	2020		2021		2022	
	Unit	Personnel	Unit	Personnel	Unit	Personnel
Local Operating Centres	10	534	9	485	9	467

* The figures refer to the Group company Postel SpA.



Integrity and transparency

[GRI 205-1] Companies assessed for risks related to corruption* and percentage** of operations audited for risks related to corruption

Analysis by corruption risk and impact of audit activities	2020	2021	2022
Total number of Group companies assessed for risks related to corruption	16	16	18
Total number of Group companies	24	24	33
Percentage of Group companies assessed for risks related to corruption	66	66	55
Percentage of operations for risk of corruption audited***			
High coverage	86	86	64
Medium coverage	9	14	32
Low coverage	5	0	4

* Assessment of Group companies for risks related to corruption was conducted as part of the survey carried out in drawing up the Organisational, Management and Control Model required by Legislative Decree 231/2001.

** Coverage represents the overall percentage of operations audited.

*** The figures refer to Poste Italiane SpA.

Reports managed by the Whistleblowing Committee [GRI 205-3] Proven corruption incidents and actions taken

Reports	2020	2021	2022
Reports handled	274	617	790
of which confirmed	0	28**	37***
of which under investigation	0	28	57
Total reports handled in the area of corruption	3*	0	0
of which confirmed	0	0	0
of which under investigation	0	0	0

* For reports in the corruption area, 3 have been assessed as potentially relevant to corruption; in particular, 3 reports were found to be unfounded, of which 1 with reference to 31 December 2019 was closed in 2020.

** The decision-making measures with regard to confirmed reports are referred to the competent corporate functions or bodies, from time to time on the basis of the organisational responsibilities assigned. The functions involved in decision-making are different from the functions that are part of the Whistleblowing Committee (CW). For cases involving senior personnel, the CW shall report this to the competent corporate/social bodies, ensuring that they are informed and kept up-to-date on the developments of the initiatives implemented. If the Whistleblower is jointly responsible for the violations he/she has reported, the reporting system of Poste Italiane and of the Group Companies provides for a privileged treatment for the latter with respect to the other jointly responsible persons, in accordance with the applicable rules.

*** Of 37 reports found to be confirmed, 30 relate to Poste Italiane SpA. Of these 30 reports:

- 1 was found to be critical, due to compliance risks;
- 11 were of a material level, due to: negligent behaviour by persons with organisational responsibilities, control systems with evident malfunctions attributable to specific significant risks, significant administrative, managerial or operational impacts;
- 18 were of insignificant level, due to non-critical or insignificant reports.

On the subject of critical level reporting:

- A number of critical issues and violations were reported concerning: working hours, recognition of overtime, workplace safety, training for the safe driving of company vehicles, confusion and disorganisation, irregularities in the tracking of priority mail, delivery of Personal Protective Equipment (PPE), piles of waste of all kinds abandoned in the yard, and others. A potential impact was found under Legislative Decree 231/01 concerning the malfunctioning of mopeds, the delivery and use of PPE and the presence of waste for disposal. The management defined specific action plans on the anomalies detected.

Concerning relevant level alerts:

- Reports of negligent behaviour on the part of persons with organisational responsibilities (post officers wore non-compliant accident shoes) were handled through follow-up audits, which did not reveal any critical situations in the working environment of the CD. The corrective actions taken consisted of equipping all CD post officers with the correct footwear.
- The report due to intimidating behaviour (the manager allegedly took intimidating attitudes in particular towards CTD staff who approached the union in question regarding contractual demands) was handled through follow-up audits that did not reveal any critical situations in the CD's working environment. The corrective actions included management interventions carried out following the report, which helped to improve the internal climate.

Regarding non-significant level alerts:

- The report of anti-union behaviour (the manager of a delivery centre engaged in anti-union behaviour towards a trade union organisation active at the centre) was handled through follow-up audits that did not reveal any critical situations in the working environment of the CD. The corrective actions included management interventions carried out following the report, which helped to improve the internal climate.
- The reports due to control systems with evident malfunctions attributable to specific significant risks (several anomalies were found that endangered the health of workers and the regular performance of work activities, including the malfunctioning of the ventilation system and the open red fire-fighting box with no protective glass) were handled through follow up checks that did not reveal further critical situations in the working environment. The corrective actions included the resolutions of the anomalies detected.

Cases of bribery and corruption and corrective actions

Number of cases of bribery and corruption and corrective actions	2020	2021	2022
Cases of corruption and bribery	0	0	0

Specific training on procedures and policies of anti-corruption

Anti-corruption training	2020	2021	2022
Total workforce	80,529	92,661	100,829
of which:			
Executives	428	455	478
Middle managers	12,413	13,899	14,393
Operational staff	67,688	78,307	85,958

Existing tenders which incorporate specific environmental criteria*

Tender procedures with environmental criteria	2020	2021	2022**
Percentage of suppliers selected on the basis of environmental criteria (%)	75.9	83.4	84.8

* The assessment regards tender processes for amounts above the EU thresholds and is functional to identify tenders that include specific qualification environmental criteria in the subject, in the technical specifications or in the assessment criteria (e.g. ISO 14001, ISO 50001, low environmental impact vehicles, Minimum Environmental Criteria, use of recyclable materials in supplies, FSC certification, etc.), as well as in contractual clauses.

** For 2022, in continuation of previous findings, the scope of the figure includes Poste Italiane SpA, PostePay SpA, Postel SpA, Poste Vita SpA (Poste Assicura SpA), BancoPosta Fondi SGR SpA, SDA Express Courier SpA, Europa Gestioni Immobiliari SpA, Poste Air Cargo Srl. The stabilisation of the sustainability compliance in procurement procedures ensured the continuation of the positive trend of the indicator, which recorded an increase in environmental performance of 1.4 percentage points compared to the 2021 figure. The index, if not including tenders without a technical offer because they were awarded at the lowest price, certifies that almost all tenders launched require environmental criteria (> 99%).

Existing tenders which incorporate specific social criteria*

Tender procedures with social criteria	2020	2021	2022**
Percentage of suppliers selected on the basis of social criteria (%)	74.1	84.5	88.3

* The analysis pertains to tender procedures for amounts exceeding EU thresholds and is functional to identify tenders that present specific social qualification criteria in the subject, in the technical specifications or in the evaluation criteria (e.g. SA8000, ISO 45001, measures to combat Covid-19, measures concerning health, social security and employee well-being, diversity and inclusion, FSC certification, etc.), as well as in the contractual clauses.

** For 2022, the scope of the figure includes Poste Italiane SpA, PostePay SpA, Postel SpA, Poste Vita SpA (Poste Assicura SpA), BancoPosta Fondi SGR SpA, SDA Express Courier SpA, Europa Gestioni Immobiliari SpA, Poste Air Cargo Srl. The stabilisation of the sustainability compliance in procurement procedures ensured the continuation of the positive trend of the indicator, which recorded an increase in social performance of 3.8 percentage points compared to the 2021 figure. The index, if not including tenders without a technical offer because they were awarded at the lowest price, certifies that almost all tenders launched require social criteria (> 98%).

Existing tenders that incorporate specific governance criteria*

Tender procedures with governance criteria	2021	2022**
Percentage of suppliers selected on the basis of governance criteria (%)	33.1	52.3

* The analysis relates to tender procedures above the EU thresholds and is functional to identify tenders with specific governance criteria in the qualification, evaluation criteria (e.g. ISO 37001, Legality Rating, Code of Ethics/Conduct, Policy, etc.) as well, as in the contractual clauses.

** For 2022, the scope of the figure includes Poste Italiane SpA, PostePay SpA, Postel SpA, Poste Vita SpA (Poste Assicura SpA), BancoPosta Fondi SGR SpA, SDA Express Courier SpA, Europa Gestioni Immobiliari SpA, Poste Air Cargo Srl. The stabilisation of the sustainability compliance in procurement procedures ensured the continuation of the positive trend of the indicator, which recorded an increase in governance performance of 19.2 percentage points compared to the 2021 figure.

[GRI 301-1] Materials used by weight or volume*

Type of material/raw material (kg)	2020	2021	2022
Renewables	28,856,114	34,675,462	35,710,127
Paper	17,563,176	18,775,259	22,680,803
Cardboard	4,033,481	6,115,574	3,678,597
Wood	7,259,458	9,784,629	9,350,728
Non-Renewables	3,067,403	3,538,701	3,208,353
Plastic	2,576,816	2,655,118	1,986,962
Ink/toner	83,479**	80,003	71,084
Glues	4,022	6,552	8,485
Other***	403,086	797,028	1,141,822
Total	31,923,517	38,214,163	38,918,480

* The trend in material resources procured confirms a growth mainly related to the development of volumes in e-commerce.

** The 2020 figure for the use of "Ink/toner" has been updated following a refinement of the reporting system.

*** "Other" contains the following materials: labels, bags and seals, packaging string, thermal paper (bisphenol type A-free, in line with legal requirements) and security envelopes made of Kraft material.

[GRI 301-2] Materials used that originate from recycling

Type of material/raw material from recycling (kg)	2020	2021	2022
Paper	4,664,961.7	4,003,532.9	4,248,312.6
Cardboard	504,415	1,890,347.4	2,517,357
Wood	6,181,407.5	9,784,527.7	5,761,963.5
Plastic	0	205,653.4	109,955
Ink/toner	0	17,795.7	23,451.3
Total materials used	31,923,517	38,214,163	38,918,480
of which: from recycling	11,350,784.2	15,901,857.2	12,661,039.3
Percentage of materials used from recycling	35.56%	41.61%	32.53%

Anti-competitive practices

Total sanctions	2020	2021	2022
Sanctions for anti-competitive practices/antitrust infringements (€)	5,000,000	11,000,000	0
Number of sanctions for anti-competitive practices/antitrust infringements	1	1	0

Suppliers with an ISO 14001 or EMAS certified environmental management system

Percentage of suppliers	2020	2021	2022
Percentage of qualified suppliers with an ISO 14001 or EMAS certified environmental management system (%)	75.9	83.4	84.8

[GRI 207-4] Reporting of information of a fiscal nature*

Fiscal data (€m)	2021			2022			
	Italy	Hong Kong	China	Italy**	Hong Kong***	China****	United Kingdom*****
Revenue from sales to third parties	31,633	77	0	31,761	115	0	2
Revenue from intra-group transactions with other tax jurisdictions	63	0	1	95	0	3	2
Profits/losses before tax	2,164	4	0	2,319	8	1	0
Tangible assets other than cash and cash equivalents	2,454	0	0	2,592	0	0	0
Income taxes paid on the basis of cash accounting principles*****	380	0	0	471.10	0	0	0
Corporate income taxes accrued on profits/losses	587	1	0	817	1	0	0
Revenues	32,065	77	1	32,024	116	3	4

* Figures refer to the only four jurisdictions in which the Poste Italiane Group operates (Italy, Hong Kong, China and the UK).

** The figures refer to the following entities: Poste Italiane SpA, Poste Vita SpA, BancoPosta Fondi SGR SpA, Europa Gestioni Immobiliari SpA, Consorzio Logistica Pacchi ScpA, SDA Express Courier SpA, Postel SpA, PostePay SpA, Consorzio Per I Servizi Di Telefonia ScpA, Poste Air Cargo Srl, Poste Assicura SpA, PatentiVia Poste ScpA, Consorzio Poste Motori, Poste Welfare Servizi Srl, Poste Insurance Broker Srl, MLK Deliveries SpA, sennder Italia Srl, Nexive Network Srl, Nexive Scarl, Net Holding SpA, LIS Holding, LIS Pay, Agile Power Srl, Agile Lab Srl, Plurima Bidco Srl, Plurima SpA, Bridge Technologies Srl, Logos Srl, Sourcesense SpA, Sourcesense Digital Srl, Sourcesense Technology Srl, Agile Aim2 Srl, Agile Skill Srl, Agile Next Srl.

*** The figures refer to Sengi Express Limited (logistics services).

**** The figures refer to Sengi Express Guangzhou Limited (logistics services).

***** The figures refer to Sourcesense Ltd. (IT sector).

***** With reference to the Italian jurisdiction, in relation to the difference between income taxes accrued on company profits/losses and taxes paid, although two macro-phenomena appear to have emerged for 2022, such as the recognition of an ACE refund relating to FY2013 deriving from the filing of a refund petition and the tax effect deriving from the non-deductible provision for the liability underlying the tax credits issue, the final effect on the tax rate is substantially offset.



People development

[GRI 2-7] Personnel by contract type, gender and business line*

Type of contract	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent contract**	51,366	62,775	114,141	49,714	60,197	109,911	52,022	61,393	113,415
of which:									
Mail, Parcels & Distribution	50,784	62,123	112,907	49,112	59,557	108,668	51,250	60,664	111,914
Financial Services	246	231	476	249	217	466	252	229	481
Insurance Services	207	269	476	214	269	483	220	239	459
Payments and Mobile	130	152	282	140	154	294	300	261	561
Flexible contract***	5,898	3,544	9,442	5,700	3,358	9,058	4,742	2,876	7,618
of which:									
Mail, Parcels & Distribution	5,898	3,542	9,440	5,697	3,353	9,050	4,738	2,863	7,602
Financial Services	0	1	1	0	0	0	0	0	0
Insurance Services	0	1	1	3	4	7	0	1	1
Payments and Mobile	0	0	0	0	1	1	4	12	16
Total	57,264	66,319	123,583	55,414	63,555	118,969	56,765	64,269	121,033

* The figures are shown in Full Time Equivalent (FTE) terms.

** Includes permanent personnel and apprenticeships.

*** Includes fixed-term and agency personnel.

[GRI 2-7] Personnel by contract type, gender and business line*

Type of employment	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	55,636	62,194	117,830	53,763	59,321	113,084	54,817	60,142	114,959
of which:									
Mail, Parcels & Distribution	55,055	61,563	116,618	53,159	58,695	111,854	54,043	59,425	113,468
Financial Services	245	221	466	248	209	457	251	222	473
Insurance Services	207	260	467	217	265	482	220	230	450
Payments and Mobile	129	150	279	139	152	291	303	265	568
Part-time	2,948	6,798	9,746	2,963	6,900	9,863	3,419	6,561	9,980
of which:									
Mail, Parcels & Distribution	2,946	6,768	9,714	2,961	6,875	9,836	3,416	6,529	9,945
Financial Services	1	14	15	1	11	12	2	9	11
Insurance Services	0	13	13	0	10	10	0	13	13
Payments and Mobile	1	3	4	1	4	5	1	10	11
Total	58,584	68,992	127,576	56,726	66,221	122,947	58,236	66,703	124,939

* Figures expressed as Headcount.

Employees (Foreign)

Distribution by Country	2021	2022
of which:		
China	24	32
Hong Kong	0	0
United Kingdom	0	2
Total	24	34

[GRI 2-8] Non-employees

Total number of trainees by age group and gender	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of "trainees"*	21	20	41	92	55	147	90	67	157
of which:									
< 30 years old	20	20	40	92	55	147	90	67	157
30 – 50 years old	1	0	1	0	0	0	0	0	0
> 50 years old	0	0	0	0	0	0	0	0	0

* Figures expressed as Headcount. For each year, the number of "active" internships in that year was reported.

Distribution of employees by educational qualification*

Type of education	2020	2021	2022
University degree (%)	17	19.1	21.5
High School Diploma (%)	69.2	67.9	66.8
Middle School certificate (%)	13.7	12.9	11.6
Elementary School certificate (%)	0.1	0.1	0.1
Total (%)	100	100	100

* The percentages have been calculated for permanent personnel in Headcount.

Number of participants in development programmes

Development programme	2020	2021	2022
Assessment of potential	190	1,162	2,069
Mentoring and coaching paths	374	562	867
Skills development and innovation	105	6,990	4,760
Total	669	8,714	7,696

[GRI 404-1] Average hours of training for employees by gender and category

Category	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	45	52	47	38	49	41	42	51	44
Middle managers	83	103	92	80	99	89	71	83	77
Operational staff	34	45	40	37	49	44	39	48	44
Total workforce	41	51	46	43	55	49	43	52	48

Average training days per employee

Days of training	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Average training days provided to employees	6.8	8.4	7.7	7.1	9.1	8.2	7.2	8.7	8

Hours by type of training*

Type of training	2020	2021	2022
Management	37,000	33,200	53,600
Technical – specialist	2,584,400	2,743,150	3,041,350
Compliance	3,253,500	3,266,800	2,893,800
Total	5,874,900	6,043,250	5,988,750

* The figures have been rounded in line with the figures reported last year. For the total, the sum of the individual rounded values for each type of training was taken.

Training programmes and career development

Training and development programmes	2020	2021	2022
Total expenditure on training and development programmes (€)	7,020,250	8,220,217	8,310,436

Positions filled through internal hiring

Percentage of positions filled through internal hiring	2020	2021	2022
Percentage of positions filled through internal hiring (%)*	35	57	25

* The percentage of positions filled through internal hiring refers to the Parent Company.

Training and development inputs by gender and age

Training and development inputs	2021			2022		
	Men	Women	Total	Men	Women	Total
Average number of hours of training and development delivered to employees*	43.84	57.33	51.05	44.40	54.21	49.61
of which:						
< 30 years old	46.95	65.90	54.17	67.24	100.74	80.40
30 – 50 years old	48.86	59.08	54.24	47.74	56.85	52.47
> 50 years old	37.32	54.64	47.18	33.19	44.65	39.76
Amount spent per employee on training and development**	59.34	77.60	69.10	61.46	75.02	68.66
of which:						
< 30 years old	63.55	89.20	73.31	93.07	139.43	111.28
30 – 50 years old	66.13	79.96	73.42	66.07	78.68	72.63
> 50 years old	50.51	73.96	63.86	45.94	61.79	55.03

* Refers to the total number of training and development hours provided in the last fiscal year divided by the total number of FTEs.

** Refers to the total amount spent on training and development in the last fiscal year divided by the total number of FTEs. This figure does not include the operational cost of the “learning and development” team, such as the salaries of the employees of that team.

Total number of new hires by gender and age*

Total number of new hires	2019			2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
New hires by gender	3,157	2,148	5,305	1,153	1,023	2,176	1,356	1,268	2,623	4,208	3,664	7,872
of which:												
< 30 years old	1,606	1,054	2,660	568	478	1,046	773	667	1,440	2,058	1,667	3,724
30 – 50 years old	1,443	1,057	2,499	540	519	1,059	532	570	1,102	2,017	1,936	3,953
> 50 years old	109	37	145	45	26	71	51	31	82	133	62	195
Percentage of new hires by gender (%)	60	40	100	53	47	100	52	48	100	53	47	100
Number of positions filled through internal hiring**	0	0	0	91	68	159	847	884	1,731	449	394	843
of which:												
< 30 years old	0	0	0	91	68	159	0	0	0	111	49	160
30 – 50 years old	0	0	0	0	0	0	0	0	0	325	309	634
> 50 years old	0	0	0	0	0	0	0	0	0	13	36	49

* The figures are shown in Full Time Equivalent (FTE) terms.

** Figures referring to the Parent Company Poste Italiane SpA and the Group Companies SDA and Poste Air Cargo.

Trend of employee involvement by gender*

Trend of employee involvement	2021			2022		
	Men	Women	Total	Men	Women	Total
Number of employees involved in engagement activities	14,417	16,146	30,563	10,345	11,335	21,680
Total number of Group employees	55,414	63,555	118,969	56,765	64,269	121,033
Percentage of employees involved in engagement activities (%)	26	25	26	18	18	18**

* The figures refer to the Headcount.

** The trend of involvement shows a decline in 2022 as the 'InEvidenza' survey, a listening programme on internal communication aimed at the entire corporate population, was not carried out. The survey was not carried out as it is periodic and not annual. Therefore, net of this survey the trend is in positive variance.

** The target set for 2022 is 16%.

Trend of employee involvement by gender and age

Trend of employee involvement	2022		
	Men	Women	Total
Number of employees involved in engagement activities by age group			
< 30 years old	952	1,043	1,995
30 – 50 years old	4,971	5,446	10,417
> 50 years old	4,422	4,845	9,268
Percentage of employees involved in engagement activities by age group (%)			
< 30 years old	9	9	9
30 – 50 years old	48	48	48
> 50 years old	43	43	43

[401-2] Benefits provided to full-time employees that are not provided to temporary or part-time employees

Benefits for full-time employees	2020				2021				2022			
	Permanent contracts		Flexible contracts		Permanent contracts		Flexible contracts		Permanent contracts		Flexible contracts	
	part-time	full-time	part-time	full-time	part-time	full-time	part-time	full-time	part-time	full-time	part-time	full-time
Life insurance		YES*		YES*		YES*		YES*		YES*		YES*
Health Assistance	YES**	YES		YES*	YES**	YES		YES*	YES**	YES		YES*
Coverage for disability and invalidity insurance		YES*		YES*		YES*		YES*		YES*		YES*
Parental leave	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**
Pension	YES**	YES	YES**	YES	YES**	YES	YES**	YES	YES**	YES	YES**	YES

* This refers to Executives.

** This refers to Non-executives.

Employee assessment systems

Percentage of employees by type of assessment (%)	2020	2021	2022
Management by objectives (MBO)*	94	96	96
Multidimensional performance assessment**	91.1	96.2	97.4
Comparison of employees in the same category***	0	0	0

* In the field of Human Resources, management by objectives is a method of staff evaluation based on the results achieved against fixed objectives, and not on the competences expressed. The figures have as target value the entire population of the Poste Italiane Group. The percentages refer to the resources assessed in the reference year and therefore the resources excluded from the calculation are those that cannot be assessed due to long absence (for 2022 with reference to the assessment year 2021 the number of N.A. is approximately 3,800 resources, while, for the 2021 evaluation year, 3 managers are excluded from the multidimensional evaluation, indicated as "not assessable").

** The percentage refers to the total managerial population assessed in the 180° assessment process compared to the total assessable (for 2022 with reference to the 2021 evaluation year, 1,296 employees evaluated by colleagues out of 1,330 assessable). For 2022 (performance 2021), the multidimensional evaluation is not only the 180° process (assessment of the boss and colleagues) but for about 179 managers, the overall assessment is the contribution of the direct boss, colleagues and co-workers (360° assessment).

*** The comparison of employees belonging to the same category, which refers to a system in which employees are systematically compared in relation to their colleagues of the same professional level, belonging to the same team/function, is not applicable to Poste Italiane's model.

Workforce trends

Workforce trends	2020	2021	2022
Total turnover rate (%)*	6.90	7.90	6.30
Voluntary turnover rate (%)*	6.30	7.20	5.50
Average cost of FTEs hired (€)**	36,200	36,000	35,700

* The turnover rate was calculated on the basis of the number of FTEs leaving the Group as a proportion of the total workforce for year n-1. The voluntary turnover rate is FTEs leaving the Group voluntarily or year n as a proportion of the total workforce for year n-1.

** The average per capita annual cost of new hires regards all types of contract (permanent, fixed-term, executives, etc.). The per capita figure takes into account the following elements: fixed remuneration, ancillary remuneration (performance bonus, overtime, various allowances, etc.) mainly in addition to the contributions/employee termination benefits on the first two elements, but does not take into account: canteen voucher, travel costs (trains, planes, hotels, etc.) and company car because they do not fall within the scope of the cost of labour. The average cost for FTEs hired refers to the Parent Company.

Turnover rate of employees by gender and age

Turnover rate of employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total turnover rate (%)*	3.5	3.8	7.2	3.9	4.3	8.2	3.0	3.2	6.2
of which:									
< 30 years old	0.0	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.3
30 – 50 years old	0.1	0.1	0.3	0.2	0.2	0.4	0.3	0.2	0.5
> 50 years old	3.4	3.6	7	3.6	4.0	7.6	2.5	2.9	5.4
Voluntary turnover rate (%)*	3.2	3.4	6.6	3.6	3.9	7.5	2.5	2.9	5.4
of which:									
< 30 years old	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.1	0.3
30 – 50 years old	0.1	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.4
> 50 years old	3.1	3.3	6.5	3.4	3.7	7.1	2.1	2.6	4.7

* The turnover rate was calculated on the basis of the number of FTEs leaving the Group as a proportion of the total workforce for year n. The voluntary turnover rate is FTEs leaving the Group voluntarily as a proportion of the total workforce for year n.

Disputes

Disputes	2020	2021	2022
Disputes with employees	533	700	601*

* The periodic trends show a significant decrease in the Group's litigation compared to the same period last year. In fact, 601 new cases were registered in the reporting period compared to 700 cases in 2021, a decrease of about 14%. On the "establishment of the employment relationship" front, there has been an appreciable increase of about 37%. There were 136 new disputes (there were 85 in 2021), of which 41 were CTD, 60 Labour Administration and 35 Recruitment by Contract. With regard to the 'conduct of the employment relationship', it is noted that the number of disputes filed in 2022 is 390 (those in 2021 were 556), showing a significant decrease of about 30%, limited only to cases concerning transfer/mobility, updating of contribution positions and conservative disciplinary sanctions. Finally, with regard to 'termination of employment', there were 75 new disputes (there were 59 in 2021), a slight increase of about 21%.

[GRI 403-8] Workers covered by an occupational health and safety management system

Employees covered by the system*	2020**			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number employees covered by the system	58,088	68,793	126,881	56,303	66,076	122,379	57,257	66,352	123,609
% employees covered by the system	99	99	99	100	100	100	100	100	100

* Total number of employees covered by an occupational health and safety management system.

** The figures for 2020 show a slight change due to the refinement of the reporting.

Employees covered by the system*	2020**			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
% employees covered by the system	57,983	68,732	126,715	56,303	66,076	122,379	57,257	66,352	123,609
% dipendenti coperti dal sistema	99	99	99	100	100	100	100	100	100

* Total number of employees covered by an occupational health and safety management system that is internally audited.

** The figures for 2020 show a slight change due to the refinement of the reporting.

Employees covered by the system*	2020**			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number employees covered by the system	57,973	68,727	126,700	56,207	65,989	122,196	57,167	66,276	123,443
% employees covered by the system	99	99	99	99	99	99	99	100	100

* Total number of employees covered by an occupational health and safety management system that has been audited or certified by an independent third party (e.g. in line with ISO 45001).

** The figures for 2020 show a slight change due to the refinement of the reporting.

Non-employees covered by the system*	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	1,461	297	1,758	3,021	831	3,852	3,465	256	3,721
% of non-employees covered by the system	100	100	100	100	100	100	100	90	99

* Total number of non-employees covered by an occupational health and safety management system.

Non-employees covered by the system*	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	533	255	788	1,797	336	2,133	3,011	242	3,253
% of non-employees covered by the system	36	86	45	59	40	55	87	85	87

* Total number of employees covered by an occupational health and safety management system that is internally audited.

Non-employees covered by the system*	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	678	247	925	2,094	533	2,627	2,936	212	3,148
% of non-employees covered by the system	46	83	53	69	64	68	85	74	84

* Total number of employees covered by an occupational health and safety management system that has been audited or certified by an independent third party (e.g. in line with ISO 45001).

[GRI 403-9] Occupational accidents**Occupational accidents including Covid-19 cases**

Employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Rate of occupational accidents recordable*	38.55	36.51	37.48	63.26	62.51	62.87	136.70	164.12	150.96
Rate of occupational accidents with severe consequences**	10.14	9.56	9.84	10.48	11.48	11.01	7.27	6.98	7.12
Rate of deaths resulting from accidents at work	0.22	0.02	0.12	0.07	0.02	0.04	0.07	0.01	0.04
Average mobile injuries at work***			6,661			8,109			14,663
Injuries****	3,547	3,851	7,398	5,759	6,453	12,212	11,841	15,461	27,302
of which:									
at work	3,185	3,325	6,510	5,346	5,868	11,214	11,410	14,850	26,260
whilst travelling*****	362	526	888	413	585	998	431	611	1,042
Fatalities	19	3	22	6	4	10	7	1	8
of which:									
at work	18	2	20	6	2	8	6	1	7
whilst travelling*****	1	1	2	0	2	2	1	0	1
Occupational accidents with severe consequences	965	1,072	2,037	1,032	1,257	2,289	742	828	1,570
of which:									
at work	838	871	1,709	886	1,078	1,964	607	632	1,239
whilst travelling*****	127	201	328	146	179	325	135	196	331
Total number of worked hours	82,616,388	91,067,228	173,683,616	84,510,522	93,871,311	178,381,833	83,468,272	90,480,504	173,948,776

* No. of workplace injuries divided by the number of hours worked multiplied by 1,000,000. The rate is calculated for permanent and flexible personnel.

** A work-related accident that involves absence from work greater than or equal to 40 days and leads to an injury from which the worker cannot recover, does not recover or cannot realistically be expected to recover fully and return to the pre-accident state of health. It excludes deaths.

*** The trend in the number of occupational accidents of the Parent Company was also observed through the application of a three-year moving average, using accident data, gross Covid, from 2018 to 2022. This metric makes it possible to determine the trend of the accident phenomenon by mitigating the distorting effects of exceptional events (pandemic), as well as to observe the effectiveness of management actions with a medium to long term time horizon and aimed at containing the risk factors controllable by the company (e.g. progressive adoption of the Lean methodology in sorting centres). Specifically, the calculation was made considering a total period of five years (2018 - 2022) and the average of three consecutive three-year periods (18-19-20 / 19-20-21 / 20-21-22), comparing quarterly data and the cumulative since the beginning of the year. FY 2020, 2021 and 2022 are thus to be understood correspondingly as FY 18-19-20, FY 19-20-21 and FY 20-21-22.

**** With reference to 2022, the total number of injuries is influenced by employees who contracted the Covid-19 virus, to the extent of 8,874 men and 12,548 women, for a total of 21,422 events considered as occupational injuries. In this regard, as can be seen through the indicator 'Occupational accidents net of Covid-19 cases', the figure for accidents recorded in 2022 shows an increase compared to 2021 due to the predominant impact of Covid-19 cases (out of 27,302 accidents, 21,422 are related to Covid infection).

***** Accident occurring during the normal journey between home and place of work or during the worker's normal journey to the place where meals are usually taken, if there is no company canteen. Moreover, even during the normal journey that the employee has to make to go from one place of work to another, in the case of relations with several employers.

Absenteeism rate including Covid-19 cases**Number of employee absences by type**

Employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Illness	812,284	1,181,694	1,993,978	731,341	1,032,274	1,763,615	739,850	1,056,700	1,796,550
Injury	123,111	134,636	257,747	159,888	187,179	347,067	181,770	232,840	414,610
Stress	0	0	0	0	0	0	0	0	0
Other (specify) Hospitalisation/ Convalescence	0	0	0	0	0	0	0	0	0
Absenteeism rate*	5.45	6.48	6.00	5.29	6.18	5.77	5.53	6.73	6.17**

* No. of days of absence due to illness and injury/working days * 100. The rate is calculated for permanent personnel only and does not include executives.

** The target set for 2022 is 6.20%.

Rate of occupational illnesses

Employees	2020	2021	2022
Number of recordable cases of occupational illnesses	13	8	5
Rate of recordable occupational illnesses (%)	0.07	0.04	0.03

Occupational accidents net of Covid-19 cases

Employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Rate of occupational accidents recordable*	27.02	24.55	25.72	30.91	26.26	28.46	30.38	25.44	27.81
Rate of occupational accidents with severe consequences**	7.64	6.94	7.27	7.56	7.29	7.42	7.01	6.71	6.85
Rate of deaths resulting from accidents at work	0.02	0.01	0.02	0.04	0.00	0.02	0.07	0.01	0.04
Average mobile injuries at work***			5,949			5,351			4,753
Injuries****	2,594	2,762	5,356	3,025	3,050	6,075	2,967	2,913	5,880
of which:									
at work	2,232	2,236	4,468	2,612	2,465	5,077	2,536	2,302	4,838
whilst travelling*****	362	526	888	413	585	998	431	611	1,042
Fatalities	3	2	5	3	2	5	7	1	8
of which:									
at work	2	1	3	3	0	3	6	1	7
whilst travelling*****	1	1	2	0	2	2	1	0	1
Occupational accidents with severe consequences	758	833	1,591	785	863	1,648	720	803	1,523
of which:									
at work	631	632	1,263	639	684	1,323	585	607	1,192
whilst travelling*****	127	201	328	146	179	325	135	196	331
Total number of worked hours	82,616,388	91,067,228	173,683,616	84,510,522	93,871,311	178,381,833	83,468,272	90,480,504	173,948,776

* No. of workplace injuries divided by the number of hours worked multiplied by 1,000,000. The rate is calculated for permanent and flexible personnel.

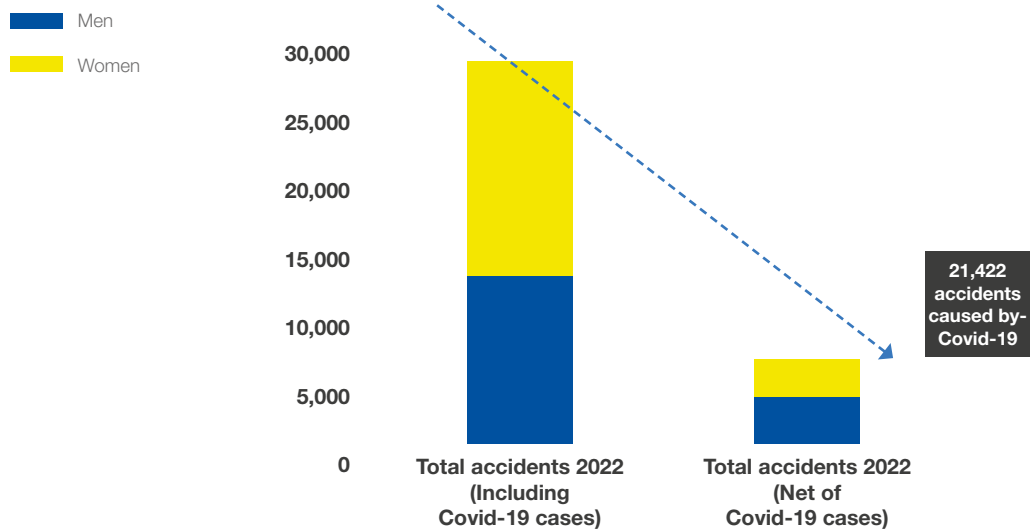
** A work-related accident that involves absence from work greater than or equal to 40 days and leads to an injury from which the worker cannot recover, does not recover or cannot realistically be expected to recover fully and return to the pre-accident state of health. It excludes deaths.

*** The trend in the number of occupational accidents of the Parent Company was also observed through the application of a three-year moving average, using accident data, gross Covid, from 2018 to 2022. This metric makes it possible to determine the trend of the accident phenomenon by mitigating the distorting effects of exceptional events (pandemic), as well as to observe the effectiveness of management actions with a medium to long term time horizon and aimed at containing the risk factors controllable by the company (e.g. progressive adoption of the Lean methodology in sorting centres). Specifically, the calculation was made considering a total period of five years (2018 - 2022) and the average of three consecutive three-year periods (18-19-20 / 19-20-21 / 20-21-22), comparing quarterly data and the cumulative since the beginning of the year. FY 2020, 2021 and 2022 are thus to be understood correspondingly as FY 18-19-20, FY 19-20-21, FY 20-21-22.

**** With reference to 2022, the total number of injuries does not take into consideration employees who contracted the Covid-19 virus, to the extent of 8,874 men and 12,548 women, for a total of 21,422 events considered as occupational injuries. In this regard, the figure for accidents recorded in 2022 shows a decrease compared to 2021, highlighting the effectiveness of the initiatives undertaken by the Company in the field of occupational health and safety.

***** Accident occurring during the normal journey between home and place of work or during the worker's normal journey to the place where meals are usually taken, if there is no company canteen. Moreover, even during the normal journey that the employee has to make to go from one place of work to another, in the case of relations with several employers.

Total accidents 2022



Absenteeism rate net of Covid-19 cases

Number of employee absences by type

Employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Illness	710,757	1,033,470	1,744,228	618,268	878,353	1,496,621	587,940	846,066	1,434,006
Injury	91,373	98,251	189,624	93,717	101,377	195,094	87,689	93,592	181,281
Stress	0	0	0	0	0	0	0	0	0
Other (specify) Hospitalisation/Convalescence	0	0	0	0	0	0	0	0	0
Absenteeism rate*	4.67	5.57	5.16	4.23	4.97	4.63	4.05	4.90	4.51

* No. of days of absence due to illness and injury/working days * 100. The rate is calculated for permanent personnel only and does not include executives.

Occupational accidents involving non-employees including Covid-19 cases

Non-employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Rate of occupational accidents recordable	12.55	17.54	13.07	19.89	26.91	21.25	13.14	10.26	12.77
Rate of occupational accidents with severe consequences	0	0	0	0.88	2.45	1.18	0.61	0.00	0.53
Rate of deaths resulting from accidents at work	0	0	0	0	0	0	0	0	0
Injuries	87	23	110	78	34	112	93	12	105
of which:									
at work	85	14	99	68	22	90	86	10	96
whilst travelling	2	9	11	10	12	22	7	2	9
Fatalities	0	0	0	0	0	0	0	0	0
of which:									
at work	0	0	0	0	0	0	0	0	0
whilst travelling	0	0	0	0	0	0	0	0	0
Occupational accidents with severe consequences	0	0	0	5	2	7	5	0	5
of which:									
at work	0	0	0	3	2	5	4	0	4
whilst travelling	0	0	0	2	0	2	1	0	1
Total number of worked hours	6773978	798,146	7,572,124	3,418,572	817,660	4,236,232	6,545,201	974,791	7,519,992

Accident severity rate including Covid-19 cases

Non-employees	2021	2022
Number of days lost due to injuries	3,068	3,267
Total hours worked	4,236,233	7,519,992
Accident severity rate (%)	0.001	0

Accidents by type including Covid-19 cases

Employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Accident by type									
Fall from a motorcycle	741	412	1,153	804	411	1,215	851	405	1,256
Accident with company vehicle	296	237	533	481	349	830	351	243	594
Hit by a car	9	7	16	14	18	32	8	10	18
Accident with company vehicle	16	21	37	11	28	39	24	34	58
Fall and/or awkward movement	593	958	1,551	620	1,001	1,621	617	913	1,530
Physical attacks	186	212	398	207	240	447	200	222	422
Handling manual load	91	73	164	107	70	177	111	78	189
Robbery	21	53	74	28	49	77	28	49	77
Crushing contusion	249	231	480	279	254	533	300	304	604
Other causes*	983	1,121	2,104	2,795	3,448	6,243	8,920	12,592	21,512
Total	3,185	3,325	6,510	5,346	5,868	11,214	11,410	14,850	26,260

* With reference to 2022, the figure considers employees who contracted the Covid-19 virus, to the extent of 8,874 men and 12,548 women, for a total of 21,422 events considered as occupational injuries.

Accidents by type net of Covid-19 cases

Employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Accident by type									
Fall from a motorcycle	741	412	1,153	804	411	1,215	851	405	1,256
Accident with company vehicle	296	237	533	481	349	830	351	243	594
Hit by a car	9	7	16	14	18	32	8	10	18
Accident with company vehicle	16	21	37	11	28	39	24	34	58
Fall and/or awkward movement	593	958	1,551	620	1,001	1,621	617	913	1,530
Physical attacks	186	212	398	207	240	447	200	222	422
Handling manual load	91	73	164	107	70	177	111	78	189
Robbery	21	53	74	28	49	77	28	49	77
Crushing contusion	249	231	480	279	254	533	300	304	604
Other causes*	30	32	62	61	45	106	46	44	90
Total	2,232	2,236	4,468	2,612	2,465	5,077	2,536	2,302	4,838

* With reference to 2022, the figure considers employees who contracted the Covid-19 virus, to the extent of 8,874 men and 12,548 women, for a total of 21,422 events considered as occupational injuries.

Non-employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Accident by type									
Fall from a motorcycle	3	0	3	13	6	19	4	1	5
Accident with company vehicle	39	1	40	19	2	21	6	0	6
Hit by a car	0	0	0	1	1	2	0	0	0
Accident with company vehicle	3	0	3	4	1	5	4	1	5
Fall and/or awkward movement	5	0	5	12	3	15	39	5	44
Physical attacks	0	0	0	0	0	0	6	1	7
Handling manual load	6	9	15	7	7	14	10	1	11
Robbery	0	0	0	0	0	0	0	0	0
Crushing contusion	6	0	6	4	1	5	3	1	4
Other causes	23	4	27	4	0	4	14	0	14
Total	85	14	99	64	21	85	86	10	96

Employees trained on Health and Safety issues

	2020	2021	2022
Total employees trained on Health and Safety issues	39,315	49,632	68,930

Number of cases of non-compliance with labour standards

	2020	2021	2022
Number of cases of non-compliance with labour standards	0	0	0



Diversity and inclusion

[GRI 405-1] Composition and breakdown of Poste Italiane SpA Board of Directors by gender and age*

Composition and breakdown of the Board of Directors	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Board of Directors	5	4	9	5	4	9	5	4	9
< 30 years old	0	0	0	0	0	0	0	0	0
30 – 50 years old	0	1	1	0	0	0	0	0	0
> 50 years old	5	3	8	5	4	9	5	4	9
Board of Directors (%)	55.6	44.4	100	55.6	44.4	100	55.6	44.4	100
< 30 years old	0	0	0	0	0	0	0	0	0
30 – 50 years old	0	25	11	0	0	0	0	0	0
> 50 years old	100	75	89	100	100	100	100	100	100

* Figures expressed as Headcount.

[GRI 405-1] Classification of employee by category, gender and age group*

Level of professionalism of employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	519	159	678	481	146	627	512	167	679
< 30 years old (%)	0.2	0	0.2	0	0	0	0	0	0
30 – 50 years old (%)	35	40	36	36	42	38	35	43	37
> 50 years old (%)	65	60	64	64	58	62	65	57	63
Middle managers	7,763	6,945	14,708	7,822	7,034	14,856	8,040	7,132	15,171
< 30 years old (%)	0.3	0.2	0.2	0.3	0.2	0.2	0.4	0.2	0.3
30 – 50 years old (%)	45	44	44	49	47	48	51	49	50
> 50 years old (%)	55	56	55	51	53	52	49	50	50
Operational staff	48,982	59,215	108,197	47,111	56,375	103,486	48,213	56,970	105,183
< 30 years old (%)	11	6	8	12	6	9	14	8	11
30 – 50 years old (%)	46	46	46	48	46	47	49	47	48
> 50 years old (%)	42	48	46	40	47	44	37	46	42
Total	57,264	66,319	123,583	55,414	63,555	118,969	56,765	64,269	121,033

* The figures are shown in Full Time Equivalent (FTE) terms for both permanent and flexible personnel.

[GRI 405-1] Number of personnel by other diversity indicators

Employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Employees with disabilities	3,383	2,202	5,585	3,123	2,171	5,294	2,934	2,239	5,173

Workforce diversity by gender

Women in the workforce by category (%)*	2020	2021	2022
Management positions	31.9	31.5	32.4
Top management**	17.3	17.9	16.3
Junior management***	33.6	33.4	34.3
Revenue-generating functions****	32	31.3	29.4
STEM positions*****	20	21	20.8

* The percentages regard the presence of women in formally designated organisational roles within Poste Italiane and Group Companies.

** Includes first and second level personnel within Poste Italiane, the chief executive officers and general managers of the main Group companies and personnel reporting directly to them.

*** Includes managers other than Top Management. The target set for 2022 is 34%.

**** Includes organisational roles within the Post Office Network (MP) and Business and Public Administration functions (MIPA).

***** Science, technology, engineering and mathematics. This may include, for example, the following professions: computer programmer, web developer, statistician, logistics manager, engineer, physicist, scientist.

Workforce diversity by country of origin*

Workforce diversity by country of origin	2021						2022					
	Italian	Switzerland	German	French	Libyan	Venezuelan	Italian	Switzerland	German	French	Libyan	Venezuelan
Number of employees by country of origin	116,234	589	414	180	116	127	117,976	569	243	168	101	122
Percentage of employees by country of origin(%)	97.7	0.5	0.3	0.2	0.1	0.1	97.5	0.5	0.2	0.1	0.1	0.1
Number employees in management positions by country of origin**	1,298	5	3	2	0	0	1,248	5	1	2	0	0
Percentage of employees in management positions by country of origin(%)	98.26	0.38	0.23	0.15	0	0	98.5	0.39	0.08	0.16	0	0

* Figures expressed in full-time equivalent (FTE). The survey refers to the country of birth with the exception of SDA, which handles data on 'citizenship'.

** Includes the positions of junior, middle and senior management.

[GRI 404-3] Percentage of employees who receive regular performance appraisals, by gender and category*

Category (%)	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	96	100	97	92	97	94	100	100	100
Middle managers	99	98	99	96	98	97	98	99	98
Operational staff	83	89	86	81	86	84	80	87	84
Totale	85	90	88	83	88	86	83	88	86

* Data reported refer to permanent personnel, the exclusion of flexible personnel from the performance assessment process is due to the fact that the annual life cycle of the performance assessment process cannot be reconciled with the timing of flexible contracts. The table also includes the data of Group companies with the exception of the data of Poste Air Cargo, as it is not possible to make a comparison of professional levels due to contract differences. The 2022 figures also do not include approximately 3,800 personnel who cannot be assessed due to a lengthy absence from work, for whom it is not possible to express an annual assessment. These resources are, however, included in the process of assigning annual objectives for the coming year.

[GRI 2-21] Annual total remuneration ratio

Remuneration	2020	2021	2022
CEO/Employee remuneration ratio*	59	75	77

* It is specified that: (i) the calculation was made by reference to the average value of the employees' remuneration. The figure calculated using the median will be supplemented from next year; (ii) the remuneration for the numerator and denominator includes the total annual remuneration (for the CEO the fixed remuneration, the monetary part of the short-term variable incentive system (MBO) up-front and deferred and the fair value of equity compensation, for employees fixed remuneration and variable remuneration). Compared to the provisions of point b, taking into account the first year of reporting of the indicator and the integration within the consolidation process, the comparison will be provided starting from the 2023 Integrated Report.

Gender pay gap

	2020	2021	2022
Gender pay gap (RAL) (%)	-0.9	-0.7	-0.7

Operations subject to human rights assessment*

	2020	2021	2022
Group companies**			
Number of Group companies subject to assessment of respect of human rights	24	29	39
Total number of Group companies	24	29	39
Total percentage of Group companies subject to assessment of respect of human rights (%)	100	100	100

* All Group sites have mitigation plans in place to reduce the possibility of negative impacts related to human rights risks. In this regard, it is specified that no human rights violations were detected in 2022 and therefore, no corrective action was necessary.

** The scope of the indicator includes companies consolidated on a line-by-line basis and subsidiaries/associates consolidated at equity.

Discrimination and harassment

Incidents of discrimination and harassment	2021	2022
Number of incidents	0	0



Creating value for the country

[GRI 201-1] Economic value generated, distributed and retained

Economic value generated (€m)	2020	2021	2022
Economic value generated by the Group	10,628	11,619	11,985

Economic value distributed (€m)	2020	2021	2022
Economic value distributed to stakeholders	9,382	9,917	10,109
- Suppliers	2,994	3,117	3,024
- Personnel	5,249	5,303	5,221
- Lenders	53	55	102
- Public Administration	447	671	916
- Community	7	4	2
- Shareholders	632	768	844

Economic value retained (€m)	2020	2021	2022
Economic value retained within the Group	1,246	1,702	1,876

[GRI 203-1] Corporate giving and/or corporate citizenship initiatives^{*115}

Type of service (€000)	2020	%	2021	%	2022	%
Donations**	213	5	274	6	351	18
Investments in communities***	760.8	20	954.9	23	1,547.5	79
Commercial initiatives****	2,938.9	75	2,994.5	71	55.5	3
Total	3,912.7	100	4,223.5	100	1,954	100
Breakdown by purpose (€000)						
Sales initiatives	2,938.9	75	2,994.5	71	55.5	3
Social-cultural initiatives	973.8	25	1,229	29	1,898.5	97
of which:						
Art, culture and education	180.2	4	271.7	6	597.5	31
Well-being and social inclusion	532.4	14	537.9	13	818.1	42
Knowledge training and development	261.2	7	419.4	10	482.9	26

* With regard to voluntary activities during paid working hours, the figure is zero since all the initiatives organized by Poste Italiane in this regard took place outside working hours.

** Donations: one-off disbursements made to support charitable organisations.

*** Community investments: spending on medium- to long-term initiatives supporting communities in collaboration with non-profit organisations and local authorities.

**** Commercial initiatives: business initiatives that benefit the community (e.g. sponsorship, occasional donations of the Company's property and other assets). The figures refer solely to spending on support for the community and do not include, for example, expenses linked to advertising and/or marketing initiatives relating to commercial initiatives).

115. Expenditure on corporate giving and corporate citizenship in 2022 amounted to €376,803.23.

Contributions and other expenses to organisations/individuals able to influence political campaigns and legislative activities*

Contributions by category (€)	2019	2020	2021	2022
Lobby agencies and representatives of interest	0	0	0	0
Campaigns/organisations/political applications at local, regional or national level	0	0	0	0
Trade associations or tax-free groups (e.g. Chambers of Commerce, Trade/Sector Association, etc.)	3,537,885	3,263,286	3,263,286	3,263,286
Other	0	0	0	0
Total contributions and other expenses	3,537,885	3,263,286	3,263,286	3,263,286

* Poste Italiane is a member of Confindustria on the basis of a specific agreement that regulates membership procedures, the benefits deriving from the status of associate and the definition of the contribution regime. The current agreement for the three-year period 2020-2022 envisages, among other things, strategic initiatives aimed at promoting a new corporate culture involving business models and choices geared towards innovation and economic and social sustainability. It is specified that the membership fee, which stands at €3,263,286 for 2022, is the only contribution made by the Group in 2022.

Settlements

	2020	2021	2022*
Settlements discussed regarding retail postal products	753	1,476	983
of which settled (%)	88.45	90.11	87.18
Settlements discussed regarding business postal products	387	925	1,148
of which settled (%)	93	92.54	90.24
Settlements discussed regarding BancoPosta products	166	250	280
of which settled (%)	72.9	69.2	65.71
Settlements discussed regarding PosteMobile products	43	63	39
of which settled (%)	86	88.89	97.44
Settlements Discussed regarding PostePay cards	325	400	355
of which settled (%)	72.6	79	76.1
Settlements discussed regarding IRS real estate fund (no. of applications)	0	0	0
of which settled (%)	0	0	0
Total settlements discussed	1,709	3,114	2,805
of which settled (%)	85.14	87.70	85.03

* In 2022, the procedure will be distinguished on Retail Postal products and on Business Postal products with a percentage above 50% of cases discussed compared to 2020. There was also a minimal decrease in applications on the PostePay procedure (-11%), and a minimal increase on the BancoPosta procedure (+12%).

[FS14] ATMs for inclusion

ATM	2020	2021	2022
ATMs equipped with touchpads for the visually impaired and the blind	7,958	8,107	8,118
of which:			
ATM with voice guidance	7,384	7,691	7,809
Total	7,958	8,107	8,118

[FS14] Post offices for cultural integration

Post offices	2020	2021	2022
Mono-ethnic	2	2	4
Multi-ethnic	27	30	31
Number of customers served	2,322,361	2,449,059	2,379,475
Total transactions carried out	3,514,631	4,102,071	4,073,335

New customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions

	2020	2021	2022
New retail current accounts openings			
Percentage of young current account holders (under 35)	27	25.2	26
Percentage of senior current account holders (over 65)	24.7	23.8	23.4
Percentage of current account holders who are "new Italians"	16.4	12.2	15
New standard Postepay cards*			
Percentage of young current account holders (under 35)	23.6	27.4	26.7
Percentage of senior current account holders (over 65)	11.6	13.4	15.7
Percentage of current account holders who are "new Italians"	8.4	11.9	12.4
New Postepay Evolution cards*			
Percentage of young current account holders (under 35)	37.4	40.2	41
Percentage of senior current account holders (over 65)	9.4	10.5	11.5
Percentage of current account holders who are "new Italians"	20.7	22.2	25.3

* For Postepay Standard and Evolution cards, renewals during the year are excluded.

Contributions to philanthropic and/or corporate citizenship activities

Type of contribution (thousands €)	2020	2021	2022
Cash contributions	3,912.67	4,223.54	1,953.95
Total amount of donations of products or services, projects/partnerships	0	0	0
General operating expenses	1,500	319	376.80
Total	5,412.67	4,542.54	2,330.75



Green transition

[GRI 302-1] Internal Group energy consumption*

Internal energy consumption	2020	2021	2022**
Consumption of fuel from non-renewable sources (GJ)	2,417,825	2,516,482	2,314,922
of which:			
LPG	28,578	29,264	13,692
Diesel	774,974	720,765	450,907
Natural gas	828,820	831,068	723,860
Jet fuel	543,464	664,375	682,129
Petrol	241,990	271,011	444,335
Consumption of energy from non-renewable sources (GJ)	80,411	53,140	30,037
of which:			
Thermal energy (district heating)	27,164	25,677	23,308
Electricity supplied by the National Grid	53,247	27,464	6,729
Consumption of energy from renewable sources (GJ)	1,536,576	1,588,317	1,570,291
of which:			
Self-produced photovoltaic electricity	6,213	7,145	9,032
Certified guarantee of origin electricity	1,530,362	1,581,172	1,561,258
Total energy consumption (GJ)	4,034,811	4,157,939	3,915,250
of which:			
from renewable sources	1,536,576	1,588,317	1,570,291
from non-renewable sources	2,498,235	2,569,623	2,344,959

* Includes energy consumed by real estate and in road transport logistics and airmail. Source of factors used in conversion to GJ: GHG Protocol and DEFRA 2022 Guidelines.

[GRI 302-2] External Group energy consumption*

External energy consumption	2020	2021	2022**
Total external Group energy consumption (GJ)	2,384,452	2,548,699	3,616,077
of which:			
Diesel	2,168,237	2,323,096	3,347,986
Petrol	29	0	0
Natural gas	64	70	718
LPG	174	127	161
Jet fuel	215,948	225,406	267,213

* The 2022 reporting boundary includes the Parent Company and Group companies.

** The target set for 2022 is 1,580,274 GJ (439,000 MWh) for total energy from renewable sources to the organization and 6,479,482 GJ (1,800,000 MWh) for total energy from non-renewable sources to the organization. In this regard, the Group's priority in 2022 was to limit the natural increase in consumption compared to 2020-2021, dictated by the resumption of business following the lifting of the restrictions related to the Covid-19 pandemic and which had limited operations in several respects in the previous two years.

[GRI 302-3] Energy intensity

Energy intensity	2020	2021	2022
Consumption of fuel from non-renewable sources (GJ)	2,417,825	2,516,482	2,314,922
Consumption of energy from non-renewable sources (GJ)	80,411	53,140	30,037
Consumption of energy from renewable sources (GJ)	1,536,576	1,588,317	1,570,291
Total energy consumption (GJ)	4,034,811	4,157,939	3,915,250
Total number of employees	123,583	118,969	121,033
Energy intensity (GJ/P)*	32.6	34.9	32.3

* P = amount of personnel employed on site.

[GRI 303-3] Water withdrawal*

Water withdrawal	2020	2021	2022**
Total water withdrawals (MI)	1,824.983	1,756.076	1,585.905
of which:			
Surface water	0	0	0
Groundwater	3.963	3.934	3.821
Sea water	0	0	0
Produced water	0	0	0
Third-party water resources	1,821.019	1,752.142	1,582.084

* The management of water discharges is entrusted to third parties who are currently unable to determine the quantity of water used by the Company for recycling.

** The target set for 2022 is 1,600 mega litres.

Water withdrawal	2020		2021		2022	
	Freshwater ($\leq 1,000$ mg/l total dissolved solids)*	Other water types ($> 1,000$ mg/l total dissolved solids)	Freshwater ($\leq 1,000$ mg/l total dissolved solids)	Other water types ($> 1,000$ mg/l total dissolved solids)	Freshwater ($\leq 1,000$ mg/l total dissolved solids)	Other water types ($> 1,000$ mg/l total dissolved solids)
Total water withdrawals (MI)	1,824.983	0	1,756.076	0	1,585.905	0
of which:						
Surface water	0	0	0	0	0	0
Groundwater	3.963	0	3.934	0	3.821	0
Sea water	0	0	0	0	0	0
Produced water	0	0	0	0	0	0
Third-party water resources	1,821.019	0	1,752.142	0	1,582.084	0

* Water with a total dissolved solids concentration of 1,000 mg/l or less.

Wastewater reporting

Water discharges (m ³)	2020	2021	2022
Total wastewater	1,824,983	1,756,076	1,585,905

[GRI 305-1] Total direct GHG emissions (Scope 1); [GRI 305-2] Total indirect GHG emissions (Scope 2); [GRI 305-3] Total other indirect GHG emissions (Scope 3)*

GHG emissions	2020	2021	2022
Direct emissions – Scope 1 (tCO₂e)**	159,308	165,508	152,703
of which:			
LPG	1,828	1,872	876
Diesel	55,044	50,384	32,102
Natural gas	46,817	46,872	40,661
Jet fuel	39,376	48,142	49,489
Petrol	16,243	18,238	29,575
Indirect emissions – Scope 2 (tCO₂e)***	9,257	5,709	2,860
of which:			
Thermal energy	2,365	2,211	2,007
Electricity	6,892	3,498	853
Indirect emissions – Scope 3 (tCO₂e)****	169,656	178,737	257,796
of which:			
Diesel	153,993	162,392	238,359
Natural gas	4	4	40
Petrol	2	0	0
LPG	11.1	8.1	10.3
Jet fuel	15,646	16,333	19,387

* The 2022 reporting boundary includes the Parent Company and Group companies.

** Emission factors used for conversion of fuels to CO₂e: LPG for 2020 1.56 kg CO₂e/l (source DEFRA 2020), for 2021 1.56 kg CO₂e/l (source DEFRA 2021) and for 2022 1.56 kg CO₂e/l (source DEFRA 2022). Diesel for 2020 2.54 kg CO₂e/l (source DEFRA 2020), for 2021 2.51 kg CO₂e/l (source DEFRA 2021) and for 2022 2.56 kg CO₂e/l (source DEFRA 2022). Natural gas for 2020 2.02 kg CO₂e/m³ (source DEFRA 2020), for 2021 2.02 kg CO₂e/m³ (source DEFRA 2021) and for 2022 2.02 kg CO₂e/m³ (source DEFRA 2022). Petrol for 2020 2.17 kg CO₂e/l (source DEFRA 2020), for 2021 2.19 kg CO₂e/l (source DEFRA 2021) and for 2022 2.16 kg CO₂e/l (source DEFRA 2022). The target expected for the year 2022 is 155,000 tCO₂e. In this regard, the Group's priority in 2022 was to limit the natural increase in emissions compared to the two-year period 2020-2021, dictated by the resumption of activities following the lifting of restrictions related to the Covid-19 pandemic and which had limited operations in several respects in the previous two years.

*** Poste Italiane purchases certificates of renewable origin for 99% of its electricity consumption. The GRI Sustainability Reporting Standards envisage two calculation methods for Scope 2 emissions – the location-based method and the market-based method. The Market-based method (methodology used by Poste Italiane) is based on CO₂ emitted by the energy suppliers from whom the organisation purchases, through a contract, electricity (in this case, certificates of guarantee of origin from renewable energy sources) and for the remaining 1% emission factors from the national electricity grid (emission factor for the calculation of the Market-based method for: 2022 0.457 kg CO₂e/kWh, source European Residual Mixes 2021, for 2021 0.459 kg CO₂e/kWh, source European Residual Mixes 2020, for 2020 0.466 kg CO₂e/kWh, source European Residual Mixes 2019). Conversion factors used to convert thermal energy into CO₂e: for 2020, 0.17 Kg CO₂e/kWh, for 2021, 0.17 Kg CO₂e/kWh and for 2022, 0.17 Kg CO₂e/kWh. The target set for 2022 is 3,000 tCO₂e.

The Location-based method, on the other hand, is based on average emission factors for regional, sub-national or national power generation. Applying the Location-based method the total Group emissions of Scope 2 in 2020 150,168 tCO₂e, in 2021 142,966 tCO₂e and in 2022 139,206 tCO₂e (emission factor for the calculation of the Location-based method 0.315 kg CO₂e/kWh, source: ISPRA 2022).

**** Emission factors used for conversion of fuels to CO₂e: Jet fuel for 2020 2.54 kg CO₂e/l (source DEFRA 2020), for 2021 2.55 kg CO₂e/l (source DEFRA 2021) and for 2022 2.55 kg CO₂e/l (source DEFRA 2022). The target expected for the year 2022 is 280,000 tCO₂e, an increase compared to 2021 as a result of a gradual outsourcing of transport. The increase recorded, however, is small compared to the target set.

[GRI 306-3] Waste generated [GRI 306-4] Waste recovered [GRI 306-5] Waste disposed of*

Waste by type (t)	2020**			2021**			2022		
	Waste generated	Waste recovered	Waste disposed of	Waste generated	Waste recovered	Waste disposed of	Waste generated	Waste recovered***	Waste disposed of****
Total waste	29,240.6	28,738.7	501.9	34,471.7	33,202.5	1,269.2	37,245.3	36,443.2	802.1
of which:									
Paper/cardboard	12,642	12,636.6	5.4	13,584.9	13,539.2	45.8	15,588.5	15,467.8	125.2
Plastic	1,080	1,080	0	1,359.3	1,359.3	0	1,282.4	1,282.4	0
Wood	8,617.7	8,617.7	0	10,481.8	10,478.2	3.6	10,097.9	10,097.9	0
Other	6,901	6,404.4	496.6	9,045.8	7,825.9	1,219.8	10,276.5	9,595.2	676.9

* The figures for the quantity of waste produced are provided by the companies that provide waste management services.

** The 2020 and 2021 values have been updated following a refinement of the reporting system.

*** The target expected for 2022 with respect to recovered waste is 35,000 tonnes.

**** The target set for 2022 in relation to waste sent to disposal (landfill, incinerated and other types of disposal) is 1,000 tonnes.

	2020*		2021*		2022	
	On site	Off site	On site	Off site	On site	Off site
Total weight of hazardous waste recovered (t)						
Preparation for reuse	0	0	0	0	0	0
Recycling	0	268.4	0	364.4	0	924.8
Other operations of recovery	0	0	0	0	0	0
Total	0	268.4	0	364.4	0	924.8
Total hazardous waste recovered	268.4		364.4		924.8	

* The 2020 and 2021 values have been updated following a refinement of the reporting system.

	2020*		2021*		2022	
	On site	Off site	On site	Off site	On site	Off site
Total weight of non-hazardous waste recovered (t)						
Preparation for reuse	0	0	0	0	0	0
Recycling	0	28,470.3	0	32,838.2	0	35,518.4
Other operations of recovery	0	0	0	0	0	0
Total	0	28,470.3	0	32,838.2	0	35,518.4
Total non-hazardous waste recovered	28,470.3		32,838.2		35,518.4	

* The 2020 and 2021 values have been updated following a refinement of the reporting system.

	2020****		2021****		2022	
	On site	Off site	On site	Off site	On site	Off site
Total weight of hazardous waste recovered (t)						
Disposal in landfill*	0	0.5	0	99.3	0	3.0
Incinerated**	0	0.1	0	0.3	0	0
Other type of disposal***	0	23.7	0	36.1	0	41.3
Total	0	24.3	0	135.8	0	44.3
Total hazardous waste disposed	24.3		135.8		44.3	

	2020****		2021****		2022	
	On site	Off site	On site	Off site	On site	Off site
Total weight of non-hazardous waste disposed (t)						
Disposal in landfill*	0	101.9	0	616.6	0	358.6
Incinerated**	0	1.8	0	0.01	0	0
Other type of disposal***	0	373.9	0	516.8	0	399.2
Total	0	477.6	0	1,133.4	0	757.8
Total non-hazardous waste disposed	477.6		1,133.4		757.8	

* The target expected for 2022 with respect to the total amount of waste for disposal (hazardous and non-hazardous) is 500 tonnes.

** The target expected for 2022 with respect to the total amount of waste for disposal by incineration (hazardous and non-hazardous) is 0.3 tonnes.

*** The target expected for 2022 with respect to the total amount of waste for disposal through forms other than landfilling and incineration (hazardous and non-hazardous) is 500 tonnes.

**** The 2020 and 2021 values have been updated following a refinement of the reporting system.

Waste disposal

Waste disposal (t)	2020	2021	2022
Total recycled/reused waste	28,738.69	33,202.54	36,443.16
Total waste disposed	501.92	1,269.20	802.11
of which:			
in landfill	102.38	715.94	361.65
incinerated with energy recovery	NA	NA	NA
incinerated without energy recovery	NA	NA	NA
otherwise disposed, please specify:	NA	NA	NA
with unknown method of disposal	397.63	552.91	440.46

[GRI 302-1] Internal energy consumption relating to real estate facilities by source

Internal energy consumption	2020	2021	2022
Consumption of fuel from non-renewable sources (GJ)	871,256	897,844	765,154
of which:			
LPG	10,314	13,234	8,482
Diesel	78,693	78,654	48,046
Natural gas	782,249	805,955	708,626
Consumption of energy from non-renewable sources (GJ)	80,411	53,140	30,037
of which:			
Thermal energy (district heating)	27,164	25,677	23,308
Electricity supplied by the National Grid	53,247	27,464	6,729
Consumption of energy from renewable sources (GJ)	1,535,358	1,586,985	1,563,952
of which:			
Self-produced photovoltaic electricity	6,213	7,145	9,032
Certified guarantee of origin electricity	1,529,145	1,579,840	1,554,920
Total energy consumption (GJ)	2,487,024	2,537,969	2,359,143
of which:			
from renewable sources	1,535,358	1,586,985	1,563,952
from non-renewable sources	951,666	950,984	795,191

[GRI 305-1; GRI 305-2] Direct and indirect CO₂e emissions relating to real estate facilities

Emissions	2020	2021	2022
Direct emissions – Scope 1 (tCO₂e)	50,435	51,800	43,769
of which:			
LPG	660	847	543
Diesel	5,589	5,498	3,421
Natural gas	44,186	45,455	39,805
Indirect emissions – Scope 2 (market-based) (tCO₂e)*	9,257	5,709	2,860
of which:			
Electricity	6,892	3,498	853
Thermal energy	2,365	2,211	2,007

* Applying the Location-based method, the total emissions attributable to the Scope 2 in 2020 150,054 tCO₂e, in 2021 142,850 tCO₂e and in 2022 138,651 tCO₂e.

[GRI 302-2; GRI 305-3] External energy consumption and CO₂e emissions relating to real estate facilities

External energy consumption and emissions	2020	2021	2022
Total external Group energy consumption (GJ)	159	127	161
Indirect emissions – Scope 2 (tCO₂e)	10.2	8.1	10.3

[GRI 305-4] Intensity of GHG emissions related to real estate facilities

Emission intensity	2020	2021	2022
Total GHG emissions Scope 1 (Kg CO ₂ e)	50,435,444	51,800,253	43,768,581
Total GHG emissions Scope 2 (Kg CO ₂ e)	9,257,089	5,709,145	2,860,232
Total GHG emissions Scope 3 (Kg CO ₂ e)	10,200	8,130	10,274
Square metres of the Group's properties (m ²)	5,469,439	5,583,325	5,580,793
Intensity of direct and indirect emissions GHG Scope 1 and Scope 2	10.914	10.300	8.355
Intensity of other indirect GHG emissions Scope 3	0.002	0.001	0.002

[GRI 302-4; GRI 305-5] Reduction in energy consumption and CO₂e emissions relating to real estate facilities

Initiatives implemented	2022			
	Initiative 1*	Initiative 2**	Initiative 3***	Initiative 4****
tCO ₂ e saved	1,133	475	10,400	622
Reducing the consumption of energy (GJ)	8,895	3,729	81,645	4,883

* LED project.

** Energy efficiency project.

*** Photovoltaic project.

**** Smart Building Project.

Weight of electricity consumption relating to real estate facilities by type of business*

Electricity consumption	2020	2021	2022
Post offices (%)	47	47	55
Head offices (%)	16	16	15
Operational sites (sorting centres) (%)	14	14	14
Delivery logistics centres (%)	12	12	7
Data Centres (%)	11	11	9

* As of 2020, the indicator considers values for the entire Group and classifies buildings by functionality similar to those of Poste Italiane (e.g. industrial plants not only CMP, but also Postal printing works).

Total cost of energy purchased for real estate facilities

Total costs of purchased energy	2020	2021	2022*
Total expenditure on energy (€)	85,717,548	83,196,736	62,155,518

* The target set for 2022 is 65,000,000 mega litres.

Total savings or overall profits from energy saving programmes

Programmes that generated savings (€)	2020	2021	2022
LED project	2,551,886	1,739,793	640,000
Energy efficiency programme	724,996	735,273	600,000
Smart Buildings	148,153	124,547	340,000

Programmes that generated a profit (€)	2020	2021	2022
Photovoltaic plants	194,934	170,000	1,200,000

Corporate fleet data

Corporate fleet data	2020	2021	2022
Total km travelled	336,266,255	321,599,897	320,472,162
Total vehicles (no.)	32,791	31,645	30,850
of which:			
traditional vehicles	28,133	26,747	19,441
alternative vehicles	4,658	4,898	11,409
of which:			
bicycles	324	324	333
electric vehicles	1,448	1,805	3,654
hybrid motor vehicles	79	79	5,782
petrol-natural gas fuelled vehicles	1,727	1,615	1,410
petrol-LPG fuelled vehicles	1,080	1,075	230
diesel-natural gas fuelled vehicles	0	0	0
LPG fuelled vehicles	0	0	0
Percentage of alternative vehicles (%)	14.2	15.5	37

[GRI 302-1; GRI 305-1; GRI 305-2] Energy consumption and CO₂e emissions to the company road fleet

Energy consumption and emissions	2020	2021	2022
Total energy consumed (GJ)	1,004,322	955,596	873,978
of which:			
Diesel	696,281	642,111	402,861*
Natural gas	46,570	25,112	15,234*
LPG	18,264	16,029	5,210*
Petrol	241,990	271,011	444,335*
Certified guarantee of origin electricity	1,217	1,332	6,338
Direct emissions – Scope 1 (t CO₂e)	69,497	65,566	59,445
Indirect emissions – Scope 2 (t CO₂e)	0	0	0

* The decrease in consumption of Diesel, LPG, Natural Gas and the increase in consumption of Petrol are due to several factors. As far as natural gas is concerned, due to the high price increase at the pump for Bifuel vehicles, the use of the petrol tank was favoured over that of gas. In addition, the fleet renewal plan includes the replacement of all LPG vehicles and all Diesel vans and sedans (no longer on the market) with the more powerful Hybrid engines. Finally, the reduction in the number of vans and trucks for transport services continues due to the increasing outsourcing of these services. Applying the Location-based the total emissions attributable to the corporate road fleet of Scope 2 in 2020 114 tCO₂e, in 2021 117 tCO₂e and in 2022 555 tCO₂e.

[GRI 302-2; GRI 305-3] Energy consumption and emissions by mail and charter transport*

Energy consumption and emissions	2020	2021	2022
Total external Group energy consumption (GJ)**	2,168,345	2,323,166	3,348,703
Indirect emissions – Scope 3 (tCO₂e)	154,000	162,396	238,399

* The 2022 reporting boundary includes the Parent Company and Group companies.

** Road vehicles used by logistics contractors are almost entirely diesel-fuelled. For 2022, the increase in consumption (mainly diesel) is attributable to greater outsourcing of transport services.

Air transport fleet data

Air transport data	2020	2021	2022
Number of aircraft	13	16	16
AirMail (hours)	8,644	8,386	8,635
Charter (hours)	21	87	193

[GRI 302-1; GRI 305-1] Energy consumption and emissions by the mail and charter flee

Energy consumption and emissions*	2020	2021	2022
Total internal Group energy consumption (GJ)	543,464	664,375	682,129
Direct emissions – Scope 1 (tCO₂e)	39,376	48,142	49,489

* It is specified that for the flight in the European field the values communicated and certified by the third party have been used in the framework of the ETS regulation referred to in the "Emission Trading" Directive (Directive 2003/87/EC), establishing a scheme for greenhouse gas emission allowance trading in the European Community. The flown in European certified field is equal to 42,063 tCO₂.

[GRI 302-2; GRI 305-3] Energy consumption and emissions by mail and charter transport

Energy consumption and emissions	2020	2021	2022
Total external Group energy consumption (GJ)	215,948	225,406	267,213
Indirect emissions – Scope 2 (tCO₂e)	15,646	16,333	19,387

Other direct emissions from logistics activities

Direct emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 1 (tNO_x)*	222.21	175.33	120.55
Natural gas	1.27	0.66	0.24
LPG	0.57	0.44	0.14
Diesel	199.37	157.27	93.79
Petrol	21.00	16.96	26.38

* The emission factors used to convert fuels into NO_x are as follows: natural gas 0.0155 t NO_x/TJ. LPG 0.0271 t NO_x/TJ. Diesel for cars 0.2142 t NO_x/TJ, for light commercial vehicles 0.29 t NO_x/TJ, for heavy trucks 0.2872 t NO_x/TJ. Petrol for cars 0.0577 t NO_x/TJ, for light commercial vehicles 0.05 t NO_x/TJ, for motorcycles 0.0671 t NO_x/TJ. Source: ISPRA, database of average emission factors of road transport in Italy.

Direct emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 1 (tSO₂)*	0.30	0.25	0.23
Diesel	0.24	0.18	0.13
Petrol	0.06	0.07	0.10

* The emission factors used to convert fuels into SO₂ are as follows: diesel 0.0003 tSO₂/TJ. Petrol 0.0002 tSO₂/TJ. Source: ISPRA, database of average emission factors of road transport in Italy.

Direct emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 1 (VOC)*	117.66	100.70	147.85
Natural gas	2.65	1.44	0.37
LPG	0.71	0.64	0.19
Diesel	5.58	3.61	1.96
Petrol	108.72	95.01	145.33

* The emission factors used to convert fuels into VOC are as follows: natural gas 0.0243 t VOC/TJ. LPG 0.0361 t VOC/TJ. Diesel for cars 0.0031 t VOC/TJ, for light commercial vehicles 0.0050 t VOC/TJ, for heavy trucks 0.0105 t VOC/TJ. Petrol for cars 0.2473 t VOC/TJ, for light commercial vehicles 0.1403 t VOC/TJ, for motorcycles 0.6886 t VOC/TJ. Source: ISPRA, database of average emission factors of road transport in Italy.

Direct emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 1 (PM10)*	14.09	18.46	14.40
Natural gas	0.47	0.24	0.16
LPG	0.32	0.24	2.95
Diesel	10.40	7.40	6.07
Petrol	2.89	10.58	5.21

* The emission factors used to convert fuels into PM10 are as follows: natural gas 0.0102 t PM10/TJ. LPG 0.0095 t PM10/TJ. Diesel for cars 0.0150 t PM10/TJ, for light commercial vehicles 0.0146 t PM10/TJ, for heavy trucks 0.0154 t PM10/TJ. Petrol for cars 0.0103 t PM10/TJ, for light commercial vehicles 0.0092 t PM10/TJ, for motorcycles 0.0182 t PM10/TJ. Source: ISPRA, database of average emission factors of road transport in Italy.

Other indirect emissions from logistics activities

Indirect emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 3 (tNO_x)*	725.69	708.75	949.12
Diesel	725.68	708.75	949.12
Natural gas	≈0*	≈0*	0.01
LPG	≈0*	0	0
Petrol	≈0*	0	0

* The figure is close to 0, but still contributes to the total.

Indirect emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 3 (tSO₂)*	0.75	0.66	1.12
Diesel	0.75	0.66	1.12
Petrol	≈0*	0	0

* The figure is close to 0, but still contributes to the total.

Indirect emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 3 (VOC)	26.27	21.55	29.25
Diesel	26.26	21.55	29.24
Natural gas	≈0*	≈0*	0.02
LPG	≈0*	0	0
Petrol	≈0*	0	0

* The figure is close to 0, but still contributes to the total.

Indirect emissions	2020	2021	2022
Total Fuel emissions from non-renewable sources – Scope 3 (PM10)	0.75	0.66	51.16
Diesel	≈0*	0.07	51.15
Natural gas	≈0*	0	0.01
LPG	24.30	26.45	0
Petrol	≈0*	0	0

* The figure is close to 0, but still contributes to the total.

Business Travel

Business Travel	2020	2021	2022*
Total emissions tCO₂e	6,569	8,700	10,446
Automotive	5,965	8,036	9,205
Petrol	2,214	3,350	5,998
Diesel	3,751	4,686	3,207
Train	92	96	157
Plane	512	568	1,084
International - short haul	94	79	124
International - long haul	7	27	91
National (domestic)	411	462	869

* The target set for 2022 is 12,000 tCO₂e. In this regard, in 2022, as in 2021, the Group's priority was to contain the natural increase in emissions due to business travel compared to 2020-2021, dictated by the regular resumption of business following the lifting of the Covid-19 pandemic-related restrictions, which had limited business travel in the previous two years.

Employee commuting

Employee commuting	2020	2021	2022
Total emissions tCO₂e	13,929*	32,940**	28,370***

* The value indicated refers to the estimate of the polluting emissions generated by the home-work travel of Poste Italiane employees applied in the offices of more than 300 resources which, at present, amount to 38 located in 18 cities in Italy, for a sample of 24,316 total resources.

** The value of the polluting emissions generated by the home-work commutes indicated (2021 - 32,940 tCO₂e) refers to the estimate of the polluting emissions generated by the home-to-work commutes of Poste Italiane employees applied in offices with over 100 resources located in municipalities with population over 50,000 inhabitants which, at present, amount to 146 located in 73 cities of the national territory, for a sample of about 39,348 total resources. As a result of Law No. 77 of 17/07/2020, the scope of the analysis has changed compared to 2020 when, instead, the observation was intended for the 38 offices with more than 300 employees located in 18 cities for a sample of 24,316 resources. The 2021 analysis also took into account the Company's adoption of the agile working mode on the reduction of home-work kilometres travelled, applied to help contain the spread of the Covid-19 virus and taking into account the guidelines of the competent authorities, adopted by 80% of staff (12.5% of the company population) from January to September 2021 and by 50% in October-December 2021; the calculation was carried out excluding 17 cities for which the redemption rate of the questionnaire was not sufficient to allow an estimate of the pollutants emitted in the home-work commute. It should be noted that, in implementation of the provisions of the aforementioned Act, the methodology applied is that proposed by the new MITE-MIMS Guidelines introduced in August 2021, which therefore differs from the methodology used for the 2020 analysis.

*** The value indicated refers to the estimate of the polluting emissions generated by the home-work commute of Poste Italiane employees and refers to all the Group offices subject to the home-work commute analysis in 2022 (offices > 100 employees located in municipalities with a population over 50,000 inhabitants) which, at present, amount to 140 located in 77 municipalities of the national territory, for a sample of about 40,363 total resources. This is due to the provisions of Law No. 77 of 17/07/2020. The calculation also takes into account the impact of smart working on the reduction of home-work kilometres travelled (adopted for 50% of staff with 2 returns per week). Consistent with the provisions of Articles 18 et seq. of Law no. 81/2017 and the trade union agreements signed, this modality will continue, as of 01/04/2022, on the basis of individual agreements between the Company and the worker with 3 returns per week of the entire company staff population (13% of the company population, 123,000 employees - Source RUO as of 01/02/2022). It should be noted that the methodology applied is that proposed by the new MITE-MIMS Guidelines.

Emissions financed Scope 3*

Emissions financed Scope 3	2021	2022
Total absolute issues financed Scope 3 (tCO₂e)**	6,641,823.42	8,541,519.64
Weighted Average Carbon Intensity (WACI) (tCO₂e/€ million in revenues)***	153.41	155.53

* The Group's Scope 3 financed emissions input data (absolute emissions, WACI and relative breakdowns by industry and region) are produced and verified by Moody's rating agency. The analysis in 2022 considered an amount of Assets under Management (AuM - corporate issuers) amounting to €63,107,022,142.85 corresponding to 90.21% of the Group's total AuM (corporate issuers).

** Financed emissions: category of emissions associated with the Company's investments in the reporting year, currently not included in Scope 1 and Scope 2 emissions. These emissions are categorised as a downstream Scope 3 category (Scope 3 Category 15, GHG Protocol). Absolute emissions: absolute greenhouse gas emissions associated with the company's portfolio, expressed in tonnes.

*** Weighted average carbon intensity of a portfolio (WACI) obtained by calculating the carbon intensity (Scope 1 + 2 emissions / mln € revenue) for each company in the portfolio and calculating the weighted average for the weight of the company in the portfolio.

Scope 3 financed emissions by country/geographical area

Emissions financed Scope 3	2021		2022	
	Absolute emissions financed Scope 3 (tCO ₂ e)	WACI (tCO ₂ e/ mln € revenues)	Absolute emissions financed Scope 3 (tCO ₂ e)	WACI (tCO ₂ e/ mln € revenues)
Asia Pacific	252,081.79	12.97	60,643.85	5.21
Europe	4,671,440.57	81.99	6,045,701.57	95.81
Middle East Africa	111.58	0.10	37,248.02	0.38
North America	1,025,890.23	30.46	1,243,038.83	31.10
Rest of the world	692,299.25	27.89	1,154,887.37	23.02
Total	6,641,823.42	153.41	8,541,519.64	155.53

Scope 3 financed issues by asset class

Emissions financed Scope 3	2021		2022	
	Absolute emissions financed Scope 3 (tCO ₂ e)	WACI (tCO ₂ e/ mln € revenues)	Absolute emissions financed Scope 3 (tCO ₂ e)	WACI (tCO ₂ e/ mln € revenues)
Corporate bonds	5,645,549.91	130.40	7,260,291.70	132.20
Equity	996,273.51	23.01	1,281,277.95	23.33
Total	6,641,823.42	153.41	8,541,519.64	155.53

Scope 3 financed emissions by sector/industry

Emissions financed Scope 3	2021		2022	
	Absolute emissions financed Scope 3 (tCO ₂ e)	WACI (tCO ₂ e/ mln € revenues)	Absolute emissions financed Scope 3 (tCO ₂ e)	WACI (tCO ₂ e/ mln € revenues)
Aerospace	3,154.77	0.04	2,374.31	0.04
Vehicles	149,376.92	1.36	148,764.63	1.26
Drinks	18,442.14	1.00	30,608.39	1.07
Broadcasting and advertising	7,783.35	0.08	6,624.62	0.26
Building materials	382,375.95	9.63	1,402,793.80	20.46
Business support services	13,252.31	0.24	10,888.61	0.42
Chemicals	153,463.03	7.22	308,910.19	7.64
Banks for development	0(*)	0.03	0(*)	0.07
Diversified banks	65,109.01	3.15	40,505.42	2.51
Electricity and gas companies	2,748,944.62	59.37	3,208,045.28	58.42
Components and electrical equipment	3,905.16	0.16	2,488.58	0.15
Energy	1,729,556.19	27.84	1,672,150.10	22.45
Financial Services - General	63,989.05	0.46	12,389.75	0.64
Financial Services - Real Estate	17,057.29	3.67	21,899.28	3.55
Food products	25,405.53	0.56	27,654.61	1.26
Forest products and paper	55,153.93	1.25	48,998.53	1.09
Sanitary equipment and services	7,453.21	0.32	9,099.46	0.31
Heavy construction	12,989.40	0.18	16,049.10	0.19
Home construction	476.76	0.01	33.72	0.00
Hotels, goods and services for leisure time	19,183.07	1.76	64,624.04	3.34
Industrial goods and services	48,126.29	0.58	41,952.74	0.70
Insurance	23,818.20	0.06	24,565.34	0.97
Local authorities	0(*)	3.97	0(*)	4.26
Luxury goods and cosmetics	3,808.25	0.17	3,081.19	0.24
Components and mechanical equipment	3,363.71	0.48	95,378.57	0.68
Mining and metals	362,885.73	13.58	326,478.03	7.23
Oil equipment and services	64,448.87	2.23	110,190.18	2.73
Pharmaceuticals and biotechnology	13,045.37	0.75	21,179.70	0.74
Publishing	84.72	0.01	84.59	0.00
Retail and specialised banks	2,946.01	0.55	9,140.55	0.62
Software and IT services	5,659.01	0.55	1,946.88	0.49
Specialised retail trade	9,610.11	0.23	3,759.29	0.20
Banks and agencies for specific purposes	0.04	0.07	0.60	0.07
Supermarkets	28,856.52	0.13	4,335.08	0.14
Technology-Hardware	26,502.77	1.58	10,218.49	1.06
Telecommunications	99,666.46	1.48	116,766.88	1.94
Tobacco	6,138.19	0.21	6,339.14	0.30
Transport and logistics	48,245.96	3.35	17,278.18	2.52
Travel and tourism	175,989.23	2.64	543,356.50	3.12
Waste and water	241,556.26	2.43	170,565.29	2.38
Total	6,641,823.42	153.41	8,541,519.64	155.53

* The value is 0 because the companies included in the industry reference industries do not have a market capitalisation and, consequently, the figure cannot be recorded.



Customer experience

Customer experience in Post Offices

Customer experience in Post Offices	2020	2021	2022
Average waiting time in Post Offices (minutes)	8.3	9.20	10.20
Customer served within 15 minutes (%)	84.35	81.27	78.30
Customer satisfaction with waiting times (1-10)	7.8	7.7	7.8
Customer satisfaction with overall post office experience	8.4	8	8.2

Customer complaints by type*

Post Offices	2020	2021	2022
Complaints received	9,176	6,476	10,336
Average response time (days)	14	16	40
Mail			
Complaints received	54,188	46,054	36,042
Average response time (days)	22	17	29
Parcels			
Complaints received	123,571	102,630	64,217
Average response time (days)	19	16	15
Financial Services			
Complaints received	136,217	198,878	154,310
Average response time (days)	6	8	11
Insurance Services			
Complaints received	7,056	5,102	5,065
Average response time (days)	28	30	23
Investigations initiated by the Insurance Regulator	300	307	293
PosteMobile			
Mobile telephone complaints received	8,430	5,922	1,934
Average response time (days)	2	2	3
Fixed line complaints received	1,191	1,767	515
Average response time (days)	4	4	5

* The figures on complaints relate to open cases requiring back-office intervention.

Number of contacts handled*

Contact Centre	2020	2021	2022
Number of contacts handled (mln)	33	37	41

* Overall, the number of contacts handled in 2022 shows an increase of +10% compared to 2021. This increase is mainly due to the AI component, which accounts for 39% of total assets under management (vs. 33% in 2021).

Customer satisfaction *

Satisfied customers (%)	2020	2021	2022**
Satisfied customers following Customer Experience surveys	82.1	82.2	83
Data coverage	100	100	100

* The customer experience of Business Units is measured every six months through surveys which measure the advisability of Poste Italiane's products and services based on the metrics of Net Promoter Score (NPS).

In terms of channels, the indicator used is the Customer Effort Score (CES), which records the ease of access to services.

The customer samples involved in the customer experience surveys represent the related universe.

The Business Units involved in the customer experience surveys are: BancoPosta (Retail, SME and Large Customers); Mail, Communication and Logistics (SMEs and Large Customers); Poste Vita (Retail). The sales and customer care channels involved regard respectively the post office channel and the Contact Centre.

With reference to the method used to measure customer satisfaction, the surveys use a scale of 1 to 10 to measure satisfaction. The percentages shown include customers who have answered 7-8 and 9-10 in the surveys carried out. Scores of 9-10 in the NPS/CES surveys reflect customers who are "promoters" (NPS) and "enthusiasts" (CES).

** The target set for 2022 is 82.60%.

Monthly complaints

Complaints	2020	2021	2022
Monthly complaints received	28,319	30,568	23,035

Business continuity plan resources*

Business continuity plan resources	2020	2021	2022
Investments (€mln)	2	1.3	1.6
Drills	3	4	4
People involved	162	240	269
Mainframe services (open services being processed) covered by plans of disaster recovery (%)	100	100	100

* The figures refer to Poste Italiane SpA, PostePay SpA, BancoPosta Fondi SpA SGR, Poste Vita SpA.

[GRI 418-1] Privacy violations and data leaks

Violations and data leaks	2020	2021	2022*
Complaints received regarding violations of privacy	57	41	29
of which:			
complaints received from third parties and recognised by the organisation	57	41	29
complaints received from regulatory bodies	0	0	0
Breaches, data theft and leaks of customer data identified	468	304	371

* In 2022, with respect to detected incidents of violation of privacy, in 26 cases, the competent internal function that investigated the breaches forwarded the files to the Human Resources function for appropriate action against the employees involved. In the remaining cases, no sanctions were imposed on Poste Italiane staff because the violations occurred due to external attacks and/or human error.

IT security and cyber security breaches

IT incidents and breaches	2020	2021	2022*
Total number of IT security breaches/cyber security incidents	74	195	83
Total number of IT security breaches involving the security of consumers	6	3	1
Total amount of fines /penalties paid in relation to IT security breaches and other IT security incidents (€)	0	0	0

* The number of incidents is lower than in the previous year. In connection with the Russia-Ukraine crisis, levels of monitoring and attention to security events were raised and cyber intelligence activities strengthened in order to prevent or promptly intercept potential attacks cyber against the Poste Italiane group. Specific measures were also put in place to minimise the attack surface and the impact of a possible attack on Poste Italiane's customer base. Timely and effective business continuity and crisis management is ensured by the application of a Business Continuity Plan and a Crisis Management Plan, which are an integral part of a framework that also includes a Disaster Recovery Plan, a Communication Plan, a Test Plan, and operational procedures and instructions.

The underlying causes of IT incidents and breaches that occurred during 2022 are mainly attributable to external attacks. In particular, the attack was aimed at Poste Italiane employees with the objective of carrying out identity theft and consequently accessing company systems. In this regard, it should be pointed out that since they are not attributable to negligence on the part of the staff of Poste Italiane, no disciplinary measures have been taken against the employees. However, in the course of the year, the Group launched a series of initiatives aimed at reducing IT security incidents related to credential compromise, such as the large-scale implementation of user identity verification systems using 2-factor authentication systems.

Number of customers whose data were used for secondary purposes

Customers whose data were used for secondary purposes (%)	2020	2021	2022
Percentage of customers whose data were used for secondary purposes (%)	1	0	0

Number of customers involved in IT security breaches

Customers involved in IT security breaches	2020	2021	2022
Number of customers involved in IT security breaches	3,789	175	17



Innovation

Number of digital services offered (figures in millions)

Digital offer	2020	2021	2022
Customers registered on Poste Italiane's digital channels (websites and apps)	27.1	33.8	36.8
Digital identities issued	12.2	21.2	23.8
Postepay apps downloaded	14.4	18.4	21.7
BancoPosta apps downloaded	8.3	10.8	13.2
Post Office apps downloaded	6.8	12.2	14.7
PostelD apps downloaded	13.8	24.1	30.2
Transactions carried out via consumer digital channels (websites and apps)	90.3	124.7	152.6

Dematerialisation of procedures and corresponding transactions

Type of procedures*	2020		2021		2022	
	No. Procedures	% dematerialisation	No. Procedures	% dematerialisation	No. Procedures	% dematerialisation
Certificates	1,828	96	1,584	94	1,811	97
Current accounts	376	94	586	96	535	96
Savings Books	629	95	746	92	687	96
Postepay Evolution	2,129	97	2,137	98	1,749	99
Full Acquiring	17	4	11	9	14	100
Life insurance policies	592	93	520	97	726	67
Non-life policies	147	88	250	93	256	96
MiFID	1,909	92	2,175	94	1,803	96
PosteMobile	857	82	832	87	764	95
Guided consultation	1,214	89	1,512	94	1,388	89
Borrowings	391	88	417	91	460	96
Funds	119	85	262	94	144	96
Total procedures**	10,209	92	11,030	94	10,336	96

* Figures in thousands.

** The absolute total volume of files decreased by 6.2% compared to last year. In particular, there were significant decreases in dematerialised practices, especially for Postepay Evolution, MiFID and Funds.

Corresponding transactions	2020	2021	2022
Total transactions (€m)	29.9	27.7	26.9
Total electronic transactions (€m)	29.1	26.9	25.8
Dematerialised transactions (%)	97.4	96.9	95.9



Sustainable finance

ESG products and services related to Asset Management*

Categories of sustainable investment products and services offered (€)	2021	2022
Products/services incorporating ESG criteria**	73,853,542.92	244,029,168.87
Products/services that apply best-in-class***	3,373,416,622.23	6,704,015,404.05
Products/services with thematic investments****	81,007,675.68	118,464,735.57
Products/services related to impact investing*****	0	0
Other*****	1,028,285,424.05	2,125,849,651.51
Total AuM of sustainable investment products	4,556,563,264.88	9,192,358,960.00
Total AuM in the asset management segment*****	114,962,750,522.64	100,621,409,143.26
Sustainable investment products as a percentage of total AuM in the asset management segment (%)	4	9.1

* Performance to 2022 is in line with the Group's objective of increasing BancoPosta Fondi SGR's investments that incorporate ESG criteria. Considering as perimeter the funds retail funds under placement, the percentage of assets under management by funds with ESG characteristics was 88% as at 30/12/22.

** The category comprises products for which ESG information is structurally integrated, together with financial considerations, into the investment decision-making process. In 2022, the products "BP UNIVERSO 60" e "BP UNIVERSO 40", and "BPF GPM Sostenibilità Equilibrato", "BPF GPM Sostenibilità Dinamico" were included in the category.

*** The category includes products whose targets investment targets are companies with the performance ESG performance within their respective sectors of operation. In 2022, the following products were included in the category: "BP Orizzonte Reddito", "BP Azionario Flessibile", "BP Azionario Internazionale", "BP Azionario Euro", "BP Selezione Attiva" e "Poste Investo Sostenibile", "BP Mix 1", "BP Mix 2", "BP Mix 3".

**** This category includes products whose investments are focused on companies that contribute positively to certain social or environmental issues (e.g. climate change, growth in underdeveloped countries, etc.). In 2022, the products "BP Focus Ambiente 2027" and "BP Focus Ambiente Marzo 2028" were included in the category.

***** The category includes products whose investments are made in companies that offer products and/or services that create positive social or environmental impact and fulfill the dual objective of creating socio-environmental value and economic return.

***** Within the category "Other", mandates with benchmarks ESG have been included.

***** The value reported is the sum of the NAVs of the managed funds.

8. Proposed shareholder resolutions and other information

- Proposed shareholder resolutions
- Other information

8.1 Proposed shareholder resolutions

The Board of Directors proposes that the Shareholders' Meeting approve the 2022 draft financial statements of Poste Italiane SpA (including BancoPosta RFC's Separate Report), accompanied by the Directors' Report on Operations.

In line with the current dividend policy, it is expected the Board of Directors will propose to the Ordinary Shareholders' Meeting:

- appropriate BancoPosta RFC's profit for the year of €602,311,327 to be put at the Company's disposal;
- to appropriate Poste Italiane SpA's profit for 2022, amounting to €847,112,738, as follows:
 - to Reserve called "Retained earnings", portion not available for distribution for €877,653¹¹⁶;
 - to the distribution to the Shareholders, as a dividend, the amount of €0.650 for each ordinary shares in circulation on the ex-dividend date indicated above, excluding portfolio treasury shares on that date;
 - the remaining amount after the distribution to the Shareholders, to the available reserve named "Retained Earnings";
- to distribute the above dividend of €0.650 per share as follows:
 - the amount of €0.210 for each of the ordinary shares outstanding on the ex-dividend date, excluding treasury shares in portfolio, as interim dividend, already paid from 23 November 2022 for a total amount of €272,700,542;
 - the amount of €0.440 for each of the ordinary shares outstanding on 19 June 2023, the day scheduled as the ex-dividend date, excluding treasury shares in the portfolio on that date as balance of the dividend.

8.2 Other information

Events after 31 December 2022

Events after the end of the reporting period to which the 2022 Annual Report refers are described in other sections of this document. Further information is provided in Poste Italiane Financial Statements for the year ended 31 December 2022.

Related party transactions

Details of the impact of related party transactions on the financial position and profit or loss are provided in Poste Italiane Financial Statements for the year ended 31 December 2022.

116. The amount of €877,653 refers to the income not available for distribution recognised in profit or loss for the fair value measurement of Visa Preferred Stock shares which - in application of Legislative Decree no. 38/2005 - cannot be the subject of distribution until actually realised.

Transactions of greater importance

The Board of Directors of Poste Italiane SpA, in its meeting of 19 October 2022, having obtained the favourable opinion of the Related Parties and Connected Persons Committee issued on 18 October 2022, authorised the potential subscription by Poste Italiane SpA of the possible capital increase of the subsidiary Poste Vita SpA aimed at strengthening the capital of the subsidiary in accordance with the guidelines contained in the Strategic Plan, in support of the growth of the insurance business.

In relation to the amount of the potential capital increase, amounting to a maximum of €1 billion, the Transaction qualifies as a 'significant related party transaction' under CONSOB regulations. On 26 October 2022, the relevant Information Document was made available to the public at the Company's registered office, at Borsa Italiana SpA, on the Company's website, as well as on the website of the authorised storage mechanism "eMarket Storage".

At present, the capital increase has not been subscribed.

At its meeting of 14 December 2022, the Board of Directors of Poste Italiane SpA, having obtained the favourable opinion of the Related Parties and Connected Persons Committee issued on 13 December 2022, passed the Framework Resolution authorising financial transactions with the counterparty Cassa Depositi e Prestiti SpA up to a maximum total amount of €2 billion and for a duration of one year starting from 1 January 2023. In particular, financial transactions relate to the spot purchase and sale of Euro-government and/or Italian government-guaranteed securities and repurchase agreements for lending and funding to be carried out within the limits of the "Poste Italiane Financial Management" Guidelines, BancoPosta's Risk Appetite Framework and/or the resolutions of the Board of Directors. Financial operations take the form of support activities for BancoPosta ordinary operations and are therefore of an ordinary nature within the meaning of Consob regulations.

At its meeting of 14 December 2022, the Board of Directors of Poste Italiane SpA, having obtained the favourable opinion of the Related Parties and Connected Persons Committee issued on 13 December 2022, passed the Framework Resolution authorising financial transactions with the counterparty MPS Capital Services Banca per le Imprese SpA up to a maximum total amount of €4 billion and for the duration of one year starting from 1 January 2023. In particular, financial transactions relate to the spot and forward purchase and sale of government and/or Italian government-guaranteed securities, repurchase agreements for lending and funding, and hedging financial derivatives to be carried out within the limits of the Poste Italiane Financial Management Guidelines, BancoPosta's Risk Appetite Framework and/or the resolutions of the Board of Directors. Financial operations take the form of support activities for BancoPosta ordinary operations and are therefore of an ordinary nature within the meaning of Consob regulations.

At its meeting of 14 December 2022, Poste Italiane SpA's Board of Directors approved the signing of a framework agreement with the subsidiary, SDA Express Courier SpA, for the management of domestic and international parcels, with an estimated maximum value of approximately €1,704 million for the two-year term of the agreement from 1 January 2023 to 31 December 2024, net of VAT and eventual fifth obligation. In the absence of significant interests of other parties included in the Combined Perimeter of related parties and connected parties of Poste Italiane SpA, the transaction benefited from the exclusion from the application of the decision-making procedures of the Related and Connected Parties Committee. The Agreement was signed on 10 January 2023.

Within the scope of the transactions with Monte dei Paschi di Siena Capital Services Banca per le Imprese SpA authorised by the Board of Directors on 27 June 2019, having obtained the consent of the Related and Connected Parties Committee, 13 Interest Rate Swaps for interest rate risk hedging purposes, and 23 trades in government securities were carried out from 1 January to 31 December 2022.

Statement of reconciliation of profit and equity

The statement of reconciliation of the Parent Company's profit/(loss) for the period and Equity with the consolidated amounts at 31 December 2022, compared with the statement at 31 December 2021, is included in Poste Italiane Financial Statements for the year ended 31 December 2022 (Notes to the Poste Italiane Group's financial statements – Equity).

Exceptional and/or unusual transactions

Under the definition provided by the CONSOB ruling of 28 July 2006, the Poste Italiane Group did not conduct any exceptional and/or unusual transactions¹¹⁷ in 2022.

Alternative performance indicators

In keeping with the guidelines published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), in addition to the financial disclosures required by the International Financial Reporting Standards (IFRS), Poste Italiane has included a number of indicators in this Report that have been derived from them. These provide management with a further tool for measuring the Group's performance.

As part of the transition to the new accounting standard IFRS 17, the Poste Italiane Group is currently evaluating adjustments to certain alternative performance indicators used for the representation and communication of results, as well as the integration of new indicators starting from the Interim Report at 31 March 2023

The following alternative performance indicators are used:

ALLOCATED CAPITAL: an equity indicator represented by the sum of Group equity net of fair value and cash flow hedge reserves. The indicator includes coupons accrued on the hybrid perpetual bond and dividends to shareholders accrued in the current year.

NET WORKING CAPITAL: this indicator represents the sum of inventories, trade receivables and other receivables and assets, current tax assets, trade payables and other liabilities, and current tax liabilities.

This indicator is also shown separately for each Strategic Business Unit.

NON-CURRENT ASSETS: this indicator represents the sum of property, plant and equipment, intangible assets and investments measured using the equity method. This indicator is also shown separately for each Strategic Business Unit.

NET INVESTED CAPITAL: this indicator represents the sum of non-current assets and net working capital, deferred tax assets, deferred tax liabilities, provisions for risks and charges and employee termination benefits. This indicator is also shown separately for each Strategic Business Unit.

CET 1 CAPITAL: consists of Primary Tier 1 capital, as defined in Regulation (EU) No. 575/2013, and includes the Capitalised Earnings Reserve created upon appropriation of assets and the Retained Earnings Reserves, taking into account the transitional regime.

CET 1 RATIO: this ratio measures the adequacy of Tier 1 capital with respect to the weighted exposure to Pillar 1 risks (operational, credit, counterparty and foreign exchange). It is the ratio of CET1 Capital to total Risk Weighted Assets (RWA).

COMBINED RATIO (net reinsurance): technical indicator of non-life business, determined as the ratio of claims and operating expenses (acquisition, collection and administrative expenses and reinsurance balance) to earned premiums, i.e. equal to the sum of loss ratio and expense ratio.

UNIT DIVIDEND (DPS): represents the amount of dividends paid by the company for each outstanding share. It is calculated as Dividends paid/Number of shares outstanding.

EBIT (Earnings Before Interest and Taxes): this is an indicator of operating profit before financial expenses and taxation.

EBIT margin: this is an indicator of the operating performance and is calculated as the ratio of operating profit (EBIT) to total revenue. This indicator is also shown separately for each Strategic Business Unit.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation): this is an indicator of operating profit before financial expenses and taxation, and depreciation, amortisation and impairments of non-current assets.

117. Such transactions are defined as transactions that due to their significance/materiality, the nature of the counterparties, the purpose of the transaction, the manner of determining the transfer price and timing of the transaction may give rise to doubts over the correctness and/or completeness of the disclosures in the financial statements, over a conflict of interest, safeguards for the Company's financial position and protections for non-controlling shareholders.

EXPENSE RATIO: a technical indicator of non-life business, determined by the ratio of operating expenses (acquisition, collection, administrative expenses and reinsurance balance) to earned premiums.

FUND FROM OPERATIONS (FFO): financial indicator represented by the Group's net result, adjusted for non-monetary costs and revenues (depreciation and amortisation, Expected Credit Loss - ECL of receivables, financial expenses from discounting) and the net change in provisions for risks and severance pay. In the Mail, Parcels and Distribution SBU, the indicator is also neutralised by the IFRS 16 effect (amortisation and financial expenses) and includes financial outlays for rents.

LAPSE RATE: this is an indirect measure of customer loyalty. It is based on surrenders during the period as a percentage of average mathematical provisions of the period.

It is calculated as a percentage of Surrenders/Average mathematical reserves (linearised over 12 months in the intermediate periodic situations).

LEVERAGE RATIO: this is the ratio between Total Capital (Own Funds) and total balance sheet assets, the latter including adjustments for derivatives and off-balance sheet exposures.

LOSS RATIO: A technical indicator of non-life business, which measures the percentage incidence, with respect to earned premiums, of amounts paid and reserved for claims incurred in the year and in previous years, including related direct expenses and settlement costs.

GROUP NET DEBT/(FUNDS): the sum of financial assets, tax credits under Law no.77/2020, cash and deposits attributable to BancoPosta, cash and cash equivalents, technical provisions for the insurance business (shown net of technical provisions attributable to reinsurers) and financial liabilities.

This indicator is also shown separately for each Strategic Business Unit.

NET DEBT/(FUNDS) OF THE MAIL, PARCELS AND DISTRIBUTION STRATEGIC BUSINESS UNIT: this is the financial debt calculated according to the scheme recommended by ESMA European Securities and Markets Authority (ESMA32-382-1138 of 4 March 2021) net of trade payables and other non-current payables with a significant implicit or explicit financing component and including the following items: non-current financial assets, tax credits under Law no. 77/2020, current hedging derivatives assets, inter-segment financial receivables and payables.

NET DEBT/(FUNDS) OF THE MAIL, PARCELS AND DISTRIBUTION STRATEGIC BUSINESS UNIT AS PER IFRS 16: Calculated as the net financial position of the Mail, Parcels and Distribution Services Strategic Business Unit excluding the financial liabilities for leasing (IFRS 16) and the fair value and cash flow hedge reserves.

AVERAGE PORTFOLIO RETURN EXCLUDING PRO-ACTIVE PORTFOLIO MANAGEMENT (%): Yield portfolio average calculated as the ratio between interest income and average current account balances (excluding the value of pro-active portfolio management).

RWA - Risk Weighted Assets: is the indicator that measures the risk exposure of assets in accordance with Basel regulations. Risk-Weighted Assets, or RWA, are calculated by applying a weighting to assets that takes into account the level of exposure to credit, counterparty, market and operational risks.

ROE (Return On Equity): calculated as the ratio between the Net result and the average value of the Group's "Shareholders' equity" (net of fair value and cash flow hedge valuation reserves) at the beginning and at the end of the reporting period. The calculation of the indicator for 2021 did not take into account the non-recurring financial income related to the SIA-NEXI merger of €221 million.

TOTAL ASSETS: Total assets in the Statement of Financial Position of BancoPosta Ring-Fenced Capital - RFC.

TOTAL CAPITAL (OWN FUNDS): consists, as defined by Regulation (EU) No. 575/2013, of the sum of Tier 1 capital, consisting of CET 1 Capital and Additional Tier 1 capital (AT1, which for BancoPosta includes the hybrid instrument contributed by Poste Italiane), and Tier 2 capital (not relevant for BancoPosta).

TOTAL CAPITAL RATIO: is the coefficient that expresses the adequacy of Total Capital (Own Funds) with respect to the weighted exposure to Pillar 1 risks (operating, credit, counterparty, exchange rate). Ratio of Total Capital (Own Funds) to Total Risk Weighted Assets (RWA).

TSR (Total Shareholder Return): it measures the total annual return for an investor and is calculated by adding the increase in the share price over a determinate period of time to the impact of dividends per share paid in the same period.

EARNINGS PER SHARE: is the portion of a listed company's net income granted to each of its outstanding common shares. It is calculated as the ratio of the Group's net profit to the number of outstanding shares.

Appendix

Reclassified consolidated statement of profit or loss

(€m)	2022	2021	CHANGES		4Q 2022	4Q 2021	CHANGES	
Revenue	11,889	11,220	+669	+6.0%	3,144	2,775	+369	+13.3%
<i>of which:</i>								
Mail, Parcels and Distribution	3,651	3,695	(44)	-1.2%	1,003	1,013	(10)	-1.0%
Financial Services	4,939	4,783	+156	+3.3%	1,194	1,088	+106	+9.7%
<i>of which pro-active management of the securities portfolio</i>	335	407	(72)	-17.8%	(0)	2	(2)	-101.2%
Insurance Services	2,153	1,861	+292	+15.7%	580	413	+167	+40.5%
Payments and Mobile	1,147	882	+265	+30.0%	368	263	+105	+40.2%
Costs	8,768	8,584	+184	2.1%	2,690	2,352	+339	+14.4%
<i>of which:</i>								
Total personnel expenses	5,226	5,467	(241)	-4.4%	1,383	1,533	(150)	-9.8%
<i>of which ordinary personnel expenses</i>	5,157	5,236	(79)	-1.5%	1,323	1,322	+1	+0.1%
<i>of which early retirement incentives</i>	77	235	(158)	-67.2%	60	210	(150)	-71.4%
<i>of which disputes and other extraordinary items</i>	(7)	(3)	(4)	-124.3%	(1)	1	(2)	-137.2%
Other operating expenses	3,541	3,117	+425	+13.6%	1,308	819	+489	+59.8%
EBITDA	3,121	2,636	+485	+18.4%	453	424	+30	+7.0%
Depreciation, amortisation and impairments	830	790	+39	+5.0%	216	193	+23	+11.9%
EBIT	2,291	1,846	+446	+24.1%	237	230	+7	+2.9%
EBIT margin %	19.3%	16.5%			7.5%	8.3%		
Finance income/(costs)	37	322	(285)	-88.4%	26	263	(237)	-90.1%
Gross profit	2,328	2,168	+161	+7.4%	263	493	(230)	-46.7%
Taxes	818	588	+229	+39.0%	177	88	+89	+101.6%
Net profit	1,511	1,580	(69)	-4.3%	86	405	(319)	-78.8%
Net earnings per share (€)	1.16	1.21	(0.05)	-4.2%	0.07	0.31	(0.25)	-78.7%

Contribution of strategic business units to the consolidated statement of profit or loss

2022 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Adjustments and eliminations	Total
Total revenue	8,512	5,759	2,156	1,410	(5,948)	11,889
Revenue from third parties	3,651	4,939	2,153	1,147		11,889
Intersegment revenue	4,862	820	3	264	(5,948)	0
Total costs	8,838	4,872	805	1,031	(5,948)	9,598
Total personnel expenses	5,114	41	36	35		5,226
<i>of which ordinary personnel expenses</i>	5,046	40	36	34		5,157
<i>of which early retirement incentives</i>	76	1	0	0		77
<i>of which disputes and other extraordinary items</i>	(7)	1	0	0		(7)
Other operating expenses	2,880	73	97	491		3,541
Depreciation, amortisation and impairments	805	0	3	23	(2)	830
Intersegment costs	39	4,757	668	482	(5,946)	(0)
EBIT	(326)	887	1,350	379		2,291
EBIT MARGIN %	-3.8%	15.4%	62.6%	26.9%		19.3%
Finance income/(costs)	17	(22)	41	1		37
Gross profit	(309)	865	1,392	380		2,328
Taxes	52	243	413	110		818
Net profit	(361)	622	979	270		1,511

Statements of profit or loss by strategic business unit

Mail, parcels and distribution Strategic Business Unit

(€m)	2022	2021	CHANGES		4Q 2022	4Q 2021	CHANGES	
Revenue	8,512	8,391	+122	+1.5%	2,189	2,125	+65	+3.0%
Mail	2,066	2,082	(17)	-0.8%	556	564	(8)	-1.3%
Parcels	1,395	1,403	(8)	-0.5%	404	384	+19	+5.0%
Other revenue	190	210	(19)	-9.3%	43	64	(22)	-33.7%
Intersegment revenue	4,862	4,696	+165	+3.5%	1,187	1,112	+75	+6.7%
Costs	8,033	7,921	112	1.4%	2,464	2,215	+249	+11.2%
<i>of which:</i>								
Total personnel expenses	5,114	5,366	(252)	-4.7%	1,351	1,508	(157)	-10.4%
<i>of which ordinary personnel expenses</i>	5,046	5,136	(91)	-1.8%	1,292	1,297	(5)	-0.4%
<i>of which early retirement incentives</i>	76	233	(157)	-67.5%	59	210	(150)	-71.7%
<i>of which disputes and other extraordinary items</i>	(7)	(3)	(4)	-133.9%	(0)	1	(2)	-129.7%
Other operating expenses	2,880	2,476	+404	+16.3%	1,104	689	+415	+60.3%
Intersegment costs	39	78	(40)	-50.5%	9	18	(9)	-49.0%
EBITDA	480	470	+10	+2.1%	(275)	(91)	(184)	n/s
Depreciation, amortisation and impairments	805	771	+34	+4.5%	206	189	+17	+9.1%
EBIT	(326)	(301)	(25)	-8.2%	(481)	(280)	(201)	-72.0%
EBIT margin %	-3.8%	-3.6%			-22.0%	-13.2%		
Finance income/(costs)	17	29	(12)	-43.1%	19	22	(3)	-14.3%
Gross profit	(309)	(272)	(37)	-13.7%	(462)	(257)	(205)	-79.5%
Taxes	52	(46)	+97	n/s	(17)	(53)	+36	+68.3%
Net profit	(361)	(226)	(134)	-59.4%	(445)	(204)	(241)	-118.1%

n/s: not significant

Financial services Strategic Business Unit

(€m)	2022	2021	CHANGES		4Q 2022	4Q 2021	CHANGES	
Revenue	5,759	5,542	+217	+3.9%	1,411	1,287	+124	+9.7%
Pro-active management of the securities portfolio	335	407	(72)	-17.8%	(0)	2	(2)	-101.2%
Net interest income	1,910	1,485	+425	+28.6%	528	375	+153	+40.8%
Postal savings deposits	1,600	1,753	(153)	-8.7%	400	441	(41)	-9.3%
Collection and payment services	763	796	(33)	-4.2%	209	205	+4	+2.0%
Distribution of third-party products	213	221	(8)	-3.7%	27	33	(5)	-15.9%
Asset management	119	120	(2)	-1.3%	29	32	(3)	-10.6%
Intersegment revenue	820	759	+61	+8.1%	218	199	+18	+9.3%
Costs	4,872	4,796	+76	+1.6%	1,173	1,082	+90	+8.3%
of which:								
<i>Total personnel expenses</i>	41	42	(1)	-1.5%	10	10	(0)	-3.5%
<i>of which ordinary personnel expenses</i>	40	41	(1)	-2.3%	10	10	(0)	-3.5%
<i>of which early retirement incentives</i>	1	0	0	+45.1%	0	0	0	+86.4%
<i>of which disputes and other extraordinary items</i>	1	0	0	+129.2%	0	0	0	n/s
Other operating expenses	73	119	(46)	-38.8%	7	(6)	+13	n/s
Intersegment costs	4,757	4,634	+123	+2.7%	1,156	1,078	+78	+7.2%
EBITDA	888	747	+141	+18.9%	239	205	+34	+16.5%
Depreciation, amortisation and impairments	0.4	0.5	0.0	-5.7%	(0.1)	0.1	(0.2)	n/s
EBIT	887	747	+141	+18.9%	239	205	+34	+16.7%
EBIT margin %	15.4%	13.5%			16.9%	15.9%		
Finance income/(costs)	(22)	10	(32)	n/s	0	1	(1)	-61.3%
Gross profit	865	757	+109	+14.4%	239	206	+33	+16.2%
Taxes	243	200	+43	+21.3%	63	43	+20	+48.0%
Net profit	622	556	+66	+11.9%	176	163	+13	+7.9%

n/s: not significant

Insurance services Strategic Business Unit

(€m)	2022	2021	CHANGES		4Q 2022	4Q 2021	CHANGES	
Revenue	2,156	1,864	+292	+15.7%	580	413	+167	+40.4%
Up Front - Life	285	289	(3)	-1.1%	73	62	+11	+18.5%
Financial margin - Life	1,670	1,455	+215	+14.8%	434	357	+77	+21.5%
Protection margin - Life	17	17	(1)	-3.3%	12	5	+8	n/s
Change to other technical provisions and other technical income/expenses	29	(21)	+51	n/s	25	(34)	+59	n/s
Life net revenue	2,002	1,740	+262	+15.0%	545	389	+155	+39.9%
Insurance premium revenue	358	295	+63	+21.5%	92	77	+15	+19.5%
Change in technical provisions and claim expenses	(206)	(169)	(37)	-21.9%	(57)	(51)	(6)	-11.7%
Reinsurance results	(12)	(11)	(1)	-10.8%	(5)	(7)	+2	+33.9%
P&C net income	8	4	+5	+118.5%	4	3	+1	+15.7%
P&C net revenue	148	119	+30	+24.9%	35	22	+12	+53.7%
Other operating income	3	2	+1	+36.4%	0	1	(0)	-33.8%
Intersegment revenue	3	3	(0)	-9.8%	1	1	(0)	-8.3%
Costs	802	741	+61	+8.2%	210	184	+26	+14.3%
<i>of which:</i>								
Total personnel expenses	36	34	+2	+6.7%	10	9	+1	+14.6%
<i>of which ordinary personnel expenses</i>	36	33	+3	+9.8%	10	9	+1	+12.3%
Other operating expenses	97	102	(4)	-4.3%	28	27	1	+3.9%
Intersegment costs	668	605	+63	+10.4%	172	148	+24	+16.2%
<i>of which commissions</i>	572	520	+51	+9.9%	148	124	+24	+19.2%
EBITDA	1,354	1,123	+231	+20.6%	370	230	+141	+61.3%
Depreciation, amortisation and impairments	3	4	(1)	-18.3%	0	1	(1)	-63.4%
EBIT	1,350	1,119	+232	+20.7%	370	229	+141	+61.9%
EBIT margin %	62.6%	60.0%			63.8%	55.3%		
Finance income/(costs)	41	54	(13)	-23.3%	5	14	(8)	-61.8%
Gross profit	1,392	1,173	+219	+18.7%	375	242	+133	+54.9%
Taxes	413	349	+64	+18.4%	97	71	+27	+37.8%
Net profit	979	824	+155	+18.8%	278	172	+106	+61.9%

n/s: not significant

Payments and mobile Strategic Business Unit

(€m)	2022	2021	CHANGES		4Q 2022	4Q 2021	CHANGES	
Revenue	1,410	1,201	+209	+17.4%	430	336	+94	+28.1%
Electronic money	582	457	+124	+27.2%	178	136	+42	+30.6%
Other payments	233	115	+118	+102.7%	99	48	+50	+104.5%
TLC	319	309	+10	+3.2%	82	78	+4	+5.4%
Energy	12	0	+12	n/s	9	0	+9	n/s
Intersegment revenue	264	319	(56)	-17.5%	62	73	(11)	-14.9%
Costs	1,008	904	+104	+11.5%	310	255	+55	+21.5%
<i>of which:</i>								
Total personnel expenses	35	25	+9	+36.8%	12	6	+6	+96.2%
<i>of which ordinary personnel expenses</i>	34	25	+9	+35.4%	12	6	+6	+90.6%
Other operating expenses	491	420	+72	+17.1%	169	109	+60	+55.4%
Intersegment costs	482	459	+23	+5.1%	129	141	(11)	-8.0%
EBITDA	402	298	+104	+35.1%	120	80	+40	+49.3%
Depreciation, amortisation and impairments	23	16	+7	+40.9%	10	4	+7	n/s
EBIT	379	282	+98	+34.8%	109	77	+33	+42.7%
EBIT margin %	26.9%	23.4%			25.4%	22.8%		
Finance income/(costs)	0.9	229	(228)	-99.6%	1	226	(225)	-99.5%
Gross profit	380	510	(130)	-25.5%	111	303	(192)	-63.4%
Taxes	110	85	25	+30.0%	33	28	+6	+20.1%
Net profit	270	425	(155)	-36.6%	77	275	(198)	-71.9%

n/s: not significant

Financial position

Net invested capital and related funding

(€m)	31 December 2022	31 December 2021	CHANGES	
Tangible fixed assets	2,434	2,299	+135	+5.9%
Intangible fixed assets	1,817	873	+944	n/s
Right-of-use assets	1,334	1,116	+218	+19.5%
Investments	267	277	(10)	-3.7%
Non-current assets	5,852	4,565	+1,287	+28.2%
Trade receivables, Other receivables and assets and Inventories	7,554	7,824	(270)	-3.4%
Trade payables and Other liabilities	(6,238)	(5,638)	(600)	-10.6%
Current tax assets/(liabilities)	80	99	(19)	-19.2%
Net working capital	1,396	2,285	(889)	-38.9%
Gross invested capital	7,248	6,850	+398	+5.8%
Provisions for risks and charges	(1,355)	(1,268)	(87)	-6.9%
Employee termination benefits	(705)	(922)	+217	+23.5%
Prepaid/deferred tax assets/(liabilities)	1,344	292	+1,052	n.s
Net invested capital	6,531	4,952	+1,579	+31.9%
Equity	8,937	12,110	(3,173)	-26.2%
<i>of which profit for the period</i>	1,511	1,580	(69)	-4.4%
<i>of which fair value reserve</i>	(2,558)	1,307	(3,865)	n/s
Financial liabilities	103,644	104,732	(1,088)	-1.0%
Net technical provisions for insurance business	139,942	159,039	(19,097)	-12.0%
Financial assets	(226,141)	(248,856)	+22,715	+9.1%
Tax credits Law no. 77/2020	(9,021)	(6,456)	(2,565)	-39.7%
Cash and deposits attributable to BancoPosta	(5,848)	(7,659)	+1,811	+23.6%
Cash and cash equivalents	(4,983)	(7,958)	+2,975	+37.4%
Net debt/(funds)	(2,406)	(7,158)	+4,752	+66.4%

n/s: not significant

31 December 2022 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Eliminations and adjustments	Consolidated
Tangible fixed assets	2,392	1	0	41	-	2,434
Intangible fixed assets	1,157	-	-	659	-	1,817
Right-of-use assets	1,326	2	11	14	(18)	1,334
Investments	2,986	262	157	-	(3,138)	267
Non-current assets	7,861	265	168	715	(3,156)	5,852
Trade receivables, Other receivables and assets and Inventories	2,486	3,154	2,671	291	(1,048)	7,554
Trade payables and Other liabilities	(3,513)	(2,048)	(1,036)	(686)	1,046	(6,238)
Current tax assets/(liabilities)	58	0	30	(9)	-	80
Net working capital	(969)	1,105	1,665	(404)	(2)	1,396
Gross invested capital	6,893	1,370	1,833	311	(3,158)	7,248
Provisions for risks and charges	(1,131)	(189)	(21)	(15)	-	(1,355)
Employee termination benefits	(699)	(2)	(1)	(3)	-	(705)
Prepaid/deferred tax assets/(liabilities)	285	933	167	(41)	-	1,344
Net invested capital	5,349	2,112	1,979	251	(3,158)	6,531
Equity	2,510	1,338	6,816	1,412	(3,138)	8,937
<i>of which profit for the period</i>	(361)	622	979	270	0	1,511
<i>of which fair value reserve</i>	(282)	(2,094)	(185)	3	-	(2,558)
Financial liabilities	4,918	100,941	303	9,557	(12,074)	103,644
Net technical provisions for insurance business	-	-	139,942	-	-	139,942
Financial assets	(1,083)	(83,701)	(142,351)	(10,545)	11,539	(226,141)
Tax credits Law no. 77/2020	(420)	(8,601)	-	-	-	(9,021)
Cash and deposits attributable to BancoPosta	-	(5,848)	-	-	-	(5,848)
Cash and cash equivalents	(575)	(2,018)	(2,732)	(172)	515	(4,983)
Net debt/(funds)	2,839	773	(4,837)	(1,161)	(21)	(2,406)

31 December 2021 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Eliminations and adjustments	Consolidated
Tangible fixed assets	2,275	1	1	22	-	2,299
Intangible fixed assets	872	-	-	1	-	873
Right-of-use assets	1,113	2	2	6	(7)	1,116
Investments	1,736	274	178	-	(1,911)	277
Non-current assets	5,996	277	181	29	(1,918)	4,565
Trade receivables, Other receivables and assets and Inventories	2,784	3,167	2,491	332	(950)	7,824
Trade payables and Other liabilities	(3,306)	(1,895)	(823)	(562)	948	(5,638)
Current tax assets/(liabilities)	103	(1)	(2)	(1)	-	99
Net working capital	(419)	1,271	1,666	(231)	(2)	2,285
Gross invested capital	5,577	1,548	1,847	(202)	(1,920)	6,850
Provisions for risks and charges	(1,004)	(229)	(20)	(15)	-	(1,268)
Employee termination benefits	(915)	(3)	(1)	(3)	-	(922)
Prepaid/deferred tax assets/(liabilities)	404	(387)	264	11	-	292
Net invested capital	4,062	929	2,090	(209)	(1,920)	4,952
Equity	2,778	4,414	5,938	890	(1,910)	12,110
<i>of which profit for the period</i>	(226)	556	824	425	-	1,580
<i>of which fair value reserve</i>	35	1,157	58	57	-	1,307
Financial liabilities	4,795	102,198	284	8,716	(11,261)	104,732
Net technical provisions for insurance business	-	-	159,039	-	-	159,039
Financial assets	(942)	(89,995)	(158,587)	(9,783)	10,451	(248,856)
Tax credits Law no. 77/2020	(448)	(6,008)	-	-	-	(6,456)
Cash and deposits attributable to BancoPosta	-	(7,659)	-	-	-	(7,659)
Cash and cash equivalents	(2,121)	(2,021)	(4,584)	(32)	800	(7,958)
Net debt/(funds)	1,284	(3,485)	(3,848)	(1,099)	(10)	(7,158)

Annual Report 2022
Poste Italiane Group

Changes 31.12.2022 vs 31.12.2021 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Eliminations and adjustments	Consolidated
Tangible fixed assets	117	(0)	(1)	19	-	135
Intangible fixed assets	285	-	-	658	-	944
Right-of-use assets	213	(0)	9	8	(11)	218
Investments	1,250	(12)	(21)	-	(1,227)	(10)
Non-current assets	1,865	(12)	(13)	686	(1,238)	1,287
Trade receivables, Other receivables and assets and Inventories	(298)	(14)	180	(41)	(98)	(270)
Trade payables and Other liabilities	(207)	(153)	(213)	(124)	98	(600)
Current tax assets/(liabilities)	(45)	1	32	(8)	-	(19)
Net working capital	(550)	(166)	(1)	(173)	0	(889)
Gross invested capital	1,316	(178)	(14)	513	(1,238)	398
Provisions for risks and charges	(127)	40	(1)	(0)	-	(87)
Employee termination benefits	216	1	0	(0)	-	217
Prepaid/deferred tax assets/(liabilities)	(119)	1,320	(97)	(52)	-	1,052
Net invested capital	1,287	1,183	(111)	460	(1,238)	1,579
Equity	(268)	(3,076)	878	522	(1,228)	(3,173)
<i>of which fair value reserve</i>	<i>(317)</i>	<i>(3,251)</i>	<i>(243)</i>	<i>(54)</i>	-	<i>(3,865)</i>
Financial liabilities	123	(1,257)	19	841	(813)	(1,088)
Net technical provisions for insurance business	-	-	(19,097)	-	-	(19,097)
Financial assets	(141)	6,294	16,236	(762)	1,088	22,715
Tax credits Law no. 77/2020	28	(2,593)	-	-	-	(2,565)
Cash and deposits attributable to BancoPosta	-	1,811	-	-	-	1,811
Cash and cash equivalents	1,546	3	1,852	(140)	(285)	2,975
Net debt/(funds)	1,555	4,258	(989)	(62)	(11)	4,752

Key performance indicators for principal Poste Italiane Group companies

Poste Italiane SpA

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	10,052,886	9,691,221	+361,665	+3.7
Operating profit	1,076,180	884,504	+191,676	+21.7
Net result	847,113	797,192	+49,921	+6.3
Investments	750,722	707,984	+42,738	+6.0
Equity	3,807,509	7,034,372	(3,226,863)	-45.9
Permanent workforce - average	108,405	110,173	(1,768)	-1.6
Flexible workforce - average	7,403	7,216	+187	+2.6

Postel SpA

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	186,299	184,385	+1,914	+1.0
Operating profit	(4,389)	4,800	(9,189)	n/s
Net result	(3,810)	3,012	(6,822)	n/s
Capital expenditure	2,181	5,084	(2,903)	-57.1
Equity	81,640	87,250	(5,610)	-6.4
Permanent workforce - average	721	855	(134)	-15.7
Flexible workforce - average	64	45	+19	+42.2

n/s: not significant

At 31 December 2022, the company declared dividends totalling €3 million.

SDA Express Courier SpA

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	1,072,384	1,126,452	(54,068)	-4.8
Operating profit	52,285	129,496	(77,211)	-59.6
Net result	34,963	90,916	(55,953)	-61.5
Investments	30,262	23,228	+7,034	+30.3
Equity	59,556	114,397	(54,841)	-47.9
Permanent workforce - average	1,113	1,065	+48	+4.5
Flexible workforce - average	63	80	(17)	-21.3

At 31 December 2022, the company declared dividends totalling €91 million.

Europa Gestioni Immobiliari SpA

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	33,228	29,175	+4,053	+13.9
Operating profit	7,244	6,071	+1,173	+19.3
Net result	4,315	3,135	+1,180	+37.6
Investments	882	592	+290	+49.0
Equity	243,014	241,796	+1,218	+0.5
Permanent workforce - average	24	25	(1)	-4.0
Flexible workforce - average	-	-	-	-

At 31 December 2022, the company declared dividends totalling €3 million.

Poste Air Cargo Srl

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	80,867	74,574	+6,293	+8.4
Operating profit	4,671	5,483	(812)	-14.8
Net result	2,244	3,300	(1,056)	-32.0
Investments	-	-	-	-
Equity	7,040	6,242	+798	+12.8
Permanent workforce - average	93	97	(4)	-4.1
Flexible workforce - average	4	6	(2)	-33.3

At 31 December 2022, the company declared dividends totalling €2 million.

BancoPosta Fondi SpA SGR

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	144,415	143,626	+789	+0.5
Operating profit	64,102	60,431	+3,671	+6.1
Net result	26,884	26,057	+827	+3.2
Investments	68,949	77,523	(8,574)	-11.1
Equity	55,816	57,074	(1,258)	-2.2
Permanent workforce - average	77	69	+7	+10.3
Flexible workforce - average	-	-	-	-

At 31 December 2022, the company declared dividends totalling €26 million.

Poste Vita SpA*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Insurance premium revenue**	17,179,478	17,574,114	(394,636)	-2.2
Net result	935,538	794,679	+140,859	+17.7
Financial assets	141,776,300	158,087,053	(16,310,753)	-10.3
Technical provisions for insurance business	139,627,593	158,794,616	(19,167,023)	-12.1
Equity	6,575,971	5,718,521	+857,450	+15.0
Permanent workforce - average	350	341	+9	+2.6
Flexible workforce - average	3	2	+1	+50.0

* The figures shown have been prepared in accordance with IFRS and therefore may not coincide with those in the Interim Report prepared in accordance with the Italian Civil Code and under Italian GAAP.

** Insurance premium revenue is reported gross of outward reinsurance premiums.

At 31 December 2022, the company declared dividends totalling €397 million.

Poste Assicura SpA*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Insurance premium revenue**	374,683	304,614	+70,069	+23.0
Net result	41,531	25,033	+16,498	+65.9
Financial assets	572,627	499,875	+72,752	+14.6
Technical provisions for insurance business	358,248	294,106	+64,142	+21.8
Equity	276,411	259,536	+16,875	+6.5
Permanent workforce - average	91	73	+18	+24.7
Flexible workforce - average	-	-	-	-

* The figures shown have been prepared in accordance with IFRS and therefore may not coincide with those in the Interim Report prepared in accordance with the Italian Civil Code and under Italian GAAP.

** Insurance premium revenue is reported gross of outward reinsurance premiums.

PostePay SpA

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	1,315,962	1,201,695	+114,267	+9.5
Operating profit	366,502	281,682	+84,820	+30.1
Net result	261,220	201,987	+59,233	+29.3
Investments	20,181	17,343	+2,838	+16.4
Equity	1,403,594	560,275	+843,319	n/s
Permanent workforce - average	315	285	+30	+10.5
Flexible workforce - average	2	-	+2	n/s

n/s: not significant

At 31 December 2022, the company declared dividends totalling €119 million.

sender Italia Srl

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	229,395	202,540	+26,855	+13.3
Operating profit	4,317	2,859	+1,458	+51.0
Net result	3,164	2,006	+1,158	+57.7
Investments	570	434	+136	+31.3
Equity	10,514	7,159	+3,355	+46.9
Permanent workforce - average	77	66	+11	+16.7
Flexible workforce - average	18	20	(2)	-10.0

MLK Deliveries SpA

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	43,771	32,774	+10,997	+33.6
Operating profit	975	(1,507)	+2,482	n/s
Net result	663	(1,235)	+1,898	n/s
Capital expenditure	334	981	(647)	-66.0
Equity	13,308	11,964	+1,344	+11.2
Permanent workforce - average	34	35	(1)	-2.9
Flexible workforce - average	-	-	-	-

n/s: not significant

Plurima SpA*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	40,598	-	n/s	n/s
Operating profit	4,086	-	n/s	n/s
Net result	1,735	-	n/s	n/s
Capital expenditure	1,728	-	n/s	n/s
Equity	19,664	-	n/s	n/s
Permanent workforce - average	425	-	n/s	n/s
Flexible workforce - average	153	-	n/s	n/s

n/s: not significant

* The figures shown refer to the period of consolidation of the company within the Poste Italiane Group (01/04/2022 - 31/12/2022) and are prepared in accordance with IFRS.

Nexive Network Srl

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	80,016	123,529	(43,513)	-35.2
Operating profit	1,134	(12,144)	+13,278	n/s
Net result	225	(9,576)	+9,801	n/s
Investments	-	10	(10)	-100.0
Equity	8,242	7,917	+325	+4.1
Permanent workforce - average	84	742	(658)	-88.7
Flexible workforce - average	-	16	(16)	-100.0

n/s: not significant

LIS Holding SpA*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	21,852	-	n/s	n/s
Operating profit	4,229	-	n/s	n/s
Net result	15,600	-	n/s	n/s
Investments	4,936	-	n/s	n/s
Equity	163,388	-	n/s	n/s
Permanent workforce - average	47	-	n/s	n/s
Flexible workforce - average	2	-	n/s	n/s

n/s: not significant

* The figures shown refer to the period of consolidation of the company within the Poste Italiane Group (01/09/2022 - 31/12/2022).

LIS Pay SpA*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	76,205	-	n/s	n/s
Operating profit	12,453	-	n/s	n/s
Net result	7,791	-	n/s	n/s
Investments	345	-	n/s	n/s
Equity	104,695	-	n/s	n/s
Permanent workforce - average	27	-	n/s	n/s
Flexible workforce - average	2	-	n/s	n/s

n/s: not significant

* The figures shown refer to the period of consolidation of the company within the Poste Italiane Group (01/09/2022 - 31/12/2022).

Annual Report 2022
Poste Italiane Group

Sourcesense SpA*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	6,347	-	n/s	n/s
Operating profit	297	-	n/s	n/s
Net result	112	-	n/s	n/s
Capital expenditure	244	-	n/s	n/s
Equity	7,010	-	n/s	n/s
Permanent workforce - average	14	-	n/s	n/s
Flexible workforce - average	-	-	n/s	n/s

n/s: not significant

* The figures shown refer to the period of consolidation of the company within the Poste Italiane Group (01/10/2022 - 31/12/2022) and are prepared in accordance with IFRS.

Sengi Express Limited*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	115,175	77,285	+37,890	+49.0
Operating profit	6,933	5,428	+1,505	+27.7
Net result	6,987	3,283	+3,704	n/s
Capital expenditure	-	-	-	-
Equity	6,256	3,931	+2,325	+59.1
Permanent workforce - average	-	-	-	-
Flexible workforce - average	-	-	-	-

n/s: not significant

* The figures shown have been prepared in accordance with IFRS and therefore may not coincide with those in the Interim Report of the company prepared in accordance with local GAAP.

At 31 December 2022, the company declared dividends totalling €2 million.

Agile LAB Srl*

(€k)	FY 2022	FY 2021	CHANGES	
			Values	%
Revenue from sales and services	1,613	-	n/s	n/s
Operating profit	(1,589)	-	n/s	n/s
Net result	(1,189)	-	n/s	n/s
Capital expenditure	700	-	n/s	n/s
Equity	4,355	-	n/s	n/s
Permanent workforce - average	18	-	n/s	n/s
Flexible workforce - average	-	-	n/s	n/s

n/s: not significant

* The figures shown refer to the period of consolidation of the company within the Poste Italiane Group (01/10/2022 - 31/12/2022) and are prepared in accordance with IFRS.

9. Consolidated non-financial statement

NFS

PRINCIPALI
CAPITALI COLLEGATI

Introduction

Poste Italiane's Consolidated Non-Financial Statement (NFS or "Statement") for 2022 has been drafted on the basis of the 8 key sustainability pillars of the Group's ESG Strategic Plan which covers environment (E), social (S) and governance (G) issues and has been designed with the aim of generating long-term value for stakeholders.

In addition to ensuring compliance with the provisions of the Italian Legislative Decree no. 254/2016 ("Decree") through the information contained in this Chapter, conformity with the law requirements is also ensured by providing references to other sections of the Annual Report and to other company documents, when the information is already contained therein or to which reference is made for additional clarifications. In particular:

- the corporate management and organisation model is illustrated in chapter 4 "Business model" and in the paragraphs "Integrating Sustainability into Poste Italiane's Strategy" and "Poste Italiane's Integrated Internal Control and Risk Management System", which describes the way in which the organisation, thanks to business activities, generates results aimed at achieving strategic objectives and creating value in the short, medium and long term;
- risk management, implemented through the Group Risk Management (RMG) model based on the Enterprise Risk Management (ERM) framework, is described in the paragraphs "Relevant Sustainability Topics for Poste Italiane" and "The Internal Control and Integrated Risks of Poste Italiane", which describes in greater detail the main non-financial risks associated with the material topics, the possible impacts and the related management methods;
- company policies are described in the paragraph "The Group's Sustainability Policies" which sets out the general rules of conduct on which all of Poste Italiane's activities must be based. In addition, the chapter 7 "Value Creation" provides information, with regard to each material topic, on the related strategic objectives and the operating processes used to deliver on them;
- performances are illustrated in the paragraphs of the chapter 7 "Value Creation", which describes the main initiatives for the year, and in the paragraph "Indicators tables", which shows the results achieved in the last three years.

9.1 Reporting standards and policies

Poste Italiane's Consolidated Non-financial Statement (NFS) has been prepared in compliance with Italian Legislative Decree 254/2016 and in accordance with the most widely used international standards: the Global Reporting Initiative's GRI Standards in accordance with the 2021 update of the Universal Standards published by the Global Reporting Initiative (GRI). Furthermore, within the 2022 NFS, for purposes other than that of complying with the requirements of Legislative Decree 254/2016, additional KPIs were integrated specific to the sector in which the Group operates, taking into consideration the indicators published by GRI - Financial Services and the Sustainability Accounting Standards Board (SASB). These indicators are clearly identified in the table on pages 476-477 and are to be considered additional to the disclosure prepared in accordance with the GRI Standards to meet the requirements of Legislative Decree 254/16.

The Statement is included in the Report on Operations, which in turn is contained in the 2022 Annual Report and constitutes Poste Italiane's Integrated Report, prepared in accordance with the principles included in the "International Framework", published by the International Integrated Reporting Council (IIRC).

The NFS was approved by Poste Italiane SpA's Board of Directors on 29 March 2023, pursuant to art. 3, paragraph 10 of the Decree. The NFS was approved by Poste Italiane SpA's Board of Directors on 29 March 2022, pursuant to art. 3, paragraph 10 of the Decree. The NFS, with the exception of disclosures relating to SASB, WEF, TCFD and SDGs requirements, as well as the disclosure related to the process of determining "financial materiality" and related outputs, carried out in anticipation of the requirements of the Corporate Sustainability Reporting Directive (CSRD), with the scope of making an exercise of applying the concept of double materiality (as defined in Chapter 5 "Strategy"), has been subjected to a limited assurance engagement in accordance with the criteria indicated in the "International Standard on Assurance Engagements ISAE 3000 Revised - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (IAASB) by Deloitte & Touche SpA, which expresses its opinion in a special "Report of the Independent Auditors" contained in the document.

In order to define the contents of the NFS and thus identify the material issues to be included in the Group's Sustainability Strategy, Poste Italiane revised and refined its materiality analysis methodology, aligning it to the provisions contained in the 2021 update of the GRI standards and taking into account the provisions of the EFRAG, albeit still in draft form. The degree of detail with which material topics are treated in the reporting was determined on the basis of the significance of the related impacts, determined through the aforementioned materiality analysis process, which involved top management and the Group's stakeholders through specific engagement activities (for more information, please refer to the section 'Priority Sustainability Issues for Poste Italiane').

For each material topic, the company's management and organisational model, policies including due diligence policies, the results achieved through them and some non-financial performance indicators, as well as the related impacts on the economy, environment and people, including human rights impacts and how these impacts are managed, were reported.

Key Performance Indicators are collected on an annual basis; indicators reported refer to 2022, and where available to the 2020-2022 period as well. The qualitative and quantitative information comes from the Group's corporate information systems and from a non-financial reporting system specifically implemented to meet the requirements of the Decree. The data is based on punctual calculations and, where specifically indicated, on estimates. In particular, the estimated data regard certain items relating to energy consumption inside and outside the organisation - data regarding electricity consumption (for security purposes and relating to outsourced Data Centres), natural gas, diesel, LPG and district heating for the Group's real estate facilities - and water consumption, which was calculated on the basis of the costs incurred and the average tariff payable. Consumption linked to logistics is estimated in terms of distance travelled and/or average consumption of the means and the transported load, except for motor vehicles used in last mile logistics. Moreover, it should be pointed out that in this document the figures in millions of Euro have been rounded up or down, so the sum of the rounded amounts may not add up to the rounded total. During the period, following the update of the Poste Italiane Business Plan, the Group's targets and objectives were updated.

All GRI Standards indicators reported are shown in the GRI Content Index of this section starting on page 465.

All the data refer only to the companies consolidated using the line-by-line method for financial reporting, as indicated in the table "Scope of consolidation and highlights of investments" (Note 13 - pages 780-782). Exceptions to this scope are explicitly indicated within the document. In addition, each reported indicator always has a coverage equal to the total of the information request, net of explicit specification. The terms Poste Italiane, Group or Company are used in the NFS to refer to the Poste Italiane Group. In addition, content related to the NFS, as previously mentioned, is also indicated to make it easily identifiable, by this infographic:

NFS

MAIN RELATED TYPES OF CAPITAL



9.2 European Taxonomy Regulation

Due to the European Union's increasing focus on environmental and social sustainability issues, on 22 June 2020, published in the Official Journal of the European Union was EU Regulation No. 852/2020 (so-called Taxonomy Regulation), which establishes the criteria for an economic activity to be considered environmentally sustainable. Renewing its commitment to a rapid transition to a modern, competitive, climate-resilient, resource-efficient and resource-efficient economy in line with the UN Sustainable Development Goals (SDGs) and the European Green Deal, the European Commission introduced the Taxonomy Regulation with the aim of establishing a unified classification system for sustainable activities and, at the same time, using a common language to establish a clear definition of what is 'green'.

The identification of a unified classification system based on harmonised criteria at EU level to define an environmentally sustainable activity is the most important action within the Action Plan to finance sustainable growth. To this end, the Taxonomy Regulation is set in a challenging context undertaken by the European Union to boost the contribution of the financial sector in supporting the European Union's climate and sustainable development agenda.

EU Regulation No. 852/2020 establishes the basis for the Taxonomy, the environmental objectives and the ways in which an economic activity can be defined as environmentally sustainable, and identifies itself at European level as a tool that can help:

- companies to evaluate their activities, to adopt corporate policies aimed at greater environmental sustainability and to report more comprehensively and comparably to their stakeholders;
- investors in the integration of sustainability issues within investment policies and to understand the environmental impact of the economic activities in which they invest or want to invest;
- public institutions to define and improve their ecological transition policies.

Furthermore, the Taxonomy Regulation allows market participants to have an unambiguous definition of sustainable assets to use in their decision-making processes and at the same time promotes the transparency of financial markets with respect to sustainability issues in terms of investment choices, providing investors with adequate information to steer capital flows towards sustainable choices.

In compliance with the requirements of the Taxonomy Regulation, companies subject to the obligation to publish a non-financial statement must provide information on how and to what extent their business activities are 'eco-sustainable'.

According to the Taxonomy Regulation, an economic activity can be defined as environmentally sustainable (aligned to the EU Taxonomy) if it fulfils the following criteria:

- contributes substantially to the achievement of one or more of the six environmental objectives defined in the regulation;
- does not cause significant harm to other environmental objectives (Do Not Significant Harm - DNSH);
- is carried out in compliance with minimum safeguards.

In this regard, the European Commission has defined a set of requirements (so-called technical screening criteria) that must be met by operators carrying out economic activities impacting on the objectives defined by the Taxonomy.



In relation to the way in which the environmental sustainability information that financial and non-financial companies are required to provide is presented, EU Delegated Regulation No. 2178/2021, which incorporates the provisions set out in the Taxonomy Regulation, specifies the content, methodology and presentation methods of the so-called 'key performance indicators' or 'KPIs' to be reported and the qualitative information that must accompany them. The delegated act specifies in particular that:

- Non Financial Undertakings are required to report the percentage of their turnover, capital expenditure (Capex) and operating expenditure (Opex) associated with economic activities aligned with the EU Taxonomy;
- Financial Undertakings must report the share of investments/financing associated with economic activities aligned with the EU Taxonomy¹¹⁸.

Pursuant to Art. 10 of the Delegated Regulation, for the second year of reporting there is a differentiation in the presentation of key performance indicators between Non-Financial Undertakings and Financial Undertakings; in fact, as of 1 January 2023, Non-Financial Undertakings must disclose the share of their turnover, capital expenditure (Capex) and operating expenditure (Opex) associated with economic activities aligned with the Taxonomy, i.e. included in the list of activities that comply with all the general conditions defined by the Taxonomy, including the assessment of the technical screening criteria defined, for this reporting year, in Annex I and Annex II of the Technical Delegated Acts to the Taxonomy Regulation - substantial contribution to Climate Change Mitigation and Adaptation. On the other hand, for Financial Undertakings, the process of aligning their business activities will come into effect as of 1 January 2024; thus, for another year of reporting, Financial Undertakings will have to show the share of investments/financing eligible to the Taxonomy, i.e. included in the list of activities considered to date by the Taxonomy as potentially environmentally sustainable with reference to the first two objectives defined by the European Commission.

¹¹⁸ It should be noted that the legislation qualifies financial companies by distinguishing between credit institutions, asset managers, investment firms and insurance/reinsurance companies, providing different metrics and reporting methods for each category.

European Taxonomy: methodological Approach to the Reporting Process

The Poste Italiane Group has adopted a methodological approach that provides an adequate and representative disclosure of its business profile. In particular, this approach was introduced following a careful analysis of the economic activities as well as of the regulatory framework of reference, as part of the commitment to play an active part in achieving the European Union's Sustainable Development Goals.

In line with the principle of transparency towards the market that has always been followed, Poste Italiane has provided for a reporting method capable of providing evidence of both industrial operations (Non Financial Undertakings) and financial operations (Financial Undertakings). In particular, pursuant to the regulations in force relating to the reporting methods of mixed groups, Poste Italiane has decided to pursue a dual reporting method: within this document, in fact, disclosure is made on a consolidated basis of the KPIs envisaged for the Non Financial Undertakings¹¹⁹, as well as of the KPIs envisaged by the regulations, and deemed to be more representative of the financial and insurance business of the Poste Italiane Group, for the Financial Undertakings. This choice was guided by the conviction that this method of reporting can contribute to completing the information framework for both investors and, more generally, Poste Italiane's stakeholders, enabling them to have information consistent with the regulatory provisions in force, which are still being completed.

The process of reporting on the information requirements outlined in the Taxonomy Regulation involved a careful analysis of the regulations and related developments, in order to identify, assess and consolidate the qualitative and management and/or accounting information necessary for the relative calculation of the indicators representing alignment for Non-Financial Undertakings and eligibility for Financial Undertakings. This process, therefore, involved numerous functions of the Group that own the data, requiring the participation of the main business structures to identify the activities aligned with and eligible for the Taxonomy, in compliance with the related eco-sustainability criteria associated with the individual economic activities being assessed, as well as the related management of the data collection process.

Finally, in line with the previous year, it was deemed appropriate and efficient to request the support of the external provider Moody's in order to process certain data necessary for the calculation of the KPIs of the Financial Undertaking. At the same time, also for this year, with the aim of guaranteeing a correct reconciliation with the economic and financial figures shown in the financial reporting, the eligibility analyses carried out by the external provider Moody's on potentially eco-sustainable investments were accompanied by the constant monitoring by the Administration, Finance and Control function.

Eco-sustainable business activities of Poste Italiane

The indicators required by the regulations for Non-Financial Undertakings are shown below, which, as previously outlined, in order to avoid any potential risk of double counting, have been calculated on a consolidated basis, net of intra-group items, thus considering the same scope of consolidation as the consolidated financial statements.

In line with the regulatory requirements concerning the manner in which the key performance indicators for Non-Financial Undertakings, presented in table form are respectively the share of turnover, of capital expenditure (Capex) and operating expenditure (Opex) arising from products or services associated with aligned, eligible but not aligned and non-taxonomy eligible economic activities.

In connection with the taxonomy alignment analyses performed for this financial year, pursuant to Article 3 (c) of Regulation 852/2020, the Group conducted its business activities in compliance with the minimum safeguards¹²⁰, i.e. in line with the OECD Guidelines, the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set forth in the eight core conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Furthermore, it should be noted that, with reference to the disclosure pursuant to Article 8 paragraphs 6 and 7 of EU Delegated Regulation No. 2178/2021, which provides for the use of the templates provided in Annex XII for the disclosure of nuclear and fossil gas activities, all the templates have been omitted as they are not representative of the company's activities.

119. Approach in line with the European Commission's FAQs published in December 2021 on how to report on mixed groups with industrial and financial operations.

120. For more details on compliance with the four pillars of the Platform on Sustainable Finance, see "Integrity and transparency".

Finally, in line with the latest FAQ published by the European Commission¹²¹, for the first year of alignment reporting, publication of comparative data with the previous year of disclosure is not required.

Turnover KPIs

As shown in Table 1: Share of turnover derived from products or services associated with economic activities aligned with the Taxonomy - Disclosure for the year 2022, the share of turnover derived from economic activities that are aligned, eligible but not aligned, and not eligible for the Taxonomy has been identified.

The share of turnover associated with economic activities aligned with the taxonomy is 0.7%, while the share of eligible but non-aligned economic activities is 8.9%; thus, the share of non-eligible turnover is equivalent to 90.4%.

The KPIs reported here refer to the revenues associated with the Strategic Business Units 'Mail, Parcels and Distribution' and 'Insurance Services', of which delivery and transport activities and premiums on non-life policies for the underwriting of climate-related perils were taken into account, respectively.

In particular, with reference to the "Mail, Parcels and Distribution" SBU, the portion of revenues (Note C1 "Revenues from mail, parcels and other" Consolidated Financial Statements) referable to economic activities included in "6.6 - Road haulage services" - climate change mitigation objective, as it is more in line with the nature of the same economic activities; on the other hand, with reference to the "Insurance Services" SBU, revenues (Note C2 "Net revenues from Financial Services") from premiums on non-life policies pertaining to "10.1 - Non-life insurance: underwriting of climate-related perils" - climate change mitigation objective were evaluated.

In addition, in order to relate the Group's revenues to the revenue category subject to the alignment and eligibility analyses of road haulage services, a weighting driver was adopted based on the initial cost of the number of vehicles in the Group's corporate fleet, which therefore participate in the formation of the revenues of the "Mail, Parcels and Distribution" SBU.

Eligible revenues from the insurance business include premiums directly related to fire and other property damage policies.

In connection with the alignment analyses, by virtue of the individual technical screening criteria relating to the respective associated objectives for the economic activities under assessment, the alignment for the component of economic activities falling under "6.6 - Road haulage services" was reconciled. In fact, following a careful analysis of the management information covering the respective criteria of substantial contribution to the Climate Change Mitigation and DNSH objectives, the Group's corporate fleet vehicles, falling within the perimeter of delivery only, of category N1¹²² were identified that have direct (tailpipe) CO₂ emissions of zero and do not significantly harm the objectives of Climate Change Adaptation, Transition to a Circular Economy and Pollution Prevention and Reduction.

Instead, with reference to the total turnover at the consolidated level, the total "Net revenues from ordinary operations" for the year 2022 was determined, as reported in the "Consolidated Statement of Profit/(Loss) for the Year" in the Consolidated Financial Statements, in accordance with IAS 1.82(a).

121. FAQs published in December 2022 by the European Commission on disclosure of KPIs required by the EU Delegated Regulation 2021/2178 for Non Financial Undertakings.
122. Vehicles intended for the carriage of goods and having a maximum mass not exceeding 3.5 t (Art. 47, New Highway Code).

Table 1: Share of turnover derived from products or services associated with economic activities aligned with the taxonomy - Disclosure for the year 2022¹²³

Economic activities (1)	Codes (2)	Absolute Turnover (3)	Proportion of Turnover (4)	Substantial contribution criteria						DNSH criteria						Minimum safeguards (17)	Taxonomy-aligned proportion of Turnover year 2022 (18)	Taxonomy-aligned proportion of Turnover year 2021 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystem (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystem (16)					
	mln €	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Freight transport services by road	6.6	83	0.7%	0.7%	0.0%					Y	Y		Y	Y		Y	0.7%			
Non-life insurance: underwriting of climate-related perils	10.1	0	0.0%	0.0%	0.0%					Y	N						0.0%			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		83	0.7%	0.7%	0.0%												0.7%			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Freight transport services by road	6.6	1,051	8.8%	8.8%	0.0%															
Non-life insurance: underwriting of climate-related perils	10.1	11	0.1%	0.0%	0.1%															
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,062	8.9%	8.8%	0.1%															
Total (A.1. + A.2.)		1,145	9.6%	9.5%	0.1%												0.7%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		10,744	90.4%																	
Total (A + B)		11,889	100%																	

123. The data reported have been rounded to facilitate consultation of the same. For this reason, the amounts may differ slightly from the data reported.

KPIs of capital expenditure

The share of capital expenditure from taxonomy-aligned economic activities is 5.1%, as reported in the template (Table 2: Share of capital expenditure from products or services associated with economic activities aligned with the taxonomy - Disclosure for the year 2022), according to Annex II of Delegated Regulation No. 2178/2021. With regard, on the other hand, to the share of Capex associated with eligible but non-aligned economic activities, 17.8% was achieved in this year, thus, the share of non-eligible capital expenditure is 77.1%.

The indicators shown are capital expenditures associated with investments in the Group's corporate fleet, which are directly related to the revenues of the Strategic Business Unit 'Mail, Parcels and Distribution', and investments made in energy efficiency on the Group's buildings, which specifically refer to the installation of energy efficiency devices, electric vehicle charging stations, intelligent tools for the measurement, regulation and control of the energy performance of buildings and renewable energy technologies.

Therefore, the findings at the numerator of this KPI mainly refer to:

- investments associated with '6.6 - Road haulage services' that contribute to the environmental objective of Climate Change Mitigation;
- Capex linked to sector '7. Building and Real Estate Activities' - Climate Change Mitigation objective, with a focus on enabling activities under "7.3 Installation, maintenance and repair of energy efficiency devices", "7.4 Installation, maintenance and repair of electric vehicle charging stations in buildings (and parking spaces in buildings)", "7.5 Installation, maintenance and repair of instruments and devices for the measurement, regulation and control of the energy performance of buildings" and "7.6 Installation, maintenance and repair of renewable energy technologies".

The alignment analyses performed underlined the conformity of the assessed economic activities to the eco-sustainability criteria of the Taxonomy Regulation and the associated technical screening criteria. In this regard, activities falling within the scope of investments in the Group's corporate fleet vehicles of category N1 delivery only, as well as capital expenditures related to energy efficiency, eco-sustainable mobility, smart building and photovoltaic plants, which, respectively, by their nature, contribute substantially to the Climate Change Mitigation objective and do not significantly harm the other environmental objectives, have been subject to compliance assessment and therefore defined as aligned with the Taxonomy.

Instead, in relation to the denominator of the Capex KPI, the latter was reconciled on the basis of the sum of the gross additions to property, plant and equipment and intangible assets recognised in this year in application of IAS 16, 38, 40 and IFRS 16, as reported in Notes A1 "Property, Plant and Equipment", A2 "Investment Property", A3 "Intangible Assets" and A4 "Rights-of-Use Assets" to the Consolidated Financial Statements, to which reference should be made.

Table 2: Share of capital expenditure from products or services associated with economic activities aligned with the taxonomy - Disclosure for the year 2022¹²⁴

Economic activities (1)	Codes (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial contribution criteria						DNSH criteria						Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx year 2022 (18)	Taxonomy-aligned proportion of CapEx year 2021 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystem (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystem (16)					
	mln €	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Freight transport services by road	6.6	28	2.3%	2.3%	0.0%					Y	Y		Y	Y		Y	2.3%			
Installation, maintenance and repair of energy efficiency equipment	7.3	9	0.8%	0.8%	0.0%					Y	Y			Y		Y	0.8%	E		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	10	0.9%	0.9%	0.0%					Y	Y					Y	0.9%	E		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	3	0.2%	0.2%	0.0%					Y	Y					Y	0.2%	E		
Installation, maintenance and repair of renewable energy technologies	7.6	11	0.9%	0.9%	0.0%					Y	Y					Y	0.9%	E		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		61	5.1%	5.1%	0.0%												5.1%			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Freight transport services by road	6.6	213	17.8%	17.8%	0.0%															
Installation, maintenance and repair of energy efficiency equipment	7.3	0	0.0%	0.0%	0.0%															
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	0	0.0%	0.0%	0.0%															
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	0	0.0%	0.0%	0.0%															
Installation, maintenance and repair of renewable energy technologies	7.6	0	0.0%	0.0%	0.0%															
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		213	17.8%	17.8%	0.0%															
Total (A.1. + A.2.)		273	22.9%	22.9%	0.0%												5.1%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities		923	77.1%																	
Total (A + B)		1,196	100.0%																	

124. The data reported have been rounded to facilitate consultation of the same. For this reason, the amounts may differ slightly from the data reported.

KPIs of operational expenditure

Pursuant to Article 10 paragraph 4 of Delegated Regulation No. 2178/2021, with reference to the present financial year, the Group has identified and reported in the following Table 3: Share of operating expenses arising from products or services associated with economic activities aligned with the Taxonomy - Disclosure for the year 2022, the share of operating expenses associated with economic activities that are aligned, eligible but not aligned and ineligible for Taxonomy.

The share of Opex derived from economic activities aligned to the Taxonomy is 0.1%; the share of Opex associated with eligible but non-eco-sustainable economic activities is 2.3%, while the relevant non-eligible share is equivalent to 97.6%.

In relation to the respective alignment and eligibility analyses, the numerator of these KPIs mainly refers to direct costs strictly related to the economic activities of the Group's corporate fleet.

Therefore, in line with what was analysed for the Turnover KPI and the Capex KPI, given the nature of the same expenses achieved during the year, aligned and eligible operating expenses were assessed as directly associated with "6.6 Road Haulage Services", which are mainly relevant to Climate Change Mitigation objectives.

In particular, as explained in the section referring to the Turnover KPI, in order to trace the Opex analysed back to the book value of the operating expenses referring to N1 category vehicles, a weighting driver was adopted based on the opening cost of the number of vehicles included in the Group's corporate fleet that participate in the expenses similar to '6.6 - Road haulage services'. Therefore, the assessment of compliance with the criteria set forth in Article 3 of the Taxonomy Regulation and the technical screening criteria associated with the economic activities being analysed allowed for the identification of the alignment of the operating expenses related to the N1 category vehicles of the Group's corporate fleet, whose economic activities, at the same time, consistent with the DNSH criteria, do not significantly harm the other environmental objectives of Adaptation, Transition to a Circular Economy and Pollution Prevention and Reduction.

The denominator of the Operating Expenses KPI, pursuant to Annex I of the Delegated Regulation No. 2178/2021, is defined by the non-capitalised direct costs related to research and development, building renovation, rents, maintenance, repairs and other direct expenses related to the day-to-day operation of assets incurred in this financial year.

Table 3: Share of operating expenses arising from products or services associated with economic activities aligned with the taxonomy - Year 2022 disclosure¹²⁵

Codes (2)	Absolute Turnover (3)	Proportion of Turnover (4)	Substantial contribution criteria							DNSH criteria									
			Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystem (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystem (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of Turnover year 2022 (18)	Taxonomy-aligned proportion of Turnover year 2021 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Economic activities (1)	mln €	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Freight transport services by road	6.6	0.2	0.1%	0.1%	0.0%					Y	Y		Y	Y		Y	0.1%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0.2	0.1%	0.1%	0.0%												0.1%			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Freight transport services by road	6.6	9	2.3%	2.3%	0.0%														
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	9	2.3%	2.3%	0.0%															
Total (A.1. + A.2.)	9.2	2.4%	2.4%	0.0%												0.1%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Spese operative delle attività non ammissibili alla tassonomia (B)	378	97.6%																	
Total (A + B)	387	100.0%																	

125. The data reported have been rounded to facilitate consultation of the same. For this reason, the amounts may differ slightly from the data reported.

Eco-sustainable investments by the Poste Italiane Group

In order to ensure maximum transparency towards the market, the Group decided to also disclose the indicators provided for in the Taxonomy Regulation for Financial Undertakings. In fact, in relation to the financial operations of Asset Management and Insurance carried out by BancoPosta Fondi SGR and Poste Vita respectively, the respective KPIs governed by the regulations are reported below.

As mentioned above, for financial undertakings, a reduced information content has been envisaged for the first two years of reporting, with the share of eligible and ineligible exposures being published in the Taxonomy. For this year, however, it was possible to disclose KPIs on the share of eligible and non-eligible exposures performed on the basis of actual/reported Turnover and Capex percentages derived from the counterparties, i.e. timely data that allow mandatory reporting and no longer solely based on estimates and proxies.

In line with last year's reporting year, and with the aim of ensuring a higher level of data certification and methodologically robust processing, the Group considered it appropriate to involve the external provider Moody's ESG Solutions (MESG, formerly Vigeo Eiris), specialising in ESG solutions and mapping issuers according to Taxonomy criteria. In this regard, in fact, the methodology adopted by MESG has allowed it to analyse the assets falling within the scope of application of the Technical Delegated Acts referring to the first two environmental objectives of Mitigation and Adaptation to Climate Change, and to use punctual eligibility data on a Turnover and Capex basis in the calculation of KPIs.

MOODY'S | **ESG Solutions** The provider's support in the analyses conducted for the purpose of reporting the various indicators enabled the screening necessary for the disclosure of the KPIs, which showed a coverage of 98.4% and 97.7% of the corporate assets held directly and indirectly by Poste Vita and BancoPosta Fondi¹²⁶.

In relation to the methodology adopted by MESG, consistent with the relevant regulations, the numerator of the KPIs was defined as a function of the exposures held in the portfolio in terms of eligible economic activities to financial entities and non-financial entities subject to non-financial reporting requirements and covered by the MESG EU Taxonomy research. The denominator, on the other hand, is the sum of portfolio exposures held to counterparties within the scope of the MESG EU Taxonomy research, derivative exposures, liquidity and cash, net of sovereigns.

Therefore, with the exception of the "Share of exposures to central governments, central banks and supranational issuers", for which KPI the total Assets under Management has been adopted as the denominator, in accordance with the regulations, for the indicators shown below it is specified that the Total Assets, corresponding to the Assets under Management net of investments in central governments, central banks and supranational issuers (sovereigns), has been used as the denominator.

Finally, for BancoPosta Fondi SGR and Poste Vita, total assets represent 19% and 20% of total Assets Under Management, respectively.

Asset Management KPIs

With a view to representing the results of the analyses conducted in an increasingly complete manner and in accordance with regulatory requirements, for the present financial year, accurate data referring to the percentages of Turnover and Capex obtained for the counterparties in the portfolio were used. Therefore, it was possible to calculate the share of eligible and ineligible Turnover-based and Capex-based investments, respectively, below:

- taxonomy-weighted eligible investments are 13.3%;
- the share of Capex-based eligible investments is equivalent to 6.3%.

It should also be noted that these eligibility percentages represent the results of analyses conducted on BancoPosta Fondi SGR's investments that potentially contribute to the environmental objectives of Climate Change Mitigation and Climate Change Adaptation.

Thus, the share of ineligible investments on a Turnover basis is 86.7%, while the share of ineligible investments on a Capex basis is 93.7%.

126. Non-hedged assets constitute a very residual share and are mainly invested in mid- and small-capitalisation companies, which, to date, have not reported the necessary data for the taxonomy. It should also be noted that the Poste Vita assets subjected to screening were deducted of the assets managed by BancoPosta Fondi SGR, in order to avoid double counting.

Insurance KPIs

As previously reported for the KPI relating to BancoPosta Fondi SGR's asset management operations, two percentages were derived for the Poste Vita Group's share of investments - Investment KPI - in eligible and non-eligible assets, respectively, as a result of weighting the exposures against the accurate data. Investments potentially contributing to the environmental objectives of Climate Change Mitigation and Adaptation, and therefore eligible on a Turnover and Capex basis are 11.2% and 5.7% of total assets.

Therefore, the share of investments not eligible for the Taxonomy, as a function of Turnover and Capex percentages, are equivalent to 88.8% and 94.3% respectively.

Furthermore, within the Group's insurance business, the Underwriting KPI, representative of non-life underwriting, was performed. In this regard, revenues related to the underwriting of fire and other property damage policies were identified, valued in relation to the activity '10.1 - Non-life insurance: underwriting of climate-related perils', in accordance with Annex II of the Climate Act. Therefore, following the alignment and eligibility analyses, as also reported in the section on turnover KPIs, it was only possible to identify the share of eligible business related to the underwriting of non-life insurance policies on climate-related perils, which is equivalent to 3.5% of the total revenue generated in the non-life insurance business; therefore, the share of non-eligible business represents 96.5%.

Other KPIs

Lastly, with reference to the additional indicators required by the regulations for the categories of financial companies in which BancoPosta Fondi SGR and Poste Vita fall, the results for the current year are set out below:

- the "Share of exposures to central governments, central banks and supranational issuers" of BancoPosta Fondi SGR and Poste Vita is 81.5% and 79.8% respectively;
- the "Share of derivatives"¹²⁷ of BancoPosta Fondi SGR and Poste Vita is equal to 1.9% and 1.8% respectively;
- BancoPosta Fondi SGR's and Poste Vita's "Share of exposures in companies not subject to non-financial reporting requirements" is 39.6% and 48.2%, respectively.

127. In continuity with what was reported at 31.12.21, the absolute values of derivatives at mark-to-market for both BancoPosta Fondi SGR and Poste Vita were also considered for this year

Table showing the link with the scope of the Decree and the corresponding sections within the Annual Report

The following table shows the link between the information disclosure required by the Decree and the corresponding sections within the Annual Report and other company documents required by law.

Scopes of legislative decree 254/2016	Chapters/paragraphs included in the nfs	Topics and additional information included in other 2022 documents	
Company management and organisational model [Art. 3, paragraph 1, letter a)]	<ul style="list-style-type: none"> • Sustainability themes relevant to Poste Italiane • Incorporating sustainability within the Poste Italiane's strategy • Business Model • Poste Italiane's integrated internal control and risk management system 	Report on Corporate Governance	<ul style="list-style-type: none"> • 3. Corporate governance model Organisation of the Company • 6. Board of Directors; 6.1 Current composition and term of office • 7. Committees • 8. Board of Statutory Auditors • 9. Internal control and risk management system; 9.2 Organisational, management and the control model pursuant to Legislative Decree 231/2001
Policies [Art. 3, paragraph 1, letter b)]	<ul style="list-style-type: none"> • The Group's sustainability policies • 2022 outcomes of the value creation process at Poste Italiane • Value Creation 		
Main risks and related management systems [Art. 3, paragraph 1, letter c)]	<ul style="list-style-type: none"> • Sustainability themes relevant to Poste Italiane • Poste Italiane's integrated internal control and risk management system 	Report on Corporate Governance	<ul style="list-style-type: none"> • 9. Internal control and risk management system
Efforts to combat active and passive corruption [Art. 3, paragraph 1)]	<ul style="list-style-type: none"> • Work with transparency and integrity • Legality and incorporation of ESG criteria within the procurement processes • Integration of ESG factors into investment policies • Integration of ESG factors into insurance policies 	Report on Corporate Governance	<ul style="list-style-type: none"> • 9. Internal control and risk management system
Personnel [Art. 3, paragraph 1)]	<ul style="list-style-type: none"> • Protection of human rights at the Company • Equal career development opportunities • Personnel training and development • Staff welfare and well-being • Relations with social partners • Occupational health and safety 		
Respect for human rights [Art. 3, paragraph 1)]	<ul style="list-style-type: none"> • Legality and incorporation of ESG criteria within the procurement processes • Protection of human rights at the Company • Equal career development opportunities • Integration of ESG factors into investment policies • Integration of ESG factors into insurance policies 		
Environment [Art. 3, paragraph 1)]	<ul style="list-style-type: none"> • Legality and incorporation of ESG criteria within the procurement processes • Environmental impacts of real estate facilities • Environmental impacts of logistics • Integration of ESG factors into investment policies • Integration of ESG factors into insurance policies 		
Social [Art. 3, paragraph 1)]	<ul style="list-style-type: none"> • The economic value generated and distributed by the Poste Italiane Group • Legality and incorporation of ESG criteria within the procurement process • Support for the socio-economic development of local communities • Dialogue and transparency in relations with the authorities • Financial inclusion • Quality and customer experience • Innovation and digitisation of products, services and processes • Cyber Security, IT Security and Privacy • Integration of ESG factors into investment policies • Integration of ESG factors into insurance policies 		

The following table outlines the relations among the scope of the Decree, Poste Italiane's material topics and the corresponding GRI Standards and describes, for each material topic, the related impact generated both inside and outside of the organisation.

Table showing the link with the scope of the Decree, Poste Italiane material topics and the GRI Standards.

Scopes of legislative decree 254/2016	Material topics	GRI Standards	Internal scope	External scope	Type of impact
Efforts to combat active and passive corruption	Work with transparency and integrity	<ul style="list-style-type: none"> • GRI 205 Anti-corruption • GRI 207 Taxes • GRI 415 Public Policy 	Poste Italiane Group	<ul style="list-style-type: none"> • Suppliers and business partners • Entities and institutions • Customers • Shareholders and investors 	Generated by the Group
Personnel	Equal career development opportunities	<ul style="list-style-type: none"> • GRI 404 Training and Education • GRI 405 Diversity and Equal Opportunity 	Poste Italiane Group	<ul style="list-style-type: none"> • Entities and institutions • Shareholders and investors 	Generated by the Group
	Personnel training and development	<ul style="list-style-type: none"> • GRI 404 Training and Education 	Poste Italiane Group	<ul style="list-style-type: none"> • Customers • Entities and institutions • Shareholders and investors 	Generated by the Group
	<i>Staff welfare and well-being</i>	<ul style="list-style-type: none"> • GRI 401 Employment 	Poste Italiane Group	<ul style="list-style-type: none"> • Entities and institutions • Shareholders and investors 	Generated by the Group
	Relations with social partners	<ul style="list-style-type: none"> • GRI 402 Relations between employees and management 	Poste Italiane Group	<ul style="list-style-type: none"> • Entities and institutions 	Generated by the Group
	Occupational health and safety	<ul style="list-style-type: none"> • GRI 403 Occupational Health and Safety 	Poste Italiane Group	<ul style="list-style-type: none"> • Suppliers and business partners • Entities and institutions • Shareholders and investors 	Generated by the Group
Respect for human rights	Protection of human rights	<ul style="list-style-type: none"> • GRI 405 Diversity and Equal Opportunity 	Poste Italiane Group	<ul style="list-style-type: none"> • Suppliers and business partners • Communities and Territory • Entities and institutions • Shareholders and investors • Customers 	Generated by the Group
Environment	Legality and incorporation of ESG criteria within the procurement processes	<ul style="list-style-type: none"> • GRI 301 Materials 	Poste Italiane Group	<ul style="list-style-type: none"> • Suppliers and business partners 	Generated by the Group and directly connected through a business
	Environmental impacts of real estate facilities	<ul style="list-style-type: none"> • GRI 302 Energy • GRI 303 Water and Effluents • GRI 305 Emissions • GRI 306 Waste 	Poste Italiane Group	<ul style="list-style-type: none"> • Environment • Entities and institutions • Communities and Territory 	Generated by the Group and related to the Group through its commercial relationships
	Environmental impacts of logistics	<ul style="list-style-type: none"> • GRI 302 Energy • GRI 305 Emissions 	Poste Italiane Group	<ul style="list-style-type: none"> • Environment • Suppliers and business partners • Entities and institutions • Communities and Territory 	Generated by the Group
Social	Support for the socio-economic development of local communities	<ul style="list-style-type: none"> • GRI 203 Indirect economic impacts 	Poste Italiane Group	<ul style="list-style-type: none"> • Entities and institutions • Communities and Territory 	Generated by the Group
	Dialogue and transparency in relations with the authorities	-	Poste Italiane Group	<ul style="list-style-type: none"> • Entities and institutions • Communities and Territory 	Generated by the Group
	Financial inclusion	<ul style="list-style-type: none"> • FS 14 Initiatives to improve access to financial services for disadvantaged people 	Poste Italiane Group	<ul style="list-style-type: none"> • Entities and institutions • Communities and Territory 	Generated by the Group and to which the Group contributes
	Quality and customer experience	-	Poste Italiane Group	<ul style="list-style-type: none"> • Customers 	Generated by the Group
	Innovation and digitisation of products, services and processes	-	Poste Italiane Group	<ul style="list-style-type: none"> • Customers • Communities and Territory • Suppliers and business partners • Shareholders and investors 	Generato dal Gruppo e a cui il Gruppo contribuisce
	Cyber Security, IT Security and Privacy	<ul style="list-style-type: none"> • GRI 418 Customer Privacy 	Poste Italiane Group	<ul style="list-style-type: none"> • Customers • Suppliers and business partners • Entities and institutions • Shareholders and investors 	Generated by the Group
	Integration of ESG factors into investment policies	<ul style="list-style-type: none"> • FS 11 Percentage of goods subject to environmental or social screening positive and negative 	Poste Italiane Group	<ul style="list-style-type: none"> • Shareholders and investors • Communities and Territory • Environment 	Generated by the Group
	Integration of ESG factors into insurance policies	<ul style="list-style-type: none"> • FS 11 Percentage of goods subject to environmental or social screening positive and negative 	Poste Italiane Group	<ul style="list-style-type: none"> • Shareholders and investors • Communities and Territory • Environment 	Generated by the Group

9.3 Table of contents - GRI-Standards (GRI content index)

Statement of use	Poste Italiane has reported in accordance with the GRI Standards for the period from the 1st of January 2022 to the 31th of December 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI STANDARD	INFORMATION	LOCATION	OMISSION
General disclosures			
The organizations and its reporting practices			
GRI 2 - General Disclosures - Version 2021	2-1 Organizational details	Report on Operations: Statement from the Chairwoman and the Chief Executive Office (p. 8-12) Annual Report: Introduction (p. 492-493) Report on Operations: Omni-channel Strategy (p. 59-71) Report on Operations: Business model (p. 35-105)	
	2-2 Entities included in the organization's sustainability reporting	Report on Operations: Chapter 9. Consolidated non-financial statement (p. 451-480)	
	2-3 Reporting period, frequency and contact point	Report on Operations: Chapter 9. Consolidated non-financial statement (p. 451-480) For further information and details regarding the topics and indicators covered in this Report, contact: Poste Italiane SpA Corporate Affairs – Group Sustainable Development, Risk and Compliance Viale Europa, 190 00144 Rome – Italy	
	2-4 Restatement of information	Report on Operations: Chapter 9. Consolidated non-financial statement (p. 451-480); Tables of indicators (p. 392-431). No restatements have been made with respect to the previous year's figures, except where expressly stated.	
	2-5 External assurance	Report on Operations: Chapter 9. Consolidated non-financial statement (p. 451-480)	
Activities and workers			
GRI 2 - General Disclosures - Version 2021	2-6 Activities, value chain and other business relationships	Report on Operations: Omni-channel approach and Group operating segments (p. 59-105); Omni-channel Strategy (p. 59-71) Report on Operations: Performance of Poste Italiane SpA and Report on Operations of BancoPosta RFC (p. 242-254); Tables of indicators (p. 392-431) - Report on Corporate Governance and the Ownership Structure: Section I: Governance and Ownership Structure (p.1-8) Report on Operations: Legality and incorporation of ESG criteria within procurement processes (p. 268-274) Report on Operations: Principal corporate actions (p. 55-58); Poste Italiane's ownership and organisational structure (p. 35-38) - Report on Corporate Governance and the Ownership Structure: Section I: Governance and Ownership Structure (p.1-8)	
	2-7 Employees	Report on Operations: Performance of Poste Italiane SpA and Report on Operations of BancoPosta RFC (p. 242-254); Tables of indicators (p. 392-431); Report on Corporate Governance and the Ownership Structure: Section I: Governance and Ownership Structure (p.1-8) Chapter 7. Value Creation - Tables of indicators (p. 397-398)	
	2-8 Workers who are not employees	Chapter 7. Value Creation - Tables of indicators (p. 398)	

GRI STANDARD	INFORMATION	LOCATION	OMISSION
Governance			
GRI 2 - General Disclosures - Version 2021	2-9 Governance structure and composition	Report on Corporate Governance and the Ownership Structure: 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-34) Report on Operations: Poste Italiane's Corporate Governance (p. 136-140); Managing climate change related risks and opportunities (p. 158-168); Chapter 7. Tables of indicators (p. 392-431); Link: https://www.posteitaliane.it/it/consiglio-di-amministrazione.html	
	2-10 Nomination and selection of the highest governance body	Report on Corporate Governance and the Ownership Structure: 6. Board of Directors, 6.1 Current composition and term of office (pursuant to art. 123-bis, par 2, d), TUF (p.11); 6.8 Independent Directors (p.19-21); 6.10 Assessment of workings of the Board of Directors and Board Committees (p.22-23); 6.11 Diversity Policies (pursuant to art. 123-bis, par. 2, ld) -bis, TUF (p.23-24)	
	2-11 Chair of the highest governance body	Report on Corporate Governance and the Ownership Structure: 6.6 Chief Executive Officer (p.18-19)	
	2-12 Role of the highest governance body in overseeing the management of impacts	Report on Operations: The 2022 Multi-stakeholder Forum (p. 111-113); Poste Italiane's Corporate Governance (p. 136-140); Poste Italiane's Integrated Internal Control and Risk Management System (p. 141-146); Risk Management and Risk Assessment model (p. 143-146); Managing climate change related risks and opportunities (p. 158-168); Report on Corporate Governance and the Ownership Structure: 6.3 Role and functions (former art. 123-bis, par. 2.d), Consolidated Law on Finance) (p.13-15); 6.6 Chief Executive Officer (p.18-19); 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-34); 14. Other corporate governance procedures (pursuant to art. 123-bis, paragraph 2.a), Consolidated Law on Finance) (p.59-64)	
	2-13 Delegation of responsibility for managing impacts	Report on Operations: Poste Italiane's Corporate Governance (p. 136-140); Risk Management and Risk Assessment model (p. 143-146); The 2022 Multi-stakeholder Forum (p. 111-113) Report on Corporate Governance and the Ownership Structure: 7.3 Sustainability Committee (p.32-34)	
	2-14 Role of the highest governance body in sustainability reporting	Report on Corporate Governance and the Ownership Structure: 6.3 Role and functions (former art. 123-bis, par. 2.d), Consolidated Law on Finance) (p.14-16); 6.4 Board meetings and operating procedures (p.16-17); 7.3 Sustainability Committee (p.32-34)	
	2-15 Conflicts of interest	Report on Corporate Governance and the Ownership Structure: 14. Other corporate governance procedures (pursuant to art. 123-bis, paragraph 2.a), Consolidated Law on Finance) (p.59-64)	
	2-16 Communication of critical concerns	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p. 141-146) - Report on Corporate Governance and the Ownership Structure: 5.5 Equity participation by employees: rights mechanisms (pursuant to art. 123-bis, paragraph 1.e), Consolidated Law on Finance) (p.6); 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-34)	
	2-17 Collective knowledge of the highest governance body	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p. 141-146) - Report on Corporate Governance and the Ownership Structure: 6.3 Role and functions (former art. 123-bis, par. 2.d), Consolidated Law on Finance) (p.14-16); 6.8 Independent Directors (p.19-21); 6.10 Assessment of workings of the Board of Directors and Board Committees (p.22-23)	
	2-18 Evaluation of the performance of the highest governance body	Report on Corporate Governance and the Ownership Structure: 6.10 Assessment of workings of the Board of Directors and Board Committees (p.22-23)	
2-19 Remuneration policies	Report on the remuneration policy: 1st Section (p. 14-64)		

GRI STANDARD	INFORMATION	LOCATION	OMISSION
GRI 2 - General Disclosures - Version 2021	2-20 Process to determine remuneration	Report on Corporate Governance and the Ownership Structure: 6.12 Fees (p.25)	
	2-21 Annual total compensation ratio	Report on Operations: Tables of indicators (p. 411)	With respect to what is regulated in point b, taking into account the first year of indicator reporting and its integration within the process during its consolidation, the comparison will be provided starting with the 2023 Integrated Report.
Strategy, policies and practices			
GRI 2 - General Disclosures - Version 2021	2-22 Statement on sustainable development strategy	Report on Operations: Statement from the Chairwoman and the Chief Executive Office (p. 8-12)	
	2-23 Policy commitments	The precautionary approach required by principle 15 of the United Nations Rio Declaration is applied by Poste Italiane to protect the environment in the development, introduction of new products and services and in planning new operating activities. Report on Operations: The Group's Environmental Social and Governance (ESG) Strategic Plan (p. 122-125); Risk Management and Risk Assessment model (p. 143-146); Managing climate change related risks and opportunities (p. 158-168); Poste Italiane's commitment to managing human rights risks (p. 154-157); Work with transparency and integrity (p. 261-267)	
	2-24 Embedding policy commitments	Occupational Health and Safety Policy; Policy Diversity and Inclusion; Group Policy for the protection of Human Rights; Diversity Policy for administrative and auditing bodies of Poste Italiane; Responsible Investment Policy of BancoPosta Fondi SpA SGR; Responsible Insurance Policy of Poste Vita; Responsible Investment Policy of Poste Vita; Group Policy on Environmental Sustainability; Policy on Personal Data Protection; Policy on Community initiatives; Integrated Policy; Active Parenting Support Policy. Report on Operations: Poste Italiane's Corporate Governance (p. 136-140); Chapter 7 (p. 260; 278; 308; 322; 338; 354; 368; 384); Staff training and development (p. 279-290)	
	2-25 Processes to remediate negative impacts	Report on Operations: Chapter 6. Risks and Opportunities (p. 136-187)	
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing Guidelines Report on Operations: Stakeholder engagement (p. 110-111); The 2022 Multistakeholder Forum (p. 111-113)	
	2-27 Compliance with laws and regulations	Report on Operations: Chapter 7. Environmental impacts of real estate facilities (p. 339); Table of indicators (p. 395, 402, 411)	
	2-28 Membership associations	Report on Operations: The Group's Environmental, Social and Governance (ESG) Strategic Plan (p. 122-125); Dialogue and transparency in relations with the authorities (p. 330-332)	
	Stakeholder engagement		
GRI 2 - General Disclosures - Version 2021	2-29 Approach to stakeholder engagement	Report on Operations: Stakeholder engagement (p. 110-111)	
	2-30 Collective bargaining agreements	Report on Operations: Relations with social partners (p. 296-301)	

GRI STANDARD	INFORMATION	LOCATION	OMISSION
MATERIAL TOPICS			
GRI 3 - Material topics - Version 2021	3-1 Process to determine material topics	Report on Operations: Poste Italiane's Sustainability Strategy (p. 108-117)	
	3-2 List of material topics	Report on Operations: Poste Italiane's Sustainability Strategy (p. 109-110; 114-117)	
Work with transparency and integrity			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Work with transparency and integrity (p. 261-267); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Chapter 7. Tables of indicators (p. 393)	
	205-3 Confirmed incidents of corruption and actions taken	Chapter 7. Tables of indicators (p. 393)	
GRI 207 (2019): Tax	207-1 Approach to tax	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Fiscal transparency policy (p. 265.267); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
	207-2 Tax governance, control, and risk management		
	207-3 Stakeholder engagement and management of concerns related to tax		
	207-4 Country-by-country reporting	Chapter 7. Tables of indicators (p. 396)	
GRI 415: Public policy	415-1 Political contributions	In line with the provisions of the Group's Integrated Policy, in 2022, Poste Italiane made no contributions of any kind, either directly or indirectly, to political parties, movements, committees and political and labour union organisations, or to their representatives or candidates, either in Italy or abroad	
Legality and incorporation of ESG criteria within procurement processes			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Legality and incorporation of ESG criteria within procurement processes (p. 268-274); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 301: Materials	301-1 Materials used by weight or volume	Chapter 7. Tables of indicators (p. 395)	
	301-2 Recycled input materials used	Chapter 7. Tables of indicators (p. 395)	
Staff training and development			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Staff training and development (p. 279-290); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 404: Training and education	404-1 Average hours of training per year per employee	Chapter 7. Tables of indicators (p. 398)	

GRI STANDARD	INFORMATION	LOCATION	OMISSION
Staff welfare and well-being			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Staff welfare and well-being (p. 291-296); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 401: Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter 7. Tables of indicators (p. 401)	
Relations with social partners			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Relations with social partners (p. 296-301); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 402: Labor/management relations	402-1 Minimum notice periods regarding operational changes	For Poste Italiane and Group companies signatories of Poste Italiane National Collective Labour Contract: four weeks (25 working days from the date of the first meeting with the Labour Unions, including Saturday) for talks at national level; a further 2 weeks (13 working days, including Saturday) is provided for in order to endorse any agreement reached by trade union representation (RSU) Coordination; an additional week (7 working days, including Saturday) for talks at local level. SDA: the National Collective Labour Contract provides, in art. 44, in case of transfer, transformation or termination of the Company, the procedure provided for by art. 47 of Law no. 428 of 29 December 1990 raising the deadline for communication to the Labour Unions to 40 days if the transfer of business concerns more than 60 employees.	
Occupational health and safety			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Occupational health and safety (p. 301-305); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 403 (2018): Occupational health and safety	403-1 Occupational health and safety management system		
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system	Chapter 7. Tables of indicators (p. 402-403)	
	403-9 Work-related injuries	Chapter 7. Tables of indicators (p. 404-408)	

GRI STANDARD	INFORMATION	LOCATION	OMISSION
Protection of human rights			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Protection of human rights (p. 309-314); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 405: Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	Chapter 7. Tables of indicators (p. 409-410)	
Equal career development opportunities			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Equal career development opportunities (p. 314-319); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 404: Training and education	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter 7. Tables of indicators (p.410)	
Support for the socio-economic development of local communities			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Support for the socio-economic development of local communities (p. 323-330); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	Report on Operations: Highlights (p. 24-25); Tables of indicators (p. 412)	
GRI 203: Indirect economic impact	203-1 Infrastructure investments and services supported	Chapter 7. Tables of indicators (p. 412)	
Dialogue and transparency in relations with the authorities			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Dialogue and transparency in relations with the authorities (p. 330-332); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
Financial inclusion			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Financial inclusion (p. 332-335); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
	FS14 Initiatives to improve access to financial services for disadvantaged people	Chapter 7. Tables of indicators (p. 413)	

GRI STANDARD	INFORMATION	LOCATION	OMISSION
Environmental impacts of real estate facilities			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Environmental impacts of real estate facilities (p. 339-347); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 302: Energy	302-1 Energy consumption within the organization	Chapter 7. Tables of indicators (p. 415; 419)	
	302-2 Energy consumption outside of the organization	Chapter 7. Tables of indicators (p. 415; 419)	
	302-3 Energy intensity	Chapter 7. Tables of indicators (p. 416)	
	302-4 Reduction of energy consumption	Chapter 7. Tables of indicators (p. 420)	
GRI 303 (2018): Water and effluents	303-1 Interactions with water as a shared resource	Report on Operations: Environmental impacts of real estate facilities (p. 339-347); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
	303-2 Management of water discharge-related impacts		
	303-3 Water withdrawal	Chapter 7. Tables of indicators (p. 416) Currently, there is no evidence that Poste Italiane withdraws water from water-stressed areas. Therefore, this value is zero.	
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Chapter 7. Tables of indicators (p. 417; 419)	
	305-2 Energy indirect (Scope 2) GHG emissions	Chapter 7. Tables of indicators (p. 417; 419)	
	305-3 Other indirect (Scope 3) GHG emissions	Chapter 7. Tables of indicators (p. 417; 419)	
	305-4 GHG emissions intensity	Chapter 7. Tables of indicators (p. 420)	
	305-5 Reduction of GHG emissions	Chapter 7. Tables of indicators (p. 420)	
GRI 306 (2020): Waste	306-1 Waste generation and significant waste-related impacts	Report on Operations: Environmental impacts of real estate facilities (p. 339-347); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated	Chapter 7. Tables of indicators (p. 417-418)	
	306-4 Waste diverted from disposal		
	306-5 Waste directed to disposal		

GRI STANDARD	INFORMATION	LOCATION	OMISSION
Environmental impacts of logistics			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Environmental impacts of logistics (p. 347-351); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 302: Energy	302-1 Energy consumption within the organization	Chapter 7. Tables of indicators (p. 415; 421; 422)	
	302-2 Energy consumption outside of the organization	Chapter 7. Tables of indicators (p. 415; 421; 422)	
	302-3 Energy intensity	Chapter 7. Tables of indicators (p. 416)	
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Chapter 7. Tables of indicators (p. 417; 421; 422)	
	305-2 Energy indirect (Scope 2) GHG emissions	Chapter 7. Tables of indicators (p. 417; 421)	
	305-3 Other indirect (Scope 3) GHG emissions	Chapter 7. Tables of indicators (p. 417; 421; 422)	
Quality and customer experience			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Quality and customer experience (p.355-360); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
Cybersecurity, IT Security and Privacy			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Cybersecurity, IT Security and Privacy (p. 360-365); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
GRI 418: Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 7. Tables of indicators (p. 428)	
Innovation and digitisation of products, services and processes			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Innovation and digitisation of products, services and processes (p. 369-381); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	





GRI STANDARD	INFORMATION	LOCATION	OMISSION
Integration of ESG factors into investment policies			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Integration of ESG factors into investment policies (p. 385-389); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
	FS11 Percentage of assets subject to positive and negative environmental or social screening	In 2022, Poste Vita and BancoPosta Fondi SGR - Poste Italiane Group companies operating in the investment sector - subjected their portfolios to social and environmental screening by an external body. This assessment concerned 90% of BancoPosta Fondi SGR's corporate AuM and 98% of BancoPosta Fondi SGR's AuM in government bonds.	
Integration of ESG factors into insurance policies			
GRI 3 - Material topics - Version 2021	3-3 Management of material topics	Report on Operations: The materiality matrix (p. 113-115); Poste Italiane's Sustainability Strategy (p. 108-117); Integration of ESG factors into insurance policies (p. 389-391); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p. 463-464)	
	FS11 Percentage of assets subject to positive and negative environmental or social screening	In 2022, Poste Vita and BancoPosta Fondi SGR - Poste Italiane Group companies operating in the investment sector - subjected their portfolios to social and environmental screening by an external body. This assessment concerned 96% of Poste Vita's total AuM.	

TCFD Content Index

In 2021, the company became an official supporter of the TCFD (Task Force on Climate Related Disclosures), further underwriting its commitment to creating a more resilient financial system through climate-related disclosure. The following Content index provides a more intuitive understanding of how Poste Italiane's climate strategy is aligned with the organisation's recommendations.

MAIN RELATED TYPES OF CAPITAL



RECOMMENDATIONS	REFERENCE
<h3> Governance</h3>	
<h4>Organisational Governance Disclosure</h4>	
Board oversight of climate-related risks and opportunities	The Corporate Governance of Poste Italiane (p.136-140); The management of climate change risks and opportunities (p.158-168)
Management's role in assessing and managing climate-related risks and opportunities	
<h3> Strategy</h3>	
<h4>Disclosure of the impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning</h4>	
Actual and potential impacts of climate-related risks and opportunities, identified to date, on the organisation's business, strategy and financial planning in the short, medium and long term	The European Taxonomy Regulation (p.453-464); Managing Climate Change Risks and Opportunities (p.158-168); Managing Emerging Risks and Related Opportunities (p.169-187); Green transition (p.339-351)
Describe the climate-related risks and opportunities that the organisation has identified	
Describe the resilience of the organisation's strategy, considering different climate scenarios, including scenarios of temperatures at or below 2°C	
<h3> Risk management</h3>	
<h4>Disclosure of how the organization identifies, assesses, and manages climate-related risks</h4>	
Describe the organisation's processes for identifying and assessing climate-related risks	The Materiality Matrix (p.113-115); The Group's Sustainability Policies (p.120-122); The Group's Environmental, Social and Governance (ESG) Strategic Plan (p.122-125); Managing Climate Change Risks and Opportunities (p.158-168); Managing Emerging Risks and Related Opportunities (p.169-187)
Describe the organization's processes for managing climate-related risks	
Climate-related risks and opportunities are integrated into current decision-making and strategy formulation	
<h3> Metrics and targets</h3>	
<h4>Disclosure of metrics and targets used to manage climate-related risks and opportunities</h4>	
Disclosure of the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	The European Taxonomy Regulation (p.453-464); Poste Italiane's Integrated Internal Control and Risk Management System (p.141-146); Risks associated with material issues and how to manage them (p.147-153); The management of emerging risks and opportunities related to climate change (p.158-168); The management of emerging risks and related opportunities (p.169-187); Green transition (p.339-351); Tables of indicators (p.392-431)
Disclosure of greenhouse gas emissions (GHG)	
Describe the plans used by the organisation to manage climate-related risks and opportunities and performance against targets	
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	

Other reference standards and guidelines for the preparation of the integrated financial statements

The correlation tables in this section: “Towards Common Metrics and Consistent Reporting of Sustainable Value Creation” of the World Economic Forum and the GRI indicators present in the Integrated Report; SASB indicators and Poste Italiane Integrated Report indicators; SDGs and GRI Standards indicators are not subject to a conformity assessment (“limited assurance engagement”).

MAIN RELATED TYPES OF CAPITAL



Correlation table between the document “Towards common metrics and consistent reporting of sustainable value creation” of the world economic forum and the gri indicators present in the integrated report

September 2020 saw the publication of the updated version of the document “Towards Common Metrics and Consistent Reporting of Sustainable Value Creation”, presented in January 2020 during the World Economic Forum in Davos, which defines a set of universal indicators for ESG performance applicable by all companies, regardless of business area, with the aim of making non-financial disclosures more easily comparable. The indicators are organised into four pillars: Governance, Planet, People and Prosperity.

Taking into consideration the indications provided by the document, the table below shows the “material ESG metrics” outlined in this Integrated Report.

Pillar	Topic	Description	GRI indicators in the Sections of the Report
Governance	<i>Governing Purpose</i>	Definition of the purpose	GRI 2-12
	<i>Quality of Governing Body</i>	<i>Composition of the Board</i>	GRI 2-9 GRI 405-1
	<i>Stakeholder engagement</i>	Impact of material problems on stakeholders	GRI 2-12 GRI 2-29 GRI 3-2
	<i>Ethical behavior</i>	Anti-corruption Public Contribution	GRI 205-3 GRI 415-1
	<i>Risk and opportunity oversight</i>	Integrating risks and opportunities into the business	GRI 3-3
Planet	<i>Climate change</i>	Greenhouse Gas Emissions (GHG)	GRI 305-1 GRI 305-2 GRI 305-3
People	<i>Dignity and equality</i>	Diversity and inclusion (%) Assessment of human rights compliance, impact of the complaint and modern slavery (#,%)	GRI 405-1
	<i>Health and Well Being</i>	Health and safety (%)	GRI 403-6 GRI 403-9
	<i>Skills for the Future</i>	Training provided (#)	GRI 404-1
Prosperity	<i>Employment and wealth generation</i>	Economic contribution	GRI 201-1 GRI 203-1
	<i>Community and social vitality</i>	Total fees paid	GRI 201-1

Correlation table between sasb indicators and indicators of the integrated report of Poste Italiane

GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) are the most internationally recognised standards for the definition of sustainability reporting strategies and systems. In view of the growing importance of SASB reporting for investors, the following table shows the correspondence with the indicators used in the 2022 Integrated Report






SASB		INTEGRATED REPORT 2022
Topic	Indicator	Reference to paragraphs/indicators
Sector – INSURANCE		
<i>Transparent Information & Fair Advice for Customers</i>	FN-IN-270a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Quality and customer experience • Monthly complaints • Customer complaints by type
<i>Incorporation of ESG Factors in Investment Management</i>	FN-IN-410a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Integration of ESG factors into investment policies • Integration of ESG factors into insurance policies • Percentage of assets subject to positive and negative environmental or social screening regarding social/environmental aspects
<i>Policies Designed to Incentivize Responsible Behavior</i>	FN-IN-410b	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Offering investment products with environmental and social value • Insurance products with social and environmental value
<i>Environmental Risk exposure</i>	FN-IN-450a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Managing climate change risks and opportunities
<i>Systemic Risk Management</i>	FN-IN-550a	<ul style="list-style-type: none"> • Managing emerging risks and related opportunities
Sector – ASSET MANAGEMENT		
<i>Transparent Information & Fair Advice for Customers</i>	FN-AC-270a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Quality and customer experience • Monthly complaints • Customer complaints by type
<i>Employee Diversity & Inclusion</i>	FN-AC-330a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Diversity and inclusion • Classification of employee by category, gender and age group • Number of personnel by other diversity indicators • Number of personnel by type of employment and gender, by business line • Number of personnel by type of contract and gender, by business line
<i>Incorporation of ESG Factors in Investment Management & Advisory</i>	FN-AC-410a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Integration of ESG factors into investment policies • Integration of ESG factors into insurance policies • Percentage of assets subject to positive and negative environmental or social screening regarding social/environmental aspects
<i>Business Ethics</i>	FN-AC-510a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Work with transparency and integrity • Poste Italiane's commitment to managing human rights risks • Companies assessed for risks related to corruption and percentage of operations audited for risks related to corruption • Reports managed by the Whistleblowing Committee • Anti-competitive practices • Specific training on procedures and policies of anti-corruption • Cases of bribery and corruption and corrective actions • Political contributions • Approach to taxation






SASB		INTEGRATED REPORT 2022
Topic	Indicator	Reference to paragraphs/indicators
Sector – AIR FREIGHT & LOGISTICS		
<i>Greenhouse Gas Emissions</i>	TR-AF-110a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Green transition • Total direct GHG emissions (Scope 1) • Total indirect GHG emissions (Scope 2) • Intensity of GHG emissions related to real estate facilities • Internal Group energy consumption • External Group energy consumption
<i>Air Quality</i>	TR-AF-120a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Other direct emissions from logistics activities • Other indirect emissions from logistics activities
<i>Labor Practices</i>	TR-AF-310a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Relations with social partners • Protection of human rights at the Company • Disputes
<i>Employee Health & Safety</i>	TR-AF-320a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Occupational health and safety • Type of accidents, rate of recordable occupational accidents, rate of occupational accidents with serious consequences, absenteeism rate and rate of deaths resulting from work-related accidents in the Group
<i>Supply Chain Management</i>	TR-AF-430a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Environmental impacts of logistics • Total other indirect GHG emissions (Scope 3)
Sector – COMMERCIAL BANKS		
<i>Data Security</i>	FN-CB-230a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Risk management and risk assessment model • Cyber Security, IT Security and Privacy • Privacy violations and data leaks • IT security and cyber security breaches • Number of customers involved in IT security breaches
<i>Financial Inclusion & Capacity Building</i>	FN-CB-240a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Financial inclusion • New customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions • ATMs for inclusion • Post offices for cultural integration
<i>Business Ethics</i>	FN-CB-510a	<ul style="list-style-type: none"> • Poste Italiane's sustainability strategy • Work with transparency and integrity • Companies assessed for risks related to corruption and percentage of operations audited for risks related to corruption • Reports managed by the Whistleblowing Committee • Anti-competitive practices • Specific training on procedures and policies of anti-corruption • Cases of bribery and corruption and corrective actions • Political contributions • Approach to taxation
<i>Systemic Risk Management</i>	FN-CB-550a	<ul style="list-style-type: none"> • Risk management and risk assessment model






Correlation table between the sdgs and the GRI standards indicators

MAIN RELATED TYPES OF CAPITAL



SDG	TOPIC	GRI INDICATOR
 <p>Goal 1 – No poverty</p> <p>End poverty in all its forms everywhere.</p>	• Access to financial services	• FS14
	• Access to financial services	• 207-1 • 207-2 • 207-3 • 207-4
 <p>Goal 3 – Good health and well-being</p> <p>Ensuring healthy living and promoting the well-being of everyone at all ages.</p>	• Air quality	• 305-1 • 305-2 • 305-3
	• Waste management	• 306-1 • 306-2 • 306-3 • 306-4 • 306-5
	• Occupational health and safety	• 403-2 • 403-3 • 403-6 • 403-9
 <p>Goal 4 – Occupational health and safety</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	• Employee training and education	• 404-1
 <p>Goal 5 – Gender equality</p> <p>Achieve gender equality and empower all women and girls.</p>	• Gender equality in governing bodies	• 2-9 • 2-10
	• Infrastructure investment	• 203-1
	• Gender equality in employee training	• 401-2 • 404-1 • 404-3
 <p>Goal 6 – Clean water and sanitation</p> <p>Ensure availability and sustainable management of water and sanitation for all.</p>	• Sustainable water withdrawals	• 303-1 • 303-2 • 303-3
	• Sustainable water withdrawals	• 306-1 • 306-2 • 306-3 • 306-4 • 306-5

SDG	TOPIC	GRI INDICATOR
 <p>Goal 7 – Affordable and clean energy</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all.</p>	<ul style="list-style-type: none"> • Energy efficiency • Renewable energy 	<ul style="list-style-type: none"> • 302-1 • 302-2 • 302-1 • 302-2
 <p>Goal 8 – Decent work and economic growth</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<ul style="list-style-type: none"> • Access to financial services • Information on employees and non-employees • Collective bargaining agreements • Infrastructure investment • Efficiency in materials used • Energy efficiency • Waste management • Earnings, wages and benefits • Relations between employees and management • Occupational health and safety • Employee training and education • Diversity and equal opportunity 	<ul style="list-style-type: none"> • FS14 • 2-7 • 2-8 • 2-30 • 201-1 • 301-1 • 302-1 • 302-2 • 306-2 • 401-2 • 402-1 • 403-1 • 403-2 • 403-3 • 403-4 • 403-5 • 403-7 • 403-8 • 403-9 • 404-1 • 404-3 • 405-1
 <p>Goal 9 – Industry, innovation and infrastructure</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	<ul style="list-style-type: none"> • Infrastructure investment 	<ul style="list-style-type: none"> • 201-1 • 203-1
 <p>Goal 10 – Reduced inequalities</p> <p>Reduce inequalities within and among countries.</p>	<ul style="list-style-type: none"> • Information on employees and non-employees • Information on employees and non-employees • Fair training of employees 	<ul style="list-style-type: none"> • 2-7 • 2-8 • 207-1 • 207-2 • 207-3 • 207-4 • 404-1 • 404-3
 <p>Goal 11 – Reduce inequalities within and among countries</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	<ul style="list-style-type: none"> • Infrastructure investment • Waste management 	<ul style="list-style-type: none"> • 203-1 • 306-1 • 306-2 • 306-3 • 306-4 • 306-5

SDG	TOPIC	GRI INDICATOR
 <p>Goal 12 – Responsible consumption and production</p> <p>Ensure sustainable consumption and production patterns.</p>	• Materials efficiency/recycling	• 301-1
	• Materials efficiency/recycling	• 302-1 • 302-2
	• Water withdrawals by source	• 303-1 • 303-3
	• Air quality	• 305-1 • 305-2 • 305-3
	• Air quality	• 306-1 • 306-2 • 306-3 • 306-4 • 306-5
 <p>Goal 13 – Climate action</p> <p>Take urgent action to combat climate change and its impacts.</p>	• Energy efficiency	• 302-1 • 302-2
	• GHG emissions	• 305-1 • 305-2 • 305-3 • 305-4
	• Ocean acidification	• 305-1 • 305-2 • 305-3 • 305-4
	• Forest degradation	• 305-1 • 305-2 • 305-3 • 305-4
 <p>Goal 14 – Life Below water</p> <p>Store and use in a sustainable manner oceans, seas and marine resources</p>	• Waste management	• 306-3 • 306-5
	• Ethics and Integrity	• 2-10 • 2-23
 <p>Goal 15 – Life on land</p> <p>Protect, restore and promote the sustainable use of ecosystems land, sustainably manage forests, combat desertification, halt and reverse soil degradation and halt the loss of biodiversity.</p>	• Gender equality in governing bodies	• 2-9 • 2-10 • 2-11 • 2-12 • 2-15
	• Anti-corruption	• 205-1 • 205-3
	• Occupational health and safety	• 403-4 • 403-9
	• Public policy	• 415-1
	• Protection of privacy	• 418-1
	• Strengthen the means of implementation and revitalize the global partnership for sustainable development	• 207-1 • 207-2 • 207-3 • 207-4
	• Partnership for the goals	
 <p>Goal 17 – Partnership for the goals</p> <p>Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>		

10. Glossary



< ACQUIRING

All the services provided by an independent party (Acquirer) aimed at managing authorisations for payments made with cards belonging to national and international circuits, by virtue of an agreement with the merchant.

< ASSET ALLOCATION

It is a strategy implemented by the investor and aimed at diversifying his or her portfolio across different asset classes, based on his or her time and expected return objectives.

< ASSET CLASS

Investment category, i.e. set of financial instruments with similar characteristics and similar behaviour in the markets, e.g. bond (short term, medium/long term, government, corporate, high yield, etc.), equity (Europe, America, emerging countries, etc.), real estate. The choice of asset classes is crucial for portfolio construction because it is the individual components that are evaluated in the asset allocation process.

< SALARY-BACKED LOANS

It is a special type of guaranteed financing, intended for pensioners and employees. The repayment of instalments is made by assigning a portion of the pension or salary to the lender. This share, deducted directly from the pension or pay slip, may not exceed the fifth part of the net monthly emolument. This type of financing requires insurance to cover life risk (for Pensioners) and life and loss of employment risk (for Employees). The policies are underwritten directly by the Bank/Financial Company (as policyholder and beneficiary), which bears the costs. The customer is not required to pay any insurance premium.

< ATM (AUTOMATED TELLER MACHINE)

This is an automated counter, activated directly by users by inserting their card and typing in their PIN (personal identification code), which allows them to carry out both ordering and informative operations (e.g. balance request or movement list).

< BTP (MULTI-YEAR TREASURY BONDS)

Medium-/long-term Italian government bonds. The return is given by six-monthly fixed-rate interest coupons and the difference between the redemption price, equal to the nominal value (100), and the issue or subscription price on the secondary market.

< BUFFER

The agreement with the Ministry of Economy and Finance (MEF) provides that a percentage of the funds deriving from private customer deposits may be placed in a special "Buffer" account at the MEF, with the objective of ensuring flexibility with regard to investments in view of daily movements in amounts payable to current account holders.

< CAPITALISATION

With reference to a company, it represents the product of the number of outstanding shares and their unit price; with ref-

erence to a market, it represents the total value – at market prices – of all listed securities.

< CHATBOT

The word comes from chat- chat and bot- short for robot. It is a virtual assistant able to answer a series of questions, interpreting the customer's intentions. The application is frequently used by large companies in customer service: typing in a question gives the impression of talking to a person.

< CLOUD

Literally 'computer cloud', it refers to the technology that allows data to be processed and stored on a network and enables access to applications and data stored on remote hardware instead of the local workstation. Hybrid Cloud is a solution that combines a private cloud with one or more public cloud services, with proprietary software enabling communication between each service. A hybrid cloud strategy offers companies greater flexibility by moving workloads between cloud solutions according to needs and costs.

< CONTACTLESS

It is the innovative payment method that allows to make purchases by simply bringing the card close to the card reader (POS terminal) with the Contactless symbol; the transaction takes place in a few moments.

< CONTAINERISATION

Procedure consisting in the creation of a 'container', i.e. a logical structure (software environment) consisting of all the components necessary for the operation of a single application. This new paradigm enables greater efficiency in the management of hardware resources, the possibility of increasing the processing resources available to the system in real time, and the portability of applications between the on premises infrastructure and the public cloud of Poste Italiane's Hybrid cloud platform.

< CREDIT CARD

It is a payment instrument that enables the holder, on the basis of a contractual relationship with the issuer, to make purchases (via POS or online) of goods or services at any establishment belonging to the relevant international circuit or cash withdrawals (via ATMs). The amounts spent are debited to the cardholder at predefined intervals in arrears (usually monthly) either as a lump sum ('classic' credit card) or in instalments (the so-called instalment/revolving credit card).

< CYBERSECURITY

This term is intended to represent the tools and processes needed to ensure the security of computers, networks, commonly used devices (such as smartphones and tablets), applications and databases, protecting them from potential attacks that may come from inside or outside the organisation. Cyber Security has become increasingly important because protecting digital technologies, protects processes

and above all information, which are the true assets of individuals and organisations.


< DEBIT CARD

A card that allows holders, on the basis of a contract with their bank or the Post Office, to purchase (via POS) goods and services at any establishment merchants belonging to the circuit to which the card is authorised or to withdraw cash (via ATMs) with immediate debit from the current account linked to the card. The best known circuit is the Bancomat circuit, hence the name by which it is commonly referred to. If the card is linked to international circuits, it can be used abroad both for withdrawals of local currency and for making payments, by entering the same secret code (PIN) as is used domestically for ATM withdrawals and POS withdrawals in shops.

< DEFERRED POLICYHOLDER LIABILITIES (DPL)

Accounting item arising from the application of shadow accounting, as defined below.

< DIGITAL PAYMENTS

The term refers to all payments made using electronic means, such as credit cards, debit and prepaid cards, **digital wallet**  telephone credit, direct debit to current account, for the purchase of goods and services.

< DIGITAL PROPERTIES

The digital properties (website, BancoPosta app, PostePay app, Post Office app, PostelD app) represent one of the 3 channels of customer care to support the Group's omnichannel strategy.

< DIGITAL WALLET OR ELECTRONIC WALLET

It is a virtual wallet within which one can load credit or combine one or more payment instruments such as credit, debit, prepaid or current account cards, in order to carry out transactions without sharing the private information of the payment method with the seller.


< DURATION

Average maturity of bond payments. It is generally expressed in years and corresponds to the weighted average of the dates of payment of the cash flows (the so-called cash flows) from the security, where the weights assigned to each date are equal to the present value of the corresponding cash flows (the various coupons and, for the maturity date, also the principal). It is an approximate measure of the sensitivity of the price of a bond to changes in interest rates.

< ETF (EXCHANGE TRADED FUNDS)

They are special passively managed investment funds (or Sicav) that are traded on regulated markets, belonging to the broader Exchange Traded Products (ETP) family, which replicate the performance of an underlying index (e.g. the FTSE MIB).

< FINANCIAL DURATION OF THE PORTFOLIO

Average of the  **duration** of the securities that make it up.

< FTSE MIB (FINANCIAL TIMES STOCK EXCHANGE MILAN STOCK EXCHANGE INDEX)

It is the most important index of the Milan Stock Exchange where the securities with the highest market capitalisation

and liquidity are gathered. On the FTSE MIB are listed a total of 40 stocks representing companies, the majority of which belong to the banking, insurance and industrial sectors.

< GROSS PREMIUM REVENUE

Amount accrued during the reporting period for insurance contracts, irrespective of whether these amounts have been collected or whether they relate in whole or in part to subsequent years.

< HIGH YIELD BONDS

These are high-yield (and high-risk) bonds issued by companies, sovereign states or other entities in financial distress, which are given a low rating (Standard & Poor's rating of BB or lower). High Yield bonds are often referred to as Junk Bonds.

< HUB

In a logistical sense, it identifies a large freight hub, on which many traffic lines converge and from which they branch off.

< HYBRID POLICY - MULTI-CLASS

In multi-class products, a part of the premium is invested in separate asset management schemes and determines the guaranteed capital share, while a part is invested in unit-linked funds, which are characterised by diversified asset allocations that aim to seize return opportunities by investing in funds linked to financial market trends.

< INFLATION LINKED

These are government bonds that provide investors with protection against rising price levels: both the principal repaid at maturity and the coupons paid are, in fact, revalued on the basis of inflation.

< INSURANCE CLASS

A class of insurance is defined as a category into which it is possible to classify policies pertaining to the same, or similar, type of risk. Two macro sections can be distinguished:

- Non-life insurance: covers policies that intervene to compensate the client in the event of material and physical damage, relating to personal property, assets, person;
Non-life contracts are divided into the following classes:

1. Accidents (including accidents at work and occupational diseases); lump sum benefits; temporary benefits; mixed forms; transported persons;
2. Sickness: lump sum benefits; temporary benefits; mixed forms;
3. Land vehicles (excluding rail vehicles): all damage suffered by: self-propelled land vehicles; non-self-propelled land vehicles;
4. Railway vehicle bodies: any damage suffered by railway vehicles;
5. Aircraft bodies: any damage suffered by aircraft;
6. Sea, lake and river vehicles: all damage suffered by: river vehicles; lake vehicles; sea vehicles;
7. Transported goods (including goods, luggage and any other property): any damage suffered by transported goods or luggage, regardless of the nature of the means of transport;

8. Fire and natural elements: any damage suffered by property (other than property included in classes 3, 4, 5, 6 and 7) caused by: fire; explosion; storm; natural elements other than storm; nuclear energy; land subsidence;
 9. Other damage to property: any damage suffered by property (other than property included in classes 3, 4, 5, 6 and 7) caused by hail or frost, as well as any other event, such as theft, other than those included in class 8;
 10. Land motor vehicle liability: any liability arising out of the use of land motor vehicles (including carrier's liability);
 11. Aircraft liability: any liability arising out of the use of aircraft (including carrier's liability);
 12. Sea, lake and river vehicle liability: all liability arising from the use of river, lake and sea vehicles (including carrier's liability);
 13. General Liability: any liability other than those mentioned in No. 10, 11 and 12;
 14. Credit: asset losses from defaults; export credit; hire purchase; mortgage credit; agricultural credit;
 15. Bail: direct bail; indirect bail;
 16. Pecuniary losses of various kinds: risks related to employment; insufficient income (general); bad weather; loss of profits; persistent overhead; unforeseen business expenses; loss of market value; loss of rents or income; indirect business losses other than those mentioned above; non-commercial pecuniary losses; other pecuniary losses;
 17. Legal protection: legal protection;
 18. Assistance: assistance to people in difficult situations.
- Life class: this includes policies taken out in order to guarantee a lump sum to the chosen beneficiaries indicated in the insurance contract, upon the occurrence of the event that is the subject of the policy (e.g. the death of the insured in the case of a death policy).

Life insurance policies are further divided into six classes:

Class I - Life insurance;

Class II - Nuptial and birth insurance;

Class III - Insurance included in classes I and II, the main benefits of which are directly linked to the value of units in collective investment undertakings or internal funds or to indices or other reference values;

Class IV - Health insurance and insurance against the risk of non-self-sufficiency covered by long-term, non-cancellable contracts for the risk of severe disability due to illness or accident or longevity;

Class V - Capitalisation operations;

Class VI - Management operations of collective funds set up to provide benefits in the event of death, survival or cessation or reduction of employment.

< M2M (MACHINE-TO-MACHINE) SIM

M2M SIM make use of technology that enables the integration and dialogue between devices (even of different types)

installed at any distance from each other through sensors that send (or acquire) data that are then transmitted to a central server via a network. They are exclusively dedicated to data traffic, the voice area is completely disabled and in its place is a module that allows both control and remote control.

< MANAGEMENT COMMISSIONS

Fees paid to the manager by direct debit from the fund's assets to remunerate management activity in the strict sense. They are calculated daily on the fund's net assets and drawn at larger intervals (monthly, quarterly, etc.). They are generally expressed on an annual basis.

< MERCHANT

Person carrying out a commercial activity.

< MIFID (MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE)

Directive 2004/39/EC, in force since 1 November 2007, has the main objective of standardising the rules of financial market participants at European level in order to protect investors by imposing an obligation on intermediaries to act honestly, fairly and professionally in order to serve their clients' best interests. The regulation introduced a classification of clients on the basis of different degrees of financial experience: retail clients (retail), professional clients (professional clients), and eligible counterparties. The purpose of this subdivision is to adopt protection measures consistent with each category of investor, respecting the different protection needs arising from the information gathered about its knowledge and experience in investment matters, its financial situation and its investment objectives, in order to verify the suitability or appropriateness of the investment service or financial instrument requested and/or proposed. In addition, intermediaries are obliged to provide correct, clear and not misleading information by describing the financial services and instruments offered, providing information on losses incurred, fees and costs related to the services provided and the presence of possible conflicts of interest. Entered into force on 3 January 2018 (replacing the so-called MiFID I, from which it takes principles and aims), the MiFID II Directive aims to increase the efficiency and transparency of the markets by raising the level of investor protection, by means of measures aimed at informing clients of the essential characteristics of the activity provided, including in terms of the risks and costs of the proposed transactions, and by reinforcing certain organisational requirements and rules of conduct in the phase of designing and offering products to clients, as well as in terms of training of investment advisors.

< MOBILE HOST OPERATOR

Reference operator for the provision of mobile network access services.

< MUTUAL FUNDS

These are collective investment undertakings, managed by asset management companies (AMC), which pool the liquidity provided by their clients and invest it, as a single asset, in movable financial assets (shares, bonds, government securities, etc.) or, for some of them, in real estate assets, respecting rules aimed at reducing risk. Each investor becomes the owner of a number of units whose value varies over time and according to the performance of the securities purchased

by the Management Company with the fund's assets. There are different types of funds, classified, for example, according to the type of financial instruments in which they invest (e.g. European equities or American bonds) or according to the type of profit-sharing of investors. Funds can be either 'closed' (with the subscription of units only during the offer period and the redemption of units taking place, as a rule, only at the Fund's maturity) or 'open' (with the subscription and redemption of units at any time).

< OPEN API (APPLICATION PROGRAMME INTERFACES)

Procedures and interfaces that enable two applications to communicate and exchange data. An API that does not require payment of fees for its access and use is called 'open'.

< OPEN BANKING

Sharing of data between different players in the banking ecosystem. With the entry into force of the European Digital Payments Directive (PSD2), European banks are obliged to open up their API (Application Program Interface) to finance companies and other companies involved in financial products and services. This allows external companies (third parties) access to payment data thus increasing competition in the system.

< PENSION FUNDS

They are collective investment undertakings that collect employees' and/or employers' contributions and invest them in financial instruments for the purpose of providing a pension benefit (life annuity or lump sum) at the end of an employee's working life that is supplementary to the mandatory public system. There are various forms of pension funds: Negotiated (or closed) funds, open-ended funds, individual pension plans (PIP or FIP), pre-existing pension schemes.

< POS (POINT OF SALE)

It is the telematic location (consisting of a device for the automatic payment of purchases) where payment transactions take place, using debit or credit cards through their chips or magnetic stripes. Connected to the banking system, it allows merchants to have sums credited to their bank account and buyers to settle purchases without using physical money.

< POSTEPAY CODE

Innovative acceptance service that allows affiliated merchants to collect payments ordered by customers directly from their Postepay App, via the QR Code displayed by the merchant.

< PREMIUM RESERVE

It is equal to the sum of the reserve for unearned premiums, which comprises the amounts of gross premiums written pertaining to subsequent years, and the reserve for unexpired risks, which comprises the provisions to cover claims and expenses that exceed the reserve for unearned premiums.

< EARNED PREMIUMS

Gross premiums written net of change in the [premium reserve](#) .

< PREPAID CARD

Payment instrument, issued against an advance payment of funds made to the issuer, the value of which decreases

each time it is used to make payments or withdrawals. With a prepaid card, it is possible, without using cash, to purchase (via POS or online) goods or services, or to withdraw cash at ATMs and with the use of a PIN, within the limits of the amount previously paid to the issuing institution. Prepaid cards are issued by banks, electronic money institutions (IMEL) and the Italian Post Office. Reloadable prepaid cards have a maximum reloadable value that differs from issuer to issuer and can be reloaded several times. The prepaid card can also be equipped with an IBAN (International Bank Account Number), which allows the main operations of a current account to be carried out, by means of transfers or direct debits, such as, for example, crediting wages or pensions, and paying utility bills. With the prepaid card, it is possible to make purchases without using cash and to make withdrawals and other transactions at ATMs belonging to the payment circuit indicated on the card.

< PSPS (PAYMENT SERVICE PROVIDERS)

Persons authorised to offer payment services: Banks, Poste Italiane (BancoPosta), payment institutions and electronic money institutions (PostePay SpA).

< QR CODE (QUICK RESPONSE CODE)

It is a type of barcode depicted by a square with dots and lines of different sizes inside. Through special apps, multimedia content can be accessed by simply framing the QR code with the smartphone camera.

< REPO (REPURCHASE AGREEMENT)

Repurchase agreements consist of a spot sale of securities and a simultaneous forward repurchase commitment (for the counterparty, in a symmetrical commitment of spot purchase and forward sale).

< REDEMPTION

The policyholder's right to terminate the contract early by requesting payment of the benefit resulting at the time of the request and determined in accordance with the contractual conditions.

< REINSURANCE

Transaction whereby an insurer (the reinsured) - for a fee - reduces its economic exposure, either on a single risk (optional reinsurance) or on a large number of risks (compulsory or treaty reinsurance), by transferring to another insurer (the reinsurer) part of its liabilities arising from insurance contracts.

< SCT (SEPA CREDIT TRANSFER)

Payment instrument enabling a debtor to arrange, by means of an order given to its bank, a payment in Euro in favour of one of its creditors in the event that the credit institutions or branches where the accounts of the originator and beneficiary of the credit transfer (originator's bank and beneficiary's bank) are both located in a SEPA country and have adhered to the service.

< SEPARATELY MANAGED ACCOUNTS

In life insurance, a fund specifically created by the insurance undertaking and managed separately from the overall business of the undertaking. Segregated accounts are used in

Class I contracts and are characterised by a typically conservative investment composition. The return obtained by the segregated fund and relegated to the members is used to revalue the benefits under the contract.

< **SHADOW ACCOUNTING**

Accounting Practice (IFRS 4), which allows for the mitigation of valuation asymmetries existing between financial assets included in segregated accounts valued according to IFRS 9 and mathematical reserves valued according to local accounting standards. Shadow accounting allows an insurer to change the accounting policies applied to insurance liabilities (i.e. its statutory technical provisions) so that a recognised but unrealised gain or loss on an asset affects the measurement of insurance liabilities in the same way that a realised gain or loss does.

< **SOLVENCY RATIO**

The Solvency Ratio is calculated as the ratio between the own funds eligible to cover the capital requirement and the regulatory minimum level calculated on the basis of the Solvency II regulation.

< **SPID - PUBLIC DIGITAL IDENTITY SYSTEM**

The Public Digital Identity System (SPID) is the Italian digital identity solution, managed by AgID in accordance with national legislation and the European eIDAS regulation. The SPID system allows holders of a digital identity (natural persons and legal entities), issued by an accredited manager, to access with a single set of credentials the services provided by participating public and private entities. Poste Italiane is one of the accredited Digital Identity managers.

< **STRONG CUSTOMER AUTHENTICATION (SCA)**

SCA or Strong Customer Authentication requires that all electronic payment transactions, and some remote transactions

that carry a risk of fraud, be confirmed and authorised by combining two or more authentication factors, chosen from something that only the person making the transaction possesses (an app on a mobile device or a key that generates OTP codes), or an element of inherence, i.e. something that uniquely distinguishes the user (a fingerprint, facial geometry, or another biometric feature).

< **TRANSITIONAL MEASURES**

The transitional measures on technical provisions (MTRT) were introduced by Directive 2014/51/EU (the so-called Omnibus II) to allow for a gradual transition from the previous prudential regime (so-called Solvency I) to the Solvency II regime, preventing the new requirements from having undesirable effects on companies and the market.

The rules provide that insurance companies, as of 1 January 2016 and until 31 December 2031, may, subject to authorisation by the Institute, apply a transitional deduction to the technical provisions calculated at the end of each financial year, determined as a share of the (positive) difference between the amount of technical provisions calculated in accordance with Solvency II on 1 January 2016 and those recorded in the balance sheet as at 31 December 2015 (Solvency I).

< **ULTRABROADBAND**

A technology, device or telecommunications line that allows access to the Internet at speeds above 30 Mbps, both download and upload. The use of the term tends to refer to the peak speed and not to the average speed actually available.

< **UNITLINKED POLICY**

A life policy for which the investment risk is borne by the policyholder and whose benefits are directly linked to units in collective investment undertakings or to the value of assets held in an internal fund.



POSTA TELEGRAFO

VELOCITÀ *Premura*
DIALOGO *Empatia*
GO *Puntuale*
Cortesia
ASCOLTO
RICERCA
APERTURA
PRECISIONE
VIGILANZA
Familiarità
Empatia



