

01

Report
on operations

at 31 December **2023**



01 Report on operations at 31 December 2023

Contents

1. Introduction	8
Statement from the Chairwoman and the Chief Executive Officer	8
Presentation of the Integrated Report	14
<hr/>	
2. Highlights	17
2.1 2023 Outcome of the value creation process at Poste Italiane	17
2.2 Impacts generated by Poste Italiane	20
2.3 Creating shared value to achieve the SDGs	26
<hr/>	
3. Outlook	33
<hr/>	
4. The Poste Italiane Group and its business model	35
4.1 Poste Italiane's ownership and organisational structure	35
4.2 Poste Italiane's Corporate Governance	40
4.3 Poste Italiane's business model	46
4.4 Group structure	56
4.5 Omnichannel approach and group operating segments	66
<hr/>	
5. Strategy	117
5.1 Integrating sustainability within Poste Italiane's strategy	117
5.2 Poste Italiane's sustainability strategy	119
5.3 Poste Italiane's sustainability path	137

6. Risks and opportunities	144
6.1 Poste Italiane’s integrated Internal Control and Risk Management System	144
6.2 Risks associated with material topics and management methods	151
6.3 Poste Italiane’s commitment to managing Human Rights Risks	158
6.4 Managing climate change related risks and opportunities	162
6.5 Managing emerging risks and the related opportunities	171
<hr/>	
7. Creation of value	196
7.1 Performance of Poste Italiane shares	197
7.2 Impacts from ongoing conflicts	198
7.3 Group operating results	200
7.4 Digital and third-party networks in the Group’s omnichannel strategy	240
7.5 Group capital management framework	245
7.6 Group financial position and cash flow	247
7.7 Performance of Poste Italiane SpA and Report on operations of BancoPosta RFC	255
7.8 The ESG value (Environmental, Social and Governance)	268
7.9 Integrity and transparency	272
7.10 People development	294
7.11 Diversity and inclusion	334
7.12 Creating value for the country	354
7.13 Green transition	376
7.14 Customer experience	394
7.15 Innovation	412
7.16 Sustainable finance	434
7.17 Indicators tables	445
<hr/>	
8. Proposed Shareholder resolutions and other information	484
8.1 Proposed resolutions	484
8.2 Other information	484
<hr/>	
9. Consolidated non-financial statement	503
Introduction	503
9.1 Reporting standards and policies	504
9.2 The european Taxonomy Regulation	505
9.3 Table of contents GRI-standards (GRI-Content Index)	526
<hr/>	
10. Glossary	542

1. Introduction

Statement from the Chairwoman and the Chief Executive Officer



Silvia Maria
Rovere
Chairwoman

Matteo
Del Fante
Chief Executive Officer



Shareholders,

on behalf of the entire Board of Directors, we are pleased to submit for your approval the Poste Italiane Group's sixth Integrated Report.

At the General Shareholders' Meeting held on 8 May 2023, the Board of Directors of Poste Italiane was renewed for the three-year period 2023-2025. Since taking office, the extremely high level of Group solidity achieved over the years was noted. There is a strong sense of responsibility to steering the Company correctly towards an even more prosperous, and at the same time, sustainable future for all people, customers, suppliers, the Public Administration and citizens, for the community and the country's economic system.

We are all aware that 2023 was also an extremely challenging year, characterised by converging crises. After the radical changes triggered by the health emergency about four years ago, together with the first obvious effects of climate change, we have witnessed heightened geopolitical instability and an increase in inflation on a global scale, with the continuing Russian-Ukrainian war on Europe's doorstep, compounded by growing tension in many parts of the Middle East, which has unfortunately culminated in the conflict between Israel and Hamas. The global economic system is faced with geopolitical, climatic, economic and social consequences in an increasingly complex and ever-changing scenario.

Our Company has proved itself capable of continuing on its path of sustainable growth, by sticking to all its business guidelines, in a scenario that has clarified the need to have a strategy capable of innovating regularly, anticipating and guiding changes, which are now happening constantly, in order to guarantee sustainable economic and social value in the long-term. Poste Italiane has had the foresight to identify the new needs of customers and citizens and to evolve to respond to them quickly and efficiently. In response to the natural decline of traditional mail delivery services, due to the changing habits of citizens, the Group has been able to strengthen its presence in the broader delivery and logistics services by offering solutions in line with global players in the sector, thanks to a major internal restructuring, numerous partnerships and acquisitions, especially in the last three years, in the logistics and digital innovation sector. Our undisputed leadership in the payments sector confirms the soundness of the choices we have made over the years, and the offering of new services, for home and all-round family and personal needs, through our extensive network of approximately 13,000 Post Offices that has enabled us to keep the entire infrastructure intact throughout the country.

2023 was also a year of extraordinary results that exceeded market expectations and were in line with the positive trend of recent years, which translated into generated value for all Group stakeholders, the fruits of long-term work. The path we have taken and the goals we have set internally have enabled us to capitalise on multiple opportunities capable of meeting the preferences of you stakeholders and shareholders. The Group has worked with foresight and vision on the digital transformation of assets and internal organisational processes, strengthening its position in the area of logistics and digital payments without hampering, in particular, the objectives of decarbonisation and workplace health and safety and training, and has been able to seize all the potential, anticipating the market context in which the Group operates, understanding that the factors of change are conditions for making a real impact. The Group has forged important international partnerships and completed a number of acquisitions, especially in the last three years, without leaving behind any of the services for which the Company is traditionally recognised by its customers, i.e. postal savings and insurance/financial.

In 2023, the Poste Italiane Group had an impact on the country's economy, in terms of Gross Domestic Product (GDP), of €13.7 billion and, employed a total of roughly 197 thousand people, contributed around €2.7 billion to the income of the Public Administration in terms of tax revenue. Furthermore, it is estimated that Poste Italiane contributed directly and indirectly to the distribution of income to workers, totalling €7.3 billion. This means that every euro spent by Poste Italiane for the purchase of goods and services generates an economic value for the country system of €3 in terms of production value.

The results we achieved in the year 2023 are incorporated in a general context characterised by steady growth in our commitment to Environmental, Social & Governance issues. Through dozens of projects, the Group has committed significant efforts to all eight pillars of the Sustainable Development Strategy. Briefly, with regard to Integrity and Transparency, the new Fraud Management Centre was inaugurated, which monitors the security of transactions carried out in post offices and online 24 hours a day, and we have almost completed (80%) the Integrated Anti-Fraud Platform (PIAF). In terms of People Development, in 2023 alone, we provided 6.5 million hours of training and strengthened the Welfare platform; with respect to the areas of diversity and inclusion, the LGBTQ+ Inclusion Policy was rolled out in 2023 and formalised in early 2024, augmented by the Active Parenting Policy from 2022. In support of the local area, multiple initiatives have been launched as part of postal, financial and digital education programmes. The Customer Experience is the central focus of Poste Italiane's priorities. In this regard, Poste Italiane is the first among large Italian companies to achieve UNI ISO 22222 and UNI TS 11348 certifications for the Investment Advisory Service Model of financial advisors engaged in the role of personal financial planner. Poste Italiane has embarked on a digitalisation process that has involved both the Group's offerings and its business processes, transforming the distribution model to one based on an omnichannel approach; we have launched the first full digital post office. There are approximately 23 million daily interactions and over 6 million daily visitors on digital channels. In addition, in support of the Green Transition, the Company almost completed the overhaul of the company vehicle fleet (to be completed by 2024) with electric and low-emission vehicles and continued on the virtuous path towards the complete energy efficiency of its buildings. In particular, the first medium/large site was certified carbon neutral. In addition, Poste Italiane customers can make use of both the PuntoPoste network (consisting of more than 15,700 collection points) and the Post Office network for the delivery of parcels, as an alternative to home delivery. As part of Sustainable Finance, Group companies have launched funds that promote environmental and social features.

Having embarked on the path of substantial transformation, which is not yet complete, it is clear, however, that our Company is profoundly different. Poste Italiane is a reliable partner recognised nationally and internationally. Poste Italiane today is a Group that has a mapped out a clear path of strategic development, built on solid foundations. The direction it plans to take has been outlined and specified in the new "2024-2028 Strategic Plan" presented to the market on 20 March 2024.

The new Strategic Plan targets the continuation of the transformation of the logistics sector through the evolution of the model into one based on an omnichannel approach, through a service offer aimed at covering all stages of the customer's logistics chain. The focus will remain on offering products/services that keep pace with evolving market contexts and confirm the centrality of Postal Savings in the Poste Italiane Group's offering. In insurance, the Group aims to sustain net inflows in the Life segment and confirms its ambition to reduce under-insurance in the country by offering new products and expanding penetration in the Protection segment, including by placing policies on third-party networks through the integration of Net Insurance, acquired in 2023. In addition, benefiting from the growth of e-commerce and cashless payments, PostePay's business will evolve towards digital and innovative payment solutions and, at the same time, will be the integration layer on which to pursue the development of the telephony and electricity and gas offerings, to meet customers' everyday needs within the PostePay ecosystem. The Group will continue to strengthen customer relations within the post office network, third-party networks and on digital properties by making omnichannel experiences easier. During the course of 2023, the first financial functions were released in the Ufficio Postale app, simultaneously renamed as the Poste Italiane app, which will be gradually enriched with all the functionalities of the BancoPosta and PostePay apps, with the aim of eventually replacing them and representing the single access point to the Group's "phygital" platform. Therefore, the objective of representing Poste Italiane as a platform company evolving towards a diversified, integrated and sustainable business model to offer Italians an increasingly wider range of products/services is confirmed.

The Strategic Plan hinges on the Environmental, Social & Governance (ESG) principles and responds to the challenges of sustainability by setting targets up to 2030, in terms of reducing the emissions of the Group and of the supply chain, augmented by socio-economic elements such as developing people's skills and enhancing resources to foster change, promoting the values of diversity, equal opportunities and inclusion, and catering for the expectations of all generations, including young workers.

The Poste Italiane Group's sustainable development strategy is embodied in the ESG Plan, which has been renewed by taking into account the results of the materiality analysis and in synergy with the new "2024-2028 Strategic Plan", and incorporates specific short-, medium- and long-term objectives, in order to make our path towards sustainable progress transparent and verifiable. The updating of the sustainability strategy was influenced by three main drivers: the definition of the new Business Plan; requests from rating agencies; and regulatory developments. The ESG Plan confirms its subdivision into eight pillars: Integrity and Transparency, People development, Diversity and Inclusion, Creating value for the country, Green transition, Customer experience, Innovation and Sustainable finance, whose objectives are updated annually according to a process of continuous alignment with strategic guidelines, results achieved and best practices, to increasingly integrate sustainability along the entire value chain.

The need to deliver sustainable, long-term benefits to all our stakeholders has never been more important than now, when the Company is called upon to support our economy throughout the country and address the increasingly evident impacts of climate change. At the heart of the strategy is the ambition to achieve carbon neutrality by 2030, in line with the goal of containing global warming to below 1.5 °C. To support this commitment, projects have been outlined in four macro-areas: logistics, real estate, culture of sustainability and sustainable finance, with initiatives concerning both the direct emissions generated by our facilities – a further 10 properties will be made carbon neutral by 2028 – and the indirect emissions produced upstream and downstream by our suppliers and customers. In fact, the "Green Index", a carbon footprint calculation model for each stage of the entire supply chain, will be issued and certified according to the best industry standards. In addition, we have set the goal of being within a maximum of 2.5 km from the customer throughout the country by 2028, thanks to the PuntoPoste network, with obvious savings in air emissions.

With regard to environmental sustainability, COP 28, held in December 2023 in Dubai, resonated greatly which recognised for the first time the need for a transition away from fossil fuels. On this occasion, the EU and its Member States pledged more than half of the initial funding for the previously established loss and damage fund. Overall, the EU and its member countries are the world's largest provider of climate finance. In addition, according to the 2023 World Economic Forum's Global Risk Report, weather-related events and disasters attributable to the effects of climate change are having a major social and economic impact. The Report highlights how climate change adaptation initiatives and projects must be up to the task of coping with the intensity and speed of the ongoing transformation and the global risks they are generating. On the social and economic level, pressures on the cost of living reduce expectations and prospects because of major worries about inflation that are hard to quell, further increasing the sense of difficulty in dealing with even everyday issues. With this "emotional climate" comes what, in 2024, is considered the most significant risk for the next two years, namely that of misinformation. A risk that in an increasingly interconnected environment like the one we live in can amplify real risks or an inability to manage them properly. Top of the agenda are not only risks related to extreme weather events, greater intensity and the worsening of social and demographic polarisation, but the growing difficulty in governing the pace of technological progress, particularly with regard to cyber risks.

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. 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.

The Poste Italiane Group plays a central role in the country's economy. With a turnover of around €12 billion (up compared to 2022) and the highest number of employees among Italian companies, it is confirmed in 2023 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. In particular, the "Poste Energia" offer stands out for its focus on environmental sustainability, promoting responsible consumption practices and offering electricity from 100% renewable sources produced in Italy, with carbon dioxide emissions from gas released for consumption fully offset. The Group's commitment to digital transformation continues with its support for citizens, businesses and the Public Administration in the process of digitising the country. Poste Italiane confirms its role as a strategic pillar by effectively and efficiently connecting the country. The "Polis Project, Houses for Digital Citizenship Services", launched in 2022, is a practical example of how it is possible to promote the economic, social and territorial cohesion of the country and to overcome the digital divide in small towns and inland areas. Around 7,000 municipalities with a population of less than 15,000 inhabitants become home to the digital services of the Public Administration. The ambitious project envisages total investments of around €1.2 billion to be imple-

mented by 31 December 2026 and the allocation by the Ministry of Enterprise and Made in Italy of total contribution of €800 million. In more than one thousand post offices in municipalities with less than 15,000 inhabitants, work has been completed to ensure that citizens can access the main services of the Public Administration, INPS services, and civil registration and judicial certificates. Finally, work was completed on 31 co-working spaces.

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. The relationship with all 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. This means we can count on the support we need to successfully manage the risks and opportunities that arise and achieve long-term sustainability. Poste has always been keen to promote initiatives aimed at listening to all of the Group's stakeholders. A long-established formula, the Multistakeholder Forum, now in its seventh edition, represents a crucial opportunity for discussing and fully sharing the key objectives of the Group's Sustainability Strategy, based on eight pillars. Also in 2023, the event was attended by around 1,400 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 priority issues for stakeholders and the Company so defined are analysed according to the dual materiality approach, which aims to identify the material issues that enable us to prioritise action aimed at creating value in the short, medium and long term. In line with the strategy outlined in the new Strategic Plan to support the customer and the community, the results of the engagement process with the Group's main stakeholders showed an increased relevance of impacts related to the following issues: Innovation and digitisation of products, services and processes, Protection of human rights in the Company, Support for the socio-economic development of the territory and Equal opportunities in career paths from an inside-out perspective; Innovation and digitisation of products, services and processes, Quality and Customer experience, Staff training and development and Financial inclusion based on an outside-in approach.

The Poste Italiane Group's business model confirmed its solidity in 2023 as well, despite a particularly complex and challenging scenario. The actions and results achieved, reported in the Integrated Report, describe the Group's concrete commitment and have been consistent with the process undertaken by the Company to generate valuable relationships with all its stakeholders.

As we continue our organic path of growth, which combines innovation and human capital development in an inseparable pairing, our sense of responsibility is embodied by actions and initiatives to protect the community and the environment in which the Group operates. In keeping with these values, we constantly maintain a focus on human advancement, through a social commitment aimed at realising practical projects. In particular, in line with one of the material themes identified, we have invested heavily in the training of our people, focusing on the development of the skills also required by new businesses, health and safety in the workplace and respect for human rights, essential tools for a competitive advantage in the market. But the strategy will be further developed, expanding the initiatives, including the creation of five campuses dedicated entirely to the training of our people.

Our stakeholders have already been able to appreciate and benefit from the value created starting with "Deliver 2022" and continued with "Sustain&InnovatePlus 2024", presented to the market in 2018 and 2022 respectively, thanks to which it has been possible to structure the new "2024-2028 Strategic Plan" with a solid foundation, that is increasingly sustainable and accessible to all our citizens. Thanks to our commitment to guaranteeing access to our services throughout the country, combining proximity and digital innovation, our distinctive identity, we are committed to reducing emissions, to promoting new business models to accelerate our customers' green transition, to respecting human rights at all stages of our activities, and to the human and professional growth of our people based on valuing everyone's contribution, inclusion, motivation and respect. Furthermore, the Group dedicates itself on a daily basis to the promotion of organic and widespread social inclusion initiatives, with the aim of creating a positive impact in the context in which it operates. In particular, corporate volunteering represents an ethical choice of the Company and a concrete commitment for the community sustainable development, in line with the values and principles incorporated in the Code of Ethics and the Sustainability Policies. We have set ourselves the goal of doing more and more in this context.

This awareness drives us to introduce increasingly more effective actions because we feel a responsibility to make a real difference.

Through a growing commitment to greater transparency to the market and to the solidity and concreteness of the business model built to create sustainable value in the long term, also in 2023, the Group confirmed or improved its ratings of excellence in the main ESG ratings used by the main market players. In December 2023, Poste Italiane was ranked as the world's "Sector Leader" for sustainability in the insurance sector according to the S&P Global rating agency, subsequently being included in the 2024 edition of the S&P Global Sustainability Yearbook, falling within the Top 1% of the S&P Global ESG Score 2023, and confirming its presence for the fifth time in a row in the Dow Jones Sustainability Index World and the more selective Dow Jones Sustainability Index Europe. In addition, the Group was not only reconfirmed as a leader in the fight against climate change by CDP (formerly the Carbon Disclosure Project), placed 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, maintaining a Low ESG Risk Rating. These prestigious recognitions are followed by further confirmations in equally important indices, such as the Bloomberg Gender-Equality Index (GEI), Integrated Governance Index (IGI), FTSE4GOOD, Euronext MIB ESG and Equileap Global Gender Equality in addition to several other indices of the Euronext Group. In addition, the Group also maintained its "AA" rating from MSCI, owing to the major progress it has made in the social sphere, improving its corporate sustainability performance and leadership in the sector.

The Group achieved numerous recognitions in 2023, which the whole Company is extremely proud of because they are the result of the work put in by all Poste Italiane's people. For the sake of brevity, we'll mention just a few.

Poste Italiane has been awarded the prestigious Platinum medal by EcoVadis, which assesses the sustainability of companies along the supply chain, further improving its position from last year's Gold medal by placing within the top 1% of companies assessed by the team of international experts. The Group is committed on a daily basis to finding innovative and sustainable solutions for our Italian and international partners, in line with our corporate objectives, and will continue to work to be an increasingly representative point of reference for the country in the ESG domain. Finally, Poste Italiane obtained the UNI/PdR 125:2022 certification (a certificate provided for in the National Recovery and Resilience Plan - NRRP), due to its ability to ensure gender equality in the workplace. Inclusive organisation and respect for gender equality create shared social value and foster a higher level of engagement with corporate objectives, generating a competitive advantage for the entire Group. The certification obtained actually represents another feather in the Company's cap, augmenting the other important recognitions already achieved by Poste Italiane in the area of inclusiveness, such as the Equal Salary certification, the Uni ISO 30415:2021 – Human resource management – Diversity and Inclusion certification, in addition to the Top Employers certification confirmed for the fifth consecutive year.

We are fully satisfied with the results we have achieved; the high level of professionalism, determination and ambition which are our hallmark, has helped us take important steps along the path of development. We will strive to ensure that our Company continues to be a reference point in the community in which we operate because trust and reputation are fundamental values on which to base a solid future for the benefit of all stakeholders.

A heartfelt thank you, therefore, goes to all the people of the Poste Italiane Group for their constant support in pursuing all the common goals dynamically and with bundles of energy.

Finally, we thank you Shareholders in advance for the attention given to this document, which is inspired by the principle of maximum transparency towards all our stakeholders.

Presentation of the Integrated Report

The Integrated Report of the Poste Italiane Group this year has reached its sixth edition and aims to illustrate in an accurate, factual and transparent manner, all the activities, results achieved, their performance and services offered according to the systemic approach between financial and non-financial strategies in their respective overall vision.

The Integrated Report also illustrates how sustainability is increasingly integrated into the business model, providing a clear and comprehensive representation of the Company's financial, environmental, social and governance performance. In fact, the deep integration of sustainability into the business, encapsulated in Poste Italiane's purpose is also evidenced by a set of annual and multi-annual targets traceable to the eight pillars of the strategy designed to provide stakeholders with maximum transparency on the Group's commitment in these areas and to report transparently on the progress achieved.


Through this approach, the Group aims to tell the story of its ability to generate and maintain value over time, both financially and non-financially, in the context and market in which it operates.

With this in mind, 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 underpinned 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.

The Integrated Report is prepared by taking into account a wide range of international standards and guidelines to which the Group also adheres on a voluntary basis. In continuity with the preparation of the previous Integrated Report and consistent with regulatory requirements, the 2023 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 the EU Regulation n.852/2020 (Taxonomy Regulation) and with the relevant regulatory evolutions that emerged during 2023, the Poste Italiane Group, taking into consideration its industrial and financial operations, has reported the percentages of Turnover, CapEx and OpEx and the share of investment/financing associated with eligible economic activities in relation to the six objectives provided by the EU Taxonomy, and aligned in relation to the first two environmental objectives. In addition, within Chapter 5 "Strategy" is described the methodology adopted by the Group for the materiality analysis, aligned in view of compliance with the forecasts related to the 2021 update of the GRI standards for the inside-out perspective, taking into account the provisions of EFRAG, contained in the new sustainability standards and in the Guideline on double materiality, although still in draft, for the outside-in perspective. The adoption of the double materiality process to identify Poste Italiane's material issues allows the Group to conduct an analysis in anticipation of the Corporate Sustainability Reporting Directive, scheduled for FY 2024.

In continuity with previous years, the 2023 Integrated Report contains 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: 

The Group’s sixth Integrated Report was prepared by applying the Integrated Reporting framework published by the International Integrated Reporting Council (IIRC). In addition, Poste Italiane has, as well, taken into account ESMA¹ priorities in giving disclosure in terms of reporting within the 2023 Annual Reports and Non-Financial Statements. ESMA identifies climate change issues as a priority in the non-financial report for 2023. As confirmation of Poste Italiane’s commitment to combating climate change, it should be noted that as of 2021 the Group has officially joined the supporters of the Task Force on Climate-related Financial Disclosure (TCFD). 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 Task Force on Climate-related Disclosure (TCFD) recommendations with the contents of the Integrated Report. In addition, Poste Italiane was among the 320 organisations to adhere as early adopters to the new set of recommendations published by the TNFD to support organisations in identifying, assessing, managing and disclosing relevant nature-related issues (biodiversity, waste and water management, climate change agents, etc.), consistent with global policy objectives and international sustainability reporting standards. 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 2023 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 2023, 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.

1. ESMA document on European common supervisory priorities for 2023 “European common enforcement priorities for 2023 annual financial reports”, published on 25 October 2023.

This Annual Report, which was approved by the Board of Directors of Poste Italiane SpA on 19 March 2024, is made available to the public within the terms provided for by the regulations in force (i.e., by 30 April 2024) on the following web page: <https://www.posteitaliane.it/en/reports.html#/>.

The following infographics are used in this document:



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



to indicate, by means of a hyperlink, 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

NFS

IN THIS CHAPTER:



- 2023 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



2.1 2023 Outcome of the value creation process at Poste Italiane

During 2023, 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



FINANCIAL



Revenue: €11.99 bn (+5% y/y)

EBIT: €2.62 bn (+9% y/y)

Net profit: €1.93 bn (+22% y/y)

DPS €0.80 (+23% y/y)

Total financial assets: €581 bn

Postal Savings - Savings Books: around €8 bn raised with Supersmart offers dedicated to new liquidity

Life insurance net inflows: €+3.4 bn

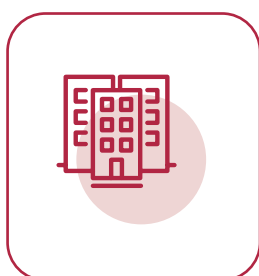
Lapse rate on Life business: 4.4% below the average market rate

Assets under management: inflows >€4 bn (approx. 3x vs 2022)

Controlling stake in Net Insurance for the development of the protection segment in the insurance business

Strategic partnership between Poste Italiane and DHL for the development of the international parcels market

Establishment at the beginning of 2024 of MLK Fresh in partnership with Mazzocco Srl for the launch of the "fresh" express courier service for home delivery of fresh food products



PHYSICAL-STRUCTURAL



12,755 Post Offices and approximately 119 thousand employees (zero offices closed in Small Municipalities during the year)

Omnichannel strategy: over 23 mln (+9% y/y) daily interactions and over 6 mln daily visitors on digital channels (+10% y/y)

Third-party networks: roughly 51,000 physical contact points strengthened by the acquisition of LIS in September 2022

Roughly 27 mln digital identities (SPID) issued (around 75% market share)



INTELLECTUAL



Brand Finance: Poste Italiane is ranked in the Brand Finance Global 500 among the brands with the highest financial value globally (+52 positions y/y)

Inauguration of Poste Italiane new Fraud Management Centre, which monitors security of transactions carried out in post offices and online round the clock

Poste Energia launch campaign wins the Best Engagement special award at the Key Award, the Italian award dedicated to marketing communication

Poste Italiane wins the "Premio Impatto" (Impact Award) promoted by the Corporate Social Responsibility and Social Innovation Show, for measures to reduce CO₂ emissions thanks to the fleet renewal plan

Poste Italiane receives Platinum Medal from Ecovadis and enters the top 1% of best companies for corporate social responsibility along the supply chain

Poste Italiane also consolidated its AA rating by Morgan Stanley Capital International (MSCI)

Oscar di Bilancio 2023 in the category Large Listed Companies



HUMAN



Poste Italiane is Top Employer for the 5th consecutive year

New edition of the Code of Ethics approved, which reaffirms and amplifies the fundamental principles that inspire the Group Presence on the Bloomberg Gender - Equality Index confirmed for 5th consecutive year

Roughly 6.5 mln hours of training provided in 2023

Trade union agreement to regulate Agile Work, extended until 31.12.2024

2023 performance bonus: +4% vs 2022 and extraordinary bonus for the year of €1,000 for Group employees

Record number of sign-ups for the Corporate Welfare programme with roughly 28 thousand sign-ups: X3 compared to 2022

Poste Italiane is among the winners in the AILA Foundation's Women's Project for its commitment to the prevention of osteoarthritis and osteoporosis, promoting the importance of women's health



SOCIAL-RELATIONAL



January 2023: inaugural event of the Polis Project - House of Digital Services (NRRP) to foster social and territorial cohesion and overcome the digital divide in small centres. As of April 2023, INPS services, some judicial certificates* and the National Register of Resident Population certificate services are available

Memorandum of understanding with the Third Sector Forum on sustainability and volunteering projects: the online platform dedicated to the promotion of projects proposed by Third Sector organisations is operational

Poste Italiane is among the top three companies in the "Integrated Governance Index (IGI) 2023" ranking for the integration of sustainability policies into corporate strategies

Poste Italiane on the podium of the "best communicators" according to Lundquist's "trust Italia 2023" research

Poste Italiane confirms its leadership in sustainability by taking 1st place among the Blue Chip of the Italian Stock Exchange in the MIB® ESG GLOBAL SCORE index

Poste Italiane confirms its leadership in ESG policies by obtaining for the second year in a row the advanced category in Moody's Analytics' ESG overall score

Poste Italiane is the world's "Sector leader" for sustainability in the insurance sector according to the S&P Global rating agency, confirming its position for the 5th consecutive year in the Dow Jones Sustainability Index World and Europe and for the 4th year in the 2024 edition of S&P Global's Sustainability Yearbook, falling into the "Top 1%" rating bracket among companies in the insurance sector

Poste Italiane ranks 4th in the "Webranking Europe 500" ranking of leading European listed companies for transparency and quality of digital communication

* Appeal for the establishment of the support administrator and the statement of assets of the administered and/or protected person.



NATURAL



Poste Italiane confirms the "A-" rating issued by CDP (former Carbon disclosure project) in the Climate change section

The Poste Italiane Group enters the energy sector, with a 100% green mass market offer accessible in omnichannel mode: reached over 500 thousand contracts since the launch of the service

Roughly 26,200 low-emission vehicles in the company fleet, of which roughly 5,800 electric

Full green delivery: zero-emission delivery in 35 city centres

Approximately 2,000 buildings involved in the Smart Building project*, roughly 310 photovoltaic systems with an installed capacity of over 15,000 kWp.

* Automated and remote management of buildings to achieve energy efficiencies

2.2 Impacts generated by Poste Italiane

MAIN RELATED TYPES OF CAPITAL

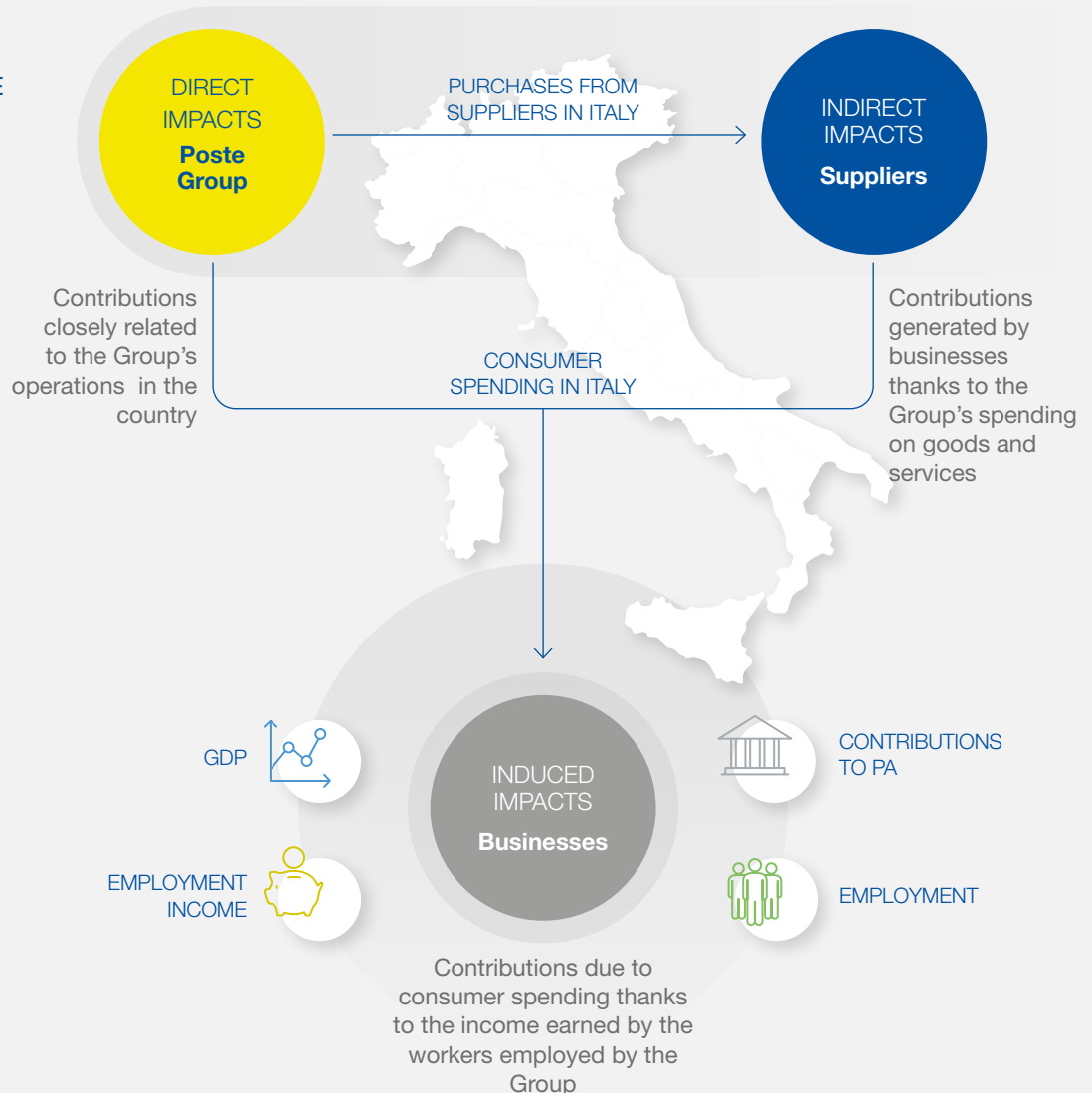


Through its leadership in the logistics, financial, insurance and payment services sectors, Poste Italiane plays a key role in the creation of economic value both for the stakeholders directly impacted by its business activities and for the country as a whole.

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 (€3.8 billion in 2023) 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.

THE PROCESS OF CREATING POSTE ITALIANE'S ECONOMIC VALUE



x 3

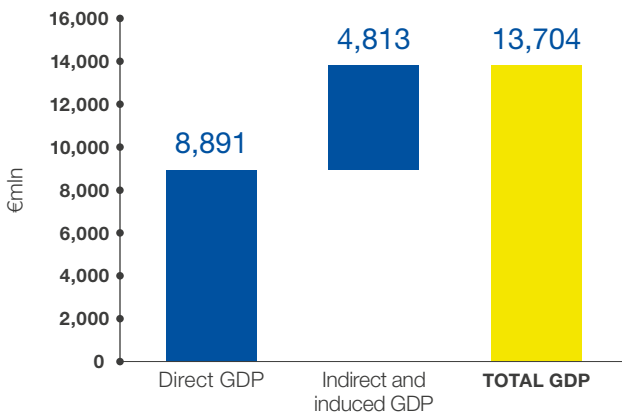
one euro spent by Poste Italiane for the purchase of goods and services generates an economic value for the country system of €3 in terms of production value

In 2023, the Poste Italiane Group had an impact on the country's economy, in terms of Gross Domestic Product (GDP), of €13.7 billion and, employed a total of roughly 197 thousand people and contributed around €2.7 billion to the income of the Public Administration in terms of tax revenue. Furthermore, it is estimated that Poste Italiane contributed directly and indirectly to the distribution of income to workers, totalling €7.3 billion.

Poste Italiane's creation of value is based on the contribution that the Group's individual people make through their daily work and commitment. In fact, in 2023, each person at Poste Italiane contributed to the creation of economic impacts for the region amounting to €114 thousand of GDP, €61 thousand of income for families, €22 thousand of tax contributions and the employment of 1.6 people.



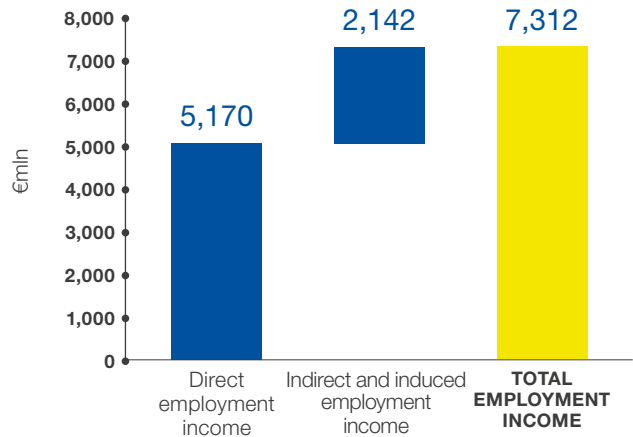
POSTE ITALIANE'S CONTRIBUTION TO GROSS DOMESTIC PRODUCT 2023



Each person at Poste Italiane, through their daily work and commitment, has contributed to the generation of €114 thousand in GDP in 2023



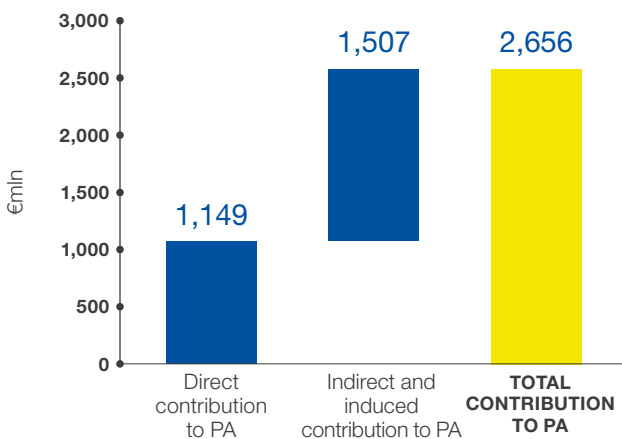
POSTE ITALIANE'S CONTRIBUTION TO EMPLOYMENT INCOME 2023



Each person at Poste Italiane, through their daily work and commitment, has contributed to the distribution of €61 thousand to families during 2023



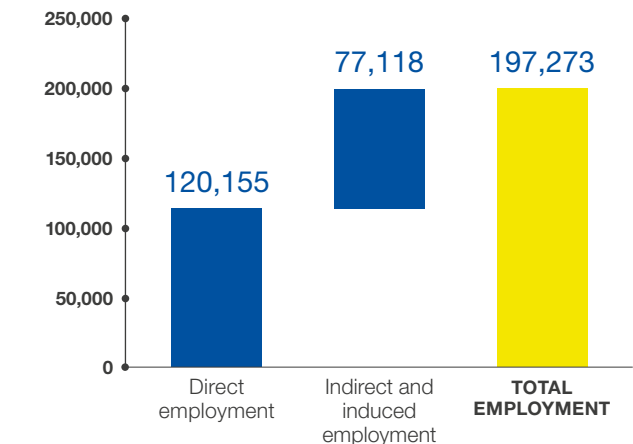
POSTE ITALIANE'S CONTRIBUTION TO THE PUBLIC ADMINISTRATION 2023



Each person at Poste Italiane, through their daily work and commitment, has contributed to the generation of a tax revenue of €22 thousand during 2023



POSTE ITALIANE'S CONTRIBUTION TO EMPLOYMENT 2023

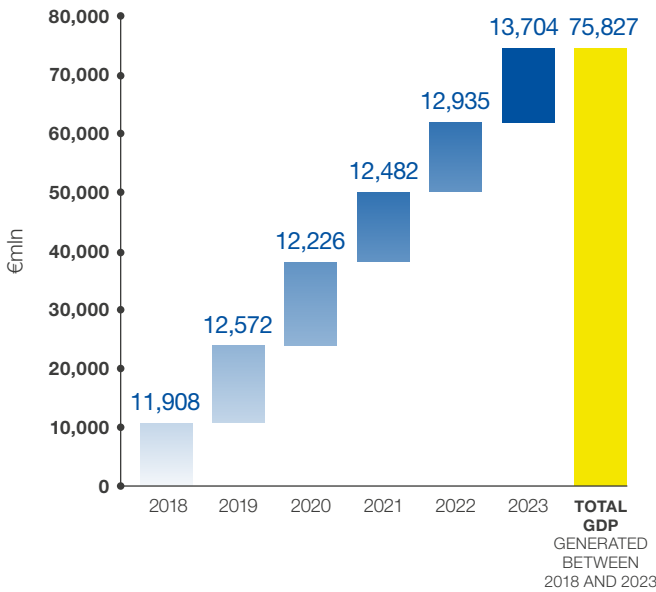


Each person at Poste Italiane, through their daily work and commitment, has contributed to the employment of 1.6 people in 2023

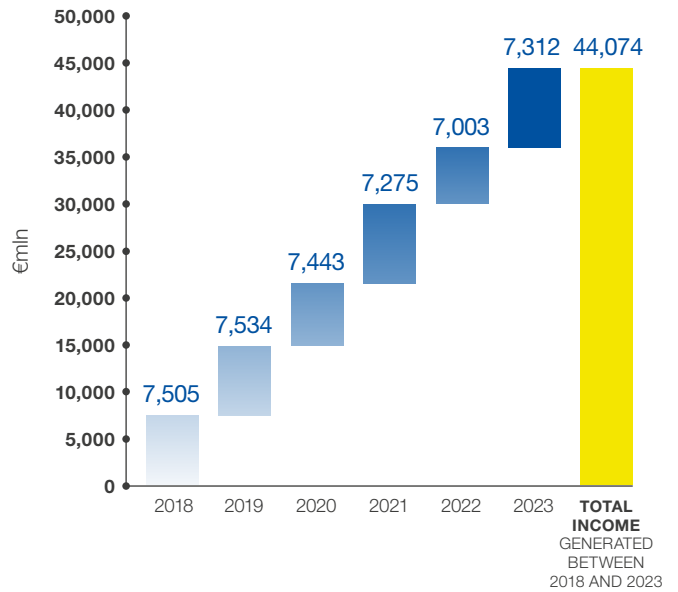
Poste Italiane's commitment to serving the country's economic system is not limited to 2023, but is embedded in a path of annual value creation. In fact, from 2018, the Poste Italiane Group has generated overall impacts on the country of roughly €76 billion in Gross Domestic Product (GDP), €44 billion in employment income, and €13 billion in tax revenue. In addition, on average, the Group contributed to the creation of 187 thousand jobs between 2018 and 2023.



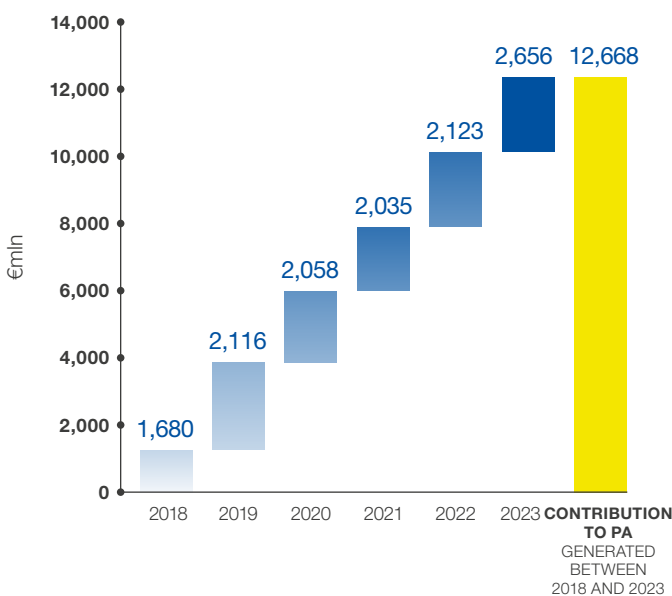
POSTE ITALIANE'S CONTRIBUTION TO GROSS DOMESTIC PRODUCT 2018-2023



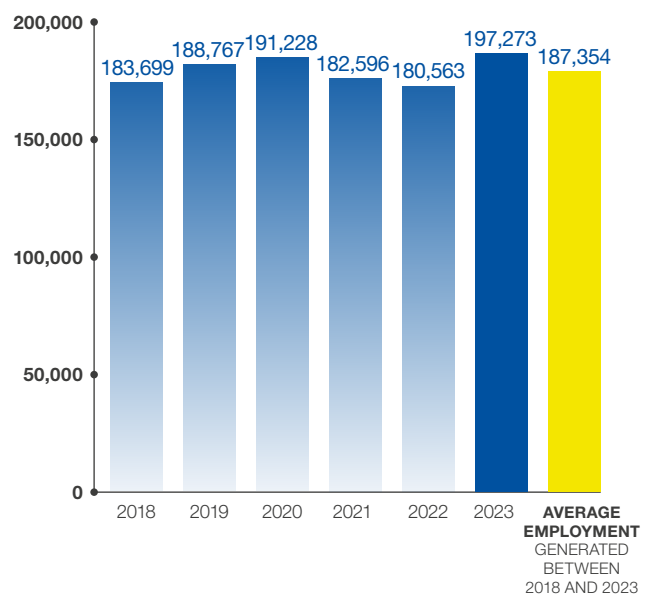
POSTE ITALIANE'S CONTRIBUTION TO EMPLOYMENT INCOME 2018-2023



POSTE ITALIANE'S CONTRIBUTION TO PA 2018-2023



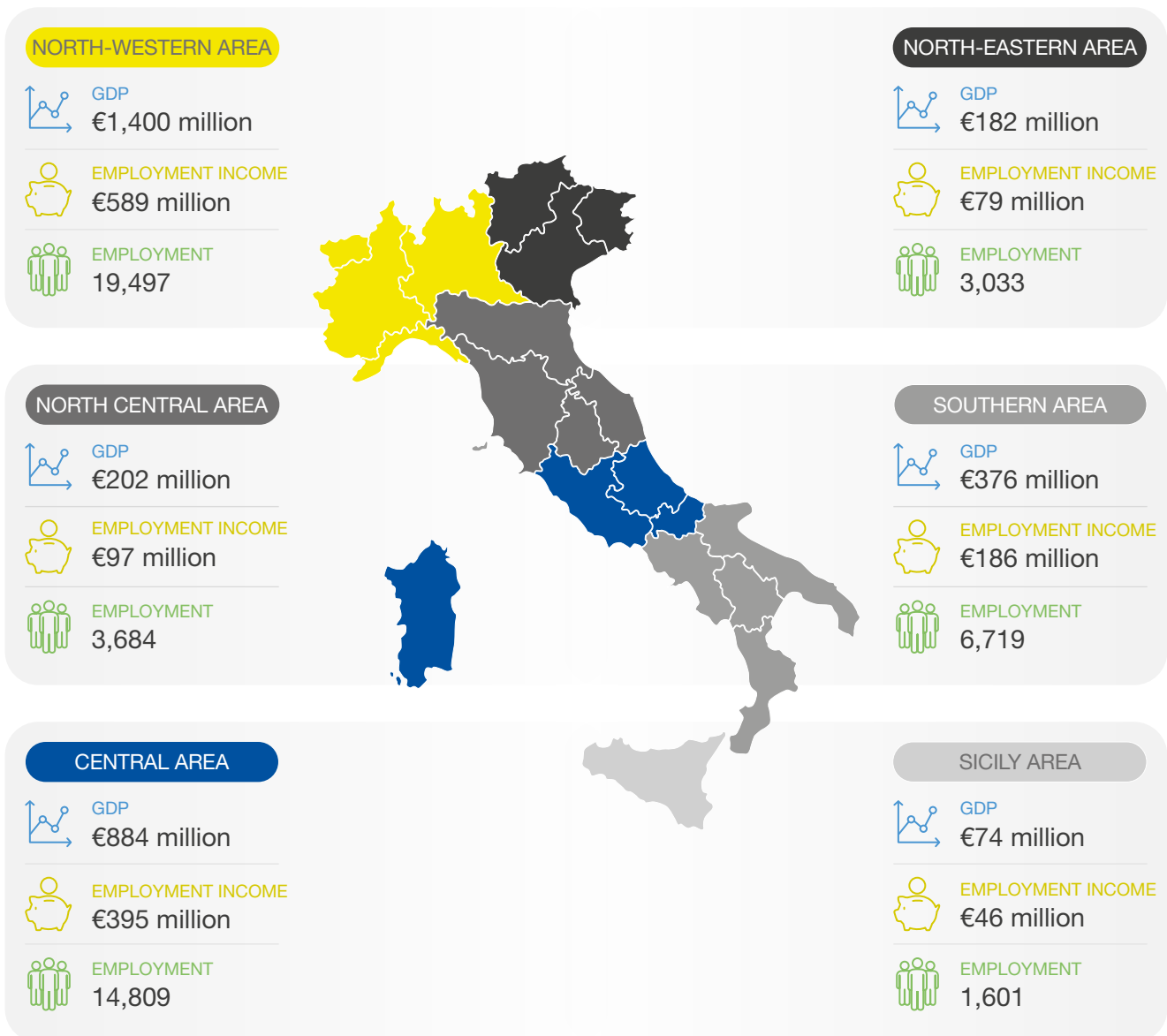
POSTE ITALIANE'S CONTRIBUTION TO EMPLOYMENT 2018-2023



Below are two focuses on the area 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 2023

Considering the region of the registered office of suppliers, the indirect impacts generated by them in each Territorial Area in 2023 have been identified.



The various areas examined generated GDP values of between roughly €70 million and €1.4 billion. This results in an employment level of no less than one 1,600 people and total employment income between €45 million and €590 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.



GDP

€1.3

billion



EMPLOYMENT

23

thousand
employed



EMPLOYMENT INCOME

€650

million



CONTRIBUTIONS TO PA

€414

million

In 2023, SMEs impacted the level of Gross Domestic Product for a value of €1.3 billion, leading to the employment of 23,000 people and an income distribution of around €650 million. Finally, €414 million has been generated in terms of tax revenue.

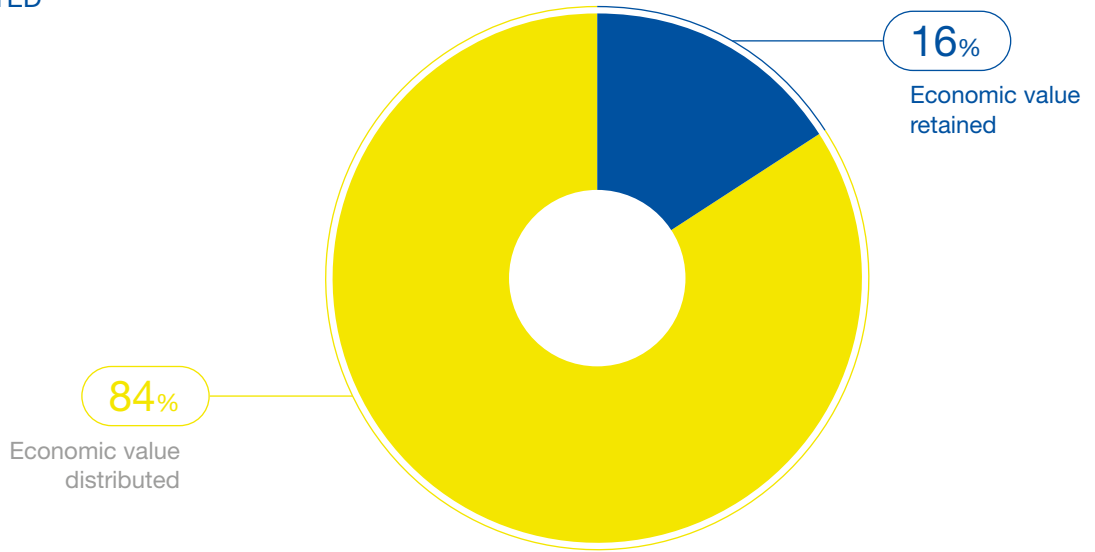
The economic value generated and distributed by the Poste Italiane Group

The economic value created in 2023 amounts to over **€12 billion**, roughly **84% distributed** to stakeholders

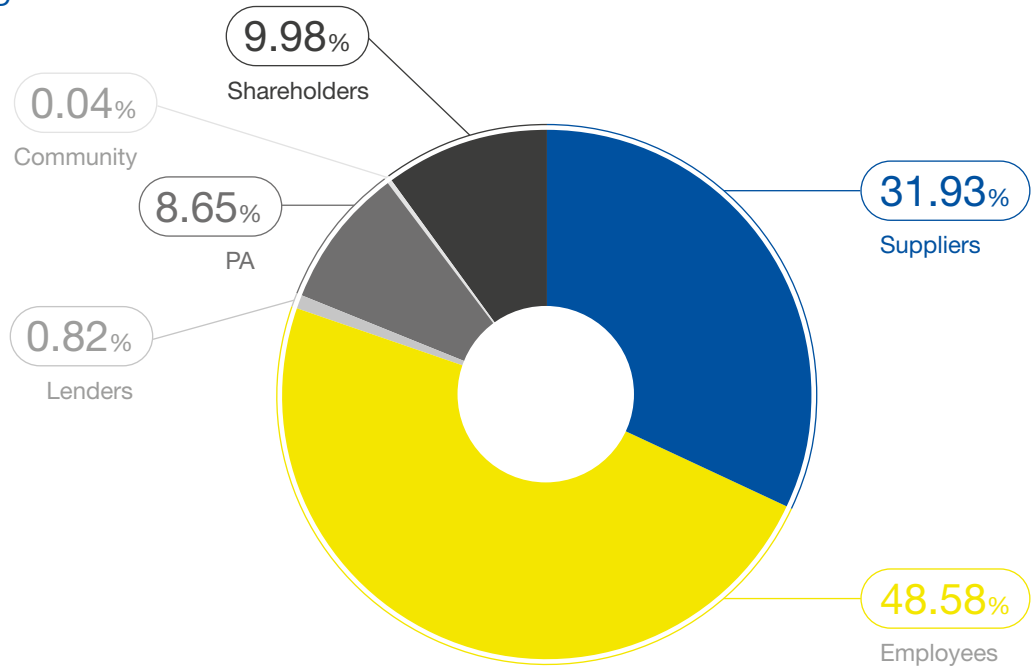
Poste Italiane also provides an overview of the economic value generated and distributed by the Company to its stakeholders such as suppliers, employees, lenders, the community, the Public Administration and shareholders. This value represents the wealth produced by the Company and its impact on key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

In 2023, 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 48% and 32% of the total value distributed.

DISTRIBUTION
OF THE ECONOMIC
VALUE GENERATED



BREAKDOWN
OF THE ECONOMIC
VALUE DISTRIBUTED



2.3 Creating shared value to achieve the SDGs

Poste Italiane is a fundamental 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 results 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 (2023) prepared by ISTAT. The representation provides an overview of the Group's impact on the UN SDGs.



Goal 1: End poverty in all its forms everywhere


Italy

Posteitaliane



- In 2022, one fifth of the Italian population was at **risk of poverty**. This figure was higher than the European average, and has remained more or less stable over the last five years.
- Between 2021 and 2022, the share of people suffering from **severe material and social deprivation** (-1.4 p.p.) and of people living in low labour-intensive households (-1.0 p.p.) decreased.
- Almost a quarter of the Italian population was at **risk of poverty or social exclusion** in 2022. The considerable territorial differences remained the same: in the North less than 15% of the population is at risk, in the South more than 40%.
- In 2022, about 2.7 million people (11.5%) were at risk of poverty despite working. The situation is more serious for foreign workers: almost a quarter of them are at risk of poverty.


- In 2023, the Sponsorship Committee approved **382 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 €399,200 in **charitable donations**, €1,206,314 in investments in the **community** in collaboration with non-profit organisations and local institutions and
- €2,370,329 in **commercial initiatives** with beneficial effects on communities, for a total of around €3,975,844.
- On **25 May 2023**, the Agreement Report was signed, which envisages the possibility for employees to adhere to the solidarity initiative known as "**Ora Etica**" (Ethical Hour) in favour of the Civil Protection committed to help the **populations of Emilia-Romagna** affected by the recent floods, which consists in donating the equivalent of one hour's work.



Goal 3: Ensuring healthy living and promoting the well-being of everyone at all ages

Italy

Posteitaliane



- In 2022, there were 713,499 **deaths** in Italy, about 12 thousand more than in 2021, and higher even than the pre-pandemic average.
- In the first six months of 2022, there was a clear upturn in **mobility** and, as a consequence, in road accidents, which, however, remained at lower levels than before the **pandemic**.
- Flu **vaccination coverage** decreased in the 2021/2022 winter season: 58.1% of the elderly vaccinated, a percentage still far from the WHO recommended threshold value (75%).

- In total, for Group employees, deaths due to **occupational accidents** (on the job and on the way to work) in 2023 decreased by about 38% compared to 2022.
- **84,602 employees** were **trained on Health and Safety** issues during 2023.
- 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 **July 2023**, the Poste Italiane new offer dedicated to **cancer prevention campaigns**, organised by local health authorities and hospitals, was launched on an experimental basis.



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

Italy

- In 2021/2022, Italy was still far from the European targets for **early childhood services**: 28.0% places available in relation to children aged 0-2 years.
- In 2022, the share of **young people** aged 18-24 leaving the education and training system **without having obtained a diploma** was 11.5%
- In 2022, Italy was also far behind Europe in the number of young people with a **tertiary degree** (29.2% among 25-34 year-old people).
- Slightly less than half of people aged 16-74 had at least basic digital skills in 2021.

Posteitaliane



- In the two-year period 2022-2023, a total of more than **12 million hours of training** were provided, involving almost all professional figures.
- In 2023, **23.1%** of the Group's workforce had a **university** degree while **66.3%** held a **diploma**.
- **Collaboration** continued with leading **universities** and **business schools** for the further development of **innovative competences**.
- Poste Italiane continues with its activities to enhance internal **STEM** skills and **roles**, also by promoting the inclusion of **young women** through this training.



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

Italy

- Anti-violence centres and shelters increased in 2021, with a rate of 2.39 services in total per 100,000 women aged 14 and older.
- In 2022, 119 **women were killed** (3 more than in 2021). 84% of homicides occur at **home**.
- Female representation decreased in the **national parliament** to 33.7% in 2022 (-1.7 percentage points), but increased in regional administrations (+1.2 percentage points in regional councils renewed in 2023).
- The **ratio of women** on the **boards** of listed companies (42.9%; +1.7 percentage points) and in decision-making bodies (21%; +1.9 percentage points) is also on the rise.

Posteitaliane



- The presence of women in the Company by category was **32.2%** in **managerial positions**, **16.4%** in **top management** and **20.7%** in **STEM positions**.
- Through the **Suspension of mortgage payments**, Poste Italiane confirmed its commitment to the inclusion of **female victims of violence** in 2023.
- The **Lifed project**, the digital programme aimed at enhancing parenting skills, continued with the participation of around **1,200 users** in 2023, who had the opportunity to enhance the skills acquired during their parenting experience.
- In continuity with what was started in 2019, in 2023, Poste Italiane continued the **"Housing Autonomy for Women Victims of Violence"** project. The Company confirmed its financial support by providing 10 accommodations from its real estate assets for women and minor children in difficult economic situations.
- The collaboration with **Parks - Liberi e Uguali**, to create **inclusive** working environments that respect all employees, and in particular those belonging to the **LGBTQIA+ community**, continued in 2023.
- **The Board of Directors** of Poste Italiane is **44.4%** made up of **women**.



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

Italy

- In 2020, Italy ranked second among EU countries for per capita drinking water withdrawal (155 cubic metres per year).
- In 2020, critical conditions in the drinking water distribution networks were confirmed: efficiency, stable compared to 2018, stands at 57.8%.
- In 2021, the number of provincial capitals and metropolitan cities subjected to **water rationing measures** increased from 11 in 2020 to 15 (2 of which in the Centre-North).
- In 2022, about one in three households did not trust **drinking tap water** and almost one in ten complained about irregularities in the water distribution service in the home.

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 2023 Poste Italiane's **water withdrawal** amounted to approximately **1,876 megalitres**, mainly from groundwater (3.7 MI) and third-party water resources (1,873 MI).



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

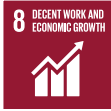
Italy

- After the collapse in 2020, **energy consumption** has risen sharply in 2021; in Italy (+9.8%) it has grown more than the EU27 average and the leading European economies.
- **Increase in energy intensity** for the second consecutive year in 2021 (+1.4%). Despite the negative trend of the last year, Italy remained in fifth place in the European ranking.
- In 2021, the **residential sector** showed a significant increase in final consumption per capita (+5.0%), returning to the standards of ten years ago.
- In 2021, the total contribution from **renewable sources** to gross final energy consumption (19.0%) was down from the previous year.

Posteitaliane



- In 2023 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 **10%** compared to 2022.
- In 2023 Poste Italiane continued to implement **initiatives aimed at reducing emissions**. In total, for annual investments of around **€24 million**, the projects yielded an annual savings of **6,711 tCO2e** and annual monetary savings of more than **€3.9 million**.
- In 2023, Poste Italiane expanded its gas and electricity offer to Italian citizens through Poste Energia.



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 employee 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 2023 Poste Italiane generated impacts on the country of **€13,7 billion in GDP and €7.3 billion in employment income**, while also contributing to the creation of **197 thousand jobs**.
- Each person at the Group contributed to the **creation of economic impacts for the region** amounting to €114 thousand in GDP, €61 thousand in income for families, and the employment of 1.6 people.
- In 2023, the Group recruited **3,474 new employees**, of whom 52% were men and 48% women.
- On March 1st, 2022, the Company signed an **Agreement with the Trade Unions**, extended until 31 December 2024, 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.



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 44.4% in 2023. The aim is to **replace the entire fleet with low-emission** vehicles by 2024.
- In 2023, the Group inaugurated the **largest photovoltaic system** built by Poste Italiane in **Sicily, the Postal Mechanisation Centre in Palermo**, with a system that made the site's production cycle totally self-sufficient.



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 2023 Poste Italiane confirmed its commitment **to the most vulnerable groups**, weakened by their physical, mental, family, economic, ethnic and social conditions.
- The Group maintained the **programme** for communities in **small municipalities**, pledging to ensure continuity of service.
- The Group continued the **Polis Project** to foster **economic, social and territorial cohesion** in Italy and end the **digital divide** in **small towns and inland areas**.
- In 2023, Poste Italiane inaugurated its corporate volunteering model with the "Faccio Bene" campaign, in addition to the numerous **collaborations with Third Sector organisations** that it has been carrying out for several years.
- In 2023, the **support for the community on the financial side**, the collaboration between Poste Italiane and numerous institutions for the disbursement and placement of the **Prestito BancoPosta**, in all its distinct options, will continue.



Goal 11: Making 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 PM_{2.5}, but values remain high in large cities, with the resulting risks to human health.

Posteitaliane



- In 2023, Poste Italiane generated **38,904.5 tonnes of waste**, **38,533.1** of which were recovered and 371.4 of which were **disposed of**.
- In line with Poste Italiane's mission, the Group also took part in the **Cresco Awards Sustainable Cities 2023**, 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 "smart health screening" campaigns promoted by the ASL.
- **During 2023**, Poste Italiane completed work on the **Padua Sorting Centre**, aimed at transforming the site into a carbon-neutral location. The initiative resulted in **PAS 2060**, which certifies the site's CO₂ neutrality in accordance with the strictest environmental requirements.



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 2023 decreased by 7% compared to 2022, while the percentage of **materials used from recycling increased by more than 2%** compared to 2022.
- In 2023 **Poste Italiane's Integrated Report** will reach its **sixth 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 2023, **€24 million 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.
- At 31 December 2021, there were 8,527 inmates **awaiting first trial**, or 15.8 % of the prison population, which is lower in absolute terms than in the previous year, but higher in terms of incidence on the total number of 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 has updated the **Organisation, Management and Control Model** pursuant to Legislative Decree no. **231/2001** in order to ensure the transposition of internal organisational and operational developments.
- **ISO 37001** anti-corruption certification was extended to SDA and Poste Assicura.
- Poste Italiane **confirmed its legality rating** by receiving the 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.
- During 2023, the **fraud prevention** management process was further strengthened through an integrated anti-fraud system. In particular, the **Integrated Anti-Fraud Platform (PIAF)**, an innovative anti-fraud prevention system to which all digital financial products and services are brought together, has been put into action.



Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

Italy

- In 2021, **general government revenue** 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 **ultrabroadband** market.
- In 2023, the Group contributed approximately **€2.7 billion in tax revenues**.

3. Outlook

In the normalisation process that started after the shocks experienced in recent years, the global economy grew at a modest rate in 2023. Preliminary 2023 estimates for Italy also show a slight increase in GDP (+0.7%) compared to 2022. After growth in the first months of 2023, driven by the manufacturing sector, which benefited from the fall in energy prices and the loosening of “bottlenecks” along the supply chains, the economy slowed down in the following months, leading to a decline in GDP in the second quarter of 2023; this phase of weakness in Italian economic activity, which extended to both manufacturing and services, continued in the third and fourth quarters.

There was also a gradual decline in inflation during 2023 as a result of the more restrictive monetary policy stance and falling energy commodity prices; the decrease in inflation also extended to non-energy industrial goods and services.

The end of 2023 and the beginning of 2024 saw an improvement in business and consumer confidence and, according to the most recent estimates, this trend will continue in 2024, together with a reduction in inflation, while GDP is expected to grow at a modest rate of +0.7% in 2024 compared to 2023, broadly in line with that forecast for the other Eurozone countries in an economic scenario that continues to be dominated by a high level of uncertainty due to the prolonged geopolitical tensions and the risk of a further crisis in the Middle East.

Against this backdrop, the Poste Italiane Group posted a new record in 2023 with EBIT coming in at €2.62 billion, hitting the upwardly revised guidance communicated to the financial community last November. In addition to growth in the payment and financial services businesses in particular, careful control of costs contributed to this result. The year was marked by the break-even of the Mail, Parcels and Distribution Strategic Business Unit ahead of expectations and by positive retail net inflows, driven by investments and the insurance segment, with the latter continuing to outperform the market.

The solid financial performance and the increased visibility and sustainability of the liquidity and capital generation prompted the management to revise the dividend upwards compared to the target originally set: the proposed dividend for the year 2023 is €0.8 per share, up 23% compared to the previous year's figure. Since the 2015 listing, a high and increasing overall remuneration of the Company's shareholders has been ensured, with performance exceeding the values recorded by the main index of the Italian Stock Exchange.

On 20 March 2024, the new 2024-2028 Business Plan will be presented to the market, which targets the transformation of logistics and an evolution of the customer service business model. In particular, the continuation of the Group's transformation path to become a complete logistics operator is confirmed, ensuring the financial sustainability of the Mail, Parcels and Distribution segment.

This strategy includes the integration of Plurima, acquired in 2022, with the aim of growing in the healthcare and hospital logistics sector, the renewal of the partnership with Amazon for 5 years, the partnership with DHL, for the development of international business, and the establishment of MLK Fresh at the beginning of 2024, in partnership with a specialised industry operator, a joint venture operating in the express courier service for the home delivery of food products. The Group will also be engaged in further strengthening Integrated Logistics by offering services to cover all stages of the customer's logistics chain.

The new service model aims to optimise customer coverage and management based on an omnichannel approach, directing advisors' efforts into “relational” rather than “transactional” activities, generating value for the Group.

The focus will remain on offering products/services that keep pace with evolving market contexts and confirm the centrality of Postal Savings in the Poste Italiane Group's offering. In insurance, the Group aims to sustain net inflows in the Life segment and confirms its ambition to reduce under-insurance in the country by offering new products and expanding penetration in the Protection segment, including by placing policies on third-party networks through the integration of Net Insurance, acquired in 2023.

In addition, benefiting from the growth of e-commerce and cashless payments, PostePay's business will evolve towards digital and innovative payment solutions and, at the same time, will be the integration layer on which to pursue the development of the telephony and electricity and gas offerings, to meet customers' everyday needs within the Postepay ecosystem.

The Group will continue to strengthen customer relations within the post office network, third-party networks and on digital properties by making omnichannel experiences easier. It should be noted that in 2023 the first financial functions will be integrated into the Ufficio Postale app, at the same time renamed Poste Italiane app, which will be progressively enriched with all the functionalities of the BancoPosta and PostePay apps, with the aim of eventually replacing them and representing the single access point to the Group's "phygital" platform. Therefore, the objective of representing Poste Italiane as a platform company evolving towards a diversified, integrated and sustainable business model to offer Italians an increasingly wider range of products/services is confirmed.

The Group will continue to rely on and value its people as the key to success for the implementation of the new strategic plan; to this end, constructive negotiations have already started for the renewal of the National Collective Labour Agreement, which expires at the end of 2023.

As part of the National Recovery and Resilience Plan, the Group will continue with the implementation of "Polis", a strategic project to support the country's social cohesion, which involves approximately 7,000 municipalities with a population of less than 15 thousand inhabitants, in which the Post Office will be transformed into the "house 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. The Poste Italiane Group and its business model

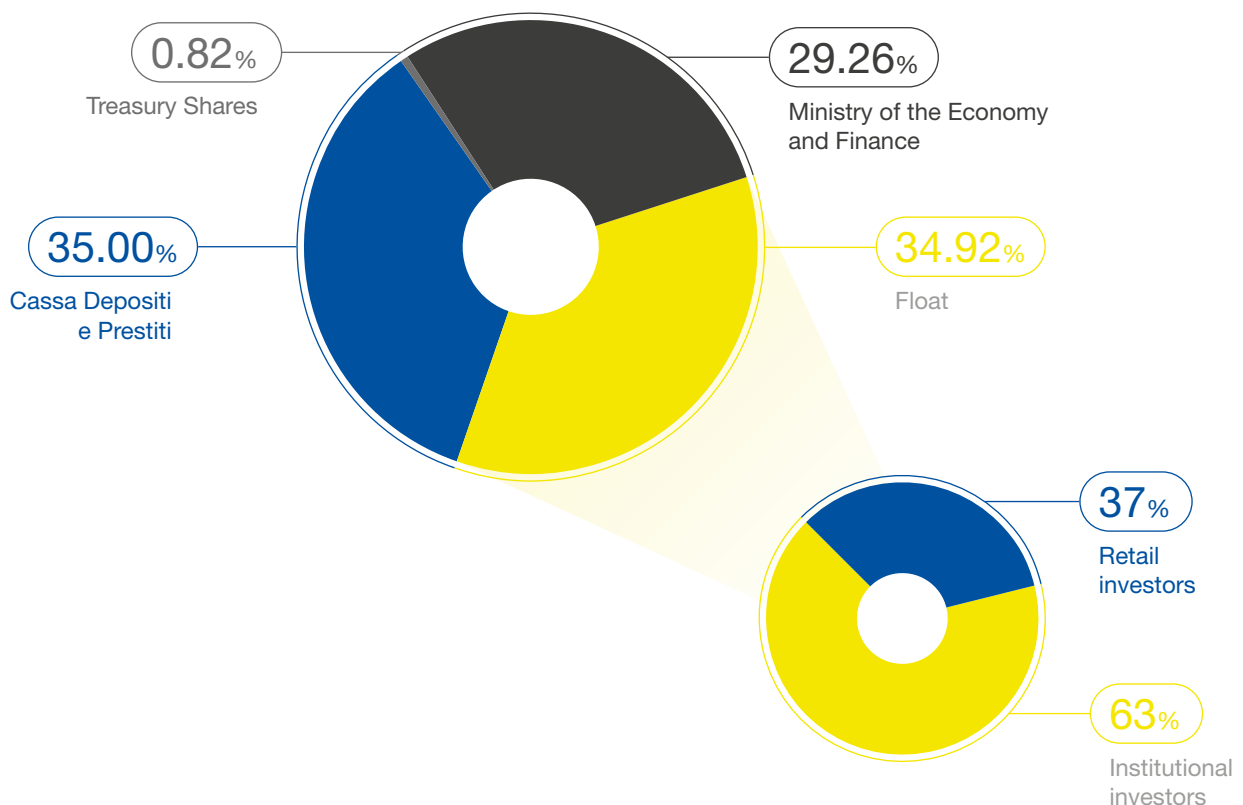
IN THIS CHAPTER:



- Poste Italiane's ownership and organisational structure
- Poste Italiane's Corporate Governance
- Poste Italiane group and its business model
- Group structure
- Omnichannel approach and group operating segments

4.1 Poste Italiane's ownership and organisational structure

4.1.1 Poste Italiane's ownership



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 2023, 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 investors of Poste Italiane SpA belong to investors who apply 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 1,295,434,202 are outstanding at 31 December 2023.

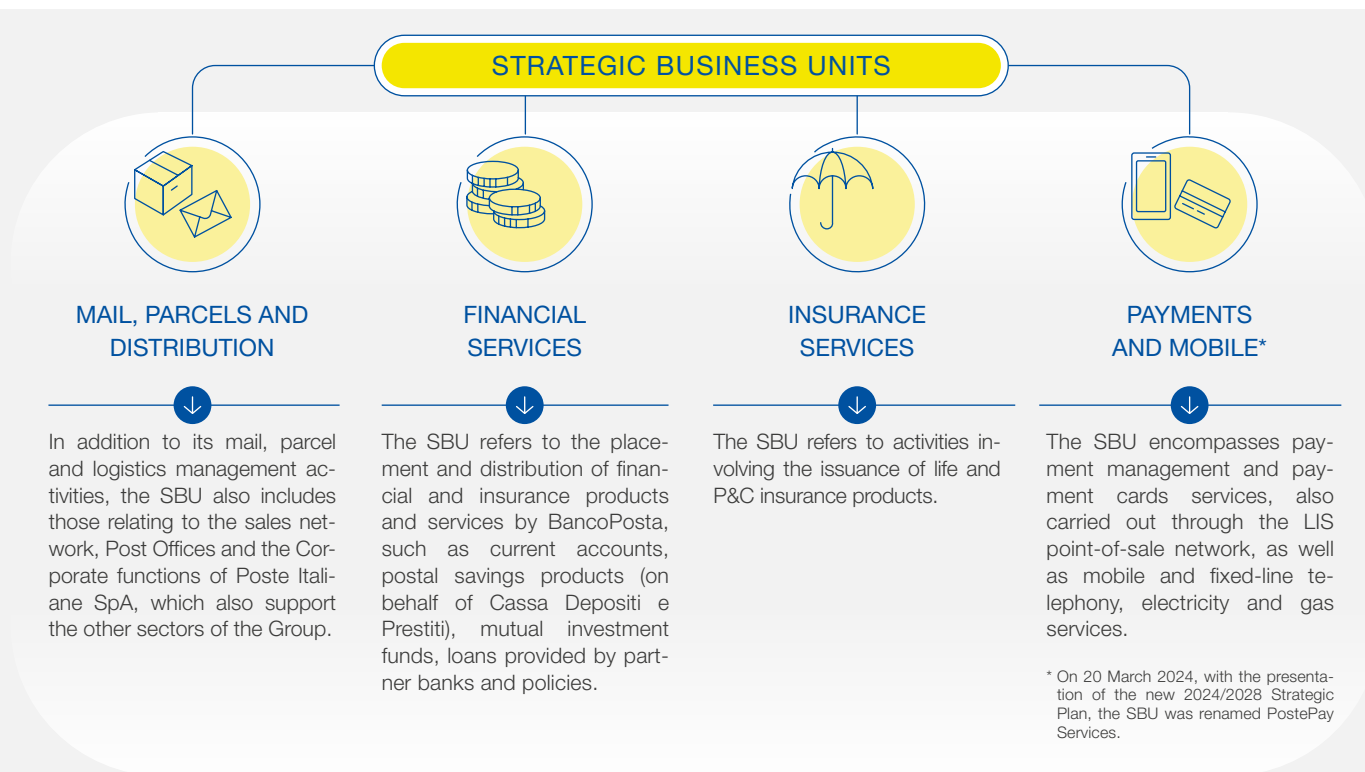
In execution of the authorisation to purchase treasury shares resolved by Poste Italiane's Shareholders' Meeting of 8 May 2023, aimed at acquiring a supply of shares to service the Group's long-term incentive plans benefiting members of management (including the Chief Executive Officer and General Manager), on 9 May 2023, the market was informed of the launch of a share buy-back programme under which, between 10 May 2023 and 31 May 2023, Poste Italiane purchased 3,500,000 treasury shares (equal to 0.268% of the share capital), at an average price of roughlyly €9.7 per share, for a total value of €33,984,897.83.

Following the transaction, considering also the treasury shares in the portfolio deriving from previous buy-back transactions and the delivery to the beneficiaries of the incentive plans, at 31 December 2023, Poste Italiane holds 10,675,798 treasury shares, equal to 0.817% of the share capital.

On 25 January 2024, the Council of Ministers approved, in a preliminary examination, a measure regulating the sale of a portion of the stake held by the Ministry of Economy and Finance in Poste Italiane SpA, so as to maintain a State stake, even indirectly, ensuring public control.

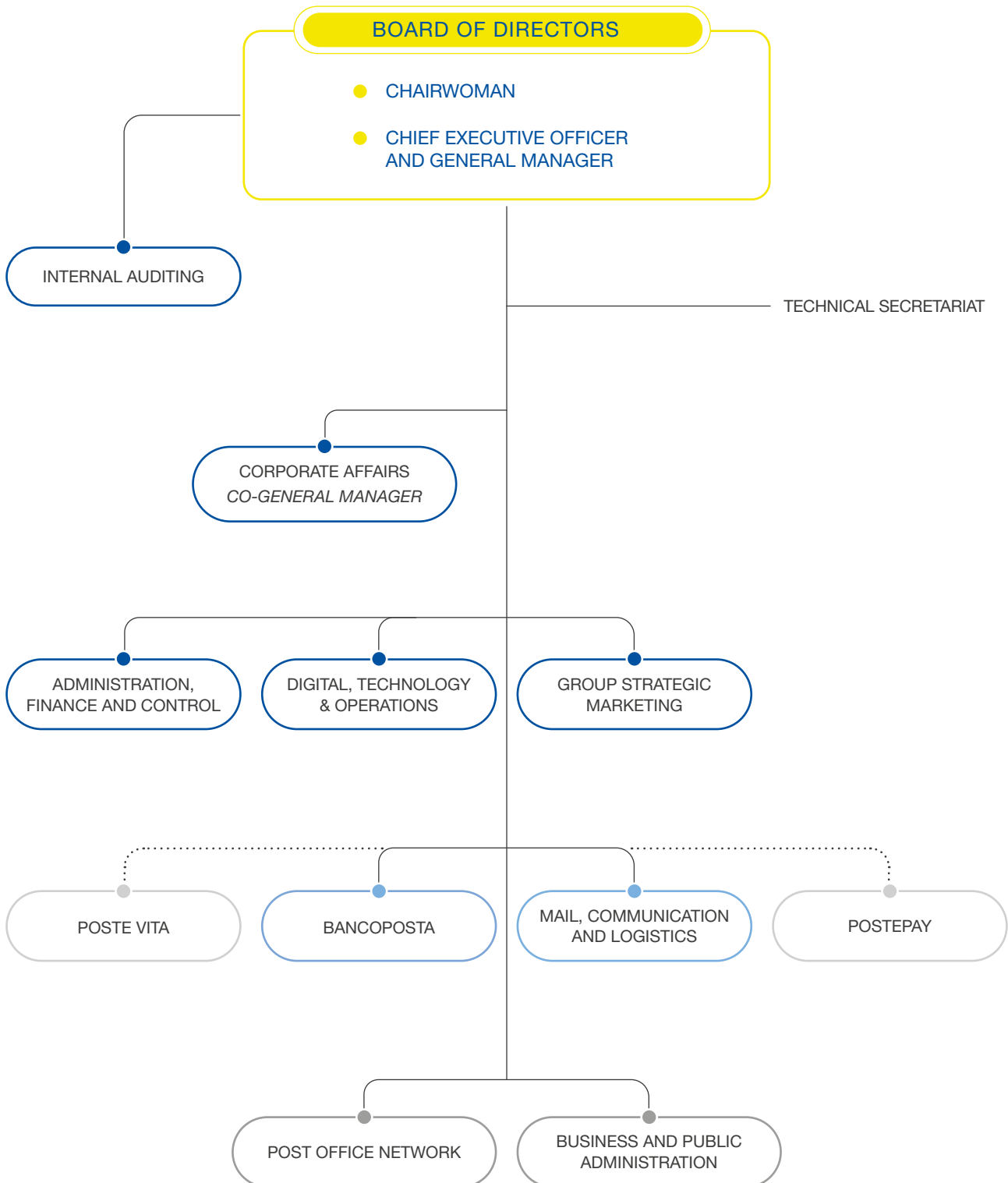
4.1.2 Poste Italiane's organisational structure

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.

Below is Poste Italiane's organisational structure.



- CORPORATE FUNCTIONS
- COMMERCIAL CHANNELS
- BUSINESS AREAS
- GROUP COMPANIES

**Third-party
network
development
model entrusted
to LIS**

The organisation of Poste Italiane SpA includes business functions³ specialising in the main offer areas 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**.

In the first half of 2023, the third-party network development model was revised by entrusting it to the company **Lis Holding**, in order to exploit synergies and deal more successfully and effectively with market demands and future challenges in the commercial services sector. This led to the change of the commercial oversight for the management of partner channels in the **Business and Public Administration Market**. Further organisational changes concerned, in the **BancoPosta** function, the strengthening of validation and data governance activities in the area of risk management, as well as micro-founded and customer analysis activities to maximise customer value and commercial actions/campaigns.

In the area of **Mail, Communication and Logistics**, the Transformation Governance function was created in July in order to facilitate and accelerate the transformation process towards the role of an "all-round" logistics operator.

In September 2023, two Sales Areas were created in the **Business and Public Administration Market** dedicated respectively to the offer of express courier and parcel products and services, as well as to the commercial development of integrated logistics solutions and indirect Express Courier and Parcel sales.

Subsequently, two commercial functions specialising in health care logistics and digital solutions were set up to ensure better commercial coverage of new business.

In November 2023, in order to accelerate the Group's transformation process and establish itself as an "all-round" logistics operator, a matrix organisational model was introduced in the **Mail, Communication and Logistics** domain that provides for:

- Business Managers, who are collectively responsible for the achievement of the economic, operational and quality results of each of the four businesses covered - Mail, Express Courier and Parcels, International and Integrated Logistics - making use of the operations carried out both in the Mail, Communication and Logistics area of the parent company, and in the Group companies in the perimeter, and directing the actions necessary for the resolution/prevention of critical issues, as well as for the identification of any opportunities for reviewing the business and related processes;
- Process Managers, i.e. the functions that govern, in a cross-company manner, specific phases of the value creation process (such as, for example, the Marketing, Quality, etc. functions).

In January 2024, considering the important role played by the logistics business in the overall strategy and the transformation required to cope with the continuous and radical evolution of the relevant market, the **Group Logistics Strategy** function was established and the tools of the Mail, Communication and Logistics function were further strengthened to develop the integrated logistics business on the one hand and to oversee network, process and supply engineering activities as well as service quality on the other.

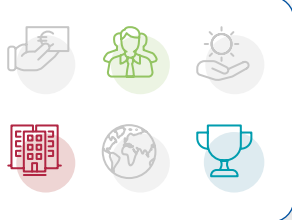
Lastly, it should be noted that in February 2024, the Company's organisational structure was adjusted through a **redistribution of responsibilities and competences among the top company governance functions** in order to make it even more responsive to current operations and to achieve the challenging objectives of the new strategic plan more effectively.

3. 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.

The decision was therefore taken to focus the **strategic development** and **establishment of corporate strategies** on the **Chief Executive Officer**, with particular reference to the **“supervised” businesses** and to entrust the **management of the Group’s industrial businesses** to the **General Manager**, reporting directly to him, with the responsibility of supervising and coordinating the activities of all organisational structures (with the exception of the Internal Auditing function, the Bancoposta function and the insurance, asset management, payment and card payments sectors).

The Chief Executive Officer also chairs the **Group Product Committee** (established at the end of the financial year 2022), which expresses advisory opinions on the launch of new products/services and changes to existing ones. The General Manager, the Head of Administration, Finance and Control, the Head of Digital, Technology & Operations and the Group Strategic Marketing Manager are also members of the Committee.

MAIN RELATED
TYPES OF CAPITAL



4.2 Poste Italiane's Corporate Governance NFS

BOARD OF DIRECTORS¹

Chairwoman
Silvia Maria Rovere

Chief Executive Officer
Matteo Del Fante

Members
Carlo D'Asaro Biondo
Valentina Gemignani
Paolo Marchioni
Matteo Petrella
Armando Ponzini
Patrizia Rutigliano
Vanda Ternau

Control and Risk Committee²

Matteo Petrella
(Chairman)
Carlo D'Asaro Biondo
Valentina Gemignani

Remuneration Committee²

Carlo D'Asaro Biondo
(Chairman)
Paolo Marchioni
Armando Ponzini

Poste

1. The Board of Directors was elected by the Annual General meeting held on 8 May 2023 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 2025. The Board of Directors, upon the proposal of CEO Matteo Del Fante, who concurrently resigned as General Manager, by resolution of 28 February 2024 appointed Giuseppe Lasco as General Manager, formerly Joint **General Manager**. Director General Giuseppe Lasco participates in Board meetings without voting rights.

2. Committee members were appointed by the Board of Directors' meeting of 30 May 2023.



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 ended 31 December 2024.

4. The Supervisory Board was renewed at the Board Meeting of 28 September 2022 for a term of three years and will remain in office until 28 September 2025. All members 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. With effect from 1 January 2024, the Court of Auditors appointed Francesco Targia to the post.

7. Company appointed to audit the accounts for the financial years 2020-2028 by resolution of the Annual General Meeting of 28 May 2019. Deloitte&Touche has been appointed for the entire Group.

New Corporate Governance Code in force from 1st January 2021

The Corporate Governance structure reflects the provisions contained in Legislative Decree no. 58, 24 February 1998 (the Consolidated Law on Finance), where applicable, the Supervisory Provisions issued by the Bank of Italy and applicable to Poste Italiane in view of the activities conducted by BancoPosta RFC (Patrimonio destinato BancoPosta), the legislation applicable to electronic money institutions as regards the activities carried out by Poste Italiane in implementation of the agreements entered into with PostePay – the ring-fenced EMI, and the recommendations of the Corporate Governance Code in force as of 1 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 12 times in 2023. Of the nine members of the Board, seven meet the independence requirements of the Consolidated Law on Finance, the By-laws and the new Corporate Governance Code. Of the latter, one director lacks only the requirements of independence pursuant to Art. 13(1)(i) (2) of Ministerial Decree 169/2020, (containing the "fit & proper" regulation of bank representatives, applicable to the Company by virtue of the BancoPosta activities conducted through BancoPosta RFC).

5 Board committees with propositional and advisory functions

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.

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 8 May 2023.

The **Chief Executive Officer**, 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 Directors**, upon the proposal of Chief Executive Officer Matteo Del Fante, who concurrently resigned as General Manager, by resolution of 28 February 2024 appointed Giuseppe Lasco as General Manager, formerly Joint General Manager. The General Manager Giuseppe Lasco participates in Board meetings without voting rights.

From that date, all organisational structures report to the General Manager - who reports to the Chief Executive Officer - with the exception of (i) the Internal Auditing Function; (ii) the newly established company function dedicated to the international development of the Poste Italiane Group's activities, reporting to the Board of Directors (iii) BancoPosta RFC, and thus the entire BancoPosta Function, which continue to report to the Chief Executive Officer; (iv) the insurance, asset management, payments and card payments segments, which continue to report to the Chief Executive Officer.

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 37 times, 10 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 above-mentioned assignment was made pursuant to Legislative Decree no. 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 2023*".

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 cross-company, uniform and coherent integration of the principles underlying the concept of sustainability into 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.

MAIN RELATED
TYPES OF CAPITAL



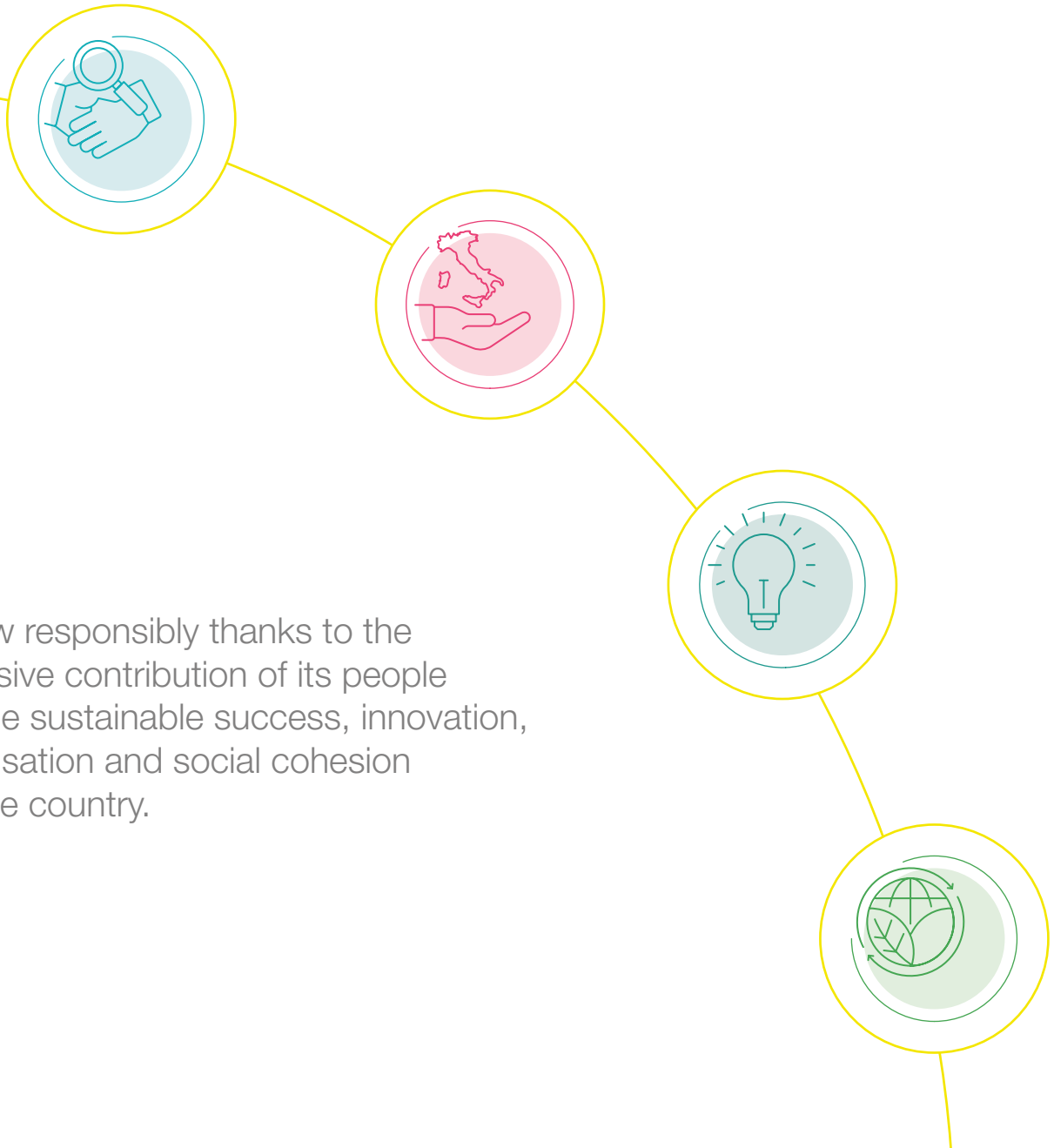
4.3 Poste Italiane's business model NFS



Poste Italiane's Purpose

Thanks to its widespread presence throughout Italy, in 2023 Poste Italiane once again assumed a central role in the country's socio-economic development, confirming its key importance in supporting the community and the territory. Operating in a changing environment and constantly influenced by external events, the Group has been able to

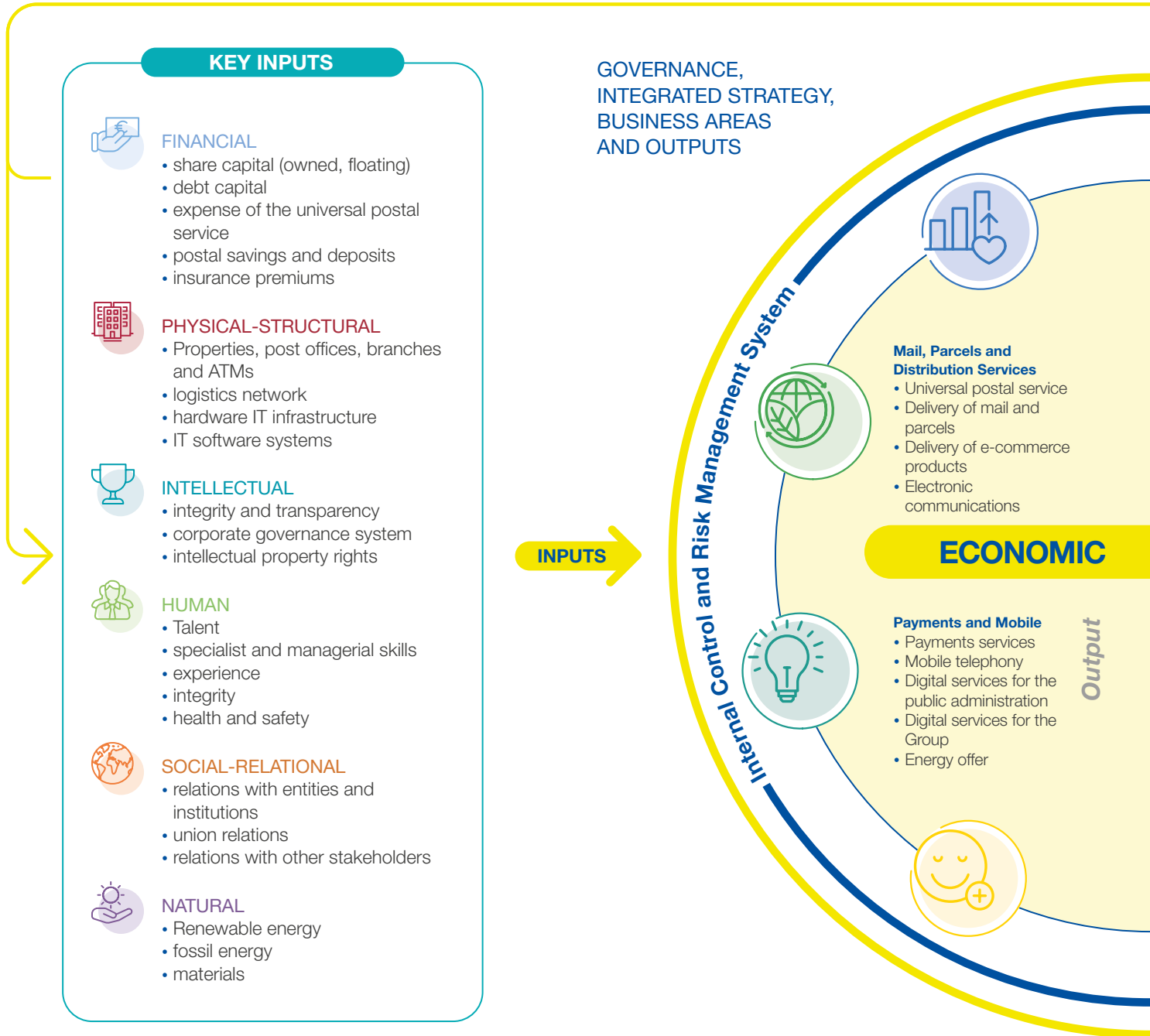
demonstrate its resilience while fully carrying out its activities. In order to achieve its objectives, Poste Italiane has collaborated with the institutions, supporting both the Public Administration and small municipalities, contributing to the country's digital and sustainable transition.



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.

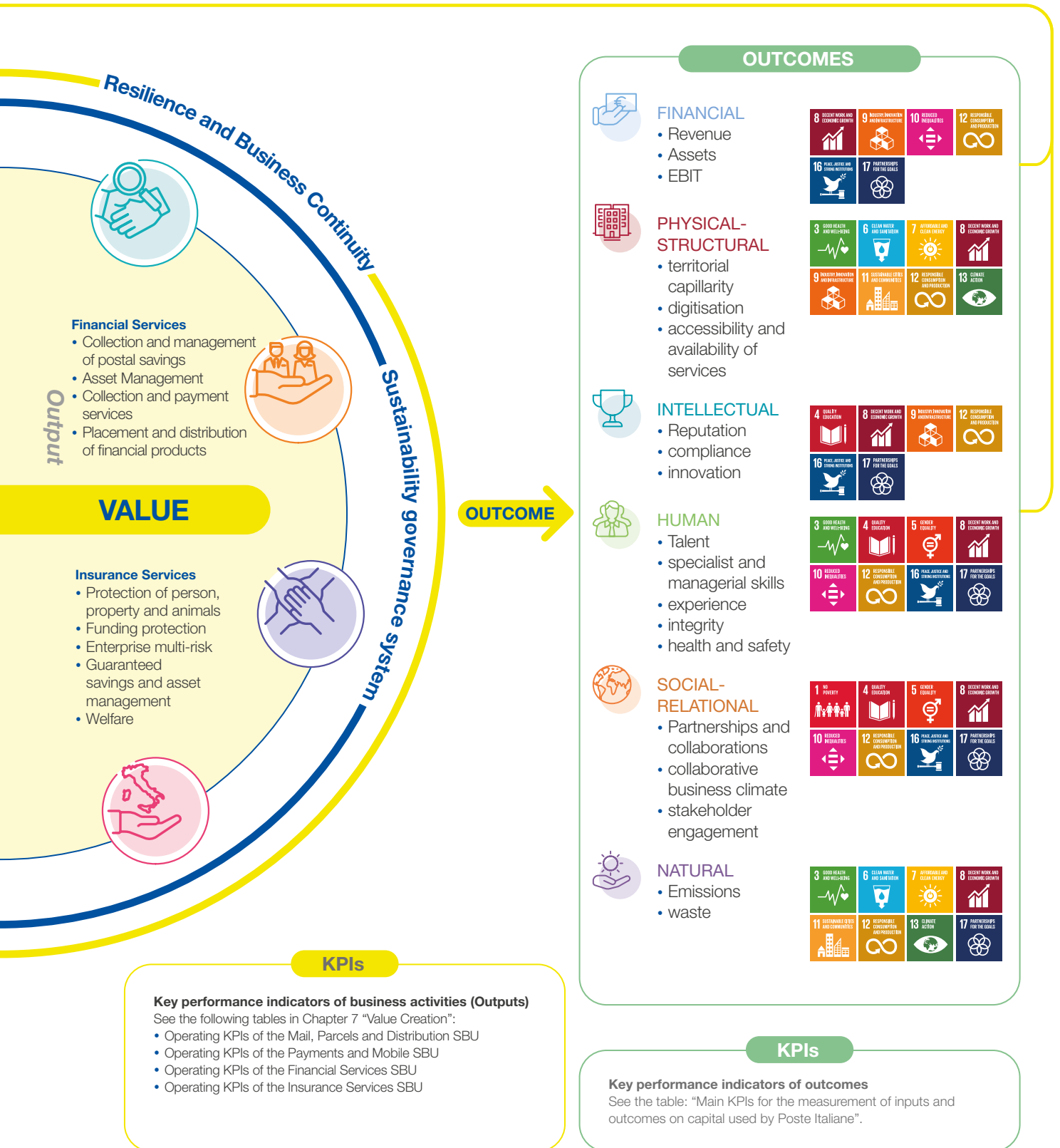
The value creation process at Poste Italiane



KPIs

Key performance indicators of inputs




See the table: "Main KPIs for the measurement of inputs and outcomes on capital used by Poste Italiane".






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






















The Poste Italiane Group's business is based on heterogeneous types of capital 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 AND DESCRIPTION	MEASUREMENT INDICATORS	REFERENCE TO PARAGRAPHS OF THE REPORT
 <p>FINANCIAL</p> <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
 <p>PHYSICAL-STRUCTURAL</p> <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 2-7 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
 <p>INTELLECTUAL</p> <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 AND 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 GRI 412 Human Rights Assessment Number of participants in development programmes Average annual 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"> Partnership e relazioni con gli stakeholder 	<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 2-27 Compliance with laws and regulations • 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				  
Relations with social partners			<ul style="list-style-type: none"> • GRI 2-30 Collective bargaining agreements • GRI 402 Labour/Management Relations 	 SOCIAL-RELATIONAL
Occupational health and safety		 	<ul style="list-style-type: none"> • GRI 403 Occupational Health and Safety 	 HUMAN

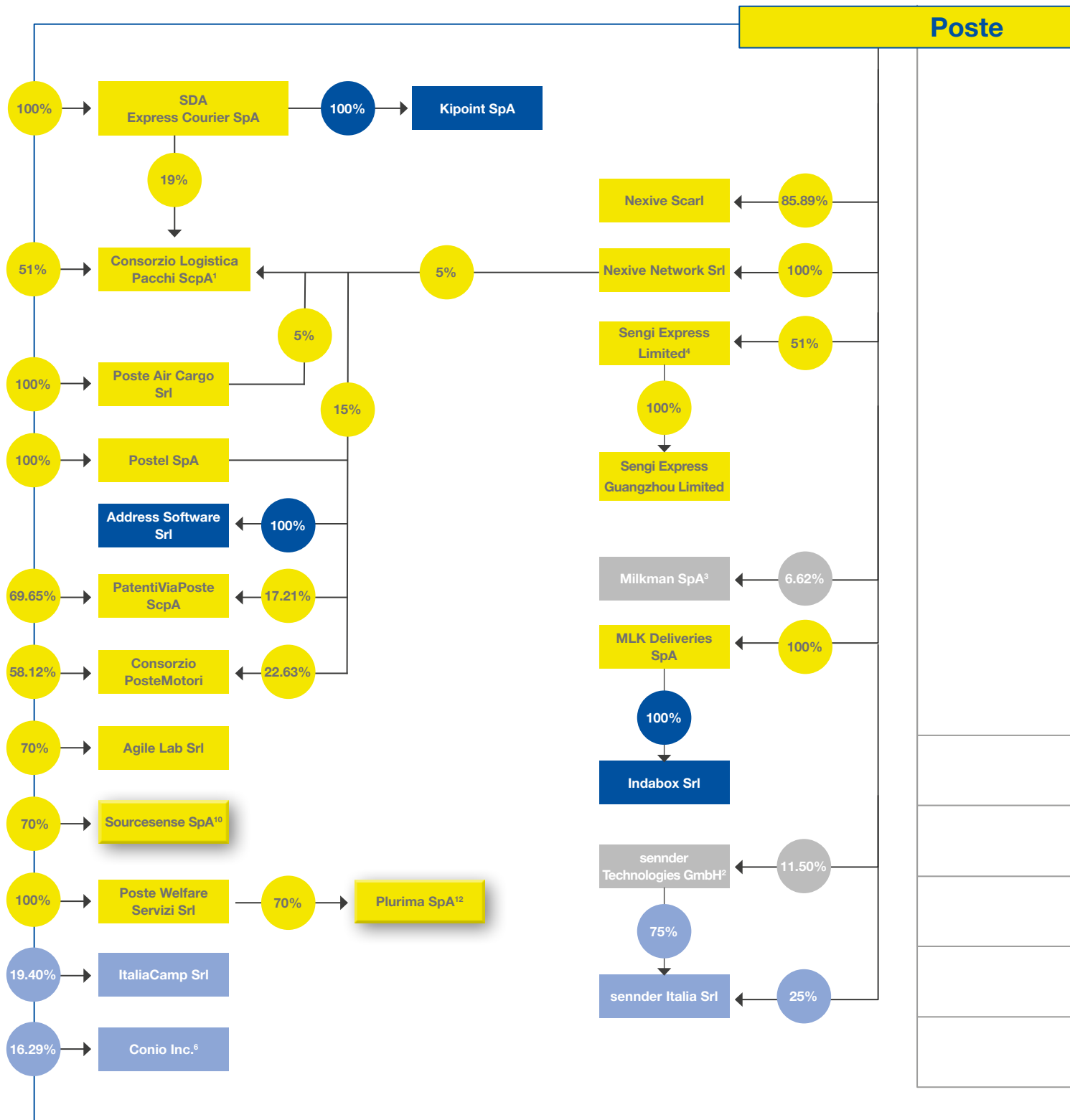
STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
 <p>DIVERSITY AND INCLUSION</p>	<p>Protection of human rights at the Company</p>	 	<ul style="list-style-type: none"> GRI 405 Diversity and Equal Opportunity 	 HUMAN  SOCIAL-RELATIONAL
	<p>Equal career development opportunities</p>		<ul style="list-style-type: none"> GRI 404 Training and Education 	 SOCIAL-RELATIONAL
 <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 	 PHYSICAL-STRUCTURAL  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 	 SOCIAL-RELATIONAL
	<p>Financial inclusion</p>		<ul style="list-style-type: none"> New customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions 	 SOCIAL-RELATIONAL  FINANCIAL  PHYSICAL-STRUCTURAL

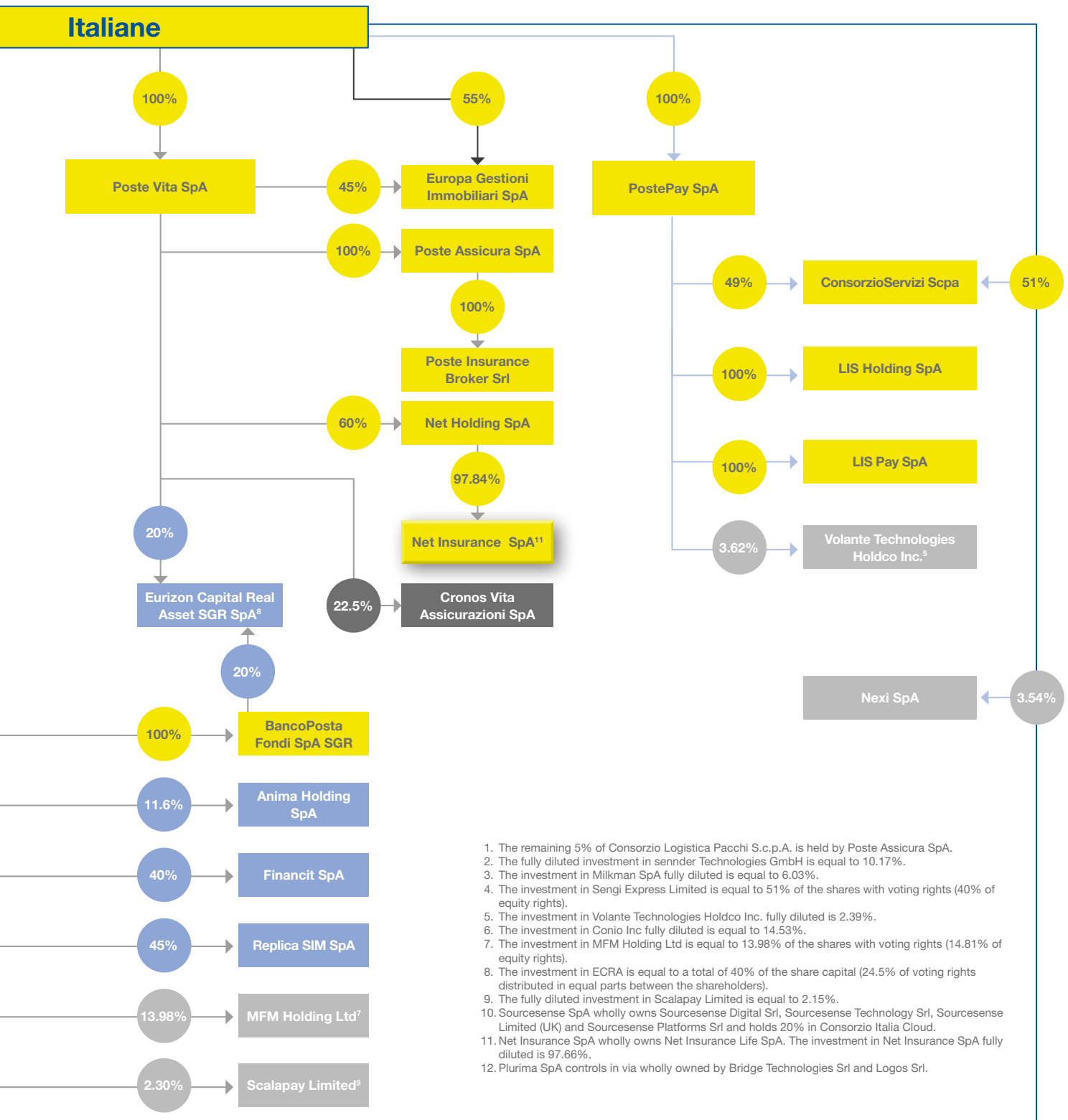
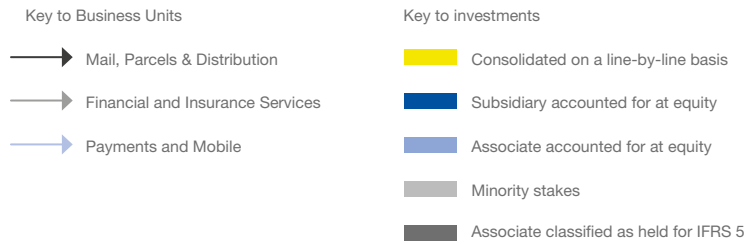
STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
	Environmental impacts of logistics	    	<ul style="list-style-type: none"> • GRI 302 Energy • GRI 305 Emissions 	
 <p>GREEN TRANSITION</p>		   	<ul style="list-style-type: none"> • GRI 302 Energy 	 PHYSICAL-STRUCTURAL  NATURAL
	Environmental impacts of real estate facilities	  	<ul style="list-style-type: none"> • GRI 303 Water and Effluents • GRI 306 Waste 	
		   	<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  FINANCIAL
	Cybersecurity, IT Security and Privacy		<ul style="list-style-type: none"> GRI 418 Customer Privacy 	 PHYSICAL-STRUCTURAL
 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	 	<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
 SUSTAINABLE FINANCE	Integration of ESG factors into insurance policies		<ul style="list-style-type: none"> ESG products and services related to Asset Management 	 INTELLECTUAL  NATURAL

4.4 Group structure

At 31 December 2023, the Group held, directly and indirectly, equity investments in 51 companies and consortia, of which 33 are consolidated on a line-by-line basis, 3 are subsidiaries and valued using the equity method, 8 are associates and valued using the equity method, 1 is an associate classified under financial assets held for sale pursuant to IFRS 5 and 6 represent minority stakes.





FOR FURTHER INFORMATION
P. 66 

The following table describes the activities of the Group companies, including them within the respective Business Units described in the section “Omnichannel approach and group operating segments” to which reference should be made for more details.



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 (EDM), incorporating integrated Data Driven Marketing solutions.
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). As of January 2024, Poste Italiane SpA wholly owns the company and the process of insourcing the company into Poste Italiane SpA through a merger by incorporation has been initiated.
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.
MILK DELIVERIES 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. On 31 January 2024, the company formalised the partnership with Mazzocco Srl through the establishment of the vehicle MLK Fresh Srl, through which the parties will offer advanced delivery services in Italy dedicated to the fresh food segment in the B2C e-commerce and/or scheduled deliveries market.
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.
PLURIMA SPA	→ The company operates in healthcare logistics and document storage and management services for public and private hospitals. It wholly owns Bridge Technologies Srl and Logos Srl.
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.

- 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).
-
- 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.
-
- 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, Sourcesense Limited (UK), Sourcesense Platforms Srl and 20% of Consorzio Italia Cloud.
-
- AGILE LAB SRL** → Company specialised in data management, offering tailor-made technology solutions that take advantage of artificial intelligence, as well as services involving the resale of open source software products developed by technology partners. As of 1 December 2023, the merger of the Agile group companies into Agile Lab Srl became effective.
-
- 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. As of November 2023, this service has been awarded to Poste Italiane SpA; the subsidiary will ensure the completion of some work.
-
- 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 this agreement were completed on 31 March 2022, however, there are activities pending development.
-
- 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** → Company, based in China, of Sengi Express Limited to which it provides business support services (operations, IT services, back office, administrative services, etc.).
-
- 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.
-
- 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.

 CONSULT THE GLOSSARY ON PAGE 542

- 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.

- ITALIACAMP SRL** → Organisation that develops social innovation processes with a positive impact for the country, creating connections between institutions, companies, associations and universities.

- 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).



FINANCIAL SERVICES

- BANCOPOSTA RFC** → 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).

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.

- BANCOPOSTA FONDI SPA SGR** → Asset management company that operates through the establishment and management of mutual *investment funds* ^{AZ}, and the individual portfolio management service relating to institutional mandates assigned to the Group.

- 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.

- FINANCIT SPA** → Part of the BNP Paribas Group, this company operates in the salary and *pension-backed loan* ^{AZ} and delegation of payment sector.

- EURIZON CAPITAL REAL ASSET SGR SPA** → A company specialising in investments supporting the real economy, it sets up and manages Alternative Investment Funds (AIFs) for private and institutional clients.

- ANIMA HOLDING SPA** → Investment holding company in the asset management sector. It controls 100% of Anima SGR, which, in turn, controls 100% of Anima Asset Management Ltd.

- MONEYFARM HOLDING LTD** → Digital asset management company, specialised in *ETF* ^{AZ} (Exchange Traded Funds) portfolios.

- SCALAPAY LIMITED** → A company operating in several European countries in the Buy Now Pay Later ("BNPL") market on online 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.
- 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; it wholly owns Net Insurance Life SpA, an insurance company active in the life insurance classes that mainly offers insurance coverage connected and instrumental to the P%C products offered by the parent company Net Insurance SpA.
- CRONOS VITA ASSICURAZIONI SPA** → Corporate vehicle set up in August 2023 to complete the rescue of Eurovita. In October 2023, Cronos Vita SpA changed its company name to Cronos Vita Assicurazioni SpA as a result of the change in its corporate purpose, which now includes the exercise of private insurance as well as the management of supplementary pension schemes.



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. As of 31 December 2023, the partial demerger of Lis Holding SpA became effective, with direct assignment of the entire stake of Lis Pay SpA to PostePay SpA – EMI RFC.
- LIS PAY SPA** → Electronic money institution providing payment and e-money services through the PUNTOLIS network, wholly owned by PostePay SpA.
- CONSORZIOSERVIZI SCPA** → Consortium for the provision of mobile telephony services, integrated messaging services (info device services related to financial instruments) exclusively for Poste Italiane, as well as, as of 1 July 2023, the natural gas supply service for Poste Italiane SpA.

**VOLANTE TECHNOLOGIES
HOLDCO INC.**

→ An American company which wholly owns Volante Technologies LLC., 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 s. Following the corporate restructuring, which took place in November 2023, PostePay SpA became a shareholder of Volante Technologies Holdco Inc. with the same shareholding previously held in Volante Technologies Inc. now called Volante Technologies LLC.

**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.

Below are the main transactions that took place during the period and after 31 December 2023.



MAIL, PARCELS AND DISTRIBUTION

**SENDER TECHNOLOGIES-
SENDER ITALIA**

→ On 3 April 2023, as a result of the capital increase reserved for the shareholder sender Technologies GmbH, the Poste Italiane stake in sender Italia went from 65% to 60%.

On 30 May 2023, Poste Italiane's Board of Directors approved the renegotiation of the current partnership with sender Technologies GmbH ("sender Tech"). As part of the renegotiation, Poste Italiane contributed 35% of its shares in sender Italia to sender Tech, increasing its stake in the latter from 1.7% to 10.2% on a fully diluted basis. Following the completion of the transaction in June 2023, Poste Italiane holds a 25% stake in sender Italia.

In addition, the transaction resulted in the recognition of a total gain of approximately €109 million classified as revenue since it was a sale of a controlling interest, with a positive impact on the Group's EBIT, as a result of ordinary operations.



INSURANCE SERVICES



acquired a
controlling stake

NET INSURANCE

On 28 September 2022, Poste Vita's Board of Directors 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. 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 insurtech⁴, 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.

On 20 April 2023, the squeeze-out procedure was finalised, as a result of which Net Holding (the corporate vehicle directly controlled by Poste Vita that promoted the bids) holds a controlling interest of 97.84% in Net Insurance (which in turn holds 100% of Net Insurance Life SpA), and the current CEO of Net Insurance, who acted in concert with the takeover bid, holds a minority interest of 2.16%. The total outlay paid by Net Holding for the acquisition of the stake amounted to approximately €181 million.

On 21 April 2023, IBL Banca SpA, pursuant to its commitment in the event of a successful bid, acquired a 40% stake in Net Holding for a consideration of €73.1 million.

The net outlay for the Poste Group for the acquisition of the stake amounted to around €108.5 million.

Other transactions

On 24 November 2022, binding agreements were signed for Poste Italiane to participate, with an investment of approximately €3 million, in a 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. Following receipt of the necessary approvals from the UK regulator (FCA)⁵ on 5 July 2023, the closing of the transaction was formalised at the end of July.

On 24 January 2023, Sourcesense finalised the acquisition of Eco Mind Ingegneria Informatica Srl ("Eco-Mind") 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 about €1 million. In order to simplify the corporate structure of the Sourcesense Group, the two companies Eco Mind and HeadApp were merged into the NewCo named Sourcesense Platforms Srl. The merger transaction took effect from 1 July 2023.

On 29 June 2023, Poste Italiane notified Milkman SpA ("Milkman") of its intention to exercise its call option on the shares held by the latter in MLK Deliveries SpA ("MLK"), equal to approximately the remaining 30% of the share capital of MLK itself (the "Milkman Stake"). Based on the criteria originally agreed upon in the contractual agreements signed in 2020, the exercise price of the option was estimated at €19.6 million. Following the transfer of the Milkman Stake, formalised in July, Poste Italiane acquired full control of MLK.

4. 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).

5. Financial Conduct Authority.

On 28 September 2023, as a result of the cash received from the sale to Poste Italiane of the 30% stake held in MLK, the Milkman extraordinary shareholders' meeting resolved to distribute dividends in the amount of approximately €15.3 million, of which €3.6 million in favour of Poste Italiane.

On 3 August 2023, as part of a system-wide transaction to take over the policy portfolio of Eurovita SpA ("Eurovita") following the latter's crisis, Poste Vita contributed to the establishment of the corporate vehicle Cronos Vita SpA ("Cronos"), invested in by, in addition to Poste Vita itself, Allianz, Generali Italia, Intesa Sanpaolo Vita and UnipolSai Assicurazioni, with the purpose of acquiring a business unit consisting essentially of the assets and liabilities relating to the Eurovita insurance business, following the latter's admission to compulsory liquidation proceedings.

In September 2023, the insurance companies involved, Cronos, the banks distributing Eurovita products and certain system banks signed the final agreements within their respective competences to regulate their rights and obligations in relation to the transaction.

As part of the aforementioned transaction, on 18 September 2023, Poste Vita participated in the first capital increase of Cronos, with a stake of approximately €1.7 million.

On 17 October 2023, IVASS authorised Cronos to carry out insurance business (resulting in a change of company name from Cronos Vita SpA to Cronos Vita Assicurazioni SpA). On 27 October 2023, Poste Vita participated, together with the other shareholders of Cronos, in proportion to its 22.5% stake, in the second capital increase of this company of approximately €212.5 million, of which approximately €47.8 million was attributable to Poste Vita.

To complete the transaction, on 30 October 2023 IVASS authorised the sale of the business unit from Eurovita to Cronos, effective from 27 October 2023.

The stake in Cronos at 31 December 2023 was classified as an asset held for sale (IFRS 5) in consideration of the intention to hold the stake for a limited period of time and the agreements reached at the conclusion of the transaction regarding the stipulation of a firm purchase commitment within 12 months for the transfer of the business units between the insurance companies involved in the transaction and Cronos.

In June and July 2023, Volante Technologies Inc ("Volante") issued in two tranches a convertible loan totalling \$16.6 million, which was subscribed by some of the company's shareholders, including PostePay, in the amount of \$508 thousand. In September 2023, Volante also carried out a senior debt refinancing transaction, as part of which the warrants to be assigned to subscribers of the convertible loan became exercisable. PostePay exercised its warrants, converting them into newly issued ordinary shares. Therefore, as a result of the transactions described, the PostePay stake in Volante went from 2.9% to 2.4% (on a fully diluted basis).

As part of the agreements to restructure its debt, Volante implemented a corporate reorganisation process that saw PostePay and all other shareholders become partners in the new entity Volante Technologies Holdco Inc. with the same stakes already held in Volante Technologies Inc, a wholly-owned subsidiary of Volante Technologies Holdco, Inc that changed its name to Volante Technologies LLC.

On 31 January 2024, through the establishment of the NewCo named "MLK Fresh Srl" ("MLK Fresh"), the partnership in the Fresh Food sector between MLK and Mazzocco Srl ("Mazzocco"), an Italttrans Group company operating as a national refrigerated courier, was formalised.

MLK Fresh, 70% owned by MLK and 30% by Mazzocco, will be the vehicle through which the parties will offer advanced delivery services in Italy dedicated to the fresh food segment in the B2C e-commerce and/or scheduled deliveries market. These services will be offered using: (i) the logistics infrastructure provided by the Italttrans Group company; (ii) the technology enabling the Scheduled and Same Day delivery services provided by MLK; and (iii) commercial services (e.g. sales), mainly provided by Poste Italiane through its Business and Public Administration division.

On 28 February 2024, PostePay signed an agreement to acquire 20% of N&TS GROUP Networks & Transactional Systems Group SpA ("N&TS GROUP"), a leading Italian company in software solutions for electronic payments. The transaction, whose closing is subject to the fulfilment of conditions precedent, aims to enhance PostePay's technological expertise in order to support its expansion strategy in the digital payments market.

Intra-group transactions

In order to simplify the corporate structure of the Group, 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 26 April 2023, Plurima SpA finalised the purchase of a further 40% of the share capital of Bridge Technologies SpA for a consideration of approximately €0.9 million, thus achieving 100% ownership.

In June and July, respectively, the Boards of Lis Holding and PostePay approved the project for the partial demerger of Lis Holding in favour of PostePay, with direct assignment of the 100% stake in LIS Pay to the EMI RFC. In this regard, on 28 June 2023, Poste Italiane's Board of Directors authorised the participation of Poste Italiane SpA in the extraordinary shareholders' meeting of PostePay SpA to approve the demerger transaction and the amendment of the rules of the EMI RFC, in order to allow the allocation to the latter of investments in other payment institutions and the removal of the restriction on the allocation to the EMI RFC of the investment in LIS Holding. After obtaining the authorisation from the Bank of Italy, the transaction was finalised on 5 December 2023 with the signing of the deed of demerger, which took effect on 31 December 2023. The transaction will produce the following benefits for the subsidiary PostePay: (i) strengthening the system of internal controls; (ii) accelerating the integration of the LIS Pay business; (iii) optimising capital absorption.

On 12 October 2023, Postel SpA acquired the shares in Address Software Srl held by third-party shareholders amounting to 49% of the company's capital; consequently, from that date and until 24 January 2024, Postel SpA held 100% of the shares in Address Software Srl.

On 24 January 2024, with the aim of standardising, evolving and engineering the operating processes of the Group's technology platforms, as well as streamlining and rationalising the operating structure, also with a view to achieving a reduction in the typical costs of each corporate structure, with a consequent improvement in the Group's economic results, Postel sold its entire stake in Address Software Srl to the parent company Poste Italiane. This transaction was in preparation for the start of the process of merger by incorporation of Address Software Srl into Poste Italiane SpA. The merger transaction, which was submitted in February 2024 to the approval of the shareholders' meeting of the company to be merged and to Poste Italiane's Board of Directors (as allowed by the relevant Bylaws), with the application of the simplifications provided for by the regulations for merger transactions of wholly-owned companies, will become effective in the financial year 2024.

In order to simplify and rationalise the structure of the Agile Group, the reverse merger by incorporation of Agile Power Srl into Agile Lab Srl and the direct merger by incorporation of AIM2 Srl, Agile Next Srl and Agile Skill Srl into Agile Lab Srl were finalised on 28 November 2023.

On 4 March 2024, Poste Logistics SpA (also "NewCo") was established, whose share capital is wholly-owned by Poste Italiane SpA. The NewCo will focus on integrated logistics activities for the Poste Italiane Group, benefiting from the business unit of SDA Express Courier SpA ("SDA") concerning the integrated logistics business, through a partial demerger transaction. Through this transaction, the Group aims to strengthen its presence in the integrated logistics business, a business that covers inbound, warehouse management, Full Truck Load (FTL) and Less Than Truck Load (LTL) transport, warehousing and international logistics activities. The transaction - whose partial demerger project has already been approved by the Boards of Directors of the companies involved in the transaction that met in March, and which will also be approved by the relevant extraordinary shareholders' meetings - will be formalised by the second half of 2024.

4.5 Omnichannel approach and group operating segments

IN THIS CHAPTER:



- 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

NFS


4.5.1 Omnichannel strategy

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. During 2023, Poste Italiane's omnichannel interaction platform reached more than 23 million interactions⁶ per day; moreover, during the year, the Poste Italiane single app infrastructure was created, in which all Poste Italiane services will gradually converge, in order to provide customers with single access to services.

The Covid-19 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 51 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.

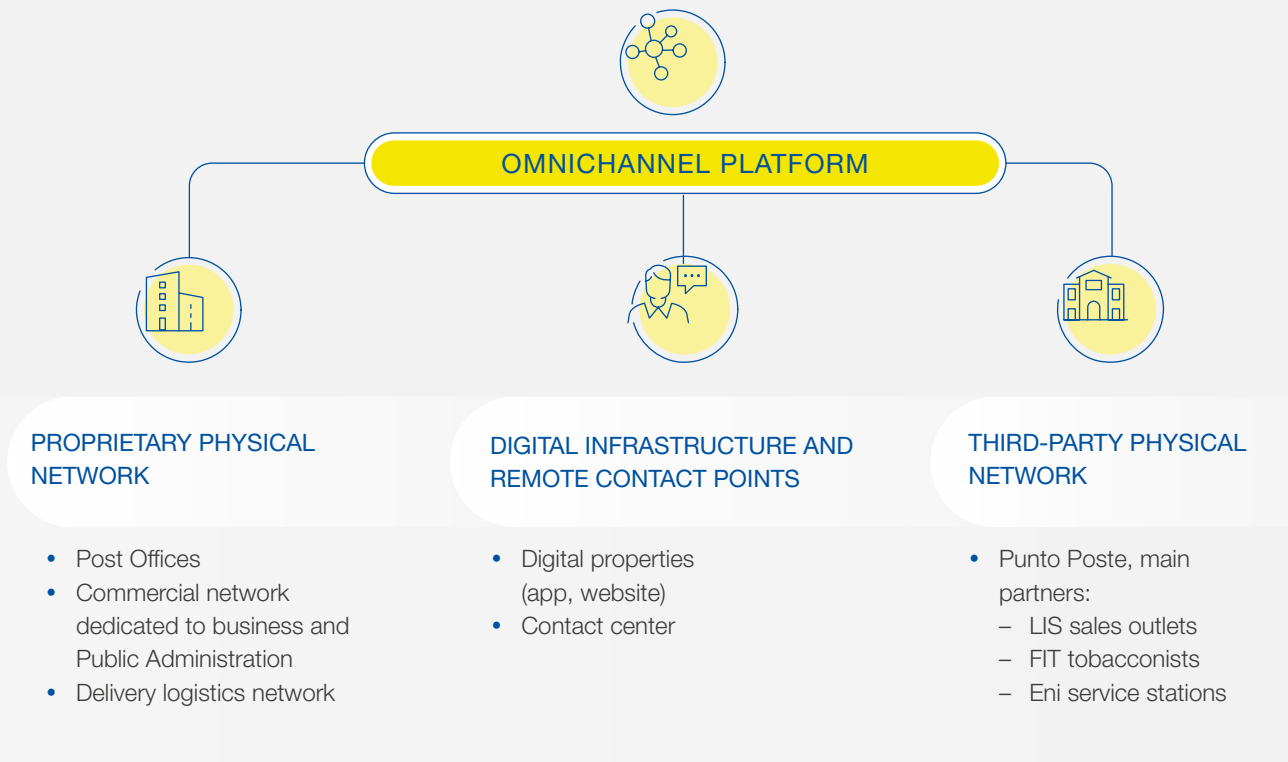
>23 mln
daily interactions
as part of
omnichannel



CONSULT THE GLOSSARY
ON PAGE 542

6. 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 terminals and e-commerce, delivery of parcels and registered mail. The operation of LIS is included.

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



4.5.1.1 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.

	31 December 2023		31 December 2022	
	Unit	Personnel	Unit	Personnel
Macro Areas Post Office Network	6	0.5	6	11
Branch offices	132	4.2	132	3.6
Post Offices	12,755	47.4	12,755	49.3
Total	12,893	52.1	12,893	54.0

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

12,755

Post Offices

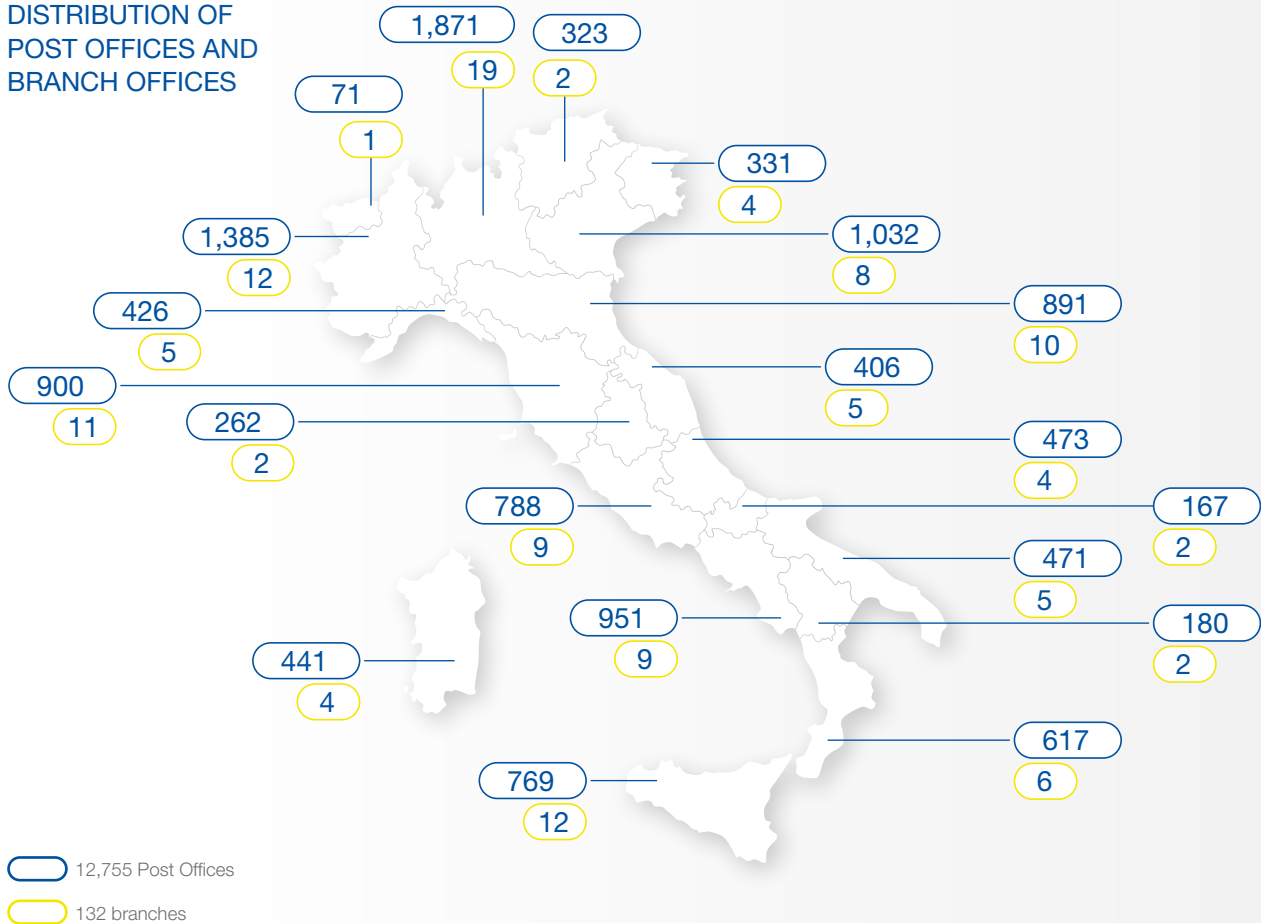
The change in the workforce, compared to the previous year, reflects the management dynamics during 2023. In particular, within the Post Offices, the negative change (about -1,900 staff) reflects the termination of employment contracts during the year, only partially offset by new hires and internal promotions from other areas/functions; the decrease in staff in the Macro Areas is mainly attributable to the organisational change of the Small Economic Operators (POE) organisational model, defined at the end of December 2022, and which saw the transfer of the “Small Business Specialist” and “Mail and Parcels Specialist” professionals from the Post Office network Macro Areas to the Branches. Net of this organisational change within the function, the staffing levels in both areas are substantially in line with the previous year.

MACRO AREAS POST OFFICE NETWORK

- North Western Area
- North Eastern Area
- North Central Area
- Central Area
- Southern Area
- Sicily Area
- Area Headquarters



GEOGRAPHICAL DISTRIBUTION OF POST OFFICES AND BRANCH OFFICES





In order to support the enrichment and dynamism of the offer, the process of enhancing skills through the establishment of the Front End Operator⁷ continues, in order to better manage innovative businesses (Energy, Fibre and Third-Party Motor Liability) and an innovative offer format was implemented on a panel of about 1,250 Post Offices. As of November 2023, the sale of the BancoPosta current account by the Front End Operator was started on an experimental basis in some Poste Casa&Famiglia points, in order to continue the expansion of the offer.

At 31 December 2023, the set-up of the approximately 1,250⁸ planned points of the Punto Poste Casa&Famiglia network was completed,⁹ (of which 458 Post Offices with Corner, 578 Post Offices with lowered counter stations and 212 Post Offices with New Layout Corner).

In addition, in 2023 the portfolios of high-net-worth customers were enhanced¹⁰, optimising their redistribution through the creation of around 70 new “Dynamic” portfolios¹¹, assigned to room consultants.

The organisational model of the Post Office network called “Hub & Spoke (H&S)¹²” was launched in 2020 to better capitalise on the potential of the territory, strengthen the commercial, operational and managerial presence and is based on an approach that guarantees, especially for smaller Post Offices, efficiency and operational continuity, thanks to the creation of Post Office basins.

In particular, the H&S project allows Hub Office Managers to autonomously replace staff in their area of reference, and provision is made for the gradual extension of the secondment application¹³ to all of the approximately 1,000 Hub Offices and over 6,000 Spoke Offices involved in the Project between 2023 and 2024. At 31 December 2023 the extension of this application to about 360 active H&S basins¹⁴ (about 360 Hub offices and about 2,300 Spoke offices) was completed.

7. The Front End Operator is the professional figure in the PuntoPoste Casa&Famiglia network who focuses on the sale of products with a high relational content such as third-party motor liability, energy and fibre.
8. At 31 December 2023, there were 1,248 completed Post Offices and 3 being fitted out.
9. The “Punto Poste Casa e Famiglia” project on the core network (1,251 Post Offices with the highest traffic) envisages an evolution of the former Postepay corners towards a model dedicated to the marketing of products and services with a high relational content (Energy, Fibre, Third-Party Motor Liability).
10. Clients with specific characteristics (e.g. age between 18 and 79, medium to high investment potential, etc.) and characterised by a potential need for diversification and return.
11. Portfolios associated with clients characterised by a potential need for diversification and return. Such clients are selected by combining high levels of assets with qualitative characteristics, such as medium to high levels of liquidity (i.e. maturities in the next two years), age between 18 and 79, and multi-banking. At 31 December 2023, there were approximately 1,200 dynamic portfolios.
12. Network management and development system in which connections are made, using by analogy an expression referring to the bicycle wheel, from the spoke to the hub and vice versa. In this specific case, the Hub Office Manager is responsible for coordinating staff in terms of planning personnel attendance and managing replacements, as well as providing commercial support, especially for products sold at the counter.
13. The secondment application is a web application that takes over the process of management of resources applied on a daily basis at a Post Office other than the one of assignment.
14. H&S basins consist of a Hub office and a number of Spoke offices that vary according to the geographical scope of the basin.

P O L I S DAI PICCOLI CENTRI SI FA GRANDE L'ITALIA

POLIS PROJECT HOUSE 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** (NRRP), 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 - House 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 Financial plan of investments	€0.8 bn Public Funds within the National Plan Complementary to the NRRP	6,933 Affected Post Offices with <15,000 inhabitants	250 Co-working spaces	5,000 Charging points
1,000 Photovoltaic plants	4,000 Digital showcases	7,000 Advanced ATMs	4,000 Self-service columns	1,000 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 single regional CUP
- Self-declaration of income exemptions
- Compulsory insurance for housemakers
- RAI fee waiver/exemption

2023 Initiatives

- **One-stop shop:** in the course of 2023, real estate and technological upgrades were launched in post offices at 1,739 sites (a total of 1,766 works started since the beginning of the project) and works were completed at 941 post offices (a total of 1,190 works completed since the beginning of the project until the end of February 2024).
- **Spaces for Italy:** during 2023, renovation work continued on the buildings owned by the Company, and at 29 February 2024 a total of 55 building works on the project sites had been started and 31 had been completed.

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 **Polis project**.

* 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.

4.5.1.2 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 respectively to the offer of Express Courier and Parcels (CEP) products/services and to the commercial development of Integrated Logistics solutions and CEP Indirect Sales;
- 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;
- 2 Business areas specialising in health logistics and digital solutions respectively.

MACRO AREAS BUSINESS AND PUBLIC ADMINISTRATION

- Lombardy and North-western Area
- North Central and North-eastern Area
- South Central Area
- Central Facilities/Public Headquarters Administration/Financial, Parcels and Integrated Logistics Headquarters/Healthcare Logistics and Digital Solution
- Area Headquarters



4.5.1.3 Logistics network

The Group's mail and parcel services are provided through two synergistic logistics networks: the postal logistics network for the management of mail, now evolved also to contribute to the management of small parcels and the parcel logistics network.

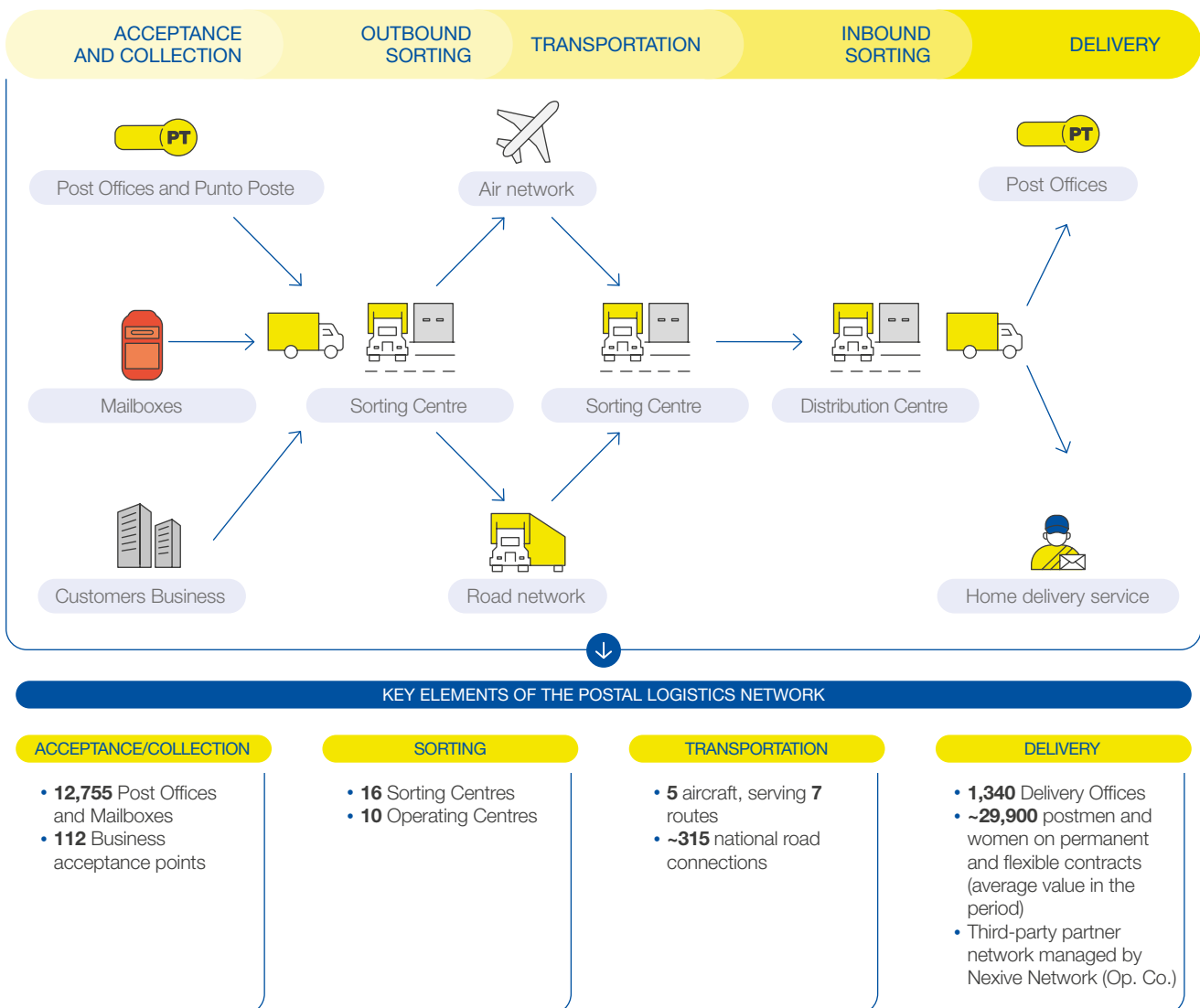
From 2020 onwards, there will be an increase in the interchange of small parcel volumes ("carriable" parcels, i.e. weighing less than 5 kg), using cost-effectiveness as a discriminating factor. The delivery of these products in Italy can be carried out synergistically by the postal and parcel logistics network and by the courier logistics network according to a dynamic approach, aimed at maximising efficiency for each area.

As part of the transformation plan for the Mail and Parcels segment and with the aim of making the Poste Italiane Group an integrated logistics operator, an important initiative was launched in 2023 to develop the the Integrated Logistics¹⁵ market segment, i.e. the third-party management of customers' warehouse goods and related delivery activities. For more information, please refer to the activities in the period of the Mail, Parcels and Distribution Strategic Business Unit in the remainder of this document.

In addition, from the second quarter of 2022, the Poste Italiane Group entered the healthcare logistics market through the acquisition of the company Plurima, which has been operating in the hospital sector for several years, offering logistics solutions and services such as out-sourced pharmaceutical warehouse management.

Postal logistics network activities

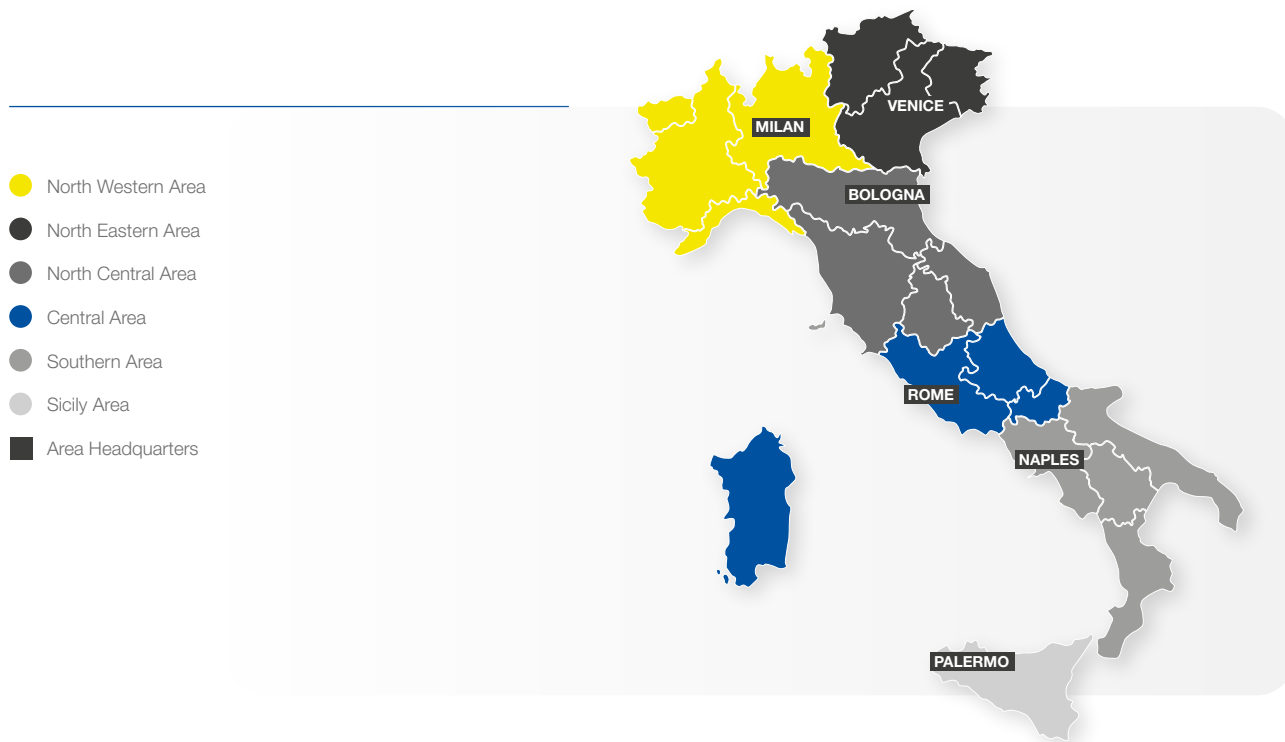
The postal logistics network accepts, sort and delivers mail products. The following chart provides an overview of the logistics network value chain and the main quantitative drivers.



15. It represents the integration of warehousing services (goods entry, storage, order management/arrangement, shipment preparation) and distribution services. B2B distribution is carried out through Poste Delivery Business express courier services or through FTL (Full Truck Load) or LTL (Less Than Truck Load) services. B2C distribution is carried out through Poste Delivery Business express courier services.

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 workforce at the end of 2023 was up compared to 31 December 2022, with a different mix of permanent and flexible staff due to the higher volumes of parcels delivered during the holiday peak period.

	31 December 2023		31 December 2022	
	Unit	Personnel	Unit	Personnel
Macro Areas for Logistics*	6	1.3	6	1.3
Sorting Centres	16	7.2	16	7.0
Operating Centres	10	1.1	10	1.0
Delivery/Logistics Centres**	1,340	38.0	1,388	37.7
Total	1,372	47.6	1,420	46.9

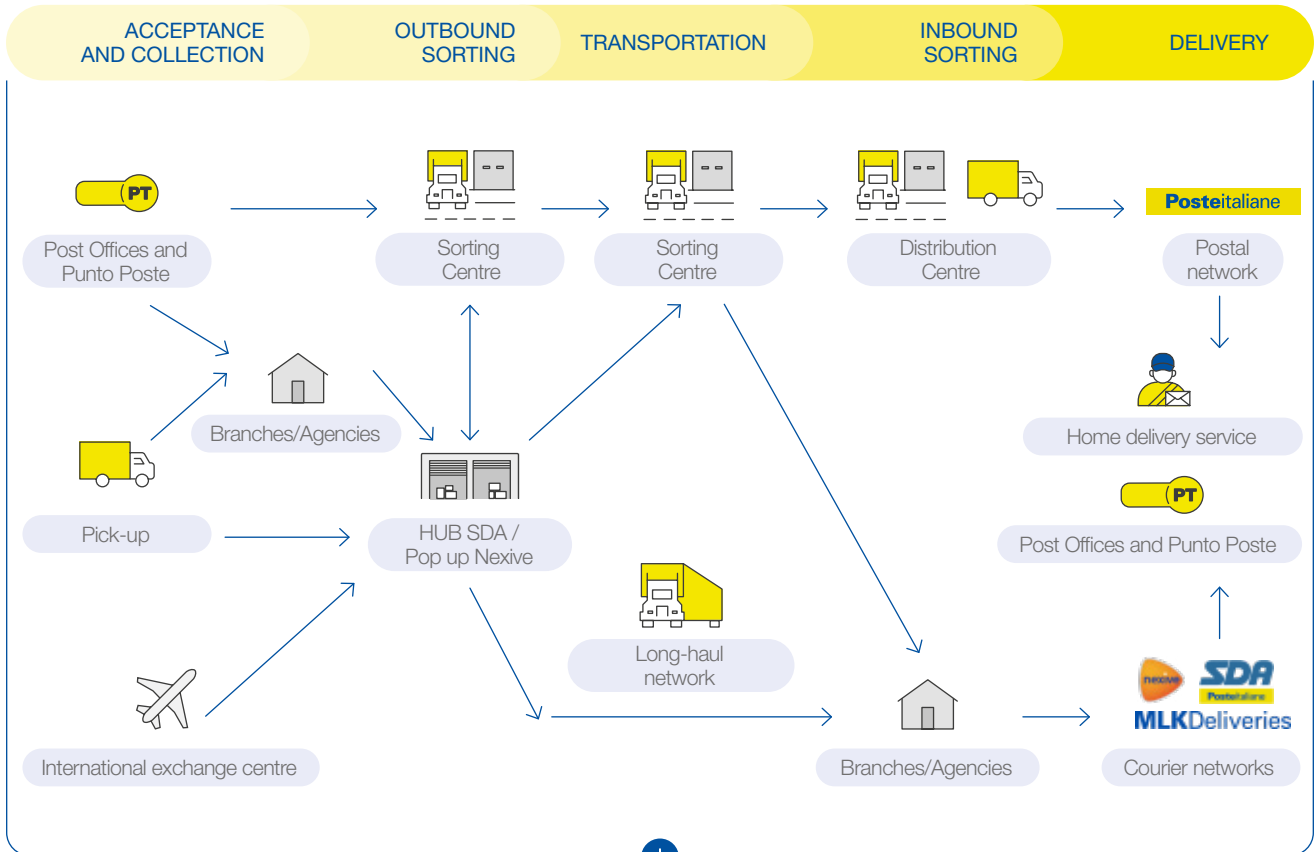
All workforce data (permanent and flexible) is shown in full-time equivalent terms in thousands.

* 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 32.9 thousand postmen and women and delivery supervisors (31.6 thousand at 31 December 2022).

Parcel logistics network activities

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



KEY ELEMENTS OF THE PARCEL LOGISTICS NETWORK

ACCEPTANCE/COLLECTION

- 12,755 Post Offices
- ~5,800 pick-up lines
- 91 Branches/Agencies
- ~15,724 Collect Points (mainly tobacconists)

SORTING

- 4 Automated hubs
- 5 Mini hubs
- 10 Nexive pop-ups**
- 16 Sorting Centres*
- 10 Operating Centres*

TRANSPORTATION

- ~900 road transport lines
- 5 aircraft*, serving 7 routes

DELIVERY

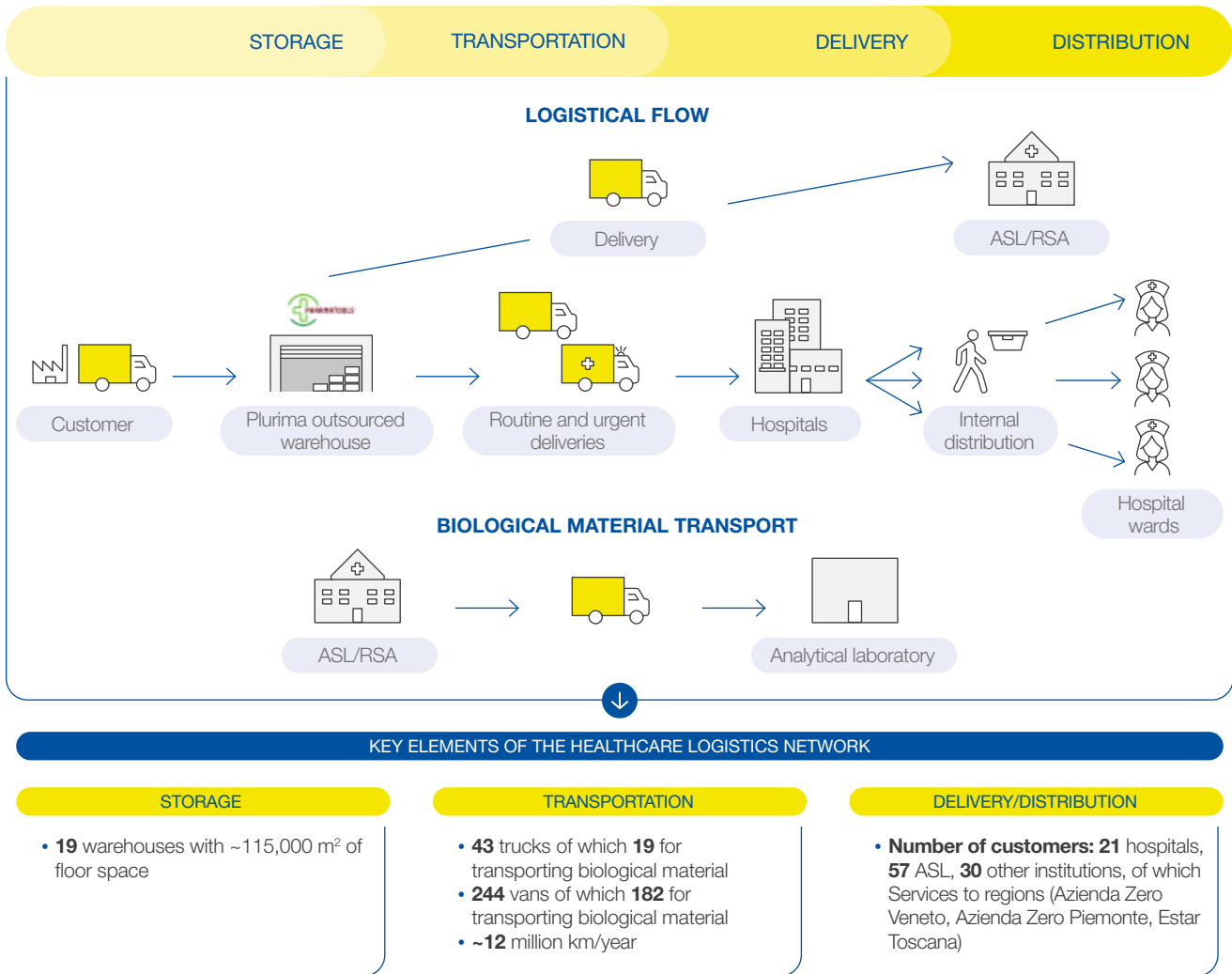
- 1,340 Delivery Offices*
- ~5,800 SDA delivery lines
- ~280 MLK delivery lines
- Third-party partner network managed by Nexive Network (Op. Co.)
- ~15,724 Collect Points (mainly tobacconists)

* Same elements serving the postal logistics network.

** Nexive pop-ups: plants belonging to the Nexive company network where primary sorting activities are completed with low automation.

Health logistics activities

With the acquisition of Plurima in the second quarter of 2022, Poste Italiane entered the field of drug logistics, enhancing computerisation and tracking systems for storage, distribution and continuous monitoring of activities. The use of an advanced information application (Pharmatools), as well as equipment, technologies and tools, allow real-time monitoring of the vehicles, the material transported, the correct transport conditions and the integrity of the data, guaranteeing high levels of quality and reliability of deliveries. More specifically, Plurima manages the following macro-categories of goods on behalf of public and private Local Health Authorities and Hospitals: pharmaceuticals, medical devices, office supplies and other health and non-health products.



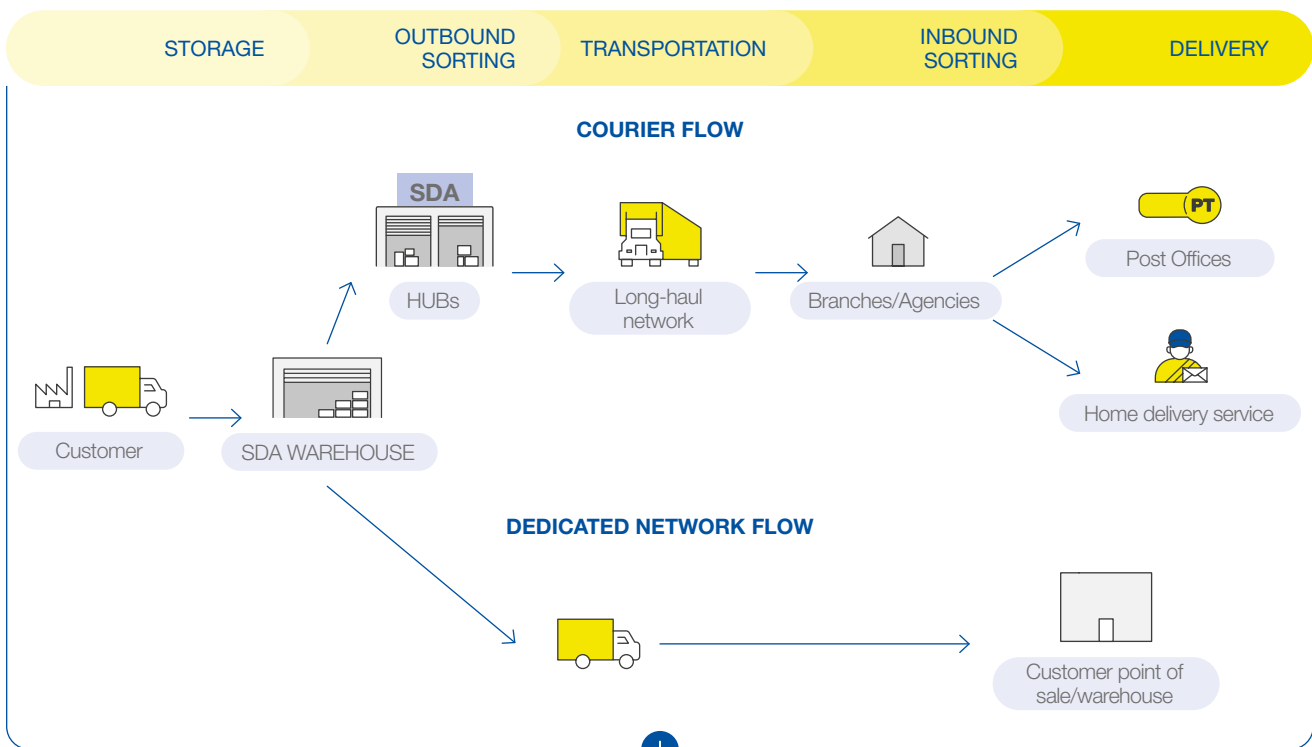
The logistics flow starts with the storage phase, in which the acceptance and conformity check of goods delivered by customers at Plurima's warehouses takes place, with the support of Pharmatools. The hospital departments and local area facilities (ASL - Local Health Authorities) or RSAs (unitary union workplace structures) transmit the orders, initiating the picking phase of the stored goods, which ends with the checking of fittings and billing. The products are loaded onto vehicles to be delivered to community facilities and hospitals. Within the hospitals, internal distribution to the wards takes place, also thanks to Plurima's staff and, in some cases, the company also provides innovative hardware and software for managing ward logistics (micrologistics).

The activity of transporting biological material consists of collecting the biological samples¹⁶ at the collection centres and transporting them to the analysis laboratories.

16. In addition to biological samples, blood components, biological material and surgical instruments.

Integrated logistics activities

In line with the strategic objective of transforming itself into an all-round logistics operator, Poste Italiane has started to contend with the challenges of the integrated logistics market since the Covid-19 pandemic, both through the support provided to the organisational structures (now the Ministry of Health), and through the recently established long-term contractual relationships with players belonging to different segments (mainly mass market and telephony). These agreements have enabled the Group to build a solid technological base to guarantee typical warehousing operations (warehouse management - goods receipt- picking¹⁷ - product preparation - shipping) and to complement these solutions with typical express courier services, such as home or shop delivery. In this respect, the first major orders won in 2023 for the complete logistics management¹⁸ paved the way at the end of the year for new customer contracts.



MAIN ELEMENTS OF THE INTEGRATED LOGISTICS NETWORK

STORAGE	SORTING	TRANSPORTATION	DELIVERY
<ul style="list-style-type: none"> • 10 SDA warehouses* • ~ 60 customers in the network 	<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"> • ~5,800* SDA delivery lines • 91 Branches/Agencies*

* The numbers referring to the sorting, transport and delivery stages are the same as for the parcel logistics network.

17. Warehouse picking is the activity of picking, sorting and distributing material from one loading unit to several others. This activity is carried out with each grouping of materials in order to process and dispatch them.



18. TIM and Acqua&Sapone.

More specifically, the process of Integrated Logistics starts with the receipt of the goods transported from the customer to the SDA warehouse, as well as their control and storage.

This phase is triggered by the receipt of the customer's order by the SDA warehouse computer system, with detailed information on quantity, processing required and destination information. This is followed by product picking, preparation/packing and the start of outbound operations (leaving the warehouse). Having reached this stage, the product can follow two flows: the courier flow, with delivery to the customer's home or post office; the dedicated network flow, which, depending on the specific nature of the product, travels via a dedicated network, bypassing the sorting hubs and delivering the parcel directly to the customer's point of sale/operating unit. Value-added services on technology products, including staging (configuration), testing, repairs, etc., complete the offer.

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

 CONSULT THE GLOSSARY
ON PAGE 542

To support digitalisation, a technology engine based on hybrid [cloud](#) , [open API](#)  and exponential technologies¹⁹ 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 and omnichannel 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 and continues to represent a strategic priority.

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.



Poste Italiane app (formerly Ufficio Postale app): in 2023, a profound transformation process was initiated that will see it become the only Poste Italiane app and that will make it possible to locate the most convenient Post Office and book an appointment, reducing wait times, check the status of a delivery, book a collection at the Post Office or send parcels or mail. The app has been supplemented with new features such as a simplified booking model, a new profile and notice board section, a financial section for managing accounts and cards, card-less payments and withdrawals, and will gradually be completed with all the functions and services of Poste Italiane and the Group companies.

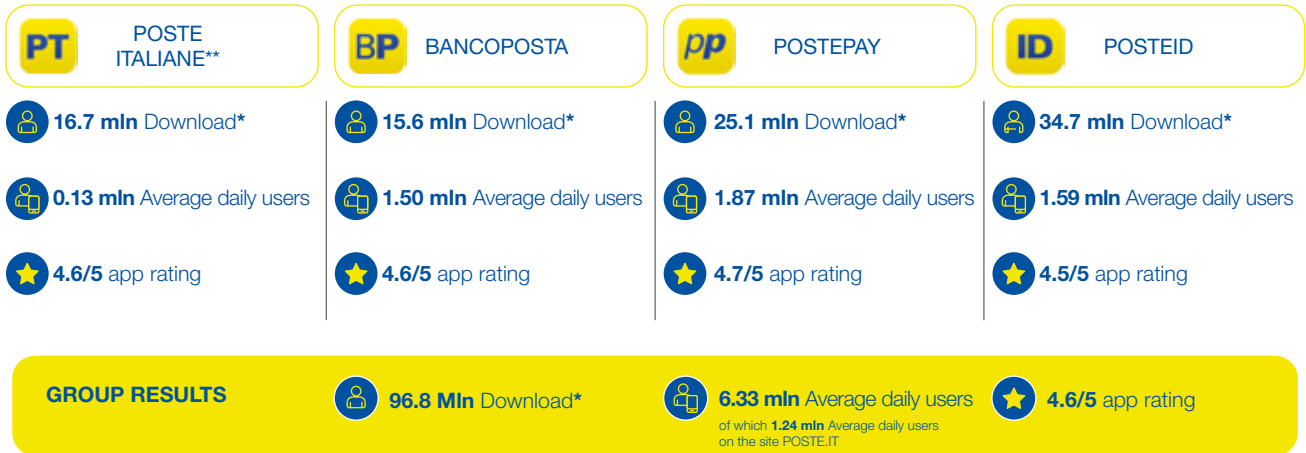


PostelD app: Poste Italiane's Digital Identity app ([SPID - Sistema Pubblico d'Identità Digitale - Public Digital Identity System](#) )

 CONSULT THE GLOSSARY
ON PAGE 542

19. 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.

In 2023, 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.

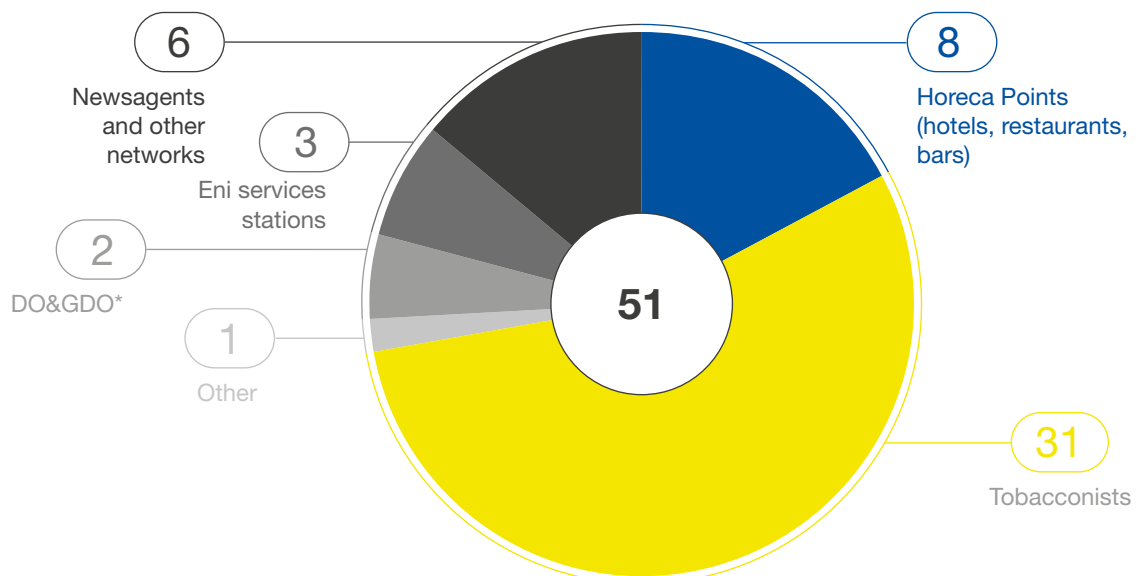


* Stock since launch. The value reported in the Group Results column includes downloads of the no longer available Postemobile app.
** On 10 October 2023, the Ufficio Postale app was renamed Poste Italiane app.

4.5.1.5 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. Poste Italiane contracted an extensive network of contact points, which was further strengthened during the year 2022 with the acquisition of LIS, and possesses roughly 51 thousand contact points at 31 December 2023.

THIRD-PARTY NETWORKS (figures in thousands)



* Retail & Mass Distribution.

>15,700

Points for accepting and collecting parcels of the Punto Poste Network

The acquisition of LIS, which took place in September 2022, made it possible to increase the operations of the omnichannel platform; in particular, the volume of business on third-party networks was expanded with the acquisition of LIS thanks to the entry into the Group's perimeter of transactions carried out on LIS points relating to products also not belonging to the Poste Italiane Group's offer.

In particular, the Poste Group's operations in the third-party network channel aim to achieve the following objectives:

- integrate and develop the commercial offer on third-party networks (e.g. telephone top-ups of other operators and other services). Following the acquisition of LIS, average daily transactions increased to around 1 million in 2023 (of which LIS accounts 80%, both with Poste Group products and others);
- extend the network of points of sale, represented both by the LIS points of sale (around 45 thousand points between tobacconists, Horeca points and newsagents) and the Punto Poste network²⁰, DO&GDO and ENI service stations. This objective will also be pursued through the development of the recent partnership with DHL and the strengthening of the large-scale retail and petrol channels, which aim to expand the network of collect points and lockers in the next two years. During 2023, the Punto Poste network expanded by around 600 new points and includes more than 15,700 contact points at 31 December 2023 with more than 25 million deliveries and parcel acceptances in 2023 (+49% compared to 2022).

4.5.2 Mail, Parcels and Distribution Strategic Business Unit

Macroeconomic environment

The global economy grew at a moderate pace in 2023, continuing the normalisation process initiated after the shocks experienced in recent years. The Covid-19 pandemic crisis and later the Russian invasion of Ukraine had created supply-side imbalances in the goods, raw materials and labour markets. At the same time, extremely expansive monetary and fiscal policies had supported demand during the pandemic crisis. An inflationary surge ensued, forcing the central banks in many countries to initiate monetary tightening comparable to that of the 1980s. Monetary tightening has impacted global growth, which nevertheless remains resilient thanks to the contribution of emerging economies and, among advanced economies, especially the United States.

According to the OECD report of February 2024²¹, the global economy grew by 3.1% in 2023 and world GDP is expected to slow to +2.9% in 2024.

The phase of raising reference interest rates by the Federal Reserve and the ECB should essentially be over. There continues to be significant uncertainty in the international scenario, however, and new price increases cannot be ruled out if the cost of energy again becomes a risk factor, also affected by geopolitical tensions in the Middle East²².

In the Euro area, the level of GDP in the fourth quarter of 2023 was almost unchanged compared to the previous quarter, still stagnating²³, held back by both domestic and foreign demand. Widespread signs of weakness concerned demand components: consumer confidence declined slightly in the last quarter of 2023, due to more negative expectations

20. The Punto Poste network consists of service points (businesses) that offer parcel pick-up and delivery services.

21. ECB - Macroeconomic projections December 2023 www.ecb.europa.eu/pub/projections/html/index.en.html

22. ISTAT - Monthly report on the performance of the Italian economy - November/December 2023.

23. Bank of Italy - Economic Bulletin no. 1/2024.

about the general economic situation. Although employment in the area as a whole continued to grow in the third quarter (0.2% compared to the previous quarter) and the unemployment rate remained stable at 6.5%, the most recent forward-looking indicators weakened in the second half of the year. According to the Eurosystem's expert projections published in December 2023, the area's output will accelerate to 0.8% in 2024 (from the 0.6% projected for 2023) and to 1.5% in 2025.

Regarding inflationary dynamics, in Europe, the indices net of the most volatile components continued to fall: the ECB core index (net of energy and fresh food) in December showed year-on-year growth of 3.9%, down from 4.2% in the previous month²⁴. According to Eurosystem estimates, disinflation will also continue in 2024: consumer price dynamics in the area will decline to 2.7% in 2024, reaching 2.1% from the third quarter of 2025.

In **Italy**, after the significant volatility observed in the first part of the year, GDP²⁵ grew slightly in the third quarter thanks to an increase in household consumption, sustained by job creation, and in the fourth quarter GDP increased by 0.6% compared to the fourth quarter of 2022²⁶. Manufacturing activity declined again at the end of the year in connection with the weak economic situation of the main trading partners and the continuing difficulties in energy-intensive industrial production, which was affected by electricity and gas prices that were still high by historical comparison. On the demand side, the substantial resilience of consumption was countered by a decline in investments, which was held back by tightening financing conditions. In December, the Ita-coin indicator²⁷ remained negative²⁸, confirming the underlying weakness of GDP. On an annual basis, GDP growth was 0.9%²⁹ in real terms. On the domestic demand side in 2023 there was a 4.7% increase in gross fixed investments and a 1.2% increase in domestic final consumption in terms of volume. With regard to foreign flows, imports of goods and services fell by 0.5% and exports grew by 0.2%.

The purchasing power of households, after the fall in the fourth quarter of 2022, is firmly on the rise. The same dynamic was observed for the propensity to save, which, however, continues to remain below pre-Covid-19 levels³⁰. Labour market conditions remain robust. In December 2023, compared to the previous month, the number of employed and inactive persons increased, while the number of unemployed persons decreased, bringing the unemployment rate to 7.2%.

In 2023, on average, inflation measured with the Harmonised Index of Consumer Prices (HICP) fell to +5.9%, (+8.7% in 2022), gradually decreasing to +0.5% in December 2023 compared to the same month in 2022. Since October, price growth in Italy has been lower than the Eurozone average.

The ratio of general government debt to GDP improved compared to 2022, with the tax burden remaining unchanged. The reduction in interest expenditure is reflected in an improvement of the primary balance.

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. 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.

+0.9%
**Italian GDP
growth in 2023**

24. ISTAT - The outlook for the Italian economy in 2023-2024.

25. In the fourth quarter of 2023, the Italian economy grew by 0.2% compared to the previous quarter and by 0.5% compared to the fourth quarter of 2022. This result, whose provisional nature should be emphasised, follows the slight increase in the third quarter (+0.1%) - Source: ISTAT - Preliminary GDP Estimate - Fourth Quarter 2023, 30 January 2024.

26. Source: ISTAT - Quarterly economic accounts - Q4 2023, 5 March 2024.

27. A cyclical indicator of the Italian economy that provides a real-time monthly estimate of the trend-based evolution of economic activity using information from a set of variables of both a quantitative (industrial production, inflation, retail sales, trade flows, stock indices) and qualitative nature (household and business confidence, PMI indicators).

28. www.bancaditalia.it/pubblicazioni/economia-italiana-in-breve/2024/eib_Gennaio_2024_it.pdf

29. Source: ISTAT - GDP and AP debt - Years 2021-2023, 1 March 2024.

30. <https://www.istat.it/it/archivio/292938/en>.

In particular, for the mail segment, the structural downturn in the market continued in 2022 and there was a significant decrease in shipments (-5.2% compared to 2021), as an inevitable consequence of digitisation processes and the transition from physical to electronic forms of communication (e-substitution). In 2023, the decline in market volumes is confirmed (-5% compared to 2022), although slowing down compared to the pre-pandemic period, against substantial stability in value (+0.03% compared to 2022)³¹.

The parcel sector, after its exponential increase in the pandemic years, experienced a period of uncertainty in 2022 that did not, however, affect the value of the market.

The effects that conditioned the slowdown of the growth trend recorded in 2022 can be summarised as the generalised increase in costs with the consequent decrease in consumer purchasing power, and the lower propensity for private purchases (including on-line).

For the year 2022³², the market value was higher than in 2021, but still below pre-pandemic levels.

In 2023, the value of the parcel market is expected to grow, mainly due to the positive trend in e-commerce. According to the latest estimates³³ for the current year, on-line product purchases are showing signs of recovery with a value of €35 billion, up 8% compared to 2022 (but largely suffering from the effects of inflation) and with annual growth in absolute terms returning to the standard level of the pre-pandemic period.

Beauty is the most dynamic sector in 2023 with a higher annual growth rate in terms of value (+11%) than the average rate of product e-commerce purchases; Computers & Electronics and Publishing show an increase in value in line with the average (+8%), while the growth in purchases of Clothing and Furnishing & Home Living is positive but more contained (+7%); Food & Grocery, which in 2022 was the most dynamic sector with an annual trend of +15% shows a slight contraction (-0.5%) in 2023.

The logistics market in Italy is seeing steady growth in the outsourcing of logistics services by industrial and commercial operators to specialised entities (outsourcers) capable of covering the entire value chain.

In particular, the market for Integrated Logistics Services in 2021³⁴ was worth around €12 billion, up 16% on the previous year, thanks in part to the increase in international transport flows, which has resumed at a faster pace than in the pre-pandemic years: growth of +7% is estimated for 2022³⁵ and +5% for 2023. Further growth is expected in the future, albeit at a more moderate pace.

The market, although very competitive, is relatively unconcentrated. However, some concentration phenomena have taken hold, typically stimulated by major industrial players seeking integration synergies between different stages of the supply chain.

31. Internal calculations based on AGCom data (quarterly observatories and annual report 2023) and the latest available financial statements of companies operating in the postal sector, including Poste Italiane.

32. Internal calculations on Cerved Databank data.

33. Source: Politecnico di Milano, B2C eCommerce Observatory - October 2023.

34. Source: Polimi Contract Logistics Observatory - 2023 Edition - Reference to the Logistics Operators Market.

35. Source: Internal estimate on drivers - Polimi Contract Logistics Observatory - 2023 Edition, Cerved Operatori Logistici - December 2023.

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 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.

The Regional Administrative Court, in ruling no. 11416/2022 published on 5 September 2022, partially upheld the appeal on the verification of the cost for the years 2011-2012³⁶, with reference to 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 was held 18 May 2023. Poste Italiane, AGCom and A.I.C.A.I. (Italian Association of International Air Couriers) lodged separate appeals with the Council of State against the Regional Administrative Court ruling. The appeal judgements were joined. By ruling no. 9021 of 17 October 2023, the Council of State annulled the first instance ruling for breach of cross-examination. Poste Italiane promptly resumed the case before the Lazio Regional Administrative Court, supplementing the cross-examination by public notice. The setting of the hearing is awaited.

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. With AGCom Resolution 322/23/CONS, published on 22 December 2023, the Authority initiated the public consultation and Poste Italiane provided its comments within the established deadline.

On 14 March 2024, AGCom Resolution 62/24/CONS was published, concluding the procedure to verify the net cost of the universal postal service incurred by Poste Italiane for the years 2020 and 2021. In particular, the cost of the universal postal service for these years has been quantified at €585 and €480 million respectively. The Authority also established that the universal service cost for the years 2020 and 2021 is inequitable and that, for the same years, unlike what was established in previous years, the necessary proceedings will be initiated for the assessment of the feed-in to the Compensation Fund referred to in article 10 of Legislative Decree no. 261/1999.

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 engagement” (i.e. until April 2026). The application of the regulation is subject to approval by the European Commission.

In July 2023, the procedure was initiated for notification of the Service of General Economic Interest (SGEI) to the European Commission for the period 2020-2026, currently being finalised.

The 2022 Budget Law (Law no. 234 of 30 December 2021) defined the allocations for the years 2022, 2023 and 2024, amounting to €52.5 million per year.

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.

36. AGCom Resolution 412/14/CONS regarding “Assessment of the net cost of the universal postal service for 2011 and 2012” was published on 31 July 2014. In addition to acknowledging that the cost is unfair, the Resolution quantified the cost of providing the Universal Postal Service in 2011 and 2012, respectively, as €381 million and €327 million for fees originally recognised by Poste Italiane for €357 and €350 million respectively. The Authority also ruled that no Compensation Fund was established for the year 2011. Poste Italiane has appealed this measure to the Lazio Regional Administrative Court on 13 November 2014.

AGCom - the Italian Communications Authority - 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.

With Resolution 29/23/CONS, published on 14 February 2023, the Authority decided to initiate a further procedure for the determination of new maximum tariffs for universal postal services and with Resolution 95/23/CONS of 2 May 2023, it initiated the public consultation lasting 30 days; Poste Italiane submitted its comments for public consultation. On 27 June 2023, with Resolution 160/23/CONS, the new universal service tariffs were defined, which Poste Italiane implemented in two stages: the first in force from 24 July 2023 and the second from 18 December 2023.

AGCom - the Italian Communications Authority - Access Obligations



With Resolution 171/22/CONS, AGCom amended and supplemented the access obligations defined by the AGCM in the context of the acquisition of Nexive. With AGCom Resolution 30/23/CONS, published on 22 February 2023, the Authority approved Poste Italiane’s offers for wholesale access services.

In compliance with regulatory requirements, Poste Italiane published the access offers on its website on 24 March 2023. These offers came into force on 1 May 2023. At the Authority’s request, on 31 July 2023, Poste Italiane published its proposed changes to the access offers for the year 2024.

With AGCom Resolution 235/23/CONS of 27 September 2023, the approval and public consultation procedure concerning Poste Italiane offers of wholesale access services for the year 2024 was initiated, pursuant to Resolution no. 171/22/CONS.

With Resolution 302/23/CONS published on 15 December 2023, the Authority accepted all of the increases in postage rates requested by Poste Italiane for all wholesale access service offers for the year 2024. Proposals for increases applicable in the case of failure to achieve specific minimum volumes and non-compliant mailings were only partially accepted. The offers, thus amended, have been published on Poste Italiane’s website and are effective as of 1 January 2024, with effects also concerning those already contracted.

AGCom - the Italian Communications Authority - Items from other operators found in the Poste Italiane network



With Resolution 269/23/CONS of 22 November 2023, AGCom initiated the procedure and public consultation on the legal and economic conditions for returning mail entrusted to a postal operator and found in the networks of other postal operators.

With Resolution 45/24/CONS, the Authority approved the new conditions of the return service, introducing the following changes (i) frequency of notification of retrievals extended to 15 days, instead of the current 7 days; (ii) deferred payment of the service, subject to verification of the returned items; (iii) in the event of non-collection, return of items in a forced manner by sending them to the operator’s premises; (iv) the obligation to affix appropriate instructions on the mailboxes of all operators on the items allowed, both in written and graphic form.

Replicability of offers



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.

With AGCom Resolution 236/23/CONS of 27 September 2023, the Authority concluded the proceedings on the updating of the criteria for verifying the replicability of Poste Italiane's offers by extending the perimeter of the offers subject to verification from €500,000 per year to €500,000 in total and by including the verification of offers relating to judicial documents. The new provisions entered into force 30 days after the date of publication.

Digital notification of PA documents

New platform



Law Decree no. 76 of 16 July 2020 (Simplifications), 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 acts. 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.

The Agreement with PagoPA governing the scope of services, responsibilities and economic remuneration for the developments and services required from Poste Italiane for the implementation of the Platform is currently being finalised. In the meantime, the platform was made operational by PagoPA with the currently available functionalities.

AGCM - the Italian Antitrust Authority - Obligations of Nexive Group Srl



As part of the acquisition of Nexive, finalised in January 2021, in December 2023, Poste Italiane sent its annual report on compliance with the behavioural measures prescribed by the AGCM.

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. On 13 April 2023, the Authority published the final Resolution on the amendments to the Regulation³⁷ confirming the substantial structure of the Regulation in its qualifying features, although it made some changes aimed at fostering competition in the notification market (e.g. the abolition of the exclusivity clause between the parent operator and operators forming part of its permanent organisation, the reduction of the minimum number of employees and training hours). The Resolution confirmed the prohibition of reposting, i.e. the entrusting of volumes of judicial documents to Poste Italiane by the successful bidders, and maintained the division of licences into two types (one all-inclusive for judicial documents and traffic violations and another for traffic violations only). The specifications of the procedures for issuing special individual licences with the new requirements set out in the AGCom Resolution were also published on the website of the Ministry of Enterprise and Made in Italy.

AGCM - the Italian Communications Authority - Postal Compensation Regulation

→ With Resolution 323/23/CONS of 20 December 2023, AGCom issued, following public consultation among stakeholders, a Compensation Regulation for the protection of users in the postal sector. The Regulation applies to all providers and users of the postal service and defines the criteria for calculating the compensation to be applied by the Authority in proceedings to settle disputes between postal operators and users. The Regulation entered into force on 28 December 2023.

AGCom - the Italian Communications Authority - Mailboxes

→ With Resolution no. 308/22/CONS of 27 September 2022, AGCom redefined the criteria for the distribution of mailboxes, adopting, in particular, that of the distance to the nearest box by percentage of the resident population. In relation to the Implementation Plan transmitted by Poste Italiane on 29 November 2022, and to the subsequent discussions that took place, in a report dated 30 March 2023 the Authority stated that it had examined the elements transmitted and taken note of the timetable and the time-frame illustrated by the Company to fully implement the provisions of the aforementioned resolution (within the next two years). The Company is required to send a report on the progressive implementation of the Plan every six months. The first half-year report was sent on 6 November 2023.

AGCom - the Italian Communications Authority - Licences for offering postal services to the public

→ On 10 January 2024, the Authority initiated proceedings (no. 2/24/CONS) concerning the revision of the regulation on licences for the public offering of postal services. The time limit for the proceedings is set at 180 days.

37. Regulations on the issuance of licences to carry out the service of judicial documents and related communications by post (Law no. 890 of 20 November 1982) and traffic violations (Article 201 of Legislative Decree no. no. 285 of 30 April 1992).

Other information

Energy supply distribution through the post office network

With a measure adopted at the meeting of 30 January 2024 and notified to Poste Italiane on 7 February 2024, AGCM initiated an investigation procedure against the Company in order to ascertain the existence of a possible breach of Article 8, paragraph 2-quater, of Law no. 287/1990. At the same time, the Authority initiated proceedings to verify the actual existence of the requirements for the adoption of precautionary measures pursuant to Article 14-bis of the same law. Specifically, the Authority observed that Poste Italiane, through its subsidiary PostePay SpA, is active in the electricity and gas supply sector, and allegedly denied two of the latter's competing companies access, pursuant to Article 8, paragraph 2-quater of Law no. 287/90, to the resources made available to PostePay, of which it has exclusive use in connection with its activities within the perimeter of the postal universal service. The Authority also ordered inspections, which were held on 7 February 2024, and set the conclusion of the proceedings at 19 July 2024, granting Poste a period of seven days to file pleadings and documents relating to the precautionary proceedings. On 14 February 2024, the Company filed its memorandum in the precautionary proceedings, contesting the Authority's approach and, in particular, the disapplication of the provisions of Article 1, paragraph 6 of Law Decree no. 59/2021, as amended and supplemented, exempting Poste from the application of Article 8, paragraph 2-quater, of Law no. 287/1990 until 31 December 2026.

IRES Credit

On 5 July 2023, the ruling of the Court of Cassation in the case pursuant to Law Decree no. 201/2011 was published, in which the most relevant grounds of Poste Italiane's appeal were upheld concerning the starting date of the accrual of interest on the IRES receivable arising from the failure to deduct personnel expenses for IRAP purposes. As a result of this ruling, the case will have to be resumed before the Tax Court of Second Instance to settle the amount of interest actually due to the Group. The judgement concerning Law Decree no. 185/2008 is still pending before the Supreme Court of Cassation. For further details, please refer to the chapter "Proceedings pending and principal relations with the Authorities" and note A9 - Other receivables and assets of the consolidated financial statements, in the section "Poste Italiane's Financial Statements".

The Italian Data Protection Authority

In August 2023, the IT continuous monitoring units detected anomalies on the systems of the subsidiary Postel SpA and identified an event of compromise of some Domain Controllers, made possible through the use of various malware and the activation of a malicious code used to encrypt computers (ransomware). The execution of the ransomware, claimed by a cyber criminal group, disrupted the operation of some servers and several workstations spread across the country. Based on the provisions of the "Data Breach Management" procedure governing the activities of detecting, notifying and communicating personal data breaches in accordance with the provisions of EU Regulation 2016/679 (GDPR), the GDPR Team was convened and, within the timeframe set out in Articles 33 and 34 of the GDPR, the Company notified the Privacy Guarantor and all relevant stakeholders.

On 15 December 2023, the Garante per la Protezione dei Dati Personali (GPDP), considering that the elements acquired in the course of the preliminary investigations, initiated following the notification of the Data Breach, may constitute one or more of the violations indicated in Article 83 of the GDPR, notified the Company of the commencement of the proceedings for the adoption of the measures and sanctions referred to in said Article 83, pointing out that Postel could be subject to the sanctions provided for therein.

On 12 January 2024, the Company filed its defence briefs and was heard at a hearing on 31 January 2024.




At present, the conclusion of the proceedings is pending.

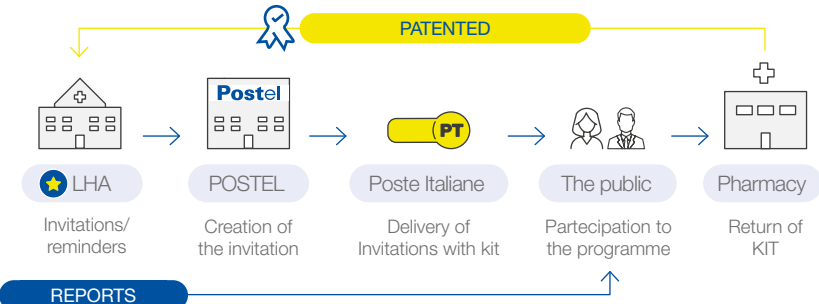
For the main pending proceedings and relations with the Authorities, please refer to the chapter "Proceedings pending and principal relations with the Authorities" in the section "Poste Italiane's Financial Statements".

Operating review

Also in 2023, 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
<p style="text-align: center;">PARCELS/LOGISTICS</p>	<p>In March 2023, the partnership between MLK Deliveries SpA and the company Mazzocco Srl was finalised, to enable the logistics operator for controlled temperature transport³⁸, in order to build a unique offer³⁹ dedicated mainly to Italian food and wine SMEs. During the year, a pilot delivery chain was launched in major Italian cities⁴⁰.</p> <p>In January 2024, the joint venture MLK Fresh was established between the two companies and the new product Postegofresh was launched.</p>	
	<p>With a view to the continuous development of the offer and business, there was continued marketing of the new Offer of Integrated Logistics, which began in 2022 and aims to position Poste Italiane as a Logistics Solution Provider⁴¹ in the Integrated Logistics market and, since April 2023, the new Logistics Hub in Vidigulfo (Pavia) has been in operation. With a surface area of 62,000 sqm and 74,000 pallet spaces, it is the largest of the Poste Italiane's warehouses. The site handles the order of an important customer who has entrusted the Group with the entire activity of storage, order picking and distribution of its products for its shops located in Central-Northern Italy.</p>	
	<p>At the end of July 2023, the Poste Italiane new offer dedicated to cancer prevention campaigns, organised by local health authorities and hospitals in order to increase their participation, was launched on an experimental basis. The initiative offers the possibility of home collection of diagnostic samples self-collected by citizens participating in screening campaigns and their return to the relevant ASL laboratory.</p>	



38. A mode of transport that involves maintaining a constant temperature inside the vehicle - whether hot or cold - whatever the outside temperature.
 39. The offer includes the combination of logistics assets, such as logistics distribution platforms and a temperature-controlled last mile fleet, with scheduled delivery solutions. The alliance between the two companies combines the technology of MLK Deliveries, which will receive customer bookings for scheduled deliveries, with the Mazzocco cold logistics platform.
 40. At 31 December 2023, the provinces where the service is active are: Turin, Milan, Bergamo, Brescia, Pavia, Mantua, Cremona, Verona, Vicenza, Padua, Parma, Bologna, Modena, Reggio Emilia, Florence, Prato, Pistoia, Livorno, Rome, Empoli, Piacenza. In early 2024, the service was also extended to the cities of Genoa and Pisa.
 41. Single logistics provider able to offer services covering the entire customer supply chain, from warehousing to distribution to the final recipient.

SEGMENT



MAIL

OPERATING REVIEW



PILLAR



On 27 June 2023, the new universal service tariffs were defined by AGCom Resolution 160/23/CONS, which came into force on 24 July 2023. On 18 December 2023, the second phase of the tariff manoeuvre for domestic and international mail and notification services came into force. In particular, the price lists of services/products other than retail, within the scope of the Universal Service, were aligned with the maximum tariffs approved by AGCom Resolution.

On 5 December 2023, the new prices for wholesale access offers to the delivery network and post office network for the year 2024 (effective 1 January 2024) were defined⁴².

During 2023, prices were revised and annual volume brackets introduced for each type of P.O. box in order to improve the operational management of the service within the post office. The new prices and specifications take effect on 1 January 2024.

For more information, please refer to the section “Regulatory context and evolution of the regulatory scenario” of the Mail, Parcels and Distribution SBU.



As of January 2023, the new product Atto Giudiziario Market Veloce⁴³ was launched. The service replicates all the features and functionalities of the Judicial Document Market (tracking, notification and reporting) with improved service levels and dedicated forms.

Since May 2023, the Online Judicial Document has been available, through which the judicial document can be sent via the Postaonline⁴⁴ solution at any time directly from customers’ management software.



42. AGCom Decision 302/23/CONS.

43. Judicial Document Market Veloce is used for the notification of traffic violations and administrative acts (e.g. for acts relating to taxes).

44. The service is provided in accordance with Law no. 890 of 20 November 1982 “Notification of documents by post and communications by post connected with the notification of judicial documents”.

4.5.3 Financial Services Strategic Business Unit

Market context

Financial markets

The year 2023 started with a bullish phase in the equity segment that continued throughout January due to the less aggressive policies of central banks, resulting in lower long-term rates. Already in February, this bullish phase began to fade, mainly due to the more aggressive tones used by some central bankers on account of inflation, which, although declining, is still expected to remain at high levels. Tensions in the European banking sector in March were exacerbated by the financial collapse of Silicon Valley Bank, the bankruptcy of Signature Bank, and the financial crisis of Credit Suisse, which was acquired by UBS. The swift and incisive reaction of the monetary authorities seems to have stabilised the situation, and the solid performance of the stock market was boosted by a higher risk appetite of investors, attributable to expectations of less restrictive monetary policies in the major economies.

During 2023, equity markets overcame the correction recorded in August brought about by investors' concerns about the deterioration of economic growth caused by the significant rise in interest rates, registering strongly positive performances⁴⁵: the MSCI World index recorded growth in both developed market countries and emerging countries of 21.77% and 7.04% respectively. In the United States, the S&P 500 index ended the year up 24.23%, thanks mainly to technology stocks, which made the difference; in fact, the Nasdaq 100, the US technology index, was up 53.8% at the end of the year. In 2023, the FTSE MIB recorded the best performance in Europe with a growth of 28.03%.

The credit market, after a start of the year characterised by a significant tightening of spreads, experienced a sharp turnaround at the beginning of March. The crisis of the US regional banks and the bankruptcy of Credit Suisse led to a repricing on the entire credit market, particularly for the banking sector, bringing spreads well above year-end values. In the summer months, the European and US corporate markets suffered from both rising benchmark rates and widening spreads, of a larger magnitude on the High Yield segment, in tandem with deteriorating economic growth. Since the end of October, the credit market in Europe and the United States has been moving towards a period of lowering rates, leading to important performances⁴⁶ on the value of securities at the end of the year: the Investment Grade index achieved a positive change of 8.1% in the US, and 7.4% in Europe since the beginning of the year, while the High Yield index increased by +11.2%.

As regards the Italian BTP, 2023 started with rates and spreads characterised by quite high levels (10-year BTP around 4.70% and BTP-Bund spread around 215 bps)⁴⁷ on the widening trend that had affected the latter part of 2022. However, already in the first few days of the year, the trend reversed and there was a gradual narrowing, which led to the levels of the Italian 10-year BTP and the spread touching quarterly lows around mid-January (10-year BTP around 3.75% and BTP-Bund spread around 170 bps)⁴⁸ and then closing the first quarter with a marginal widening (10-year BTP around 4.1% and BTP-Bund spread around 185 bps)⁴⁹. In the second quarter, both the yields on the Italian ten-year bond and the BTP-Bund spread fell further to 4.07% and 167 bps respectively on 30 June 2023⁵⁰. In the third quarter, the actions of the central banks led to a generalised rise in yields, with the yield on the 10-year BTP reaching 4.8% at the end of September, while the BTP-Bund spread remained around 190 bps⁵¹.

At the end of the year, the yield on the 10-year BTP declined substantially, compared to the same period in 2022, to 3.7%; this change was mainly due to the decline in risk-free rates in the major advanced economies, driven by expectations of a less restrictive monetary policy stance in 2024 and the decrease in uncertainty in the government bond market. At the same time, the BTP-Bund spread also narrowed significantly, settling at 165 bps⁵², benefiting from lower interest expenses on government debt due to the prospective fall in long-term yields, as well as from the favourable ratings on Italian debt issue by the major rating agencies.

45. Source: Refinitiv.

46. Source: Bloomberg.

47. Source: Refinitiv.

48. Source: Refinitiv.

49. Source: Refinitiv.

50. <https://www.borse.it/articolo/ultime-notizie/chiusura-borse-oggi-30-giugno-2023#indici-europa-e-italia>.

51. Source: Refinitiv.

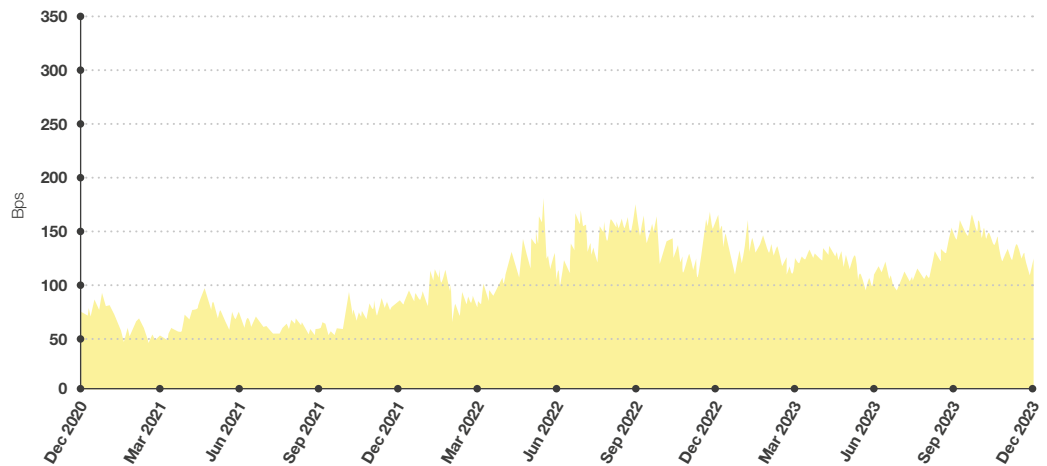
52. Source: Bloomberg.

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 Swaps⁵³.

	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023
BTP 10Y	4.72	4.10	4.07	4.78	3.70
SWAP 10Y	3.20	2.96	3.02	3.39	2.49
BTP 15Y	4.75	4.36	4.26	5.04	4.05
SWAP 15Y	3.14	2.96	2.96	3.43	2.56
BTP 30Y	4.79	4.32	4.44	5.25	4.37
SWAP 30Y	2.53	2.50	2.54	3.09	2.33

The following graph shows the trend of the 10-year BTP- Swaps spread in recent years with the values recorded up to 31 December 2023.

SPREAD BTP VS BUND 10 YRS



Banking system

Based on available estimates provided by the Italian Banking Association (ABI)⁵⁴, at the end December 2023, customer deposits of all banks in Italy, represented by deposits from resident customers (current accounts, certificates of deposit and repurchase agreements) and bonds, decreased by 1.5% on an annual basis, settling at approximately €2,028 billion (€-31 billion compared to the previous year).

This trend reflected a significant reduction in deposits from resident customers of around €71 billion (-3.8% y/y), partially offset by a recovery of around €40 billion in bond deposits (+19.1% y/y).

In December 2023, the average cost of bank funding (which includes the return on deposits, bonds and repos from households and non-financial companies) was around 1.16% (0.61% at 31 December 2022).

Bank loans to Italian residents (private sector plus general government net of repos with central counterparties) amounted to approximately €1,670 billion in December 2023, a year-on-year decrease of 3.9%. Loans to households and non-financial companies amounted to €1,296 billion, registering a negative annual change of 2.2%. The decline in volumes is consistent with the slowdown in economic growth, which is depressing the demand for loans: in December 2023, the volume of loans to businesses and households fell by 2.2 % year-on-year.

53. Fonte: Bloomberg.

54. Source: ABI, Monthly Outlook – January 2024.

€2,338
billion

total equity in Italian
managed asset in
2023

Asset Management

Assogestioni data show, at 31 December 2023⁵⁵, total assets of €2,338 billion, up 5.8% on the €2,210 billion at the end of 2022. With regard to portfolio management, assets amounted to approximately €1,095 billion, up 4.3% from €1,050 billion at 31 December 2022. With regard to Collective asset management, assets went from about €1,160 billion at the end of December 2022 to around €1,243 billion at the end December 2023 (+7.1%). With regard to open-ended investment funds alone, client assets stood at around €1,149 billion at the end December 2023, up 6.9% from roughly €1,075 billion at the end of December 2022.

In terms of net inflows, the asset management industry recorded a negative balance in 2023 of approximately €49.6 billion (compared to a positive balance of €12.9 billion in 2022).

Regulatory context

Below are the main regulatory initiatives updated in 2023.

Bank of Italy

Circular no. 285
of 17 December 2013

On 31 August 2023, BancoPosta, with reference to the 40th update⁵⁶ (of 2 November 2022) of the Circular, submitted a report to the Bank of Italy describing the actions taken in order to comply with the regulatory changes introduced.

On 30 March 2023, the Bank of Italy published the 42nd update of Circular no. 285 of 17 December 2013 concerning the provisions on “Covered Bank Bonds”⁵⁷; this update has no substantial impact on BancoPosta’s business.

In December 2023, the Authority published two new updates to the Circular:

- 43rd update of 5 December 2023, which refers to “Large Exposures” with reference to financial conglomerates⁵⁸ and does not have any particular impact on BancoPosta;
- 44th update of 19 December 2023, which is of particular interest to BancoPosta and is being verified by the relevant functions. In fact, this update concerns the transposition into national law of the changes defined at European level regarding interest rate risk and credit spread on the banking book (IRRBB⁵⁹ and CSRBB⁶⁰ respectively). Specifically, the provisions of Articles 84 and 98 of Directive 2019/878/EU (Capital Requirements Directive V - CRD V) are transposed. They relate to:
 - the simplified standardised methodology for measuring interest rate risk for the banking book;
 - criteria for the identification, assessment, management and mitigation of interest rate risk for the banking book;
 - the criteria for assessing and monitoring credit spread risk for the banking book and the regulatory technical standards with regard to supervisory tests for outliers.

55. Assogestioni, Quarterly Map, published on 20 February 2024.

56. The new rules mainly require banks to set up a second-level control function for the management and control of ICT and security risks. Specific provisions have also been introduced for contracts with third parties; BancoPosta has completed the updating of existing contracts and is currently reviewing the relevant internal company regulations.

57. A supervisory regime for covered bank bond (OBB) issuance programmes is established that requires prior authorisation by the Bank of Italy for the launch of new issuance programmes.

58. These amendments now allow banks that are members of financial conglomerates (financial conglomerates are groups of firms, which are active to a significant degree in the insurance and banking or investment services sectors, include at least one insurance firm and one banking or investment services firm, and are either headed up by a regulated entity or are principally engaged in activities in the financial sector) to exclude from the calculation of large exposure limits those exposures, including in the form of investments, to other entities in their conglomerate that are included in the scope of supplementary supervision in accordance with Directive 2002/87/EC (Financial Conglomerates Directive). Source: Bank of Italy.

59. The Interest Rate Risk for instruments in the Banking Book (IRRBB) is the risk arising from interest rate fluctuations over time and can affect the value of banking assets and liabilities due to differences in their interest rates and maturities.

60. The Credit Spread Risk in the Banking Book (CSRBB) concerns the risk related to changes in credit spreads on financial instruments held in the institutions’ portfolio. Credit spreads represent the difference between the yield of a financial instrument and the yield of a risk-free security with the same maturity.

Bank of Italy

Other circulars on supervisory reporting

→ On 28 November 2023, the Bank of Italy published the 17th update of Circular no. 272 of 30 July 2008, which introduces new information requirements in supervisory reporting, and the 76th update of Circular no. 154 of 22 November 1991, which amends the supervisory reporting formats. BancoPosta is pressing ahead with the necessary updates.


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.



CONSULT THE GLOSSARY
ON PAGE 542

The innovations introduced concern, on the one hand, the exemption, under certain conditions, from the obligation of strong authentication (*Strong Customer Authentication – SCA* ) of the customer for the specific case in which access to the data takes place through an Account Information Service Provider⁶¹ and, on the other hand, that strong customer authentication must be renewed after 180 days from the last time the user had on-line access to information relating to payment account data and strong authentication was applied.

BancoPosta has finalised the appropriate adaptation activities on the CBI Globe - Global Open Banking Ecosystem platform usable by Third Parties⁶², as well as on the systems of the external provider Tink with regard to the BancoPosta Open service⁶³.

ESG


Investment Services Disclosure

→ With reference to ESG regulations in the area of investment services, Delegated Regulation (EU) 2022/1288 came into force on 1 January 2023, related to the disclosure obligations for financial operators on sustainability issues in pre-contractual/contractual documents and periodic product reports and websites.

The website pages dedicated to sustainability have been further updated: by way of example, the definition of an eco-sustainable investment and the reference regulatory framework have been introduced, and the list of products offered with sustainability features has been updated to highlight that the Company, in providing the consultancy service, takes into account the main effects of the sustainability factors in line with the methodologies declared by the companies issuing the financial/insurance products.

61. Account Information Service Providers (AISP) are financial institutions that have been given access to information about consumers' accounts (with their explicit consent) by their banks.

62. Third parties are the following entities provided for and regulated by the European PSD2 Directive:

- AISP (Account Information Service Providers), which allow the user, the holder of online-accessible payment accounts held with several payment service providers, to obtain an aggregated view of their accounts;
- the *PISP*  (Payment Initiation Service Providers) which allow, with the customer's express authorisation, a payment order to be initiated from an account that the user holds with another payment service provider;
- CISP (Card Issuers Service Providers) that issue payment cards settled on a payment account accessible online at another institution and verify with the latter the availability of the funds involved in the transaction.

63. BancoPosta Open is the *open banking*  service which allows users to obtain information, directly from the BancoPosta app, on payment accounts held with other payment service providers and to place payment orders on payment accounts held with other payment service providers.

ESMA

Sustainability in product governance and internal reporting

→ The enactment of EU sustainability legislation has had an impact on the regulatory framework of MiFID II, which has been amended to take sustainability factors into account in the processes concerning the provision of investment services with particular reference both to the provision of the financial advice service and the related organisational requirements for authorised intermediaries (Delegated Regulation (EU) 2017/565 hence the update by ESMA of the Final Report “Guidelines on certain aspects of the MiFID II suitability requirements” in September 2022), and with reference to the product governance process (Delegated Directive (EU) 2017/593).

With regard to the latter, the ESMA Final Report⁶⁴ “Guidelines on MiFID II product governance requirements” was published on 27 March 2023, with the aim of revising the same 2017 Guidelines in order to integrate sustainability objectives into the forecasts regarding the identification of the reference market by both producers and distributors of financial instruments and structured deposits⁶⁵. The forecasts in the Final Report confirm the Group’s alignment with the regulatory framework on sustainability with respect to what is being implemented with reference to the product governance process and the models used to exchange information related to product sustainability with the Group companies⁶⁶ that produce investment and insurance products (producers).

ESMA has set the same application date (October 2023) for both Guidelines. The initiatives were implemented in February 2024.

Bank of Italy

Revolving Credit

→ In April 2023, the Bank of Italy published a document containing supervisory guidelines on “revolving”⁶⁷ credit, a form of financing, also associated with credit cards, characterised by high flexibility of use for the customer. The document contains a series of guidelines aimed at drawing the attention of intermediaries to the main problems in customer relations and thus at promoting rule-compliant and correct behaviour towards consumers “Good Practices”), making provision where necessary for the identification of adaptation plans by the end of the year. BancoPosta, together with the financing Partners, have therefore concluded the impact analysis regarding the products falling within the scope of the aforementioned guideline and directly applicable to BancoPosta as a distributor, as well as defined the appropriate actions that will be implemented once the specifications have been received from certain Partners.

ANAC

Guidelines on Whistleblowing

→ In March 2023, Legislative Decree no. 24 of 2023 was approved, repealing the existing national regulations on Whistleblowing, which encompasses in a single regulatory text - for the public sector and the private sector - the protection regime for individuals who report unlawful conduct of which they have become aware in a work context. In July 2023, ANAC published the new Guidelines⁶⁸ on the protection of persons who report violations of EU law and breaches of national legislation (whistleblowers) and the Regulation⁶⁹ for the handling of external reports and the exercise of sanctioning powers.

The internal regulations, which incorporate the changes introduced, are currently being issued by Poste Italiane, while the supporting tools (reporting platform) are being updated.

64. Among the important changes resulting from the new ESMA Guidelines are:

- an indication of any sustainability goals with which a product is compatible;
- identification of the target market by product cluster, rather than by individual product;
- the determination of a compatible distribution strategy when a distributor considers that a more complex product can be distributed as part of non-advised sales;
- the periodic review of products and the application of the principle of proportionality.

65. Deposits the return on which is linked to indicators such as indices, financial instruments, commodities or exchange rates; variable-rate deposits whose return is directly linked to an interest rate are excluded. Source: Bank of Italy.

66. This refers to companies belonging to the Poste Vita Group and BancoPosta Fondi SGR.

67. Revolving credit is a form of financing usually with an indefinite maturity characterised by a high degree of flexibility of use for the customer, who can use a sum of money equivalent to the credit facility granted in one or more instalments; the amount of funds made available is restored in an amount corresponding to the instalments paid to the intermediary by way of repayment of the principal (source: https://www.bancaditalia.it/compiti/vigilanza/normativa/orientamenti-vigilanza/credito_revolving.pdf).

68. Resolution no. 311 of 12 July 2023.

69. Resolution no. 301 of 12 July 2023.

Bank of Italy

Outsourcing of business functions for supervised intermediaries



On 1 June 2023, the Bank of Italy published its Provision of 31 May 2023 containing instructions for reporting on the outsourcing of business functions for supervised intermediaries. This report, sent by Bancoposta and PostePay in December 2023, aims to collect information⁷⁰ on the outsourcing contracts of supervised intermediaries, service providers and subcontractors, and the type of functions outsourced.

European Parliament and Council

Consumer Code



On 18 March 2023, Legislative Decree no. 26 of 7 March 2023 implementing Directive (EU) 2019/2161 of the European Parliament and of the Council of 27 November 2019 (amending previous Directives) for better enforcement and modernisation of Union rules on consumer protection was published; the Legislative Decree contains amendments to the text of the “Consumer Code”⁷¹. The measure came into force on 2 April 2023 and the relevant BancoPosta personnel participated in specific training events on these regulatory amendments.

European Parliament and Council

Financial service contracts concluded at a distance



On 18 December 2023, Directive (EU) 2023/2673 came into force, reforming the current rules on distance marketing of consumer financial services contracts by amending Directive 2011/83/EU and repealing Directive 2002/65/EC. This Directive, in order to harmonise the legislation and ensure the same level of consumer protection at European level, makes changes in relation to: i) the modalities for exercising the right of withdrawal; ii) the content, modalities and timing for the provision of pre-contractual information; iii) special rules for the protection of consumers who sign financial services contracts via online in-terfaces; iv) the strengthening of sanctions in the event of violation of the legislation.

Member States are required to adopt the provisions needed to comply by 19 December 2025, in order for these provisions to be applicable from 19 June 2026, the date of repeal of Directive 2002/65/EC.

BancoPosta and PostePay are carrying out the appropriate investigations to assess the impacts of this new regulatory framework, also with the involvement of the financing Partners.

European Parliament and Council

Credit agreements for consumers



On 30 October 2023, Directive (EU) 2023/2225 on credit agreements for consumers was published in the Official Journal of the European Union, updating and repealing Directive 2008/48/EC (“CCD - Consumer Credit Directive”). By establishing a common framework for the harmonisation of aspects of the laws, regulations and administrative provisions of the Member States, the measure broadens the forms of credit covered and regulates certain aspects⁷².

The Member States are required to adopt the provisions necessary to comply with the Directive no later than 20 November 2025; the Directive will apply to agreements concluded as from 20 November 2026, without prejudice to the application of the previous provisions of Directive 2008/48/EC to credit agreements in place on 20 November 2026 and until their termination.

BancoPosta is carrying out the appropriate investigations to assess the impacts of this new regulatory framework, with the involvement of the financing Partners.

70. The collection of information is functional to the analysis and monitoring of risks arising from the use of third parties for the performance of functions, services and activities of supervised intermediaries, in order to ensure the stability of the intermediaries themselves and of the banking and financial system. Intermediaries are required to provide, in particular, the following information:

- for all outsourcing agreements: signatories and users of the contracts, service providers, type and characteristics of the outsourced function, certain provisions of the contracts;
- for services provided in cloud computing mode (i.e. the provision of computing resources, including storage, databases and software applications over the internet): the cloud model used and the cloud provider;
- for agreements to outsource essential or important functions (FEI) or important operating functions (FOI): the rationale for the classification as an FEI/FOI, the assessment of the risks arising from the outsourcing, the decision-making body that decided on the outsourcing, the audits performed and planned, the assessment of the level of substitutability of the service provider, the sub-outsourcing and any subcontractors, the country of service delivery and the country of data storage.

71. New regulatory provisions are planned to strengthen consumer protection in cases of unfair terms, unfair commercial practices, unfair competition or untruthful commercial communications.

72. The main aspects concern: (i) pre-contractual information to be provided to customers prior to the conclusion of the credit agreement, reinforcing the relevant marketing practices; (ii) the assessment of the consumer's creditworthiness and access to databases by lenders; (iii) the form and content of agreements; (iv) rules of conduct in the granting of credit, and knowledge and competence requirements for credit intermediaries.

ESMA

Guidelines on certain aspects of the MiFID II remuneration requirements



As of October 2023, the ESMA Guidelines setting out operational guidance on intermediary remuneration policies and practices valid under the MiFID II conduct of business rules and conflict of interest regime requirements came into force. In the aforementioned guidelines, ESMA draws the attention of intermediaries to the need to orient their conduct towards criteria aimed at pursuing the best interests of clients.

BancoPosta, while confirming the solutions and safeguards in place with respect to the issues under consideration, has initiated a round-table work group aimed at addressing some specific activities to strengthen existing controls and regulations.

2024 Budget Law

Due diligence



Law no. 213 of 30 December 2023 (2024 Budget Law) amended art. 17, paragraph 6 of Legislative Decree no. 231/2007, as amended and supplemented, providing for the exclusion of the due diligence obligations in the case of occasional cash withdrawals within the daily limit of €250. Analyses were launched at Group level to assess the impact of this simplification in order to change the current operational processes for withdrawals from payment accounts at LIS Pay affiliated merchants (service started by this intermediary in September 2023).

Other information

Bank of Italy



Following the initiative, carried out at the turn of the first half of 2023, to cancel cheques belonging to the old materiality (i.e. lacking the new anti-fraud security requirements indicated by the ABI in circular no. 21 of 12 June 2014), contacts were entered into with the Bank of Italy, as a result of reports of unpaid cheques complained of by some intermediaries, which led to specific and additional (with respect to what had already been implemented prior to the initiative itself) customer contact campaigns aimed at returning the materiality to the post office and in any case discouraging its use.

On 20 July 2022, the Bank of Italy provided to Poste Italiane SpA - BancoPosta RFC and PostePay a communication 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. This solution was represented to the Bank of Italy in a communication sent jointly by PostePay and BancoPosta on 29 March 2023. Consistent with this solution, a draft of the revolving pledge agreement was prepared and sent to the Bank of Italy on 4 August 2023, supported also by the opinion of an external law firm.

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”.

CONSOB



On 21 March 2023, CONSOB launched a thematic investigation into the processes and procedures adopted, or under development, with regard to ESG. The reply was provided on 19 May 2023.

On 24 July 2023, CONSOB sent a request for specific insights into: i) customer profiling, ii) concentration control, iii) transparency measures on ex post costs and charges, and iv) how to identify off-premises personnel. On 7 September 2023, feedback was provided within the deadline requested by the Authority. On 29 January 2024, CONSOB requested a single response on the different areas of investigation including: i) further update on the issues covered by the above-mentioned response of 7 September 2023, ii) new Customer Service and Portfolio Model. The relevant feedback was provided on 23 February 2024.

Federconsumatori



Federconsumatori, with a writ of summons dated 14 May 2021, initiated a class action against Poste Italiane pursuant to article 140-bis of the Consumer Code, before the Court of Rome. The value of the dispute to date is approximately €8.5 thousand.

By means of the summons in question, Federconsumatori contests that the capitalisation of interest on 30-year interest-bearing postal certificates (marked with the "Q" series, issued by Cassa Depositi e Prestiti from 1986 to 1995, pursuant to Ministerial Decree 13 June 1986 by the Minister of Treasury, which were subsequently transferred to the Ministry of Economy and Finance, pursuant to the MEF Decree of 5 December 2003) is carried out annually net of withholding tax (now substitute tax), rather than gross, with the effect of recognising to savers a lower return than that allegedly due.

On 27 July 2021, Poste Italiane appeared before the court, objecting, on a preliminary basis, to the inadmissibility of the class action, on a number of preliminary grounds, as well as to the fact that the plaintiffs' and potential members' claims were time-barred, and contested the merits of the proposed claim.



The Court of Rome, in an order dated 11 January 2022, held that the request submitted by Federconsumatori was manifestly unfounded, recognising, inter alia, the lack of passive legitimacy of Poste Italiane.

Federconsumatori appealed the order of the Court of Rome, and the Court of Appeal deferred the hearing for closing arguments to 22 May 2024.

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”.

Operating review

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

SEGMENT	OPERATING REVIEW	PILLAR
<p>POSTAL SAVINGS</p>	<p>In 2023, a number of offers were launched reserved for Libretto Smart holders, with special promotions dedicated to holders who bring new liquidity⁷³ into Poste Italiane; the total volume collected through these promotions, amounting to around €8 billion, represents the best annual result ever achieved on products in the segment dedicated to this target group.</p> <p>Supersmart Offers 2023: Record inflows</p> <p>Moreover, with regard to the Postal Savings Bonds segment, during the year Cassa Depositi e Prestiti made changes by increasing the rates of return on most of the products in its range.</p>	
<p>CURRENT ACCOUNTS</p>	<p>The Off-Premises Offering⁷⁴ of the BancoPosta Business Link current account was launched via the Single Front End⁷⁵ with the aim of consolidating its position in the market of reference and fostering the evolution of the service model of the commercial channels.</p>	

73. New liquidity means all sums contributed exclusively by bank transfer, bank and bank drafts, salaries and pensions, and credited to the Libretto Smart, to current accounts and/or postal savings books bearing the same header as the Libretto Smart chosen to join the offer.

The Off-Premises Offer is aimed at Small Economic Operators (POE) and Business customers and involves sales through the presence of the salesperson at the customer’s premises and the use of automated tools for signing contracts.

74. The Off-Premises Offer is aimed at Small Economic Operators (POE) and Business customers and involves sales through the presence of the salesperson at the customer’s premises and the use of automated tools for signing contracts.

75. The Single Front End (FEU) is Poste Italiane’s product sales platform that allows the sale of different products to be managed through a single system and render a more efficient service to customers.

SEGMENT



OPERATING REVIEW



PILLAR




ASSET
MANAGEMENT

In February 2023, the Universo⁷⁶ fund range was expanded with the launch of the Fondo BancoPosta Universo Tematico. This fund aims for growth by investing at least 50% of the capital in the shares of companies operating in so-called megatrends, i.e. those that will drive future changes and in which the largest investments will be concentrated at global level, such as, for example, ecology, technological innovation, health. As part of the “Universo line” funds, the Bancoposta Universo Start fund was launched in October: a short-term euro government bond fund that targets moderate growth in the value of the invested capital.

The Fondo BancoPosta Obbligazionario Italia 6 Anni II was launched in March 2023. This is an income-distributing bond fund that invests at least 70% of its assets in Italian government bonds and bonds issued by Italian companies and deposits with Italian banks.

In March 2023, the Fund Accumulation Programme was launched: a new service that can be activated on the current account, where a remuneration is paid on a sum of money tied up and earmarked for a plan of scheduled payments into Mutual Funds.


In June 2023, the Fondo BancoPosta Obbligazionario a 5 Anni was launched: a flexible income-distributing bond fund that invests in government, supranational and corporate “investment grade”  bonds with a minimum of 50% and Emerging Countries and non-investment grade corporate bonds with a maximum of 50%.

In September, the Fondo “BancoPosta Obbligazionario 3 Anni” was launched: a bond fund that invests in investment grade bonds of government, supranational and corporate issuers.

Both Funds may invest predominantly in Italian issuers.




ASSETS UNDER
ADMINISTRATION

In March 2023, Poste Italiane took part in the placement of the 19th issue of the Multi-year Treasury Bond **BTP**  Italy, a security linked to the Italian inflation trend with the change to a 5-year duration, with inflows of around €280 million.

In June 2023, Poste Italiane took part in the placement of the new BTP Valore, a security with a duration of four years and which provides for the payment of fixed coupons increasing over time and a loyalty premium on the issued capital for those who purchase the security during the placement phase and keep it until maturity. The record collection of Poste Italiane is over €800 million on the first issue of the BTP Valore.

In October 2023, Poste Italiane participated in the placement of the second issue of the BTP Valore, (a five-year security) with over €700 million in funding.



 CONSULT THE GLOSSARY
ON PAGE 542

76. Universo funds are flexible, multi-manager funds with an ESG approach, which differ from each other in their equity component.

SEGMENT



DISTRIBUTION OF
LOANS AND OTHER
THIRD-PARTY
PRODUCTS

OPERATING REVIEW



PILLAR



For loans dedicated to Business customers, in May 2023, the placement of Banca CF+ products was started, thus expanding the range of loans with medium- and long-term products, dedicated to corporations and assisted by the Central Guarantee Fund for SMEs and the Sace-Support Italia guarantee.



A new short-term financial product was developed during the second quarter of 2023, for liquidity advance on the basis of the value transacted on POS, assisted by the Central Guarantee Fund for SMEs and dedicated to companies that are current account holders of Bancoposta and have subscribed to the PostePay acquiring service. The placement is scheduled to start during 2024.



With regard to the "Quinto BancoPosta⁷⁷" product, as of March 2023 the offer was also extended to semi-public employees or employees of state-owned companies.



OTHER ASSETS

In May 2023, in continuation of the agreement that expired at the end of 2022, was the signing of the new Agreement with the Ministry of Economy and Finance - State General Accountancy Office - regulating treasury services and the movement of funds on behalf of the State. The Agreement has a duration of three years, from 1 January 2023 to 31 December 2025, and mainly defines the mechanisms for the daily settlement of financial flows related to the services performed by BancoPosta on its own account (postal current accounts) or on behalf of other public entities (postal savings, payment and collection services, etc.).



In July 2023, the disbursement of the first economic measure⁷⁸ of immediate support to the population affected by calamitous events in Emilia-Romagna began by bank transfer and in cash, at the Post Office network, as provided for in the Agreement signed with the Civil Protection Department at the Presidency of the Council of Ministers.



77. It is the loan dedicated to civil servants, para-public employees and retirees, which can be used to carry out new projects, but also to pay off other loans in progress, with a monthly repayment equal to up to one-fifth of the monthly net salary or the monthly net pension.

78. Pursuant to art. 140 of Legislative Decree no. 36/2023.

4.5.4 Insurance Services Strategic Business Unit

Market context


 CONSULT THE GLOSSARY
ON PAGE 542

Life Business

During 2023, the market continued to be affected by the uncertainty related to the war in Ukraine and the Israeli-Palestinian conflict, and by the still high levels of inflation and interest rates, albeit slowing compared to the beginning of the year.

During the year, net inflows in the life segment were negative and amounted to -€22.8 billion, down by about €40 billion compared to the balance recorded in 2022, when the amount was positive and close to €16 billion. This result is attributable to the decline in premiums (-3.2% compared to 2022) linked exclusively to Class III life products and to the increase in outflows (+45%), mainly due to higher lapses related to Class I life policies (a phenomenon attributable to the rise in rates that prompted savers to look for products with higher returns). At the end of December 2023, the lapse rate was 10.63%⁷⁹ compared to 6.71% in 2022.

The new individual life insurance policies in the Italian market, based on the latest available data⁸⁰, amounted to approximately €74.2 billion at the end of December 2023, a negative change of 3.3% compared to 2022. If new Life premiums reported by EU companies is also taken into account, the figure reached €82.5 billion, down 5.2% compared to 2022.

Analysing the data by line of business, premiums from Class I, which confirmed its leading role in the life business with a 76% share of the total at the end of December 2023, amounted to €56.3 billion at the end of December 2023, +11.9% compared to the previous year. The collection of Class III products (in the exclusive form of *unit-linked*  products), at €14.8 billion, was down (-37.5%) compared to the figure at the end of December 2022. Although residual, inflows of capitalisation products amounted to €0.8 billion and decreased by 27.6% compared to 2022. The volumes of new premiums relating to long-term health policies (Class IV) continued to be limited (approximately €111 million), and up (+30.6%) compared to 2022.

 CONSULT THE GLOSSARY
ON PAGE 542

New contributions relating to the management of *pension funds*  recorded inflows of €2.2 billion, an increase (+39.8%) compared to 2022.

Single premiums continued to be the preferred form of payment for policyholders, representing 95.2% of total premiums written and 60.6% of policies by number.

With regard to the distribution channel, 64.7% of new business was brokered through banks and post offices until the end of December 2023, with premium revenue of €48 billion, a decrease (-1.3%) compared to 2022. On the other hand, with regard to the entire agency channel, the volume of new business distributed reached €15.7 billion in 2023, marking an increase in volumes of 1.1% compared to the previous year and with an incidence on total brokered business of 21.1%.

79. Source: Report ANIA - Trends in Life Flows and Reserves Year XIII - no. 04 - published on 21 February 2024.
80. ANIA Report - Year XIX - no. 12 - published on 1 February 2024.

The performance of new business obtained through qualified financial consultants was €9.5 billion, down considerably (-15%) compared with the amount placed in the previous year and with an incidence compared to the total of brokered premiums equal to 12.8%.

Finally, the broker and distance sales channel recorded a decline of 29.6% compared to 2022, with a volume of premiums placed of €1 billion (or 1.4% of the total brokered).

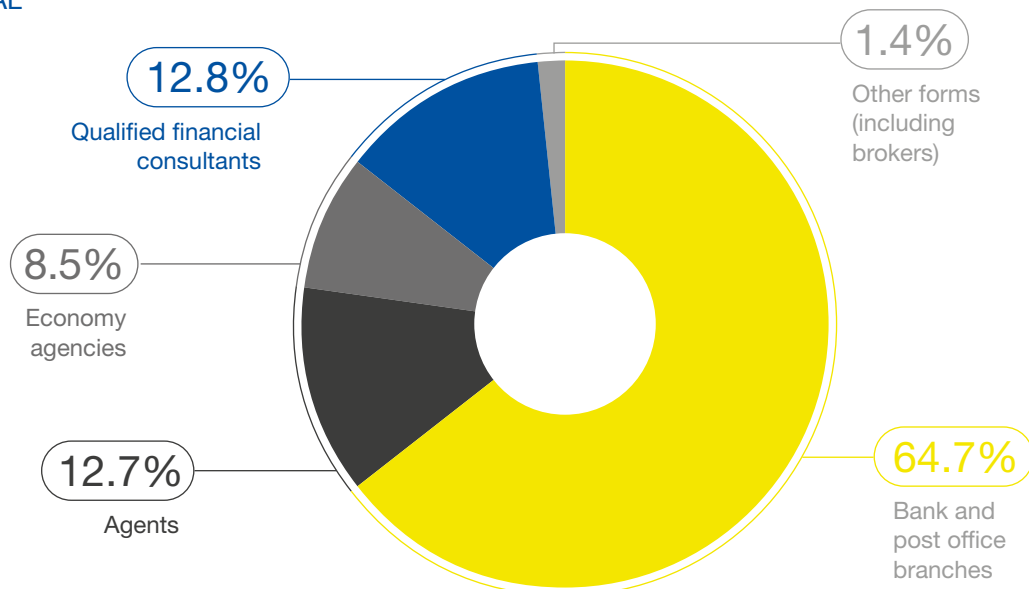
NEW INDIVIDUAL AND COLLECTIVE LIFE POLICY PRODUCTION BY LINE OF BUSINESS* (figures updated to December 2023 in €m)

Premiums by class/product	Premiums YTD	% change 2023 vs 2022
Life – class I	56,307	11.9%
Unit Linked – class III	14,788	-37.5%
Capitalisations – class V	823	-27.6%
Class VI pension funds	2,213	39.8%
Illness class IV	111	30.6%
Italian insurers – non-EU	74,242	-3.3%
EU insurer**	8,238	-19.5%
Total	82,480	-5.2%

* 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



Source: ANIA.

P&C Business

As regards the P&C insurance market, based on the available official data⁸¹ at the end of the third quarter of 2023, total direct Italian premiums, also including policies sold by Italian and overseas undertakings, amounted to €31.2 billion, up 7.5% compared with the same period of 2022, when the sector recorded growth of 6.3%. The above-mentioned increase is attributable, in particular, to the development of the Non-Motor sector (+8%). Premiums in the Motor sector rose (+7%), mainly due to the increase in premiums in the **Land Vehicle Insurance business** (+12.1%) and partly also in the **Motor Third Party Liability business**, whose premiums grew by 5.4%.

With regard to the **Non-Motor class**, all the main insurance classes contributed to the aforementioned 8% growth during the period: i) **Health insurance** with a volume of €2,930 million and growth of 13.3%; ii) **Personal injuries** class with premiums of €2,807 million and an increase of 4.3%; iii) **General TPL class** with premiums of €3,668 million and an increase of 7.3%; iv) **Other damage** to property class with an increase of 7.7% and total volumes of €3,022 million; v) finally, **Fire and natural elements class** with a total production of €2,198 million and an increase of 9.1%. Also of note is the growth achieved by the **Credit and Legal Assistance classes**, +14.4% and +7.6% respectively, with total premiums of €677 million and €812 million respectively.

As regards the **distribution channels**, the agency channel is confirmed as the leader with a market share at the end of September 2023 of 72.4% in line with the figure recorded in the same period of 2022. Brokers represent the second P&C premium distribution channel with a market share of 9.4% (8.7% at the end of September 2022), while bank and post office branches recorded a market share of 9.2% (9.2% in the first nine months of 2022).

As regards direct sales as a whole (including distance, telephone and internet sales), at the end of September 2023, there was an incidence of 8.5% (down compared to 8.7% in the corresponding period of 2022). The remaining 0.4% (unchanged from the figure at the end of the third quarter of 2022) relates to premiums brokered by qualified financial consultants.

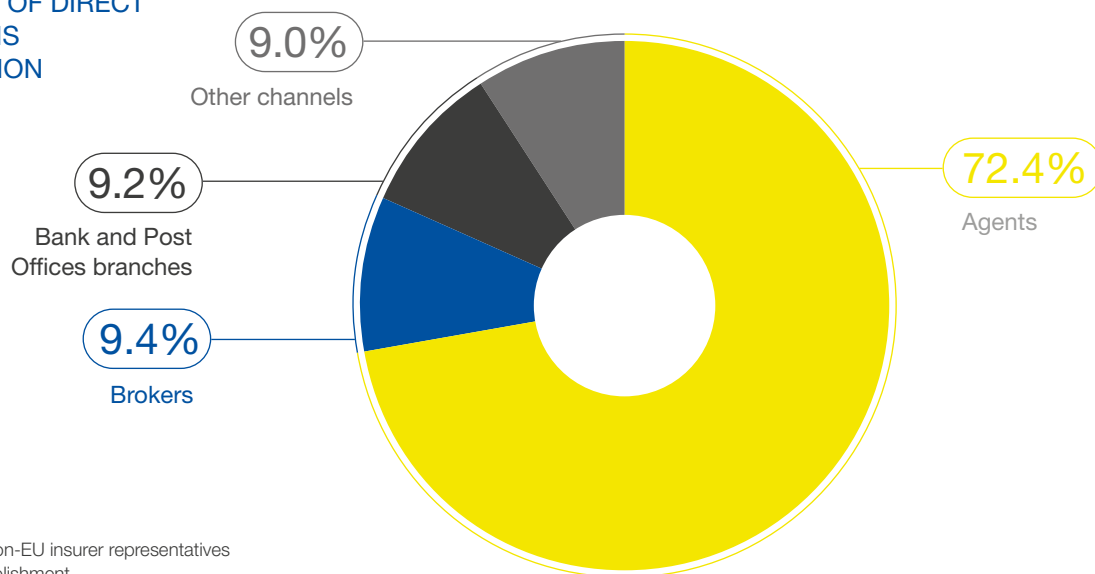
DIRECT P&C PREMIUMS BY CLASS* (data updated to September 2023 in €m)

Premiums by class**	Premiums YTD	% change Q3 2023 vs Q3 2022
Total motor segment	12,747	7.0%
Other P&C classes	18,460	8.0%
Total P&C classes	31,207	7.5%

* 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) IFRS 17

Letter to the market of 3 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 Annex 6 of Regulation no. 7/2007 has been replaced by the new Annex 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 was submitted to the Institute on 27 October 2023 together with the documentation relating to the consolidated half-year report.

IVASS - (the insurance regulator) - Dormant Policies

Letter to the market of 16 March 2023



With the Letter to the Market of 16 March 2023, which follows the Letter to the market of 6 December 2022⁸², in order to allow the verification of the payment status of the sums relating to the policies resulting from the cross-referenced data, both life and accident, IVASS requested companies to provide a report by 30 June 2023 on the activities carried out for settlement, including an update on the policies cross-referenced in past years. The Insurance Group Companies submitted the required information to the Supervisory Authority in June.

European Commission Supervision of insurance companies

Regulations 2023/894 and 2023/895



On 4 April 2023, the European Commission adopted two regulations for the information that companies must provide for supervisory purposes:

- Implementing Regulation (EU) 2023/894, repealing Implementing Regulation (EU) 2015/2450, laying down implementing technical standards for the application of Directive 2009/138/EC with regard to the templates for the submission by insurance and reinsurance undertakings to their supervisory authorities of information necessary for their supervision;
- Implementing Regulation (EU) 2023/895, repealing Implementing Regulation (EU) 2015/2452, laying down implementing technical standards for the application of Directive 2009/138/EC with regard to the procedures, formats and templates for the disclosure by insurance and reinsurance undertakings of their report on their solvency and financial condition.

82. In its Letter to the Market of 6 December 2022, the Authority requested from companies conducting life insurance and/or accident insurance business, the list of tax codes of insured persons in order to ascertain whether insured persons had died and when.

IVASS - (the insurance regulator) - Survey on collective agreements signed in the health insurance class

Letter to the market of 30 March 2023



IVASS carried out for 2023 the fifth edition of the survey on collective agreements underwritten in the health insurance sector⁸³, involving companies with their registered office in Italy that have written at least €10 million in direct premiums in the health insurance sector for the financial year 2022.

Poste Assicura submitted the requested data in April and May 2023 in accordance with the timelines and procedures indicated by IVASS.

IVASS - (the insurance regulator) - Sustainable Finance

Measure no. 131 of 10/05/2023



IVASS with Measure no. 131 of 10 May 2023 has adapted the regulatory provisions no. 24 of 6 June 2016, no. 38 of 3 July 2018, no. 40 of 2 August 2018 and no. 45 of 4 August 2020, in order to align with the provisions of the European Legislator, in particular with the Solvency II regulatory framework and the Insurance Distribution Directive “IDD” on sustainable finance.

In order to comply with the new regulations, Poste Vita company has recently set up an internal ESG (Environmental, Social, Governance) Working Group, which steered the necessary adjustments.

IVASS - (the insurance regulator) Determination of technical provisions

Measure no. 132 of 6/06/2023



With IVASS with Measure no. 132 of 6 June 2023, containing amendments and additions to IVASS Regulation no. 18 of 15 March 2016 concerning the application rules for the determination of technical provisions, two new guidelines of the European Insurance and Occupational Pensions Authority (EIOPA) are introduced concerning the valuation of technical provisions and the determination of contractual limits, applicable from 1 January 2023.

IVASS - (the insurance regulator) - Unavailable reserve

Measure no. 1/2024



Following the issuance of the MEF Decree of 14 September 2023, which extended to the 2023 financial statements the temporary suspension of capital losses already in force for the 2022 financial statements and provided that insurance companies, when preparing their annual financial statements and half-yearly report for the year 2023, for the purpose of calculating the unavailable reserve, should not also take into account the effect of securities write-downs on existing commitments towards policyholders referred to the financial year of the financial statements and up to five subsequent financial years, IVASS made changes with Measure no. 138 of 15 September 2023, amending Regulation no. 52/2022 in order to take into account the aforementioned provisions.

Following the issuance of the MEF decree of 8 February 2024 by which it was stipulated that companies determine the amount of distributable profits by also taking into account the amount already distributed for the financial year 2022, on 23 February 2024 IVASS placed Measure no. 1/2024 under consultation until 9 March 2024 in order to amend IVASS Regulation no. 52 of 30 August 2022.

Poste Vita, Net Insurance Life and Net Insurance will avail themselves of the option introduced by the aforementioned measure by sterilising an amount of value adjustments equal to €2.7 billion, approximately €4 million and approximately €2 million, respectively, before tax effects, for the preparation of their statutory financial statements at 31 December 2023.

83. The data to be reported to IVASS are: the amount of gross premium revenue in 2022, claims expenses for 2022, development by generation of paid and reserved claims at the end of the financial year 2022, number of risk units for the financial year 2022.

IVASS - (the insurance regulator)

Life Insurance Guarantee Fund

The 2024 Budget Law⁸⁴ established the “Life Insurance Guarantee Fund”. The fund is an associative body established between insurance companies and member intermediaries with the aim of intervening to protect those entitled to benefit from the insurance benefits of those companies. It makes payments in cases of compulsory liquidation of member insurance undertakings and, if provided for in the articles of association, also intervenes in transactions involving the transfer of assets, liabilities, businesses, business units, assets and legal relationships that can be identified en bloc. The life insurance guarantee fund settles protected benefits up to a maximum amount of €100 thousand per claimant. The Guarantee Fund is governed by private law and its endowment is constituted by financing made available to its members, so as to reach an amount equal to at least 0.4% of the amount of the life insurance technical provisions at 31 December of the previous year (provisions determined according to Solvency II calculation methods).

The Budget Law specifies that the endowment is to be reached gradually, starting on 1 January 2024 and by 31 December 2035⁸⁵ (a term that may be further extended, up to a maximum of two years, by decree of the Ministry of the Economy and Finance) and constitutes an autonomous asset, on which actions by the Fund’s creditors and those of the creditors of individual members are not allowed, and is to be invested by the Guarantee Fund in low-risk assets with sufficient diversification.

With regard to the Poste Vita, the amount of the contribution for the year 2024, determined on the basis of the technical provisions at 31 December 2023, is estimated to be around €58 million; Bancoposta RFC will contribute an estimated €16 million to the Fund’s endowment for the year 2024.

Other information

IVASS - (the insurance regulator)

With regard to the IVASS inspection of **Poste Vita** concerning the **governance, management and control profiles of investments and financial risks** concluded on 7 May 2021, discussions continued with IVASS during the period and on 25 July 2023, the decision-making phase was concluded by the Supervisory Authority, which notified the Company of the imposition of a fine of €1.8 million. The sanction was imposed as a result of violations of the applicable regulations found by IVASS with particular reference to:

- alleged failures in the governance and management of financial risks as well as in the protection of policyholders’ rights for investments made through so-called “multi-asset” funds;
 - alleged deficiencies in the process of defining the Risk Appetite Framework.
-



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”.

84. Law no. 213 of 30 December 2023 “State budget for the financial year 2024 and multi-year budget for the three-year period 2024-2026” published in Official Journal no. 303 of 30 December 2023.

85. If, after 31 December 2035, the endowment falls below the target endowment, members will be required to replenish it through periodic contributions, to be paid within three years if the endowment falls to less than two-thirds of the required target.

Operating review

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

SEGMENT	OPERATING REVIEW	PILLAR
<p>LIFE</p>	<p>In the context of Class I investment products:</p> <ul style="list-style-type: none"> in April 2023, the “Poste Domani Insieme” policy was launched with a duration of 10 years and with the main feature of the New Separately Managed Account ^{AZ} called “Poste Vita Valore Solidità”⁸⁶. The policy includes as ancillary cover the free serious illness policy “Poste protezione Mia”⁸⁷; in June 2023, a policy called “Orizzonte 5” was launched, with a duration of 5 years with the Separately Managed Account called “Posta ValorePiù” and can only be subscribed to for the potential reinvestment, as part of advisory services, of expired or maturing policies; November 2023 saw the placement of the new “Poste Prospettiva Valore Gold” policy, a mixed-form life insurance policy with a 10-year term and annual revaluation of the invested capital⁸⁸. <p>In the context of Multi-class investment products:</p> <ul style="list-style-type: none"> from July 2023, “Poste Progetto Integrazione Programmata”, a mixed-form life insurance contract⁸⁹ (build-up component and unit-linked component) is being placed on the market. It is characterised by the provision for decumulation: the customer has access to a plan of automatic and scheduled periodic redemptions of the Invested Capital⁹⁰. The contract duration is 15 years; from November 2023, Poste Progetto Bonus 4in4, a mixed-form life insurance contract with a duration of 15 years, which provides for the payment of two bonuses of 2% of the premium in the first and fourth year, is being placed on the market. The policy includes as ancillary cover the free serious illness policy Poste Protezione Mia. 	
<p>P&C/LIFE</p>	<p>From April 2023, the restyling⁹¹ of the “person” coverage policies is available in all post offices, as well as the unique underwriting process with the Poste Protezione Affetti 360 life insurance policy.</p>	

 CONSULT THE GLOSSARY ON PAGE 542

86. The main feature of the new separately managed account is the presence of the so-called “profit fund”: a fund that is established by setting aside net capital gains realised on the sale of assets under the separately managed account.

87. “Poste Domani Insieme” subscribers aged between 18 and 69 are offered “Poste Protezione Mia”, a free serious illness policy provided by Poste Assicura, designed to protect their investment. In the event of the first diagnosis of a serious illness, Poste Assicura shall in fact pay the Policyholder an indemnity equal to 25% of the life premiums paid into the insurance investment product, non-revalued and resulting at the time of the first diagnosis of a serious illness, net of any partial redemptions and releases for other causes.

88. La polizza prevede una rivalutazione annuale del capitale investito, ad un tasso certo e predeterminato per i primi 5 anni di e, nel corso delle annualità successive ai primi 5 anni, una rivalutazione annuale, positiva o negativa, dell'importo consolidato in base al rendimento della gestione separata Poste Vita Valore Solidità.

89. The contract benefits are linked to the Poste Vita's Separately Managed Account Posta ValorePiù and to the value of the units of one of the three available Internal Insurance Funds: Poste Vita Valore Sostenibilità Equilibrato, Poste Vita Valore Sostenibilità Dinamico and Poste Vita Valore Sostenibilità Sviluppo.

90. The product is aimed at customers who have at least €40,000 in investable assets and whose goal is capital appreciation and growth over a long-term time horizon.

91. This is a simplification of the purchasing process for insurance products covering the risks for the person, death or permanent disability from illness and accidents.

SEGMENT



P&C

OPERATING REVIEW



PILLAR



During the first half of the year, the new version of “Posteprotezione Prestito” was made available at all post offices. Compared to the previous version, the policy includes new covers and services, such as legal protection and job replacement⁹².



During the fourth quarter of 2023, the new insurance “Check Up” service was released, which allowed for a comprehensive consultation to develop the analysis of the needs and requirements of the individual customer in the household.



4.5.5 Payments and Mobile Strategic Business Unit

Market context

>€322 billion

value of card transactions in the first 9 months of 2023 in Italy: +17.8% year-on-year

CONSULT THE GLOSSARY ON PAGE 542

The latest available data⁹³ on the Italian payment cards market show significant growth of the total domestic transactions, which in September 2023 surpassed €322 billion, an increase of 17.8% compared to September 2022 due to the rise in inflation rates. The number of transactions grew by 23.2% over the same period last year to 7.2 billion, a sign of an increasingly more 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 22% compared to September 2022 and accounted for more than half of the total transactions (59%), with transactions exceeding €187 billion (+15% compared to September 2022). Also **prepaid cards** are advancing at a fast pace (+17% of transactions and +13% in terms of value compared to September 2022), for a total amount of more than €52 billion, thanks to the steady development of e-commerce and increased penetration at physical points. The first nine months of 2023 were also positive for **credit cards** , ending the period on an upward trend with transactions up 36% and value up 29% compared to September 2022, with a total amount of more than €82 billion.

At 30 September 2023, the number of active cards on the market exceeded 93.8 million, up 1% compared to the stock of active cards at 31 December 2022: the greatest growth was recorded on debit cards, which grew by 1.3% compared to 31 December 2022, totalling more than 49.6 million active cards. The stock of prepaid cards remained stable, the number of which exceeded 30 million (+0.3% compared to the figure at the end of December 2022). Credit cards also grew (+1.3% compared to 31 December 2022), with more than 13.5 million active cards.

92. The job replacement service is aimed at reintegration into the world of work; if a policyholder loses his or her job, a customised training development plan is drawn up for him or her, support is provided in updating his or her CV, and specific motivational learning sessions are organised. At the end of the course, it is assessed which partner companies could represent a valid opportunity for the policyholder to re-enter the labour market and the parties are put in contact, it being understood that in no way, there is a guarantee of eventual employment.

93. Source: Processing of data from Bank of Italy - Payments System and Annual Report.

The mobile telephony market, based on the latest available data⁹⁴, showed a slight increase in the stock of Human-to-Human SIMs⁹⁵ compared to 2022, a sign of a market that is now saturated but shows dynamism in the stock of individual operators. In particular, the share of Mobile Virtual Network Operators (MVNOs) grew, eroding the market shares of the other top players, sitting at 16%⁹⁶. Poste Mobile, which accounts for 35% of MVNOs, remained essentially stable (-0.3% compared to December 2022) with a market share of 5.6%. Total lines at 30 September 2023 amounted to 108.5 million (+1.3% compared to the same period in 2022) including 29.7 million Machine to Machine (M2M) SIMs⁹⁷ (+3.7% compared to the same period of 2022).

During 2023, the energy market experienced a gradual rebalancing after the rise in commodity prices, including primarily gas, with significant repercussions on the electricity market⁹⁸.

In the second quarter of 2023, the gas and electricity market saw a significant reduction in wholesale gas and electricity prices as the risk of gas shortages in the later part of the winter was gradually overcome. In fact, winter temperatures were relatively mild and the diversification of European gas supplies made it possible to get through the winter period while coping with the risk of a shortage of the raw material. In the third quarter of 2023, the stabilisation of prices in the gas and electricity wholesale markets continued, and during this period the filling phase of gas storage took place at a good pace, in preparation for the winter season. At the end of September 2023, the Italian and European stocks were close to full. In the fourth quarter of 2023, the gradual reduction and stabilisation of prices on the gas and electricity wholesale markets continued, thanks to the above-average seasonal temperatures recorded and the low demand for gas on both the residential and industrial and thermoelectric consumption fronts. The balance between gas supply and demand at national and European level was positive in the first part of the winter, which led to a further drop in market prices in the final part of the year. However, the gas market remains characterised by uncertainties stemming from the international geopolitical and economic environment, albeit to a lesser extent than in 2022, resulting in price volatility, which is also reflected in the electricity market.

Against this context, the institutions continued a gradual reduction of the concessions introduced during 2022 to cope with rising gas and electricity wholesale prices.

For more details on the regulatory interventions implemented, see below.

94. Source: Agcom Communications Observatory no. 4/2023, Operators' Report.

95. H2H (Human-to-Human) SIMs are the ones in everyday use in smartphones that allow calls and data connections.

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

97. 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.

98. 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.

Regulatory context

Below are the main regulatory initiatives that will be updated in the course of 2023.

Electronic money

FOR FURTHER INFORMATION
P. 92 

→ 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, as of 1 January 2023, the rates applicable in Italy are as follows:

- €0.40 cents per minute (excluding VAT) is the maximum mobile termination price, i.e. the amount payable by the originating operator of the call to the mobile telecommunications operator for each voice call terminating on the latter's mobile network (on its customer's terminal);
- €0.07 cents per minute (excluding VAT) is the maximum price payable to the fixed network telecommunications operator for call termination on the latter's network.

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

TLC

SMS ALIAS

→ On 15 May 2023, the Italian Communications Authority (AGCom) published Resolution no. 12/23/CONS "Regulation on the use of alphanumeric characters identifying the sender in corporate messaging services (SMS ALIAS)", approved following the public consultation launched in December 2021⁹⁹, in which PostePay also participated. The new provisions define the obligations and roles of the parties involved in the corporate messaging service chain with the corresponding implementation time frames. As of 3 November 2023, PostePay, in line with the provisions of the Resolution, implemented the blocking of messaging (SMS/MMS) with non-numeric coding from abroad. Further obligations under the Resolution will be implemented following the provision by the Authority of the new platform for SMS management with ALIAS.

TLC

Parental Control

→ With Resolution no. 9/23/CIR of 25 January 2023, AGCom implemented the normative dictate of Art. 7-bis of Legislative Decree no. 28 of 30 April 2020 on "Systems for the protection of minors from the risks of cyberspace". As of 21 November 2023, electronic communications operators have to provide "Parental control systems or filtering of inappropriate content for minors and blocking of content reserved for an audience over the age of eighteen" for all connectivity services (fixed and mobile). These control systems consist of free, pre-activated services, that can be deactivated only at the request of the adult consumer, account owner. PostePay contracts and offers (in the area of fixed and mobile telephony) can only be subscribed and activated by customers of legal age. PostePay, in cooperation with technology partners, has made available to customers the Parental Control Systems and the associated procedures and instructions for activating, setting up, deactivating, and reactivating them on time.

⁹⁹. Resolution AGCom no. 408/21/CONS of 16 December 2021. SMS ALIAS refers to an alphanumerically encoded character string transmitted in SMS communications. PostePay took part in public consultation 408/21/CONS initiated by AGCom, pointing out that the abusive use of aliases in communications directed at certain categories of end users is likely not only to affect the proper provision of electronic communication services, but also the proper use of payment and financial services involving the ancillary and integrated use of electronic communication services.

TLC

Code of Conduct for Call Centre Activities



On 25 August 2023, with Resolution no. 197/23/CONS, AGCom approved a Code of Conduct in order to regulate contractual and technical relations between electronic communications operators and entities (such as call centres and agencies) that carry out promotional activities and the sale of goods and services (telemarketing and teleselling).

The Code produces direct mandatory effects for operators who subscribe to it and indirect mandatory effects for call centres, insofar as they have been contractually engaged by operators who have subscribed to the Code and who comply with its provisions. The new measures entered into force on 21 February 2024.

PostePay does not currently engage in telemarketing and teleselling activities as defined in the Code of Conduct.

TLC

Gigabit Infrastructure Act



On 23 February 2023, the European Commission presented the proposal for a Regulation on measures to reduce the cost of deploying very high-speed electronic communications networks (Gigabit Infrastructure Act) in order to enable faster, cheaper and more effective deployment of Gigabit networks in the European Union and which will replace the current Directive 2014/61/EU of the European Parliament and of the Council of 15 May 2014.

Discussions are currently under way in the Council of the European Union on the above-mentioned proposed Regulation¹⁰⁰ and, once it is adopted by the Parliament and the Council of the European Union, it will be directly applicable and will not require transposition into national law.

TLC

Quality of mobile and personal communications



On 28 February 2023, the Italian Communications Authority (AGCom) published Resolution no. 23/23/CONS “Provisions on the quality and charters of mobile and personal communication services”, which was approved following the public consultation launched in July 2022, in which PostePay also participated. The new provisions define the information that mobile and personal communications service providers must provide to users regarding the quality of their mobile services.

PostePay has completed the necessary activities to adapt to the changes introduced within the timeframe foreseen by the new regulations.

TLC

Quality and charters of electronic communication services accessible to the public from a fixed location



On 31 July 2023, AGCom approved Resolution no. 156/23/CONS “Provisions on the quality and charters of electronic communications services accessible to the public from a fixed location”, following the conclusion of the public consultation¹⁰¹ in which PostePay also participated. The new provisions define the information that providers of mobile and personal communications services must provide to users regarding the quality of services offered in the area of fixed telephony and fixed location Internet services. PostePay implemented the necessary measures¹⁰² to comply with the changes introduced, which came into force on 27 January 2024, and participated in round-table work groups to update the Guidelines for measuring the quality of Internet service from a fixed location.

TLC

Customer service quality



With Resolution no. 436/22/CONS, AGCom initiated proceedings and a public consultation to revise the regulations and quality indicators for customer care services in the electronic communications and audiovisual media services sector, with a view to aligning them with modern digital assistance technologies and the new Electronic Communications Code with regard to quality indicators (KPIs), transparency of information provided to users, methods for submitting and tracking complaints, measurement of the actual quality achieved, and compliance with minimum standards. PostePay sent in its assessments and comments on the new regulatory proposal.

100. <https://eur-lex.europa.eu/legal-content/EN/HIS/?uri=CELEX:52023PC0094>

101. Resolution no. 405/22/CONS.

102. For example: new section of the site dedicated to technical transparency, addition to the contractual kit of a document specifying the technical characteristics of the service provided, etc.

TLC

Electronic communications

→ The Ministry of Enterprise and Made in Italy (MIMIT) has launched a public consultation concerning the draft legislative decree correcting the Electronic Communications Code - Legislative Decree no. 259 of 1 September 2003¹⁰³.

The outline of the legislative decree put out for consultation tends, from a formal point of view, to update certain regulatory references and make textual changes, while in terms of content, to gather possible contributions and observations on the main issues dealt with by the new European Electronic Communications Code. PostePay sent its comments and MIMIT published a summary of the comments submitted by the operators, reserving the right to supplement the existing regulations.

With Resolution no. 89/23/CONS, AGCom initiated proceedings and a public consultation for the revision and amendment of the “Regulation containing provisions for the protection of users with regard to contracts for the provision of electronic communications services”. The initiative is part of the regulatory review activity to protect end users in order to adapt the current provisions to the transposition of the new European Electronic Communications Code. PostePay sent its considerations and at the conclusion of the consultation, AGCom will publish the results and incorporate the comments submitted by the operators who participated in the consultation¹⁰⁴.

TLC

Copyright

→ On 26 July 2023, AGCom issued Resolution no. 189/23/CONS approving the amendments to the Regulation on the protection of copyright on electronic communication networks and implementation procedures pursuant to Legislative Decree no. 70 of 9 April 2003. The Resolution, which came into force on 1 January 2024, implemented Law 93/2023 on “Provisions for the prevention and suppression of the unlawful dissemination of copyright-protected content via electronic communication networks” and allows AGCom to order service providers including network access providers, to disable access to unlawfully disseminated content by blocking the Domain Name System (DNS) resolution of domain names and blocking the routing of network traffic to IP addresses uniquely intended for unlawful activities. PostePay, within the prescribed deadlines, has accredited itself on the dedicated “Piracy Shield” platform¹⁰⁵ and – through its access providers – is fulfilling its obligations under the law.

ENERGY

Regulatory interventions to contain prices

→ The concessions provided in 2022 for the containment of price increases in the electricity and natural gas sector were partially extended in 2023.

Law no. 197 of 29 December 2022 (so-called Budget Law), has in fact confirmed, for the first quarter of 2023, the cancellation of general system charges for domestic electric customers and non-domestic customers with available power up to 16.5 kW and for natural gas customers. For the latter, the 5% VAT reduction on consumption was also confirmed, and social bonuses for eligible households were also increased.

Further regulatory interventions extended the measures of the aforementioned Budget Law for the whole of 2023 (Law Decree no. 34 of 30 March 2023, converted by Law no. 56 of 26 May 2023, Law Decree no. 79 of 28 June 2023 and Law Decree no. 131 of 29 September 2023), with the exception of the zeroing of general charges for electricity customers, which ceased as of April 2023.

The “Aiuti Bis” Law Decree (Law Decree 9 August 2022, no. 115, converted with Law 21 September 2022, no. 142) also intervened 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 “Milleproroghe” Law Decree (Law Decree no. 198 of 21 December 2022, converted by Law no. 14 of 24 February 2023) extended the deadline to 30 June 2023.

103. Legislative Decree no. 259 of 1 August 2003 as amended by Legislative Decree no. 207 of 8 November 2021, issued in implementation of Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018, establishing the new European Electronic Communications Code.

104. The deadlines for the closure of the proceedings were extended by 90 days, expiring in December 2023: AGCom Resolution no. 192/23/CONS published on 6 September 2023.

105. The Piracy Shield platform, which has been in operation since 1 February 2024, enables the automated handling of alerts following a precautionary order issued by the Italian Communications Authority under Art. 9-bis, paragraph 4-bis of the Regulation.

The “Aiuti Bis” Law Decree, in view of the end of regulated gas prices, initially scheduled for 1 January 2023 (Law Decree 176 of 18 November 2022 “Aid Quater” extended the deadline to 10 January 2024); it also redefined – and narrowed – the perimeter of “vulnerable”¹⁰⁶ customers by stipulating that, as of 1 January 2024, suppliers must make available an offer for the supply of natural gas at contractual and economic conditions defined by the Regulatory Authority for Energy Networks and the Environment (ARERA). In order to make these regulatory provisions operative, ARERA adopted Resolutions 100/2023/R/com and 102/2023/R/com, described later in this report.

ENERGY

Guarantees of Origin

In implementation of Legislative Decree no. 199/2021 transposing Directive (EU) 2018/2001 (“Red II”), the Ministry of the Environment and Energy Security (MASE) published Ministerial Decree no. 224, of 14 July 2023¹⁰⁷, which innovates the regulation of Guarantees of Origin (GO certificates) of the Gestore dei Servizi Energetici (GSE), i.e. certificates attesting to the origin of electricity from renewable sources. Sales companies, like PostePay, that intend to promote the renewable origin of the electricity they sell to their customers are obliged: i) to procure a quantity of GO certificates equal to the electricity they sell, where this is defined as energy produced from renewable sources; ii) to cancel, by 31 March of the year following the year in which the electricity was supplied to end customers, a quantity of GO certificates equal to the electricity sold and declared as renewable and referring to the same year. By the end of 2023, ARERA and the GSE will have to issue the measures to implement the provisions of the Ministerial Decree.

With Resolution 496/2023/R/com¹⁰⁸, published on 2 November 2023, ARERA updated its measures implementing the above-mentioned Ministerial Decree.

PostePay has, within the regulatory deadline, certified all electricity sold to its end customers in 2022 as being produced from renewable sources.

ENERGY

ARERA Resolutions

With Resolution 637/2022/R/com, published on 1 December 2022, ARERA introduced changes to the mandatory information content of end customers’ bills, which came into force from April 2023. PostePay has adapted to the regulatory changes.

With Resolutions 100/2023/R/com and 102/2023/R/com, published on 14 March 2023, ARERA implements the provisions of Article 1.59, of Law no. 124 of 4 August 2017 (Annual Law on the Market and Competition) and the provisions of the aforementioned Law Decree no. 115 of 9 August 2022, as converted by Law no. 142 of 21 September 2022 (the so-called “Aiuti bis” Law Decree) regarding, respectively, the passing of regulated natural gas prices and the definition of the conditions for the supply of natural gas to vulnerable end customers, providing for a gradual implementation path of the reform to be completed by January 2024. PostePay complied within the deadline by implementing all actions required by the regulator.

106. Compared to the current perimeter of “vulnerable” gas customers - which includes all customers with domestic use (not “other uses”) and domestic condominiums with consumption below 200,000 smc/year - as of 1 January 2024, only domestic customers in economically disadvantaged conditions, customers 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 are classified as “vulnerable”.

107. In the Ministerial Decree, some updates are made concerning: i) the modalities for issuing, transferring, recognising and cancelling Guarantees of Origin (GO) for electricity but - for the first time - also gas, hydrogen and thermal energy; ii) modalities for the use of GO by sellers; iii) criteria and modalities for providing end customers with information on the composition of the energy mix used and the environmental impact of production. The Ministerial Decree also provides for: the establishment of a national GO Register at the GSE; a new formulation of the energy mix; the provision of an indicator concerning the environmental impact of the energy mix used by the seller. In this regard, it is expected that information on the energy mix and environmental impact will be made available to customers at the pre-contractual and promotional stage (as well as on the seller’s website, in billing documents on a four-month basis and in the Offer Portal).

108. Resolution no. 496/2023/R/com of 31 October 2023 concerning the “Update of the measures of the Regulatory Authority for Energy Networks and Environment in implementation of Ministry of the Environment and Energy Security Decree no. 224 of 14 July 2023 on guarantees of origin and positive verification of the methods of acquisition, by the Gestore dei Servizi Energetici SpA, of the measurements of the electrical, thermal and/or cooling energy produced and fed into the grid for the purpose of issuing guarantees of origin”.

By virtue of the exceptional weather events that occurred in central Italy in May 2023 (mainly in Emilia Romagna and Marche), ARERA, in implementing the Government's provisions¹⁰⁹, approved Resolution 267/2023/R/com, published on 15 June 2023, "Urgent provisions on the subject of electricity, gas, water services and the integrated urban waste management service, in the territories affected by the exceptional meteorological events that occurred starting from 1 May 2023" by which it provides for the validity of the concessions provided by the Government for 4 months starting from 1 May 2023. Subsequently, with Resolution 390/2023/R/com, published on 4 August 2023, concerning the "Extension of the suspension of payment terms in favour of the populations most affected by the exceptional weather events that occurred from 1 May 2023", ARERA extended the aforementioned provisions to 31 October 2023. PostePay has taken the relevant measures to comply with the requirements imposed on electricity and natural gas sellers.

With Resolution 383/2023/R/eel, published on 7 August 2023, on "Provisions for the identification of vulnerable customers in the electricity market", ARERA lays down the modalities for the identification by the Integrated Information System (IIS) of vulnerable domestic electricity customers¹¹⁰. For these customers, the Greater Protection Service is temporarily extended, postponing to a subsequent measure the interventions for its removal. With respect to the new market structure that will result from the regulation of the completion of the liberalisation process of the electricity market, PostePay is currently undergoing the appropriate evaluations.

With Resolution 362/2023/R/eel, published on 4 August 2023, on "Provisions for the rendering of the gradual protection service for non-vulnerable domestic customers in the electricity sector, pursuant to Law no. 124 of 4 August 2017 (Annual Law on the Market and Competition)", ARERA defines the operational modalities for overcoming the "Maggior Tutela elettrica" for domestic customers, the last to be affected by the reform. In fact, it is envisaged that, as of 1 April 2024, non-vulnerable domestic electricity customers who have not chosen a supplier on the free market will be served within the framework of a service of last resort known as the "Servizio a Tutele Graduali" (Gradual Protection Service), the management of which will be assigned through competitive procedures managed by the Single Buyer¹¹¹ open to market operators that meet certain requirements.

With Resolution 600/2023/R/eel, published on 20 December 2023, on "Revision of the timing for the activation of the Gradual Protection Service for non-vulnerable domestic customers in the electricity sector pursuant to Law no. 124 of 4 August 2017", ARERA postponed the activation of the "Gradual Protection Service" for domestic customers to 1 July 2024 with respect to the aforementioned deadline of 1 April, following the adoption of Law Decree no. 181 of 9 December 2023 (Energy Decree), which ensures that customers have sufficient time to be informed through an appropriate information campaign to be conducted by the Ministry of the Environment and Energy Security. Customers identified as vulnerable may continue to benefit from the "Servizio di Maggior Tutela".

109. The Council of Ministers approved Law Decree no. 61 of 1 June 2023, on "Urgent interventions to deal with the emergency caused by the flooding events that occurred from 1 May 2023", which provided for a number of concessions in favour of the populations of the municipalities affected by the floods. In particular, it provides - for the citizens of the municipalities for which a state of emergency has been declared - the suspension for 6 months of the payment deadlines for electricity and natural gas bills issued or to be issued and payment notices due from 1 May 2023.

110. Compared to the current perimeter of "vulnerable" electricity customers - which includes all customers with domestic use (not "other uses") - as of 1 April 2024 (extended to 1 July 2024), only customers over 75 years of age, customers who are in an economically disadvantaged condition, customers with serious health conditions that require the use of life-saving medical-therapeutic equipment powered by electricity or persons at whose locations persons with such conditions live, customers with disabilities within the meaning of Law 104/92, customers who are in an emergency housing facility following calamitous events, customers who are in a non-interconnected minor island will be classified as "vulnerable".

111. A public company that was initially set up to supply electricity to customers served under the "Maggior Tutela" regime and that over the years has expanded its scope of activity, in particular by incorporating processes aimed at improving the operation of the energy market (e.g. management of the Integrated Information System and the Offer Portal).

With Resolution 339/2023/R/gas, published on 28 July 2023, ARERA introduced “Provisions on the communications functional to the permanence of companies selling electricity to end customers in the list of qualified entities, pursuant to the Ministerial Decree of 25 August 2022”. The measure, which concludes the proceedings initiated by Consultation 186/2023/R/eel, is intended to allow the verification of certain requirements and indicators that must be met by sales companies in order to remain on the list of entities authorised to sell electricity to end customers, established by the same Decree. In April 2023, PostePay proceeded to register on this public list, which is a necessary condition for being able to engage in the business of selling electricity to end customers.

With Determination 4/2023 of 27 December 2023, in order to guarantee certainty in the relationships between distributors and network users, ARERA standardised the contents and rules for compiling the regulatory documents related to the natural gas distribution service invoice. This standardisation will come into effect as of the distribution invoices of October 2024 and will allow easier verification of the amounts invoiced to PostePay by individual distributors.

ENERGY

ARERA consultations

Consultation 341/2023/R/gas of July 2023, with the subject “Update of the regulation of the Standard Network Code for the natural gas distribution service on the subject of guarantees”. The consultation outlines ARERA’s guidelines for supplementing the current regulation of the guarantees that distribution users must give to natural gas distribution companies in order to have access to the networks they operate and to be able to supply customers in their portfolio. The consultation proposes changes to: (i) the timing and handling of the guarantee; (ii) expansion of the list of eligible guarantees; (iii) quantification of the guarantee; (iv) eligibility of insurance sureties; and (v) the deadline for paying invoices.

Consultation 377/2023/R/eel of August 2023 on “Guidelines for the reform of the regulation of conventional withdrawal profiling for settlement purposes and the “residual” energy supply mechanism”. The consultation concerns a wide-ranging process of organic revision of the current regulation of electricity settlement, i.e. the process by which Terna determines and consequently assigns to users the physical and economic items relating to the provision of dispatching service on the national transmission grid. The aim of the proposals is to make this process more efficient and in line with the costs borne by the operators, also in view of the abolition of the “Maggior Tutela Elettrica” Service. PostePay is considering adjustments to the new regulations that will mainly impact the profiling of electricity consumption by end customers in the context of electricity dispatching.

Consultation 517/2023/R/com of November 2023, with the subject “Revision of the Bill 2.0 regulation for greater simplicity, comprehensibility and uniformity”. The document illustrates ARERA’s guidelines for an organic revision of the Bill 2.0 regulation, containing the regulatory provisions burdening sales companies in preparing bills for electricity and gas consumption by end customers. ARERA’s proposals are intended to make end customers’ bills simpler, easier to understand and more uniform. PostePay is evaluating the impacts of the possible new regulation (e.g. developments with respect to the current layout and content of the bill).

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>The energy offer is characterised by being 100% green for light and 100% compensated in terms of CO₂ for gas.</p> <p>In the first quarter of 2023, the Energy offer was launched on an omnichannel basis in the mass market and the first dedicated communication campaign was carried out. Communication activities continued in the third quarter with an “always on” presence on digital channels and in post offices. In September, in particular, communication on the offer was relaunched with a significant increase on off-line channels such as: TV, print and radio, as well as digital and post office channels; in December, communication activities continued on offline and online channels.</p>	
ELECTRONIC MONEY/ COLLECTIONS AND PAYMENTS	<p>As part of the integration process of LIS, which was acquired in September 2022, the expansion of the services offered on the LIS point-of-sale network continued in 2023, with the launch of the “pay and collect” service¹¹² and the withdrawal service using the Postepay app¹¹³. These services are accessible from LIS network points of sale operating with Postepay acquiring, in line with the Poste Italiane Group omnichannel strategy.</p> <p>During 2023, support for government initiatives aimed at supporting specific population groups continued with the production and management of three new cards:</p> <ul style="list-style-type: none"> • the Postepay Borsa di Studio Card, which allows eligible persons to spend the amount on certain Merchant Category Codes¹¹⁴ indicated by the Ministry of Education and Merit; • the Dedicata a te Card, promoted by the Ministry of Agriculture, Food Sovereignty and Forestry for the purchase of essential foodstuffs only; • the IoStudio Postepay Card, intended for all students attending secondary schools and distributed annually at school. <p>In line with the ESG strategic objectives, the migration (renewals, replacements and first issues) of the Postepay card fleet towards cards made of environmentally sustainable material continued in 2023, the stock of which amounted to over 10 million at 31 December 2023.</p>	  

112. With this service, customers can withdraw cash at the LIS point of sale at the same time as a payment transaction with a payment card.

113. LISPAY's withdrawal service on debit cards issued by PostePay, i.e. the possibility of making a withdrawal using the Postepay app for customers with debit cards linked to a postal current account.

114. A Merchant Category Code is a four-digit commodity code that classifies the type of goods or services offered by a company.

5. Strategy

NFS

IN THIS CHAPTER:



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

MAIN RELATED
TYPES OF CAPITAL



5.1 Integrating sustainability within Poste Italiane’s strategy

To be sustainable for Poste Italiane means defining a clear strategy on ESG issues and structurally incorporating them within the strategic objectives set in the “2024-2028 Strategic Plan”¹¹⁵. Within the plan, €4.5 billion of investment is planned in strategic assets over the five-year period, in order to achieve financial objectives. These are augmented by the “Polis Project”, launched in 2022 (total investments of €1.2 billion until 2026) which, within the framework of the NRRP (National Recovery and Resilience Plan), aims both to renovate and modernise Post Offices and to enhance the Group’s real estate assets 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, consolidation of leadership in the B2C market and growth in the B2B and international segments through the introduction of specific offers and initiatives aimed at improving the customer experience. With this in mind, the strengthening of the contract logistics division to offer end-to-end solutions will continue. Through the implementation of these strategic guidelines, the segment aims to achieve a permanently stable operating profit over the term of the plan.

FINANCIAL OBJECTIVES

- Revenue: €3.9 billion (2023: €3.7 billion), with an increase in revenue from the Parcels segment exceeding the decline in the Mail segment.
- Revenue of the Parcels segment: €2.0 billion (2023: €1.4 billion).
- EBIT: €0.1 billion.

OPERATING OBJECTIVES

- 369 million parcels in 2028.
- 30,000 pick-up/drop-off points by 2028 (>80 million parcels handled).
- Integrated logistics: 400k square metres of warehouses.

115. The financial and operating objectives shown in the tables refer to 2028.



POSTEPAY SERVICES

The Payments and Mobile area aims to establish itself as a comprehensive and omnichannel platform for its customers, supporting the traditional business lines of payments and telecommunications with an offer dedicated to Energy, a market which the Company will enter by taking advantage of its liberalisation. The acquisition of LIS, from this perspective, helped to enrich the Group's omnichannel strategy. The expansion of the product range, together with the ability to take advantage of physical, digital and third-party network channels, makes it possible to fully Capitalise on cross-selling opportunities for customers, also through the integrated offer with other Group products, thereby increasing value for Poste Italiane as a whole.

FINANCIAL OBJECTIVES

- Revenue: €2.2 billion (2023: €1.4 billion).
- EBIT: €0.7 billion (2023: €0.4 billion), with CAGR of 8%.

OPERATING OBJECTIVES

- Expected PostePay Evolution portfolio of 10.8 million cards issued.
- Expected card transactions with a CAGR up 11%, to reach €4.6 billion.
- Customer base 2028 with 0.6 million Fibre and 2.5 million Energy customers.



FINANCIAL SERVICES

Financial Services aims to further evolve its service model to improve the coverage of customers and maximise their value, 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. In addition, a commercial focus on the small business segment is expected.

FINANCIAL OBJECTIVES

- Revenue: €5.5 billion (2023: €5.2 billion).
- EBIT: €0.9 billion (2023: €0.9 billion).

OPERATING OBJECTIVES

- Total financial assets: a rise to €624 billion from €581 billion in 2023, with increased penetration of life products.
- Loans disbursed: €3.4 billion (2023: €2.6 billion).



INSURANCE SERVICES

In Insurance Services, Poste Italiane aims to establish itself as an insurance operator capable of serving all customers' investment and protection needs. The priorities of the Strategic Plan include strengthening the leading position in Life Investments & Pensions, continuing to offer clients safe and at the same time more profitable and capital-efficient products, with increasing integration of ESG principles into investment policies. Finally, the Protection segment's strategy envisages increasing profitability through the evolution of the modular offering and the integrated advisory model, while also Capitalising on the recent acquisition of the Net Insurance Group to increase access channels to the insurance offer (physical networks and third-party digital/insurtech channels).

FINANCIAL OBJECTIVES

- Revenue: €1.9 billion (2023: €1.6 billion).
- EBIT: €1.6 billion (2023: €1.4 billion).
- Net profit: 2% CAGR in the period 2023-2028.
- Solvency Ratio: >200%.

OPERATING OBJECTIVES

- Life Investments & Pension gross premiums: €22.0 billion (2023: €17.8 billion).
- Protection gross premiums: €1.5 billion (2023: €0.8 billion).

MAIN RELATED
TYPES OF CAPITAL



5.2 Poste Italiane's sustainability strategy

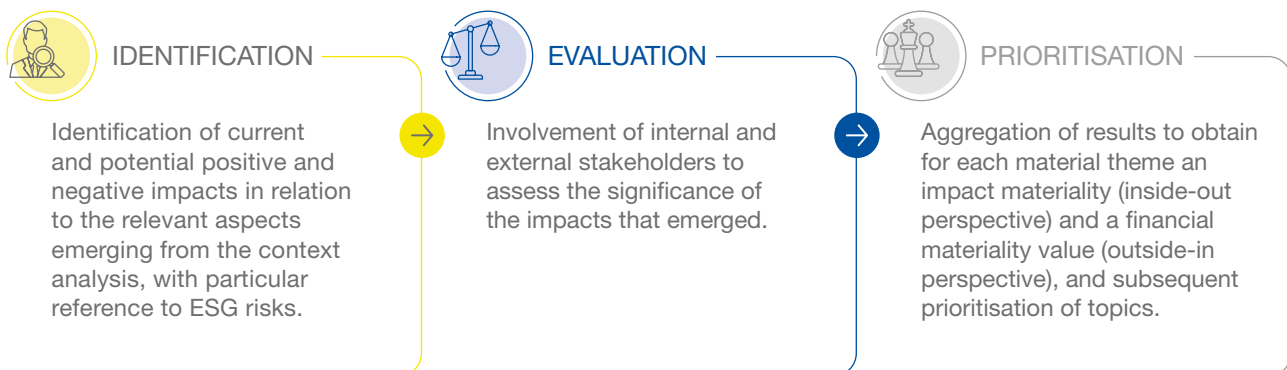
Poste Italiane's Sustainability Strategy consists of the ESG Strategic Plan and a set of Sustainability Policies. The main objective is the achievement of national and international targets for social and environmental development. This Strategy is consistent with Poste Italiane's activities and business 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.

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, in 2023 Poste Italiane continued with the approach initiated in 2021 and subsequently finalised in 2022, aimed at anticipating the application of the principle of double materiality envisaged by the Corporate Sustainability Reporting Directive (CSRD) before its entry into force¹¹⁶, set for financial year 2024. Therefore, the Group has maintained the alignment of its materiality analysis methodology to the 2021 update of the GRI standards for impact materiality (inside-out perspective), taking into account the EFRAG provisions, contained in the new sustainability standards¹¹⁷ and the Double Materiality Guideline, although still in draft form, for financial materiality (outside-in perspective).

The process of defining the material topics, which was finally approved by the Board of Directors, consisted of the following three steps:



116. During 2023, the Company initiated an assessment process aimed at analyzing and evaluating the regulatory requirements under the Corporate Sustainability Reporting Directive (CSRD) and the disclosure requirements and KPIs under the European Sustainability Reporting Standards (ESRS) with respect to its sustainability reporting.

117. The European Sustainability Reporting Standards, developed by EFRAG in anticipation of the CSRD, were finally adopted by the European Commission on July 31, 2023. The final version of the Delegated Act with the text of the first set of "Sector Agnostic" ESRSs was published in the EU Official Journal on December 22, 2023, with entry into force on January 1, 2024.

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. This 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 materiality 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
 TRANSPARENCY AND INTEGRITY	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 Employee 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

PILLARS	MATERIAL TOPICS	IMPACTS
 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
 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 examined the material current or potential impacts on people and the environment directly related to its activities, products and services, including activities upstream and downstream of its value chain. In addition, from a financial materiality perspective, it considered the 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

With the aim of contributing to the creation of shared value for the Company and all its stakeholders, Poste Italiane also integrates into its Sustainability Strategy the needs expressed by those directly and indirectly involved in the Group's activities. Consideration of stakeholders' requests allows the Group to maintain a relationship of trust and transparency in the social and economic context in which it operates and, at the same time, strengthen its reputation.

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, trade unions) and the Environment.

The latter are shown in the following table, which indicates the main methods of engagement and communication related to each of them.

POSTE ITALIANE'S STAKEHOLDER ENGAGEMENT METHODS

CATEGORY OF STAKEHOLDERS	PRINCIPAL ENGAGEMENT METHODS
Shareholders and investors	Shareholders' Meetings; Corporate Governance Report; financial reports and periodic presentations; roadshows and dedicated meetings; the Company's corporate website; press releases.
Customers	Customer experience systems; periodic customer satisfaction surveys.
Personnel	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	Dedicated meetings.
Entities and Institutions	Conferences; dedicated meetings; corporate communication; periodic communications; organisation of events.
Local communities	Community projects; partnerships; press releases; sponsorships; donations; dialogue with local authorities; contacts during the launch of relevant projects, publication of documents, interviews, events.
Environment	Press releases; dedicated events; partnerships; collaborations; conferences.

The Multistakeholder Forum 2023

The Multistakeholder Forum is one of the most effective tools to engage and establish dialogue with stakeholders. The event, which takes place annually, represents a crucial opportunity for reflection and discussion on the Group's priority sustainability issues.

FOCUS GROUP

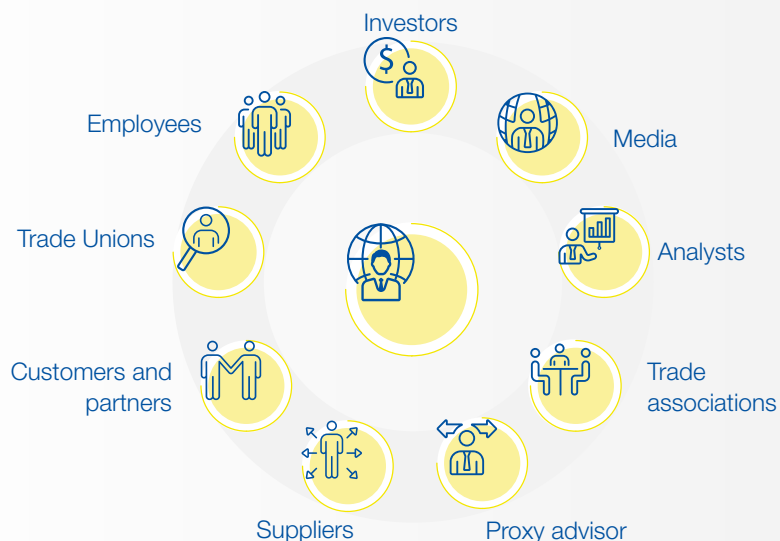
DECEMBER 2023

7th Multistakeholder Forum

roughly **1,400**
Stakeholders present at the Forum, including around 1,000 employees

4
Thematic focus groups

36
Sustainability impacts discussed related to the 18 material topics



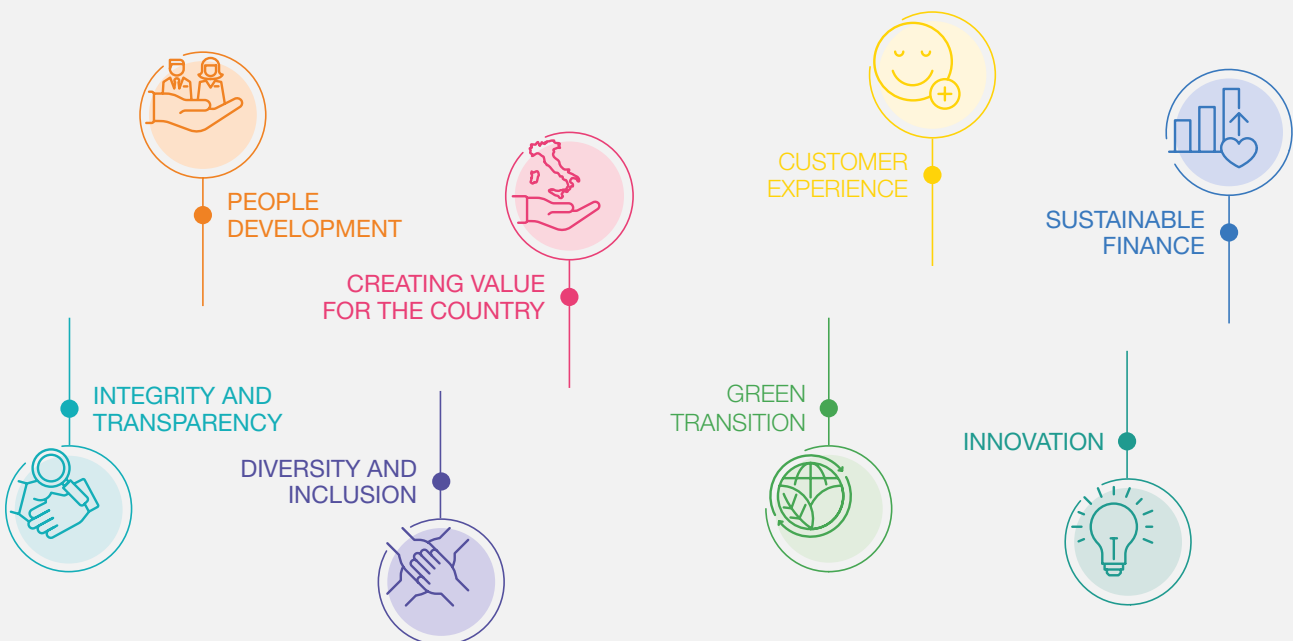
The seventh edition of the Multistakeholder Forum, live streamed in order to ensure the widest possible participation, was attended by around 1,400 stakeholders, over 300 more than the previous year, and represented an important opportunity to exchange views with the Group’s main stakeholders on strategies, sustainable development issues and the integration of these within the Company’s projects defined in the Strategic Plan.

During the event, participants took part in four focus groups related to the eight Pillars of Sustainability. In particular, the first Focus Group, mainly addressed to Employees, explored the “People Development” and “Diversity and Inclusion” Pillars; the second Focus Group, mainly addressed to Suppliers and Business Partners, Entities and Institutions, Community and Territory and Environment, focused on the “Integrity and Transparency”, “Green Transition” and “Creating value for the country” Pillars; the third Focus Group, conducted in English and aimed mainly at Suppliers and Business Partners, Shareholders and Investors, focused exclusively on the “Sustainable Finance” Pillar, in order to examine the issue of integrating ESG factors within the Group’s insurance and investment policies; the fourth Focus Group, aimed at Customers, focused on the “Customer experience” and “Innovation” Pillars.

Participants in the Forum shared their opinions on material issues for the Company through a digital application accessible from smartphones and PCs that enabled the instant display of the results.

The results of the process of engagement with the Group’s main stakeholders showed that impacts related to the following issues were more relevant: Innovation and digitisation of products, services and processes, Protection of human rights in the Company, Support for the socio-economic development of the territory and Equal opportunities in career paths from an inside-out perspective; Innovation and digitisation of products, services and processes, Quality and customer experience, Staff training and development and Financial inclusion based on an outside-in approach.

MULTISTAKEHOLDER FORUM 2023

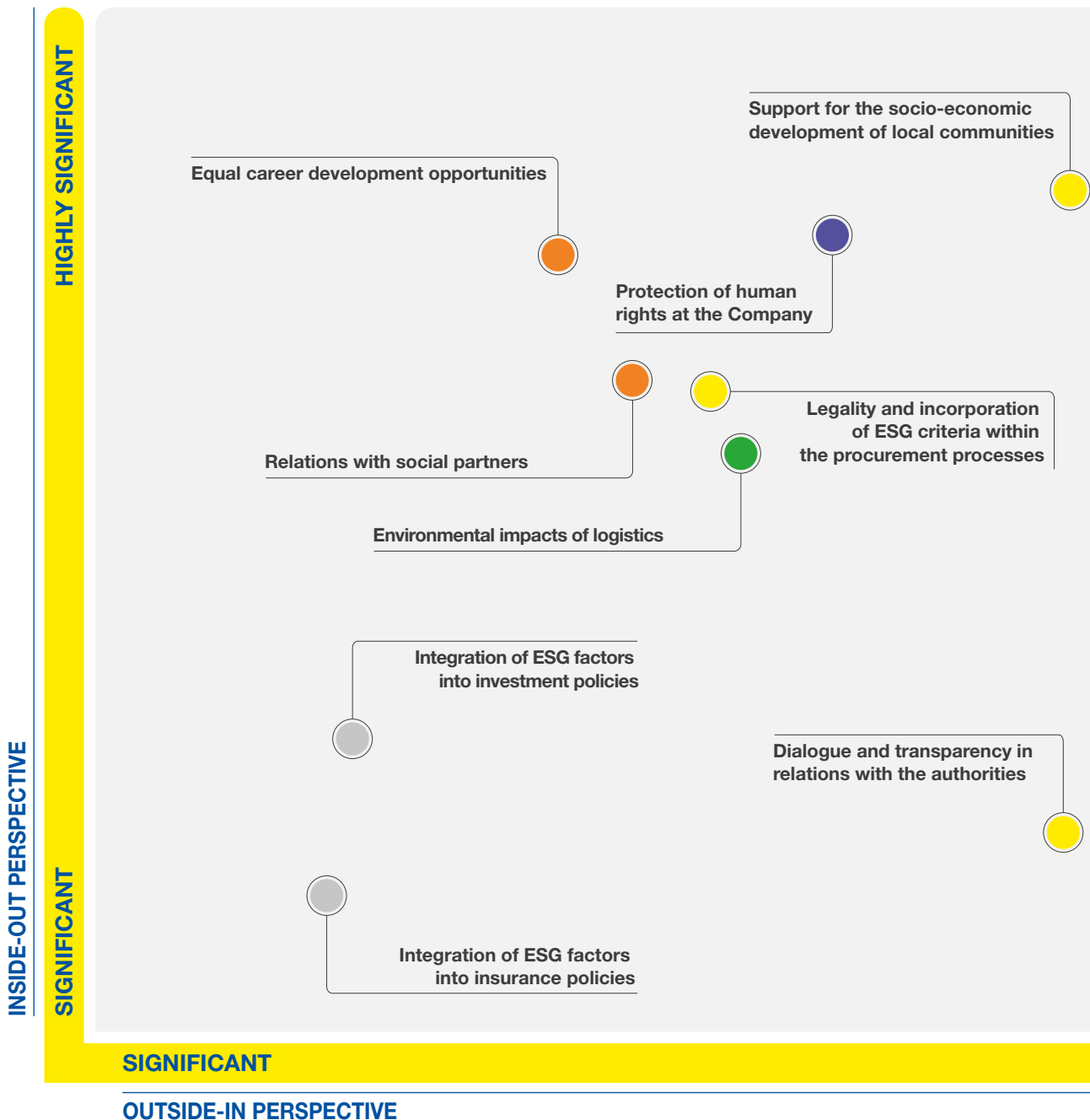


Materiality matrix

The materiality matrix, shown below, graphically represents the result of the process of identifying priority issues starting from the assessment of the materiality of the impacts related to them, according to a dual perspective: impact materiality and financial materiality. Each of the 18 material themes is associated with an impact materiality value and a financial materiality value, obtained by multiplying the magnitude and probability of the individual impacts pertaining to the same material theme. The order of priority of the topics was established on the basis of the values obtained and through the definition of a materiality threshold.

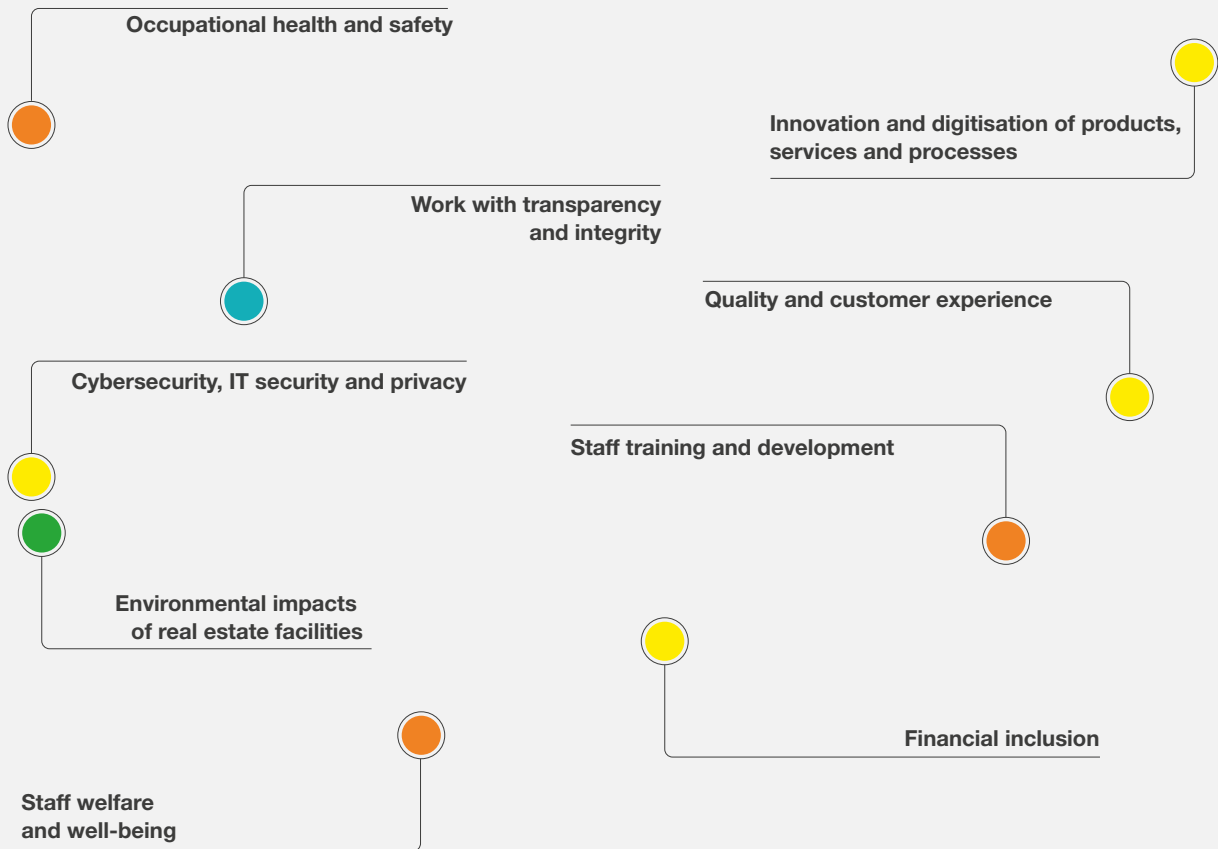
This matrix constitutes an effective tool to support the Group's Sustainability Strategy and is the result of the process of alignment to the new GRI provisions for the impact materiality perspective, which is also influenced by the EFRAG provisions, contained in the ESRS standards and the Double Materiality Guideline, although still in draft form, for the financial materiality 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 Standard Universal 3, a list of priority material themes with a description of each theme is given below.

MATERIAL TOPICS	WHAT THIS MEANS FOR POSTE ITALIANE
Innovation and digitisation of products, services and processes	<p>→ 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 timely respond to changes in scenario, new customer needs and opportunities offered by social and environmental changes.</p>
Quality and customer experience	<p>→ 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 correctly handle complaints.</p>
Staff training and development	<p>→ 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.</p>
Work with transparency and integrity	<p>→ 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.</p>
Support for the socio-economic development of local communities	<p>→ 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.</p>
Occupational health and safety	<p>→ 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.</p>
Financial inclusion	<p>→ 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.</p>
Protection of human rights at the Company	<p>→ 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.</p>
Cybersecurity, IT Security and Privacy	<p>→ 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.</p>

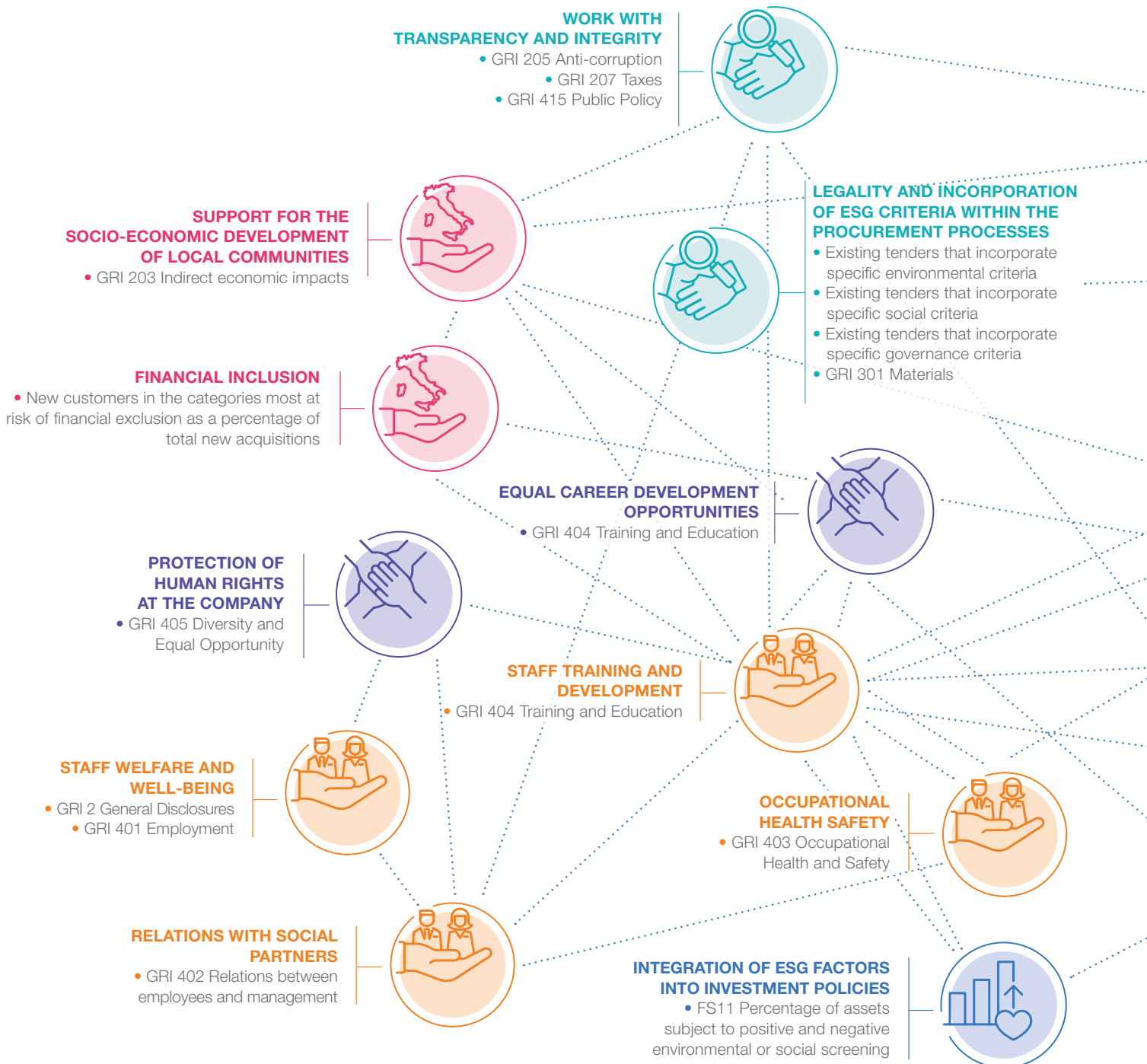
MATERIAL TOPICS

WHAT THIS MEANS FOR POSTE ITALIANE

<p>Environmental impacts of real estate facilities</p>	<p>→ 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.</p> <hr/>
<p>Staff welfare and well-being</p>	<p>→ 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.).</p> <hr/>
<p>Legality and incorporation of ESG criteria within the procurement process</p>	<p>→ 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.</p> <hr/>
<p>Equal career development opportunities</p>	<p>→ 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.</p> <hr/>
<p>Relations with social partners</p>	<p>→ Consider dialogue with personnel and trade 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.</p> <hr/>
<p>Environmental impacts of logistics</p>	<p>→ 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.</p> <hr/>
<p>Dialogue and transparency in relations with the authorities</p>	<p>→ 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.</p> <hr/>
<p>Integration of ESG factors into investment policies</p>	<p>→ 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.</p> <hr/>
<p>Integration of ESG factors into insurance policies</p>	<p>→ Incorporate ESG aspects within insurance policies, insurance product development strategies and customer communications.</p>

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 material impact on the Group's economic, social and environmental performance. In this context, the decision-making process, which includes specific actions aimed at the pursuit of sustainable success, considers the connections and interdependencies between all factors that influence the Company's ability to create sustainable long-term 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 306 Waste
- GRI 305 Emissions



**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**

- FS11 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.
- Group 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.

**POSTE ITALIANE GROUP
POLICIES**

POLICY OBJECTIVES

- 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.

- 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.

**POSTE ITALIANE GROUP
POLICIES**

POLICY OBJECTIVES

- 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. To this end, our plan of action aims to develop the ways in which diversity issues are addressed, moving from an approach designed to protect and integrate diversity to a proactive strategy to overcome cultural stereotypes and to tackle the factors that prevent people from being included in the labour market.
-
- 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.
-
- LGBTQ+Inclusion Policy** → The Policy intends to promote policies, solutions and measures capable of improving working conditions by means of inclusive processes for each individual, valuing the different expressions of gender identity of each person, including those of people in gender transition and, in general, to prevent and counter all forms of direct/indirect discrimination related to affective/sexual orientation. The inclusion of LGBTQ+ people is connected to the value of the centrality of the person, the protection of their identity and uniqueness and, in general, their way of being, with an impact on the broader concept of individual and organisational well-being.

The Group's Environmental, Social and Governance (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.

Poste Italiane's ESG Strategic Plan consists of 8 pillars related to the relevant ESG areas for the Group. The materiality analysis, held during the Multistakeholder Forum in December 2023, 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). For further details on the objectives, management methods and performance achieved in the Pillars of the Group's ESG Strategic Plan, please refer to Chapter 7 "Value Creation".

The Company is committed to creating shared value on a daily basis, also in relation to the achievement of the SDGs, and aims to guide the country towards carbon neutrality by 2030. In particular, through initiatives such as the 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.

2024-2028 STRATEGIC PLAN



1 INTEGRITY AND TRANSPARENCY



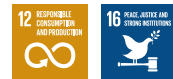
5 GREEN TRANSITION



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 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 the empowerment of women and was established to accelerate progress in meeting their needs worldwide. *UN Women* 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, and aims to contribute 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

MAIN RELATED TYPES OF CAPITAL

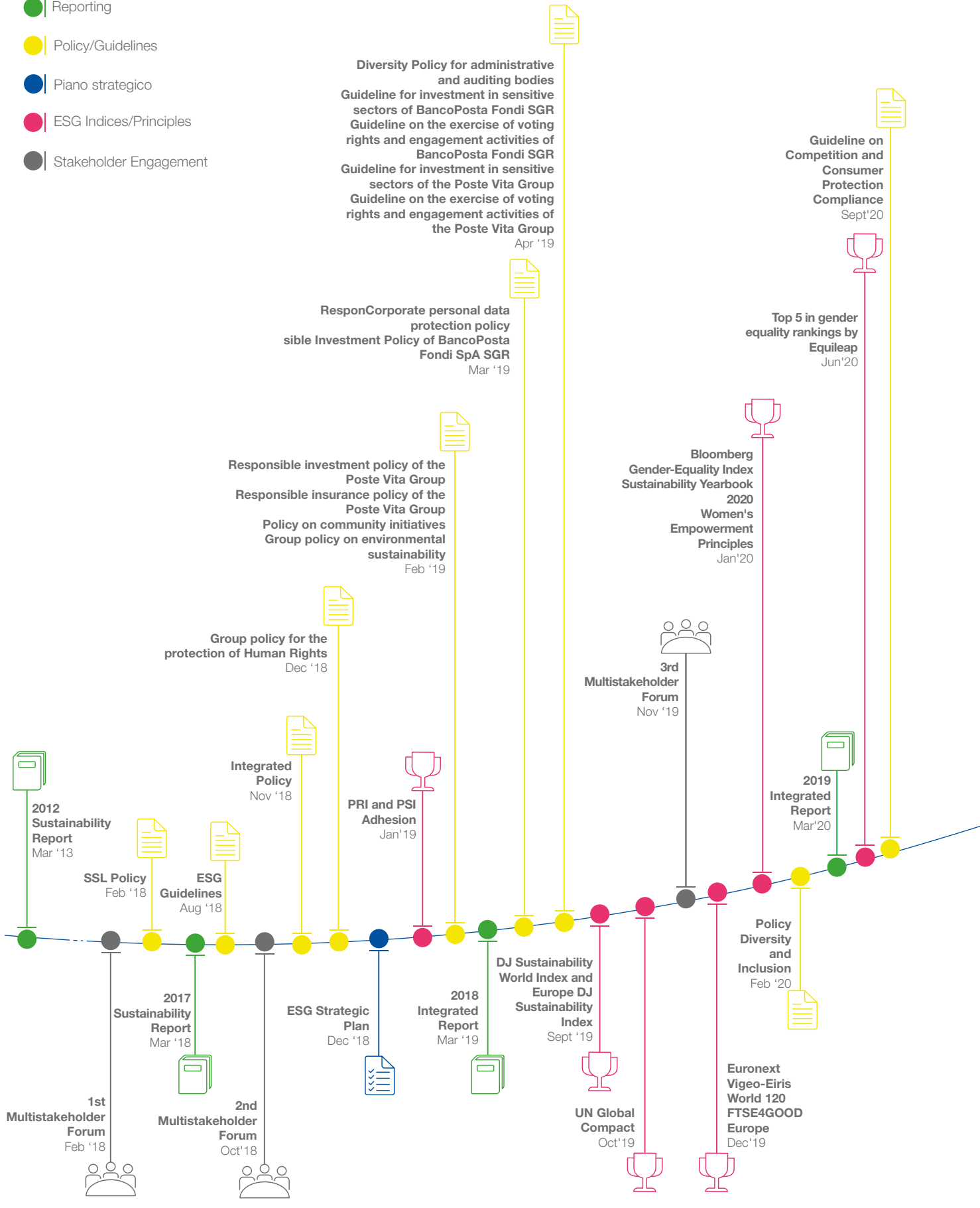


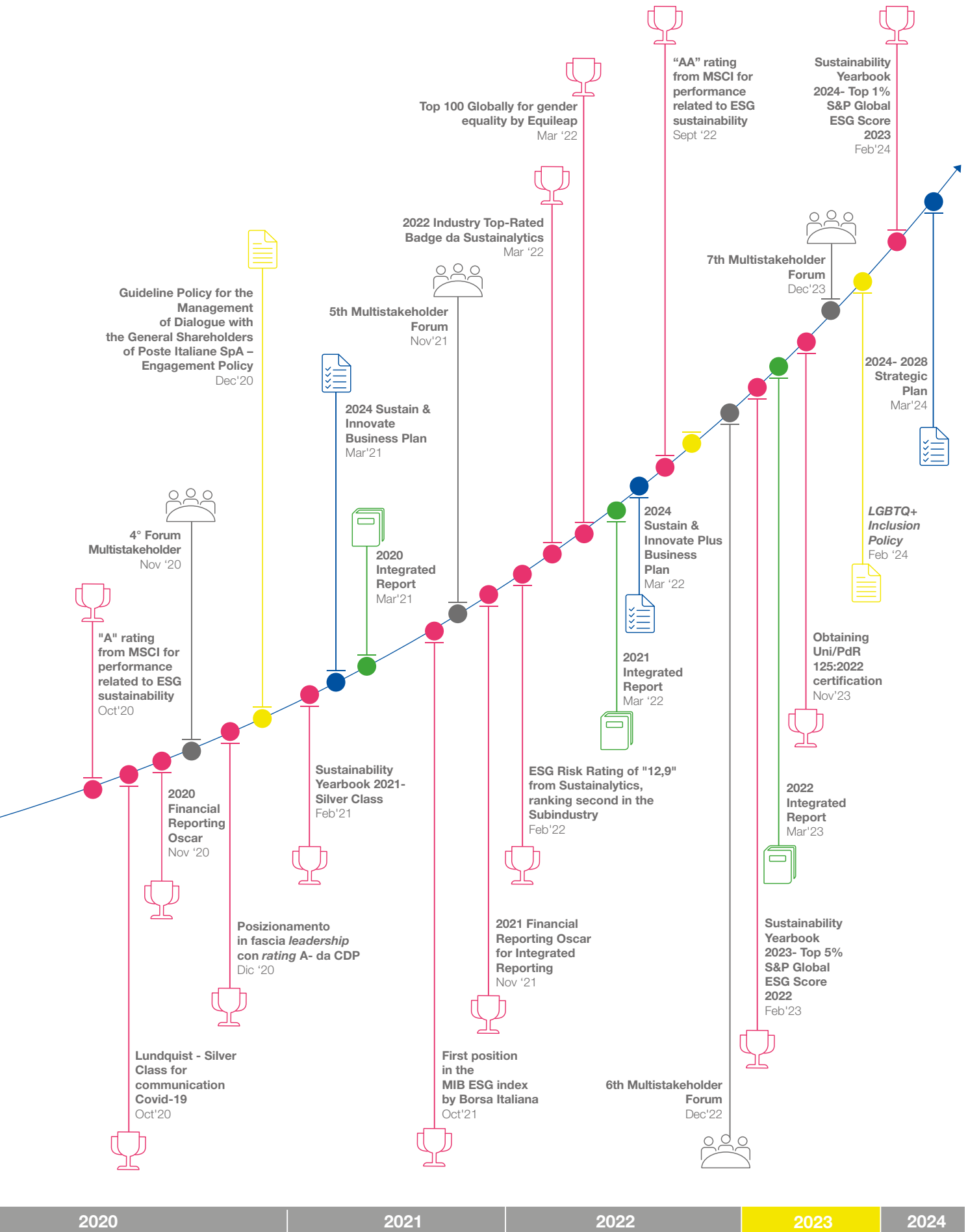
Being an essential element in the Group's strategic and financial choices, sustainability is an integral component of Poste Italiane's activities, processes and strategy.

Over the past few years, the Group has embarked on an ambitious path to consolidate its Sustainability Strategy, recognising its importance. This strategy, in fact, targets the creation of shared value for Poste Italiane's stakeholders and the improvement of its own reputation.

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, this commitment has allowed the achievement of important evolutionary changes and, at the same time, has enabled Poste Italiane to hit a number of prestigious national and international milestones.

- Reporting
- Policy/Guidelines
- Piano strategico
- ESG Indices/Principles
- Stakeholder Engagement





2020

2021

2022

2023

2024

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 resources; 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. In line with this objective, the Group has decided to follow up on its commitment by confirming its traditional vocation of being close to the territory and the local community, even more so at a difficult time such as that brought about by the current national and international context.

Thanks to Poste Italiane's significant commitment and the effectiveness of the strategic choices made to consolidate the Group's image and reputation, the Company has received numerous awards and recognitions in recent years.

ESG AWARDS AND RECOGNITIONS

Top Employer Italia 2024



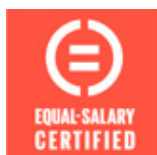
Poste Italiane is Top Employer Italia 2024, winning said award for the fifth consecutive year. The prestigious award was given to Poste Italiane by the Top Employers Institute, the global certification body for excellence in HR practices.

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 in 231st place in 2024, jumping 52 places from the previous year.

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 have received 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.

Certification for gender equality UNI/PdR 125:2022

Poste Italiane obtained UNI/PdR 125:2022 certification for its ability to ensure gender equality in the workplace. The certificate was issued by IMQ, an international certification body, recognising Poste Italiane's ability to guarantee an effective level playing field in the design, direction, control, coordination and delivery of Postal, Logistics, Financial, Insurance and Digital Services.

Postepay Digital Product of the year



In 2023, "Postepay Digital" received the "Elected Product of the Year 2023" award in the "Financial Services" category. PostePay Digital is the payment solution for everyone, enabling payments in shops and on-line via smartphone. This award is an important recognition of Poste Italiane's innovative capacity: totally digital, the product can be requested in a few minutes online and via App or SPID.

Poste Italiane in 4th position in the Webranking Europe 500



In the twenty-seventh European edition of the “Webranking Europe 500” research, conducted by Lundquist in collaboration with the Swedish company Compend, on the quality and transparency of companies’ digital communication activities, Poste Italiane was placed fourth.

NC Awards rewards Poste Italiane’s advertising campaigns



At the NC Awards 2023, Poste Italiane was honoured for its advertising campaign for Poste Energia, the offer that marked its entry into the electricity and gas market. The prize, which celebrates the best Italian digital communication projects, was awarded in the category “Integrated Digital Campaigns - Services of Public Interest”.

Poste Italiane awarded at Media Key Awards



Poste Italiane won another prestigious award, the 20th POP Key Award at the Media Key Awards. In particular, the Poste Energia campaign won the special “Best Engagement Key Award” as the best integrated campaign.

2023 Oscar di Bilancio (Financial Statements Oscar)



Poste Italiane was awarded first prize in the “Large Listed Companies” category in the 59th edition of the Oscar di Bilancio, promoted by FERPI, Borsa Italiana and Università Bocconi. The Group has distinguished itself for the completeness, transparency and innovation of its communication of its financial results to the market and stakeholders.

Sustainability Report Award



Poste Italiane was awarded first prize in the “Diversity & Inclusion” category at the fifth edition of the “Premio al Report di Sostenibilità” (Sustainability Report Award), promoted by the Department of Economic and Business Sciences of the University of Pavia, distinguishing itself for its mention of activities supporting diversity and inclusion in the company and a healthy gender balance in top positions.

Impact Award



Poste Italiane won the “Premio Impatto” (Impact Award), the initiative promoted by the Milan CSR and Social Innovation Trade Show, which recognised the company’s social value and ability to plan investments in the fleet overhaul plan, combining the financial framework with sustainability.

In 2023, 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, if necessary, improving the Group's internal performance.

Sustainability indices, in fact, are used for 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 in order to develop the Group's sustainable investment plans.

SUSTAINABILITY INDICES IN WHICH POSTE ITALIANE IS PRESENT



In 2023, Poste Italiane took first place globally in S&P Global's Corporate Sustainability Assessment, within the "Insurance" sector, achieving a score of 85/100. In 2023, Poste Italiane consequently confirmed its presence in the Dow Jones Sustainability World Index (DJSI) and in the more selective Dow Jones Sustainability Europe Index for the fifth consecutive year.



Poste Italiane was awarded a rating of 4.2 by the FTSE Russell ESG Rating agency. Poste Italiane has been included for the fifth 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 stood out in particular for its Social and Governance performance.



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 fourth consecutive year. In particular, Poste Italiane distinguished itself in the area of risk and opportunity disclosure, for its risk management system and for defining business strategies that include climate-related objectives.



In 2023, Poste Italiane obtained a score of 79 out of 100 in the ESG Overall Score of Moody's, consolidating its presence in the Euronext Vigeo-Eiris World 120 index and in the Euronext Vigeo Eurozone 120 and Europe 120 regional indices.



As of October 2021, and confirmed also in 2023, 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.



As of November 2022, also confirming its position in 2023, the Group entered the 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.



In February 2024, the Company was awarded an ESG Risk Rating of 16.9 (Low risk) by Sustainalytics, within the sub-industry Regional Banks.



In 2024 Poste Italiane was recognised by Sustainalytics as a top ESG performer, earning the 2024 Industry Top-Rated Badge.



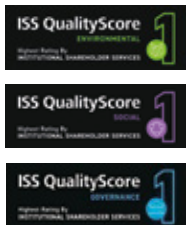
For the fourth year running, Poste Italiane has been confirmed in the Bloomberg Gender Equality Index (GEI), the world's leading gender equality index. The Company improved its performance compared to the previous year, once again scoring well above the average score of the companies evaluated within 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.



In 2023, Poste Italiane was assessed by Equileap for its performance in the area of gender equality. The Group has been recognised in particular for its commitment to supporting paternity and maternity, for obtaining the Equal Salary certification, and for its policies on occupational safety and employee protection.



Poste Italiane has confirmed its presence in the 2024 edition of S&P Global's Sustainability Yearbook, which assesses the ESG performance of major companies globally. The Group is in the top 1% of the 9,400 companies evaluated for entry into the Sustainability Yearbook, falling into the "Top 1% S&P Global ESG Score 2023" bracket.



In 2023, the Poste Italiane Group confirmed its rating of 1, considered the highest rating, in the areas of Environment, Social and Governance as part of the Institutional Shareholder Services Inc. (ISS).



In 2023, Poste Italiane confirmed its corporate sustainability performance and leadership in the sector by earning an "AA" rating from MSCI, one of the leading agencies, for the huge progress made with regard to the social aspect.



In 2023, Poste Italiane maintained its presence in the STOXX Global ESG Leaders Index, the index that includes around 400 leading global companies in terms of corporate sustainability, which is structured from the basket of companies belonging to the STOXX Global 1800.



Poste Italiane is among the top three companies in the ranking of the "Integrated Governance Index (IGI) 2023", the index that measures the degree of integration of sustainability policies in corporate strategies.



Poste Italiane is awarded the prestigious Platinum medal by EcoVadis, which assesses the sustainability of companies along the supply chain, further improving its position from last year's Gold medal by placing within the top 1% of companies assessed by the team of international experts.

MAIN RELATED
TYPES OF CAPITAL



6. Risks and opportunities

NFS

IN THIS CHAPTER:



- 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

6.1 Poste Italiane's integrated Internal Control and Risk Management System

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, managed 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, in accordance with internal provisions, international professional standards and the mandate assigned to it, performs third-level audits on the Poste Italiane Group's significant processes in order to express an opinion on the adequacy of the internal control system, i.e. on the Company's ability to contain the risks that threaten the achievement of corporate objectives.

The action of the Internal Auditing function for the year 2023 continued in line with the approach adopted in past 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 2023, the Board of Directors, after consulting the Risk Control Committee and the Board of Statutory Auditors, examined the SCIGR 2022 Evaluation Report and approved it. 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 2023, Poste Italiane's Board of Directors also approved the **2023 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 2023 Audit Plan was set up to provide assurance to the Governing and Control Bodies, as well as to support management on internal control issues. This approach

ensures an adequate and gradual coverage over time of the processes referable to the Subsidiaries of the Poste Italiane Group, while guaranteeing compatibility and consistency with international standards and best practices on internal control.

The Plan's main strategic orientations include:

- promote the alignment of the Control Systems of the Subsidiaries to the standards of the Parent Company;
- strengthen first-level oversight of Sustainability objectives;
- assisting the Audit functions of Supervised Subsidiaries.

The Audit Plan, on the basis of the reference regulatory developments and company dynamics, also considers in an integrated manner the risks pursuant to Legislative Decree no. 231/01 and expresses the levels of forecast coverage, in a rolling logic, for the three-year period 2021 - 2023 of the processes of Poste Italiane, of the non-supervised Poste Group Companies, of BancoPosta and of the supervised Group Companies, guaranteeing overall high three-year coverage levels for more than 96% of the processes in the Audit Universe (continuous audit coverage of 24%, high coverage of 39% and average coverage of 33%), many of which are subject to regulatory or supervisory constraints.

The areas involved in the 2023 Plan include the provision of Insurance, Financial and Transactional products/services (with audits at 1,380 facilities), as well as Postal and Logistics processes (around 100 facilities). The planned activities also covered the main resource management processes, including IT (with 17 audit activities on processes/applications), real estate (4 structures) and purchasing (5 Group companies), human resources (6 structures), administrative-accounting processes (15 structures), dispute management processes (6 structures) and various areas of compliance (20 structures). The activities foreseen in the 2023 Audit Plan were carried out ensuring the full saturation of the function's resources.

In order to enhance the effectiveness of the monitoring of the Group control system, the Internal Auditing function has further expanded the verification activities to be carried out on Group companies without their own internal auditing function. In continuity with the logic adopted in recent years, Poste Italiane's Internal Auditing function has signed implementation agreements with the most significant Group companies that do not have their own internal auditing function, i.e. SDA Express Courier, Poste Air Cargo Srl and Postel SpA. In addition, in order to strengthen the effectiveness of the Group's control system and, as mentioned above, strengthen the support towards the Auditing functions of the Supervised Subsidiaries, new implementation agreements were formalised with the companies Nexive and PostePay.

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") 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. Furthermore, during 2023 the platform was further expanded through evolutionary implementations and extension of functionality in relation to the already existing modules. In addition, further work was carried out that strengthened and extended the application integration aspects between the specific GRC system and other systems in the company. 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.

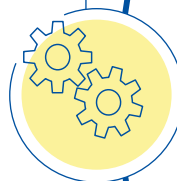
STRATEGIC

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.



GROUP'S

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).



RISK MODEL

REPUTATIONAL

This category regards the risks connected with a negative perception among the Group's stakeholders, in response to which the Group has adopted a stakeholder engagement framework in order to identify and assess this type of risk at source. The main element of reputational risk to which the Group is, by its nature, exposed is linked to market performance and primarily associated with the placement of postal savings products and investment products issued by third-party entities (bonds, certificates and real estate funds) or by Group companies (insurance policies issued by the subsidiaries, Poste Vita and Poste Assicura, and mutual funds managed by BancoPosta Fondi SGR), and those linked to the perceived and effective quality of the services related to letter post and parcel delivery.

ESG

Risks arising from factors related to environmental, social and governance issues (in particular, linked to human rights, climate change and sustainable finance).

FINANCIAL AND INSURANCE

Financial risks that are regulated and overseen by supervisory authorities (the Bank of Italy and IVASS, the insurance industry regulator) and the responsibility of the Risk Management units belonging to the various business units, coordinated by the function responsible for Sustainable Development, Risk and Compliance at Group level. Financial risks primarily relate to the operations of BancoPosta RFC and PostePay's ring-fenced EMI (the active management of the liquidity deriving from postal current account deposits, and of collections and payments carried out in the name of and on behalf of third parties), asset financing and the investment of liquidity and, as regards the Poste Vita Insurance Group, investments designed to cover contractual obligations to policyholders. Insurance risks derive from the stipulation of insurance contracts and the terms and conditions contained therein (technical bases adopted, premium calculation, the terms and conditions of redemption, etc.). In technical terms, mortality is one of the main risk factors for Poste Vita, i.e. any risk associated with the uncertainty of a policyholder's life expectancy, alongside the risk associated with redemptions.

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:

Climate change

Risks related to climate change, classified as transitional risks and physical risks, as well as related opportunities and specific mitigation actions, in view of both the impacts that phenomena related to climate change may have on Poste Italiane's business, and the impacts that Poste Italiane's activities may have on the climate

(🔍 see managing climate change related risks and opportunities)

Protection of human rights

Potential risks that may compromise respect for human rights, both within poste italiane's own activities and in relation to activities entrusted to third parties/ conducted with partners
(🔍 see poste italiane's commitment to managing human rights risks)



Emerging risks

Emerging risks that consist of exogenous events with disruptive characteristics that can threaten the business model over a long time horizon and are potential game-changers, such as the current geopolitical instability
(🔍 see managing emerging risks and the related opportunities)

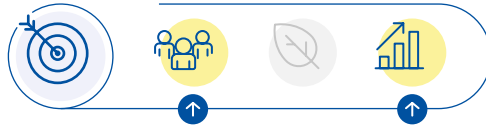
Risks associated with material topics

Potential risks related to Poste Italiane's sustainability strategy, as well as to sustainability issues relevant to Poste Italiane identified through the materiality analysis process

(🔍 see risks associated with material topics and management methods)

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.

6.2 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 TOPICZ	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 in the procurement process	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

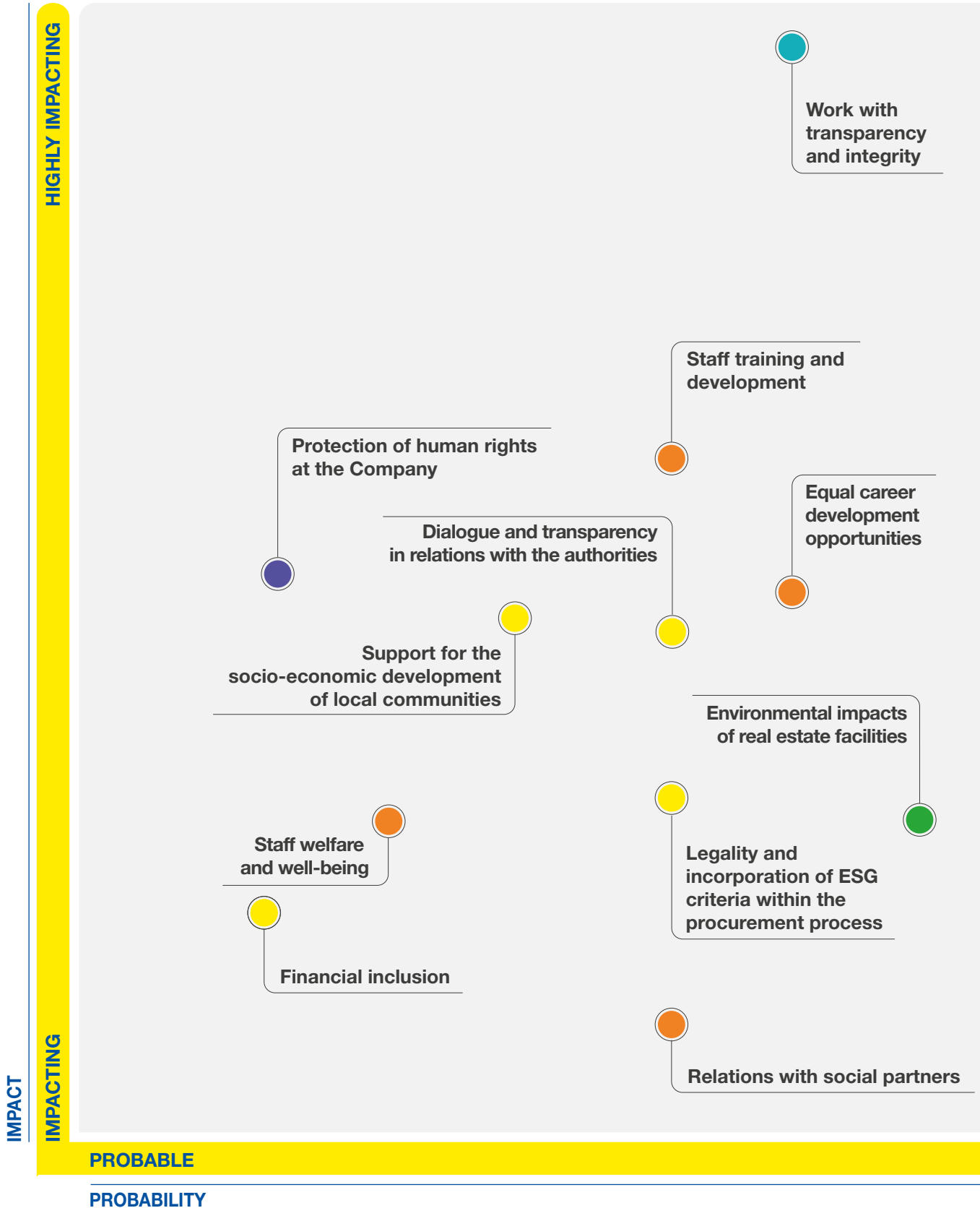
PILLAR	MATERIAL TOPICZ	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
	Personnel training and development	Inadequate personnel skills	Customers; Poste Italiane people	<ul style="list-style-type: none"> Strategic 	<ul style="list-style-type: none"> Human rights 	<p style="text-align: center;">↓</p> <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 	 <p>HUMAN INTELLECTUAL</p>
	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 	 <p>HUMAN</p>
 <p>VALORIZZAZIONE DELLE PERSONE</p>	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 	 <p>SOCIAL-RELATIONAL</p>
	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 	 <p>HUMAN</p>

PILLAR	MATERIAL TOPICZ	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 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
 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 	 SOCIAL-RELATIONAL
	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

PILLAR	MATERIAL TOPICZ	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 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 management of real estate • Adoption of energy efficiency solutions for real estate assets and use of renewables (smart building, LED , photovoltaic panels lighting,..) • Implementation of the Environmental Management System for Group companies 	
 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) • Improvement of products and services • Development of customer assistance model • Complaints management • Implementation of the Quality Management System 	 SOCIAL-RELATIONAL  INTELLECTUAL
	Cyber Security, IT Security and Privacy	Increase in mal-functions relating to technology infrastructure	Poste Italiane people; 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, cyber security and business continuity • Investments in IT infrastructure modernisation 	 FINANCIAL

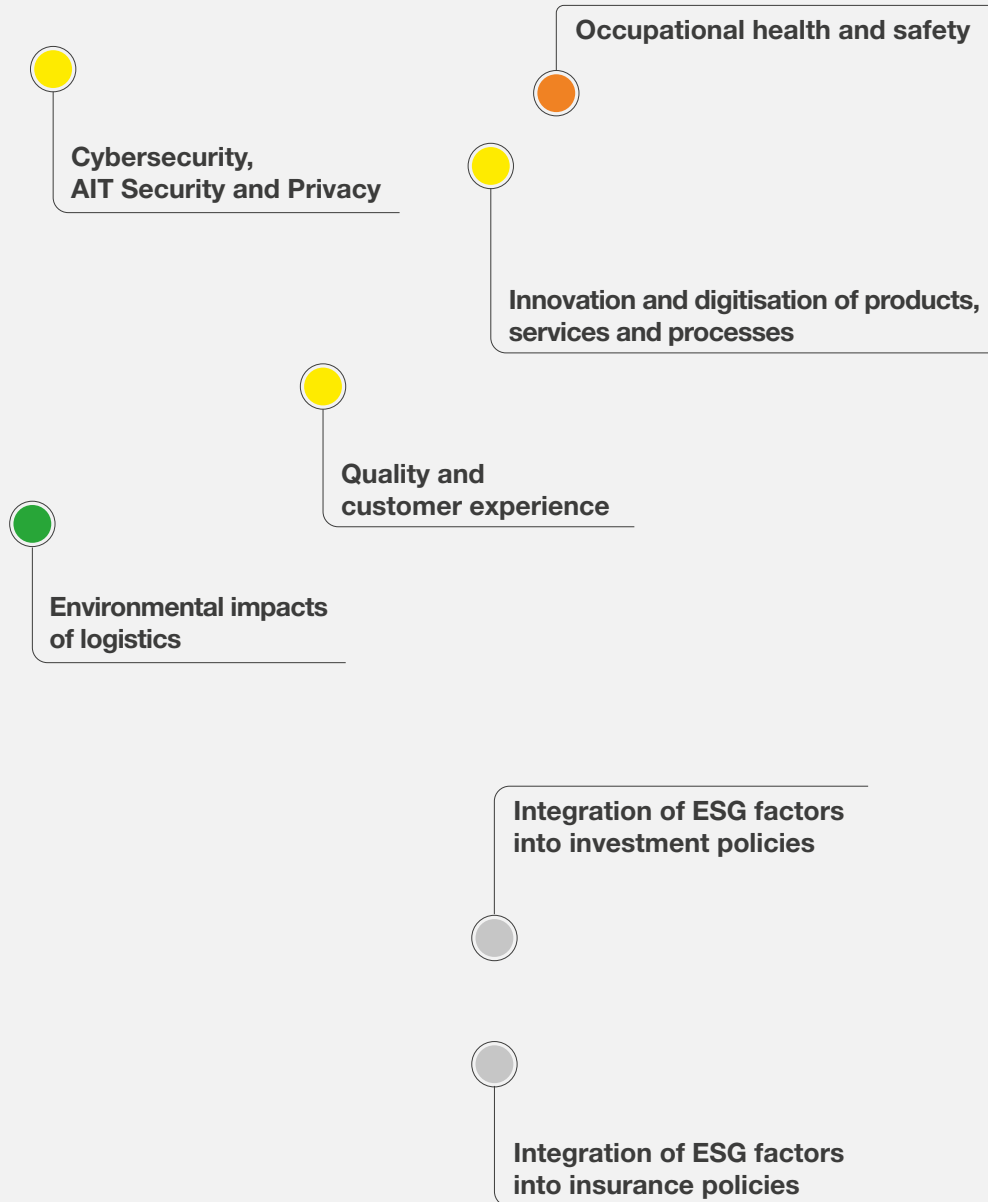
PILLAR	MATERIAL TOPICZ	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 INNOVATION	Innovation and digitisation of products, services and processes	Insufficient innovation capacity in multi-channel, customer 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 	<p style="text-align: center;">↓</p> <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  HUMAN
 SUSTAINABLE FINANCE	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 	 SOCIAL-RELATIONAL  INTELLECTUAL  NATURAL

POSTE ITALIANE GROUP'S RISK MATRIX



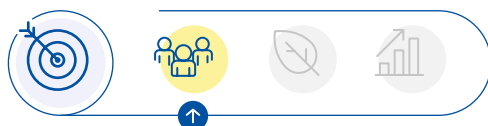
Scopes Legislative Decree no. 254/16

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



HIGHLY PROBABLE

6.3 Poste Italiane's commitment to managing Human Rights Risks



MAIN RELATED TYPES OF CAPITAL

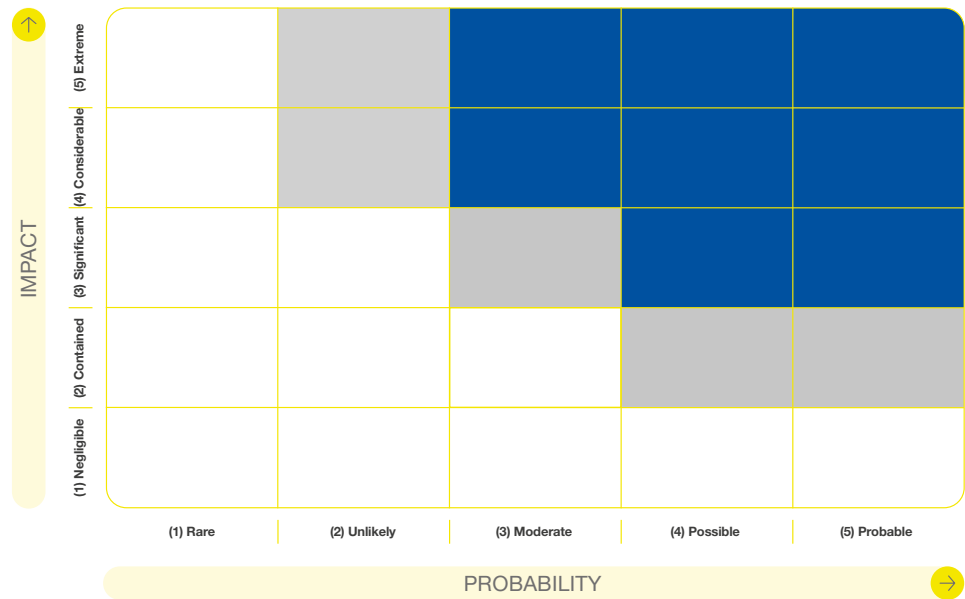


With the aim of monitoring and managing risks and opportunities associated with human rights in all their manifestations, the “Group policy for the protection of Human Rights” is an essential tool for outlining a clear approach in managing activities of Poste Italiane and those delegated to third parties or conducted with partners, demonstrating the Group’s commitment to carrying out socially responsible investment and management activities.

In order to encourage a corporate culture based on respect and valorisation of diversity, in line with what has already been stated in the Code of Ethics and in the Company Policy on the safeguarding and protection of Human Rights, Poste Italiane has adopted a specific “Diversity & Inclusion Policy”. This policy also aims to define the methods of creating value within working environments, promoting diversity in all its facets and evaluating the risks associated with the occurrence of discrimination within the Company. Through the application of risk assessment procedures, the Group’s risk management model also provides for 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:

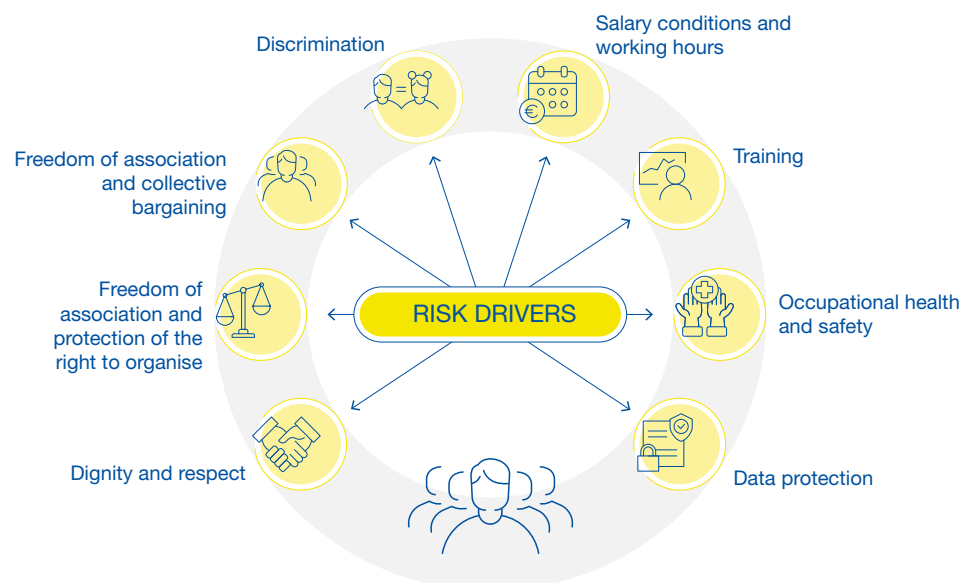
- Identification of human rights risk drivers (e.g. freedom of association, dignity and respect for human rights, discrimination, equal pay, forced labour, human trafficking, child labour, etc.);
- Identification and analysis of the most relevant drivers with respect to Poste Italiane’s business;
- Carrying 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.

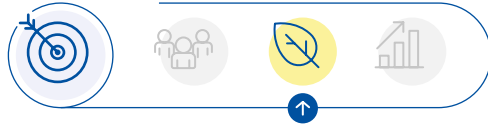
Listed below are the various drivers that have been identified as particularly significant with respect to Poste Italiane's business. These factors were considered in order to identify and analyse human rights risks, both direct and indirect, in relation to different material topics and financial and 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" 	 PEOPLE DEVELOPMENT	Relations with social partners	 SOCIAL-RELATIONAL  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" Certification for Gender Equality according to UNI/PdR 125:2022 	 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
		 INTEGRITY AND TRANSPARENCY	Legality and incorporation of ESG in the procurement process	 SOCIAL-RELATIONAL  FINANCIAL

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 	 <p>PEOPLE DEVELOPMENT</p>	 <p>Personnel training and development</p>	 <p>HUMAN</p>  <p>INTELLECTUAL</p>
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 	 <p>PEOPLE DEVELOPMENT</p>	Occupational health and safety	 <p>HUMAN</p>
			Legality and incorporation of ESG in the procurement process	 <p>INTELLECTUAL</p>
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 	 <p>CUSTOMER EXPERIENCE</p>	Cyber Security, IT Security and Privacy	 <p>SOCIAL-RELATIONAL</p>  <p>INTELLECTUAL</p>
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 	 <p>INTEGRITY AND TRANSPARENCY</p>	Cyber Security, IT Security and Privacy	 <p>HUMAN</p>  <p>INTELLECTUAL</p>

6.4 Managing climate change related risks and opportunities



MAIN RELATED TYPES OF CAPITAL

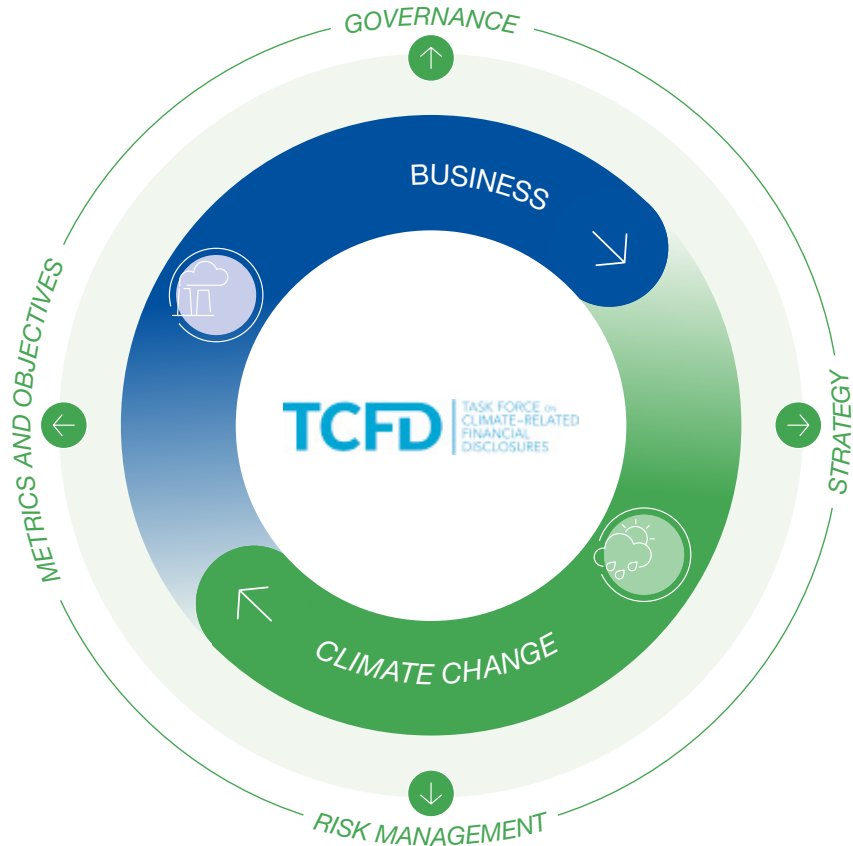


Poste Italiane recognises the importance that it itself assumes in terms of capillarity within the territory in which it operates. As a result, the Group is committed to reducing its environmental impact, steering the country's economy towards a low-carbon transition.

Given the potential economic implications arising from risks related to climate change, the Group adopts a responsible approach in carrying out its activities. This commitment is in line with the new edition of the "Global Risks Report" published by the World Economic Forum in January 2024. 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 illustrates that the top four 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 RISKS

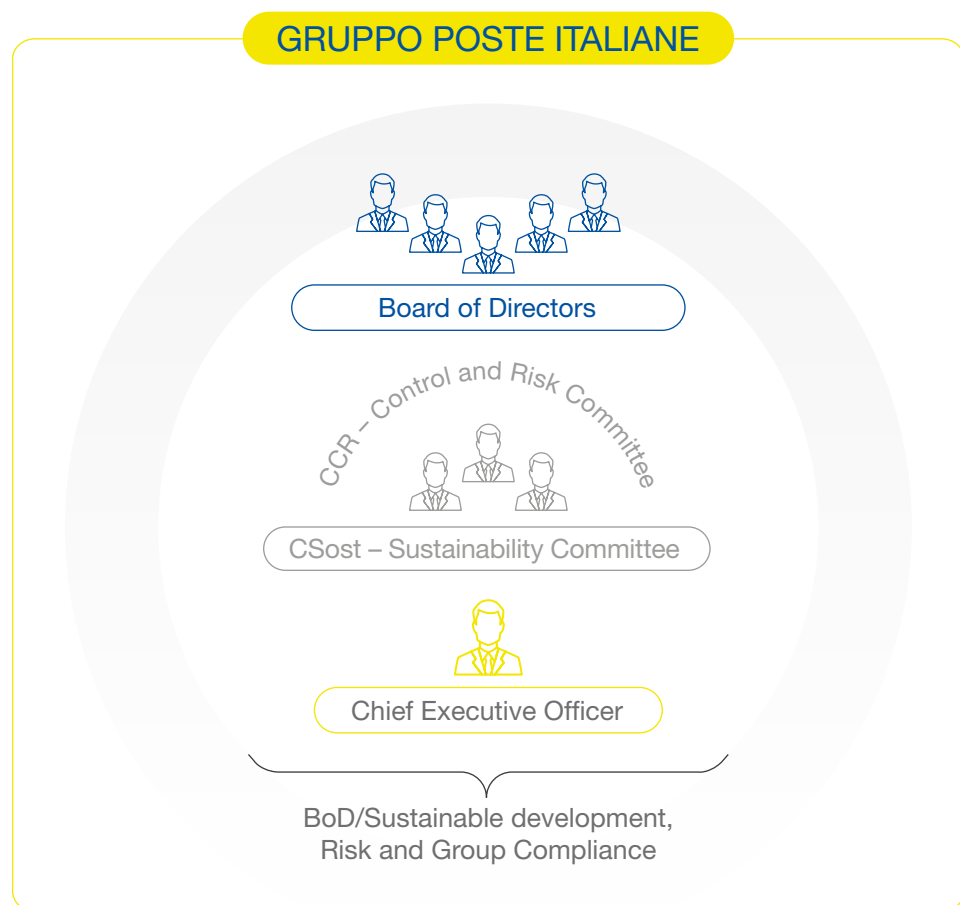
- 10 years
- 1 Extreme weather events
 - 2 Critical change to Earth systems
 - 3 Biodiversity loss and ecosystem collapse
 - 4 Natural resource shortages
 - 5 Misinformation and disinformation



In compliance with the main regulatory developments and in response to the growing requests of the financial community and main stakeholders, Poste Italiane provides information regarding climate change following the sectors 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 adequate management of environmental issues, and provides for specific roles and responsibilities.

- The Poste Italiane SpA’s Board of Directors 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) collaborates with the Board of Directors, performing investigative, propositional and advisory functions to promote sustainable success. This includes support in assessments and decisions related to environmental, social and governance factors, with a focus on climate change.

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. The CSost also 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 management level, the Chief Executive Officer and the Group Sustainable Development, Risk and Compliance function manage the main functions related to environmental issues. 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:

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

Finally, to correctly identify and manage climate-related risks and opportunities also for investment and insurance processes, additional controls were put in place. In particular, 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 assesses several risk drivers, attributable to the two macro-areas transition risks and physical risks, in relation to climate change. After associating the risks to each driver, the Company connects the material issues and the capitals involved, defines opportunities and potential related negative impacts and identifies specific mitigation actions. In the risk assessment process, Poste Italiane considers direct activities, upstream and downstream operations, also including customers as the main beneficiaries of the Company's products. The Group has developed 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 contributes to the transition towards a low-carbon economy by reducing emissions in commercial operations envisaged by the Business Plan, with the aim of achieving Carbon Neutrality by 2030, supporting the Paris Agreement to limit global warming to 1.5°C.

As far as transition risks are concerned, the Group updated its analysis by conducting a review of various scenarios considered by the International Energy Agency (IEA) in order to obtain a complete picture of potential future developments. In particular, after an evaluation of the possible alternatives, Poste Italiane used two scenarios, NZE and IEA B2DS, considered the most relevant for assessing transition risks and opportunities and in line with the Group's objectives of maintaining the global temperature at 1.5°C.

The NZE (Net Zero Emissions by 2050) scenario is a regulatory scenario that, through appropriate global climate policies within the energy sector and the deployment of a broad portfolio of

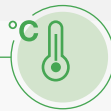
clean technologies, enables the achievement of zero CO₂ emissions by 2050, while also contributing to the achievement of the following Sustainable Development Goals of the 2030 Agenda: ensure health and well-being for all and all ages (SDG 3), ensure universal access to affordable, reliable, sustainable and modern energy systems (SDG 7) and take urgent action to combat climate change and its consequences (SDG 13). The scenario is supported by a detailed analysis of the timeframe of clean energy technology projects and considers global cooperation to be crucial in facilitating the development and adoption of ambitious policies, lowering the costs of technologies and financially supporting emerging and developing economies on this path. With this in mind, the Poste Italiane Group has set itself the goal of achieving Carbon Neutrality by 2030, implementing specific initiatives aimed at increasing energy efficiency, such as using 99% of its electricity from renewable sources certified as Guarantee of Origin, expanding the photovoltaic project, continuing the Smart Building project, installing around 85,000 LED lighting fixtures, the replacement of gas boilers with heat pumps, and the implementation of a Fleet Renewal Plan for the complete replacement of the entire vehicle fleet with low-emission models. Furthermore, as regards the sale of energy and offsetting emissions related to the consumption of natural gas sold by Poste Italiane, the electricity sold by the Group in 2023 was derived 100% from renewable sources produced in Italy and carbon dioxide emissions were offset through the purchase and cancellation of an equivalent volume of Voluntary Carbon Credits. In terms of the Poste Italiane Group's business strategy, this scenario analysis has led to the definition of objectives aimed at mitigating this specific risk in the short to medium term, such as: reducing absolute CO₂ emissions by 30% by 2025; reducing the Group's Scope 1 and 2 emissions by 42% by 2030, in line with the science-based methodology; achieving Group Carbon Neutrality by 2030; and replacing the entire corporate fleet with vehicles with a reduced environmental impact by 2024.

The IEA B2DS scenario, on the other hand, focuses on the hypothesis of the development of climate and technology policies aimed at reducing GHG emissions and was taken into consideration by the Poste Italiane Group in order to establish GHG emissions reduction targets. The relevance of this scenario is also underlined by the SBTi (Science Based Target Initiative) and, in this perspective, Poste Italiane has officially committed to setting science-based targets for its greenhouse gas emissions.



NZE

Scenario describing an energy pathway with the goal of limiting the average global temperature increase to 1.5° C.



IEA B2DS






Scenario used by SBTi to set targets for reducing greenhouse gas emissions by limiting the temperature to below 2°C.

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>Lavorare con Integrity and transparency</p> <p>Capitals impacted:</p> <p> HUMAN</p> <p> INTELLECTUAL</p> <p> FINANCIAL</p>	<p style="text-align: center;"></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. <hr/> <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> SOCIO-RELATIONAL</p> <p> NATURAL</p>	<p style="text-align: center;"></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. <hr/> <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 areas. • 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. Cyber Security, IT Security and Privacy</p> <p>Capitals impacted:</p> <p> INTELLECTUAL</p> <p> FINANCIAL</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> NATURAL</p>	<p style="text-align: center;"></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. <hr/> <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 44.4% in 2023, with the aim of replacing the entire company fleet with low-emission vehicles 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. As of 29 February 2024, there were 1,190 Post Offices in municipalities with less than 15,000 inhabitants and 31 co-working spaces established.</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 Working with integrity and transparency Legality and incorporation of ESG criteria in the procurement process</p> <p> CREATING VALUE FOR THE COUNTRY Support for the socio-economic development of local communities Dialogue and transparency in relations with the authorities</p> <p> GREEN TRANSITION 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> SOCIO-RELATIONAL</p> <p> NATURAL</p>	<p style="text-align: center;"></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. <hr/> <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>Poste Italiane, in line with the decarbonisation strategy and in implementation of the guidelines for the exercise of the right to vote and engagement activities and for investment in sensitive sectors, has confirmed the collaborations through its subsidiaries Poste Vita and BancoPosta Fondi SGR with the climate change networks Land Use & Climate, of the international Ceres network, and Climate Action 100+, an international collaborative engagement initiative to raise awareness of the largest emitters of greenhouse gases worldwide on climate change issues. In addition, the aforementioned companies consider the Principal Adverse Impacts (PAIs) on sustainability factors brought about by investment decisions, and during 2023, developed an initial approach for monitoring and managing PAIs, both at the entity and individual investment product level, in compliance with regulatory requirements and existing internal regulations, aimed at identifying possible negative impact mitigation actions to be implemented.</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 impact that Poste Italiane's activities may have on the climate, the Company 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. Among other things, Poste Italiane, in line with its adhesion 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 objectives by 2030, well ahead of the timeframe defined by the European Union.</p>

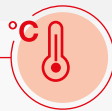
With regard to the assessment of physical risks, Poste Italiane's Governance dedicated to risk and sustainability, in line with what the IPCC has developed worldwide on climate projections, has updated its climate and water risk assessment methodology to have a clear picture of the risk and assessment of potential physical risks and opportunities. In this sense, the Company has conducted 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 line with 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 envisages a peak in emissions at an early stage, followed by 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 $\sim 3\text{W/m}^2$, which will be followed by a significant 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.



RCP 2.6

More ambitious scenario aims to limit the average global temperature to 1.5°C compared to pre-industrial levels.



RCP 8.5

Business-as-usual scenario with no mitigation action leading to atmospheric CO₂ tripled or quadrupled by 2100 compared to pre-industrial levels.

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 €12 billion of existing operations in 2023, 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 then 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 negative impact of acute physical damage and interruptions in energy distribution is reflected on the financial performance of the group, influencing results and cash flows and leading to a deterioration of reputation [with consequent worsening of repu-

tation] and loss of customer trust. One example of this was the severe flooding that occurred during the year in the regions of Emilia-Romagna and Tuscany, following which the Group cooperated with national and local institutions. These events caused damage to Poste Italiane's Post Offices, leading to the suspension of services. 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 reference 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.

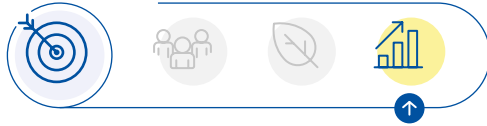


5. EXTREME WEATHER CONDITIONS

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> <ul style="list-style-type: none">  INTEGRITY AND TRANSPARENCY Working with integrity and transparency  CREATING VALUE FOR THE COUNTRY Dialogue and transparency in relations with the authorities  PEOPLE DEVELOPMENT Occupational health and safety <p>Capitals impacted:</p> <ul style="list-style-type: none">  HUMAN  INTELLECTUAL  FINANCIAL  SOCIO-RELATIONAL 	<p style="text-align: center;"></p> <p>NEGATIVE IMPACTS:</p> <ul style="list-style-type: none"> • Limitations company operations due to extreme weather events, with consequent losses in revenue <hr/> <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.

6.5 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, linked 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.



DEMOGRAPHIC AND SOCIAL CHANGES

Changes in size, growth and demographic and social composition (e.g. increased longevity combined with low birth rate) resulting in unfavourable changes in the generational distribution and needs of Poste Italiane's customers.

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Changes in population size, growth and composition can generate impacts on socio-economic structures related to factors such as population ageing, birth rate, fertility, generational changes and centralised urbanisation.</p> <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. 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>The expansion of said phenomena may lead to economic challenges, including an increased financial burden on social security and health care systems, increased demand for health and welfare services, and a reduction in the available workforce with implications for economic growth and the sustainability of pension systems.</p> <p>From a social point of view, the economic and employment insecurity of younger people, aggravated by geopolitical instability, calls for more and more support and assistance policies that could generate increased demand for mortgages and investment loans.</p> <p>Moreover, in recent years, there has been an increase in the rate of depopulation of the peninsula's more inland areas, in favour of more urbanised and developed cities. The increase in urban population may overload existing infrastructure, lead to environmental problems and cause socio-economic disparities between urban and rural areas.</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><i>(continued >)</i></p>	<p style="text-align: center;"></p> <p>NEGATIVE IMPACTS:</p> <ul style="list-style-type: none"> • Inadequacy of product offers 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 • Difficulties in offering financial and insurance products that are attractive to both older and younger generations • Difficulties in offering different products and/or services according to urban areas and their characteristics • Decline in demand for traditional services, such as paper mail, in favour of digital alternatives <hr/> <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 • Possibility of implementing staff welfare and well-being plans (e.g. promoting active parenthood) in order to increase labour market attractiveness • Possibility of accessing funds and contributions for the realisation of initiatives benefiting peripheral urban areas, also taking advantage of the widespread presence in Italy that allows for visibility of the products and services offered throughout the country 	<p>Longevity and maturity:</p> <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 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 full and conscious use of the tools made available to them.</p> <p>In particular, the programme "Silver Economy Technology and Ageing" dedicated to seniors, aims to represent the main trends in ageing and to explore some specific topics, with a special focus on new technologies. The purpose of this programme is to propose a package of financial and savings, insurance, telephony, shipping and delivery services, ideal solutions tailored to specific customers, positioning Poste Italiane as a single interlocutor capable of satisfying different needs and, at the same time, helping to improve knowledge of financial and digital tools, through a training course conducted by Poste Italiane's financial and digital experts.</p> <p>Generational changes:</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.</p> <p><i>(continued >)</i></p>





MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> Operational Financial and Insurance <p>SBU's impacted:</p> <ul style="list-style-type: none"> Insurance Services Mail, Parcels and Distribution Payments and Mobile Financial Services <p>Pillars and material topics impacted:</p> <p> DIVERSITY AND INCLUSION Protection of human rights Equal career development opportunities</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 Personnel training and development</p> <p>Capitals impacted:</p> <p> FINANCIAL</p> <p> HUMAN</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</p>		<p>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>In addition, the “Next Generation” Project has made it possible to bring the new generations closer together, to develop their potential and aspirations, creating a bridge between young people and the world of work.</p> <p>Natality:</p> <p>Support for active parenthood through the promotion of various projects and initiatives aimed at supporting parents employed by Poste Italiane, such as, for example, the Lifeed project aimed at making the parenting experience a “master” in transversal skills, which are also essential for professional growth.</p> <p>Policy dedicated to supporting mothers and fathers employed by Poste Italiane (Active Parenting Support Policy) and alternative maternity and paternity leave.</p> <p>Support and development of peripheral urban areas:</p> <p>Poste Italiane participates in the NRRP Complementary Plan with the Polis Project - Digital Citizenship Services Houses, promoted by the Government. The aim of the Polis Project is to promote the economic, social and territorial cohesion of the country and to overcome the digital divide in small towns and inland areas. In particular, the Polis Project includes initiatives aimed at simplifying the lives of citizens in smaller and less accessible centres and ensuring equal opportunities between the inhabitants of large and small centres.</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>Regulatory developments are particularly influenced by the implications of the geopolitical context, technological innovations, sustainability and climate change issues, which are increasingly being addressed by national and international legislators.</p> <p>Frequent changes in regulations can make it complex for companies to adapt and plan long-term strategies, leading to increased uncertainty and volatility, as well as instability in the markets, affecting the decisions of investors and companies.</p> <p>The recent international sanctions resulting from the Russian-Ukrainian conflict play a crucial role in a global context strongly polarised by geopolitical factors. These measures aim to economically and strategically weaken those involved in the conflict in order to undermine their ability to sustain the ongoing invasion campaign. The impacts of such sanctions on the political and economic scenario of the coming years will be significant and diverse: politically, they could intensify international tensions and influence the balance of power between the nations involved; economically, sanctions could have significant effects on the economies of the countries involved, as well as on global supply chains and international financial markets.</p>	<p style="text-align: center;">↓</p> <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 • Limitation of trade relations with subjects/countries affected by international sanctions <hr/> <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 areas • Increased security and awareness in the use of technologies that make use of artificial intelligence components 	<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, 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 Company'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> <p>The Poste Italiane Group's Integrated Compliance process, as opposed to traditional models based on control systems structured by single specialist, is based on a structured and coordinated approach to compliance that combines multiple needs, through the integration and rationalisation of existing risks and controls. The activities of this process are carried out in such a way as to ensure, for example, the in-depth examination of the context, including the monitoring of the national and international political agenda, the views of legislators and regulators, and the position of competitors. The latter involves the definition of the company's interest and position, including the formulation of proposals for regulatory changes and additions, as well as the preparation of documentation representing strategic business choices for institutional stakeholders and authorities. At the same time, the analysis of regulatory requirements involves an investigation to understand whether or not new regulations or significant changes to existing regulations are applicable to the operations of the business and/or the activities performed by the Group.</p>
<p><i>(continued >)</i></p>		<p><i>(continued >)</i></p>










MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The legislator will also have to take into account another impactful subject in the evolution of regulation: Artificial Intelligence. Some jurisdictions have already introduced specific laws and regulations to address the ethical, social, economic and legal challenges associated with the use of AI, while others are still defining their regulatory approaches. However, it is important to balance the need for regulation with innovation and technological development in order to promote safe and ethical use of AI without holding back innovation and progress.</p> <p>Global regulations can also influence efforts to achieve sustainable development goals. Unclear or conflicting regulations can hinder the international collaboration needed to tackle crucial environmental and social challenges such as climate change, poverty and inequality.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Compliance • Operational • Reputational • ESG <p>SBU's impacted:</p> <ul style="list-style-type: none"> • Mail, Parcels and 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> <p> FINANCIAL</p> <p> HUMAN</p> <p> INTELLECTUAL</p>		<p>Confirming the centrality of the Group's principles of integrity and transparency, Poste Italiane was the first Italian company to obtain certification on Compliance Management Systems - ISO 37301, for the management of Integrated Compliance to oversee the processes of design, development and delivery of Postal, Financial and Logistics Services in the areas of administrative, accounting and fiscal responsibility.</p>



PANDEMIC AND INFECTIOUS DISEASES

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>In particular, globalisation and the interconnectedness of peoples, climate change, accelerated urbanisation and overcrowding in urban areas, as well as large migration flows, favour the rapid spread and proliferation of infectious diseases. In addition, antimicrobial resistance is increasing due to the overuse and misuse of antibiotics. Finally, global food trade can contribute to the spread of disease through the transport of contaminated food.</p> <p>Trend: Stable</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Strategic • Operational • Compliance • Reputational • Financial and Insurance • ESG <p>SBU's impacted:</p> <ul style="list-style-type: none"> • Mail, Parcels and Distribution • Payments and Mobile • Financial Services • Insurance Services <p><i>(continued >)</i></p>	<p style="text-align: center;"></p> <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) <hr/> <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 and the Israeli-Palestinian conflict.</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 Banco-Posta is capital light, not assuming credit risk.</p> <p>Moreover, the 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><i>(continued >)</i></p>








MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<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 Personnel training and development</p> <p>Capitals impacted:</p> <p> FINANCIAL</p> <p> HUMAN</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</p>		<p>In addition, Poste Italiane, in response to the health emergency, pursues sustainable development by continuing to invest in projects aimed at strengthening ESG initiatives, as identified 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 dual direction: positive, for innovations that allow us to pursue more efficient, sustainable and flexible solutions; negative, due to the consequences that robotics and data centres can have in terms of potential cyber threats, polluting emissions and energy consumption.</p> <p>In addition, due to the widespread adoption of agile working, the boundary between work and private life becomes more blurred and there is greater isolation of people, while at the same time requiring companies to implement upskilled and reskilled programmes with regard to digital skills for workers. 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>SBU's impacted:</p> <ul style="list-style-type: none"> Payments and Mobile Financial Services Insurance Services Mail, Parcels and Distribution <p><i>(continued >)</i></p>	<p style="text-align: center;"></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 Inability to provide employees with the same levels of IT security both in agile mode and at company facilities <hr/> <p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> Development of products in line with different consumer needs, also leveraging technological innovations 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 Development and growth of Poste Italiane employees in terms of digital skills 	<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. More than 550 second-generation Smart cassettes were installed throughout Italy in 2023, which when added to the letter boxes installed in 2022 will total 707.</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><i>(continued >)</i></p>






MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Pillars and material topics impacted:</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 Cyber Security, IT Security and Privacy</p> <p>Capitals impacted:</p> <p> FINANCIAL</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</p>		<p>In order to coordinate and contribute to the direction of initiatives aimed at increasing the profitability, impact and future sustainability of the Poste Italiane Group, the “Open Innovation” team was formed, a group with diverse multi-industry experience and areas of expertise united by a passion for innovation. In particular, the team aims to disseminate knowledge of the most innovative trends in technology and business performance within the Group, as well as to identify valuable partners to improve current products and services. By defining the positioning of the medium- and long-term target on innovation issues, the aim is to seize the challenges in advance to bring about changes in the Group’s operational and business areas.</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 cyber security. 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>In relation to cyber security, there is a proliferation of regulations aimed at ensuring the security of products with digital components, governing the design and development phases of the products themselves, as well as their entire life cycle. This implies the creation of a comprehensive cyber security regulatory framework that facilitates compliance for hardware and software manufacturers. The ultimate goal is to improve transparency regarding the security features of digital products in order to enable both companies and consumers to use them safely.</p> <p>It is also essential to consider technological advances in the field of Artificial Intelligence, which could potentially lead to new forms of cyber attacks capable of overcoming the preventive and defensive measures implemented by Poste Italiane.</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 and Distribution <p><i>(continued >)</i></p>	<p style="text-align: center;">↓</p> <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 <hr/> <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 Increased awareness of Poste Italiane employees on cyber security issues through specific training programmes 	<p>Managing cyber security risk is a key priority for the Group, considering the increasing number of cyber threats and the sensitivity of the data managed. 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: the process of identifying, measuring and prioritising system vulnerabilities, performed with special tools twice a year for each application; 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; established the Fraud Prevention Centre, which plays a key role in protecting the company's customers from financial fraud and scams, using advanced monitoring systems, risk analysis, collaboration with the relevant authorities and awareness-raising to prevent and counter fraudulent activities. <p><i>(continued >)</i></p>










MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Pillars and material topics impacted:</p> <p> CUSTOMER EXPERIENCE</p> <p>Cyber Security, IT Security and Privacy</p> <p>Capitals impacted:</p> <p> FINANCIAL</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</p>		<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>In the area of cyber security, 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 cyber security 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> <p>In order to make the entire corporate IT structure secure and resilient to possible cyber attacks, Poste Italiane has implemented specific training programmes aimed at employees on cyber security issues, so as to educate them on the behaviour to adopt in the event of cyber attacks.</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. Phenomena such as rising sea levels, ocean acidification and loss of biodiversity, as well as hurricanes, floods, forest fires and droughts, become more frequent and intense, altering terrestrial and marine ecosystems.</p> <p>Such events have catastrophic effects on local communities, causing enormous damage to infrastructure and natural resources with long-term economic consequences; financial losses are often significant, especially in the agricultural, tourism, and insurance sectors.</p> <p>Climate change can destabilise societies and accentuate socio-economic inequalities, contributing to political tensions and internal and external conflicts. Moreover, the need to mitigate and adapt to climate change requires political and diplomatic action at national and international level, not helped by the geopolitical instability of recent years.</p> <p>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>SBU's impacted:</p> <ul style="list-style-type: none"> • Mail, Parcels and Distribution • Payments and Mobile • Financial Services • Insurance Services <p><i>(continued >)</i></p>	<p style="text-align: center;"></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 • Underestimating sustainable development and not actively pursuing decarbonisation can lead to serious consequences in terms of corporate reputation, with negative impacts on stakeholder trust, market opportunities and overall company value <hr/> <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 transition.</p> <p><i>(continued >)</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Pillars and material topics impacted:</p> <p> CREATING VALUE FOR THE COUNTRY</p> <p>Dialogue and transparency in relations 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>Capitals impacted:</p> <p> FINANCIAL</p> <p> HUMAN</p> <p> NATURAL</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</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 "MANAGING CLIMATE CHANGE RELATED RISKS AND OPPORTUNITIES"</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>In addition, over the years, Poste Italiane has inaugurated photovoltaic plants for energy production and undertaken a series of initiatives to ensure that its buildings are increasingly sustainable, including initiatives to reclassify sorting centres, with a view to decarbonising buildings.</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>The payments industry is undergoing major changes related to the advent of new technologies and the development of Artificial Intelligence, as well as the proliferation of relevant legislation and regulations (e.g. the European Payment Services Directive - PSD2).</p> <p>Companies must be ready to adapt and innovate in order to Capitalise on new opportunities and mitigate the associated risks.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> Operational Strategic Reputational Compliance <p>SBUs impacted:</p> <ul style="list-style-type: none"> Payments and Mobile <p>Pillars and material topics impacted:</p> <div style="display: flex; flex-direction: column; gap: 10px;"> <div>  <p>INNOVATION</p> <p>Innovation and digitisation of products, services and processes</p> </div> <div>  <p>CUSTOMER EXPERIENCE</p> <p>Quality and customer experience</p> </div> </div> <p>Capitals impacted:</p> <div style="display: flex; flex-direction: column; gap: 10px;"> <div>  <p>FINANCIAL</p> </div> <div>  <p>PHYSICAL-STRUCTURAL</p> </div> <div>  <p>SOCIO-RELATIONAL</p> </div> <div>  <p>INTELLECTUAL</p> </div> </div>	<p>↓</p> <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) Increased digital transactions and increased risk of fraud and security breaches Entry of new players in the payment industry <hr/> <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. <p>In addition, Poste Italiane established the Fraud Prevention Centre, which plays a key role in protecting the company's customers from financial fraud and scams, using advanced monitoring systems, risk analysis, collaboration with the relevant authorities and awareness-raising to prevent and counter fraudulent activities.</p>



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. Over the years, the revolution in mobility and automation of machines and processes will lead to a radically different world, characterised by greater efficiency, sustainability and connectivity. However, it will be essential to address the social, economic and regulatory challenges that accompany this transformation to ensure that its benefits are fairly distributed and its potential risks mitigated. 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 and Distribution <p>Pillars and material topics impacted:</p> <p> INTEGRITY AND TRANSPARENCY Legality and incorporation of ESG in the procurement process</p> <p> CREATING VALUE FOR THE COUNTRY Support for the socio-economic development</p> <p> GREEN TRANSITION Environmental impacts of logistics</p> <p>Capitals impacted:</p> <ul style="list-style-type: none">  HUMAN  FINANCIAL  PHYSICAL-STRUCTURAL  SOCIO-RELATIONAL  INTELLECTUAL 	<p style="text-align: center;"></p> <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 <hr/> <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 2023 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. In this regard, 14,189 alternatively fuelled vehicles (electric, natural gas and LPG) are already deployed in the fleet. The Company has gone from 11% green vehicles in 2016 to 44.4% in 2023, with the aim of replacing the entire company fleet with low-emission vehicles by 2024.</p> <p>The total number of vehicles with reduced environmental impact introduced from 2019 is 26,225, and during the year, Poste Italiane completed the inflotment of 2,169 electric vehicles, 750 hybrid electric or methane vehicles, and 696 low-emission vehicles. The interventions are in line with the goal of reaching 27,800 vehicles by 2024.</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>



CHANGING CONSUMERS' PURCHASING AND INVESTMENT CHOICES ACCORDING TO THE MACRO-ECONOMIC SCENARIO

Changes in consumer purchasing habits as a function of the macro-economic scenario and customer needs and expectations.




MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<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, during periods of economic instability or uncertainty, consumers tend to be more cautious in their spending: they might avoid impulsive purchases or risky investments, preferring to buy cheaper products and services or concentrate their spending on essential goods and services, such as food, basic commodities and health services.</p> <p>Moreover, rising low interest rates and volatile financial markets may influence the choices of investors, who may prefer investments that are considered safe or less volatile, such as certificates of deposit or government bonds.</p> <p>With regard to the financial services offered by Poste Italiane, if consumers perceive a favourable economic situation and feel secure about the future, they may be more inclined to take financial risks. Conversely, if consumers are pessimistic about the economy and fear for their financial security, they might reduce investment activities or direct them towards lower-risk products.</p> <p>Changes in consumer purchasing and investment choices in response to the macroeconomic scenario can have a significant impact on the economy and market dynamics in the long run, influencing consumption through changes in consumption patterns, changes in investment sectors and overall economic growth.</p> <p><i>(continued >)</i></p>	<p style="text-align: center;"></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 <hr/> <p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> • 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>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 Poste Italiane 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> <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><i>(continued >)</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<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 • Mail, Parcels and Distribution • Payments and Mobile • Financial Services <p>Pillars and material topics impacted:</p> <p> INNOVATION</p> <p>Innovation and digitisation of products, services and processes</p> <p> CUSTOMER EXPERIENCE</p> <p>Quality and customer experience Cyber Security, IT Security and Privacy</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> FINANCIAL</p> <p> HUMAN</p> <p> NATURAL</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</p>		<p>Finally, Poste Italiane pays particular attention to the quality of the products and services it offers with a view to constantly improving customer satisfaction, by carrying out a dual monitoring process, considering both the quality delivered and the quality perceived, on the basis of a KPI system, built around the individual business units. It constantly monitors the objectives and performance of the services provided and provides progress and trends to the top management through regular reporting.</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 co-operation, which could lead - according to the most extreme scenarios - to military (also in light of the Russian-Ukrainian and Israeli-Palestinian conflicts) 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>In a dynamic and globalised world, local crises quickly become global crises, with huge economic, social and geopolitical repercussions and resulting in new priorities in terms of countries' domestic policies. We could see a de-globalisation of the economy with consequent reshoring of the supply chain.</p> <p>Geopolitical instability exposes countries to new risks from attacks on strategic infrastructure or digital infrastructure (communication networks, data centres or key government systems). When such infrastructure is damaged, there are major repercussions in economic terms, as well as potential reputational impacts.</p> <p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Strategic • Operational <p>SBUs 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>SOCIO-RELATIONAL</p>	<p style="text-align: center;"></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 <hr/> <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>



EVOLUTION OF HEALTH AND WELL-BEING

Growing demand for customised health services due to the increasing focus on health protection and safeguards.

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>In the aftermath of the Covid-19 health crisis, there has been a steady increase in the focus on forms of health protection and safeguards in which welfare and improved quality of life play a key role, resulting in a greater demand for personalised health services. Increased life expectancy is, however, accompanied by an increased incidence of chronic diseases that have replaced infectious ones.</p> <p>However, in Italy, the presence of private healthcare provision is still limited compared to other countries, while the costs of the public healthcare system are increasing at a faster rate than overall spending. There is a progressive movement towards a system in which citizens supplement public social security and health services with private insurance policies in order to guarantee themselves a level of care appropriate to their needs, with the ever-increasing risk of under-insurance of the weaker sections of the population who cannot afford such services.</p> <p>In this context, the insurance activity carried out by the Poste Italiane Group through the Poste Vita insurance group can play a fundamental role, as the company, through the offer of flexible and modular protection solutions based on the identification of the lifelong needs of its customers, aims to expand its market share in a sector, that of health insurance, which is constantly growing and increasingly competitive. Furthermore, for the Poste Vita Insurance Group, it is essential to align itself with corporate objectives, and therefore define and market its products, pursuing the objectives of enhancing the social role of insurance protection and inclusiveness through facilitating economic accessibility.</p> <p>Finally, the Poste Italiane Group considers the health and well-being of its employees to be a priority element of its human resources management strategy and, in light of the context described above, considers the risk of increased costs related to the growing need for care for its employees who cannot rely on the public health service.</p> <p><i>(continued >)</i></p>	<p style="text-align: center;">↓</p> <p>NEGATIVE IMPACTS:</p> <ul style="list-style-type: none"> • Inadequacy of the insurance products offered with respect to the growing consumer demand for health care that is defined on the basis of the specific needs arising in different periods of life • Inability to maintain attractiveness in a constantly growing and competitive health insurance market • Underestimation of population trends and failure to take into account the increased incidence of factors associated with the incidence of chronic diseases • Increased personnel costs related to healthcare • Inability to provide employees with adequate health care facilities • Inability to align with Group objectives of supporting and sustaining territories and including weak population groups <hr/> <p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> • Growth opportunities by exploiting the potential of a rapidly changing market and increasing demand for healthcare • Opportunities to ensure the accessibility of protection also to the weaker sections of the population by contributing to sustainable development 	<p>Through correct and effective implementation of risk management processes, the Poste Vita Insurance Group is committed to contributing to the protection of the community and the sustainable development of society. The Poste Italiane Group is, in fact, committed to defining and marketing its products taking into account the company's objectives, but also the enhancement of the social role of insurance protection and economic inclusiveness. During the development phase of the offer, the Group focuses on the inclusion of more vulnerable social groups, such as young people, the elderly and people with special pathologies. Furthermore, in risk coverages such as term life or health policies, which play a crucial social role, the Group seeks to expand the potential number of policyholders by adopting inclusive underwriting criteria. A tangible example of this commitment is Poste Assicura, which is dedicated to bridging the insurance gap by providing cover for companies and their employees on a consistent basis, in line with the Company's social responsibility.</p> <p>In order to adequately respond to consumer expectations, the Group monitors its initiatives and the products and services offered by promoting continuous and structured dialogue initiatives. The purpose is to monitor the needs of the reference 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. In this sense, "Poste Vivere Protetti" represents one of the insurance offers offered by Poste Assicura in the area of protection that is most recognised by customers and aims to provide an integrated and modular protection and assistance solution.</p> <p>With regard to its own people, Poste Italiane is committed to promoting activities aimed at improving the well-being and health of its employees also through prevention initiatives. Regarding this last aspect, 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. Finally, the Group ensures the health care of its employees also thanks to the activities of Poste Centro Medico, the center of excellence dedicated to the care and prevention of Poste Italiane workers, their family members and pensioners with the aim of strengthening the medical support for employees through the provision of health care and prevention services.</p>








MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Strategic • Reputational <p>SBU's impacted:</p> <ul style="list-style-type: none"> • Insurance Services • Payments and Mobile • Financial Services • Mail, Parcels and Distribution <p>Pillars and material topics impacted:</p> <p> PEOPLE DEVELOPMENT</p> <p>Staff welfare and well-being Occupational health and safety</p> <p> CREATING VALUE FOR THE COUNTRY</p> <p>Support for the socio-economic development</p> <p> CUSTOMER EXPERIENCE</p> <p>Quality and customer experience Cyber Security, IT Security and Privacy</p> <p>Capitals impacted:</p> <p> FINANCIAL</p> <p> HUMAN</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</p>		



ARTIFICIAL INTELLIGENCE AND PROCESS AUTOMATION

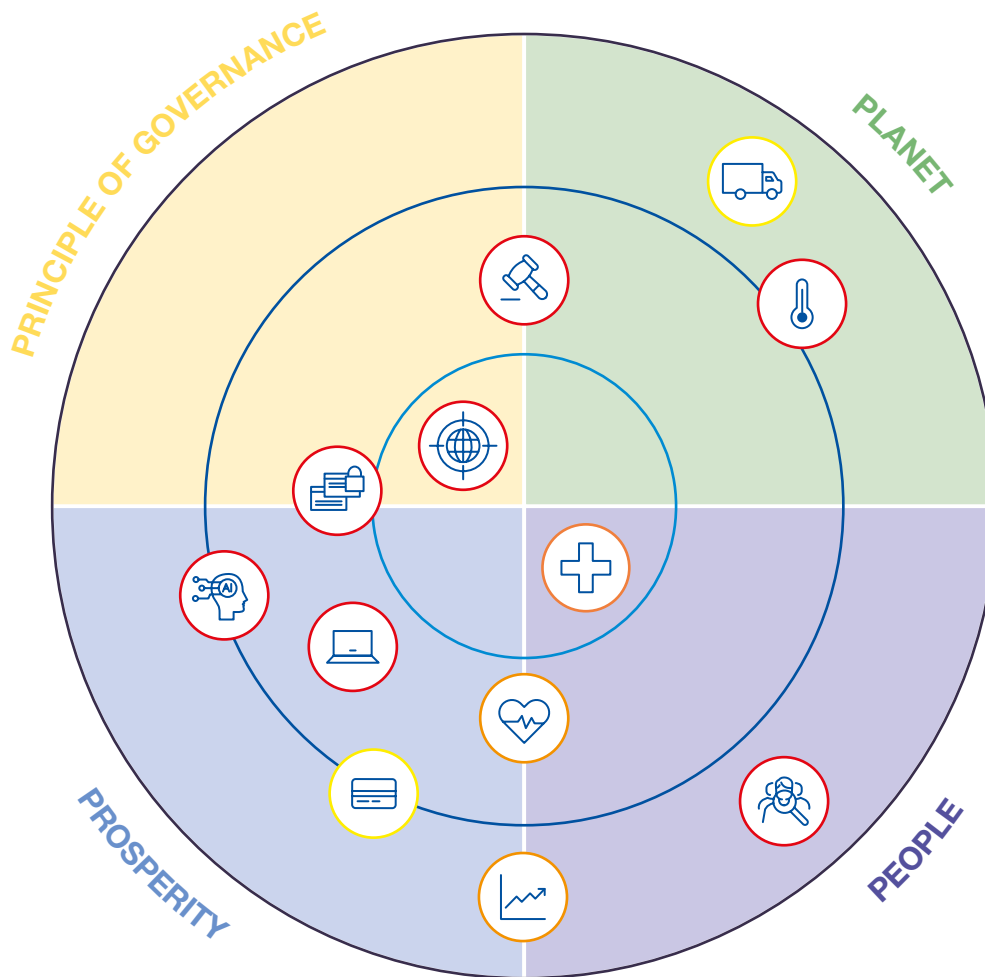
Adverse consequences for employees, consumers and the environment due to the impact of artificial intelligence-based technologies.

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Artificial intelligence (AI) is playing an increasingly important role in various areas of modern society and is now a key element driving the transformation of companies in various sectors. The average number of AI functionalities used by companies has doubled in the last three years. These capabilities mainly include natural language text generation, computer vision and operation optimisation technologies.</p> <p>At the same time, investments in AI have increased significantly over time and are expected to grow exponentially in the future.</p> <p>With reference to the impact of this trend on Poste Italiane's areas of operation, the modernisation of postal services through AI is revolutionising sorting, delivery and tracking processes, making them more efficient, accurate and cost-effective. In the financial sphere, AI offers new opportunities in transaction security management and financial data analysis, also facilitating the detection of suspicious patterns and abnormal behaviour, thus reducing the spread of fraud and misconduct. Finally, the use of AI in customer service across the Group's different business units (Insurance Services, Financial Services, Mail, Parcels and Distribution and Payments and Mobile) enables them to understand and, in many cases, anticipate consumer requests and needs, improving the relationship between consumer and company.</p> <p>However, in this context, it is equally crucial to consider the negative consequences and ethical implications associated with AI and its rapid development. These include the risk of increased unemployment, risks to user privacy and reputational risks associated with misunderstandings caused by the use of digital assistants.</p> <p><i>(continued >)</i></p>	<p style="text-align: center;">↓</p> <p>NEGATIVE IMPACTS:</p> <ul style="list-style-type: none"> • Increased unemployment rate due to the replacement of work activities carried out by Poste Italiane Group employees with artificial intelligence tools with a consequent reputational impact on the company • Strategic risk of inappropriate use of big data and AI and increased privacy breaches • Growth of regulation in the field and consequent increase in compliance pressure • Lack of empathy on the part of the Poste Digital Assistant to understand the emotions, tone or intentions of the consumer negatively impacting customer trust, satisfaction and loyalty • Increased vulnerability related to technological interruptions or failures, with possible negative impacts on daily operations <hr/> <p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> • Reduced waiting times for customer problem solving through the use of the digital assistant • Pro-active customer support through analysis and interpretation of data and operations • Sorting and delivery efficiency through the use of artificial intelligence-based technologies 	<p>Innovation and digitalisation constitute, for Poste Italiane, two central drivers for strategic progress and allow it to guarantee its customers innovative solutions, also through the adoption of technologies based on artificial intelligence in its processes, products and services, while still knowing how to manage the risks associated with such disruptive technologies.</p> <p>In order to manage the potential impact on employment resulting from process automation, Poste Italiane uses People Analytics practices, also known as HR Talent or workforce analytics. These practices involve the collection and analysis of human resources data, using statistics and other data analysis techniques. This enables strategic workforce planning, combining the needs of the different business lines with appropriate management strategies. Through these tools and, in particular, through the "Insourcing and Redeployment" programme, the Group is able to identify resources that are no longer needed as a result of the AI intervention and relocate them to other production sectors, ensuring that they acquire the skills required for their new roles.</p> <p>The Artificial Intelligence solutions adopted by the Group in the area of customer service are also constantly evolving and developing: the service system developed uses an approach in which AI supports both customers and service employees.</p> <p>AI operators (former call centre operators who have acquired new skills) work on a daily basis to improve their understanding of customers' future requests and intentions, bridging any gaps related to misunderstandings. Moreover, thanks to the Group's continuous investments, the Digital Assistant is able to provide proactive assistance, based on the rapid analysis and interpretation of data and transactions made by customers on different channels. In these cases, the Digital Assistant is automatically activated and suggests solutions to problems before they are even reported. In addition, the Poste Italiane Group, with a view to continuous improvement, has implemented a feedback collection system to allow consumers to express their opinions on the functioning of the Digital Assistant, in order to identify any problems encountered in interactions with it.</p> <p>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. For this reason, Poste Italiane undertakes to constantly monitor national and European regulations on the use of data and artificial intelligence, promptly taking all necessary measures to ensure compliance.</p> <p><i>(continued >)</i></p>


MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Trend: Increasing</p> <p>Risks impacted:</p> <ul style="list-style-type: none"> • Strategic • Operational • Compliance • Reputational <p>SBU's impacted:</p> <ul style="list-style-type: none"> • Insurance Services • Payments and Mobile • Financial Services • Mail, Parcels and Distribution <p>Pillars and material topics impacted:</p> <p> PEOPLE DEVELOPMENT</p> <p>Personnel training and development Innovation 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> CUSTOMER EXPERIENCE</p> <p>Quality and customer experience Cyber Security, IT Security and Privacy</p> <p>Capitals impacted:</p> <p> FINANCIAL</p> <p> PHYSICAL-STRUCTURAL</p> <p> SOCIO-RELATIONAL</p> <p> INTELLECTUAL</p>		<p>In relation to Privacy risks, 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. 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).</p> <p>From an organisational point of view, in addition to identifying the roles and responsibilities required by law, the Poste Italiane's Privacy Service Centre is responsible for representing a single point of reference on privacy matters for customers, as well as collecting and managing efficiently and in a centralised manner all the requests that arrive from the latter.</p>

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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

 **Changing consumer purchasing and investment choices as a function of the macro-economic scenario**


Pillars > 

Capital > 

 **Regulatory amendments**

Pillars > 

Capital > 

 **Artificial intelligence and Process Automation**

Pillars > 


Capital > 

 **Technological innovation**


Pillars > 

Capital > 

 **Cyber risk**


Pillars > 

Capital > 

 **Climate change**

Pillars > 

Capital > 

 **Pandemic and infectious diseases**


Pillars > 

Capital > 

 **Demographic and social changes**

Pillars > 

Capital > 

 **Evolution of health and well-being**

Pillars > 

Capital > 

 **Evolution of the payment system**

Pillars > 

Capital > 

 **Mobility revolution**

Pillars > 

Capital > 

 **Geopolitical instability**

Pillars > 

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

IN THIS CHAPTER:




- Performance of Poste Italiane shares
- Impacts resulting from ongoing conflicts
- 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

+29%

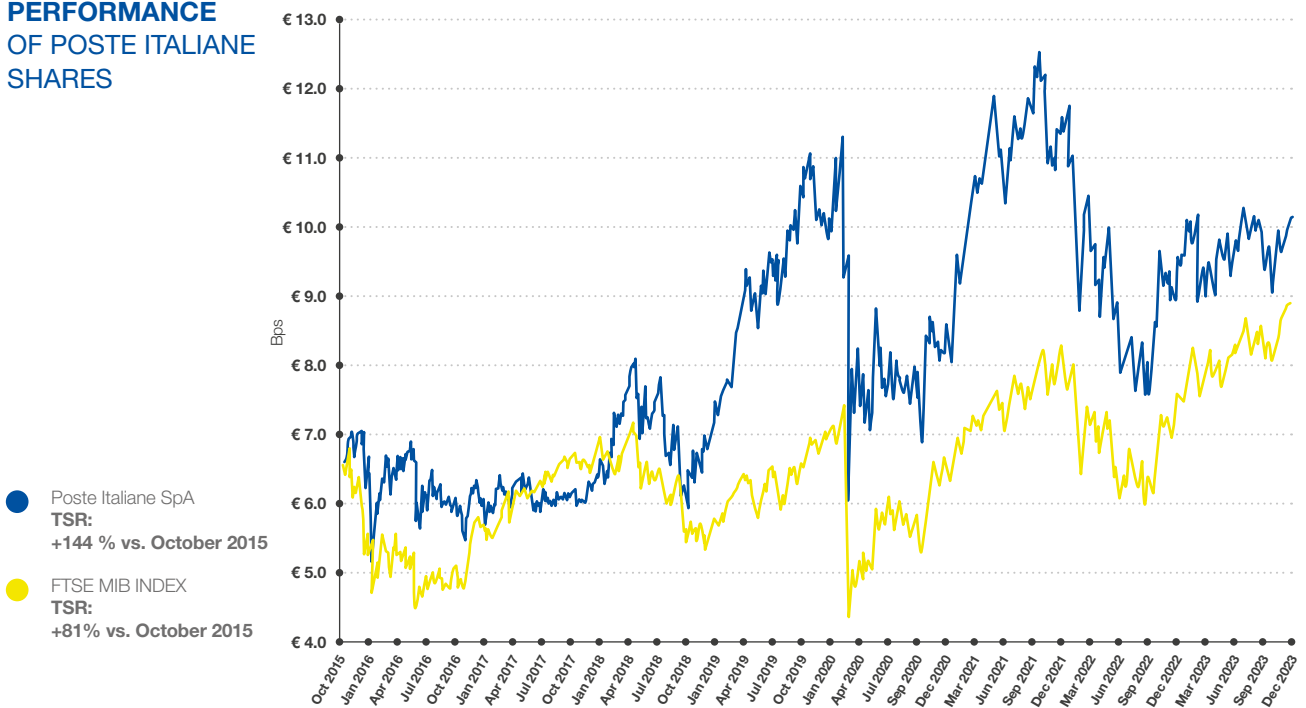
TSR performance vs. median FTSE MIB 2021/2023

The value of the Poste Italiane share in 2023 recorded an increase of 11.30%, going from €9.232 at the beginning of the year to €10.275 at the end of December 2023.

From the date of listing on the stock exchange (27 October 2015) to 31 December 2023, Poste's share price increased by 52.2% (while the **FTSE MIB**  index increased by 34.1% in the same period), guaranteeing an overall return for shareholders (TSR¹¹⁸) of 144% while the main Italian stock exchange index recorded an increase of 81%.

 CONSULT THE GLOSSARY ON PAGE 542

PERFORMANCE OF POSTE ITALIANE SHARES



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 year compared to previous years.

118. Total Shareholder Return.

Share KPIs	FY 2023	FY 2022	FY 2021	FY 2020
Closing price at the end of the period (€)	10.275	9.126	11.540	8.320
Minimum price of the period (€)	9.012	7.658	8.076	6.144
	17/03/2023	29/09/2022	29/01/2021	12/03/2020
Maximum price of the period (€)	10.41	11.940	12.675	11.510
	28/07/2023	03/02/2022	26/10/2021	19/02/2020
Average price of the period (€)	9.826	9.373	10.996	8.364
Stock exchange capitalisation ^(AZ) at the end of the period (€m)	13,362	11,920	15,072	10,867
TSR of the period (%)	20.52	(15.42)	44.83	(13.03)
Earnings per share (€)	1.48	1.21	1.21	0.93
Dividend per share (€)	0.800	0.650	0.590	0.486
Dividend Yield (%)*	7.8	7.1	5.1	5.8

Source: Bloomberg.

* Calculated as the ratio of Dividend Per Share (DPS) to the share price at the end of the period.

 CONSULT THE GLOSSARY
ON PAGE 542

On 6 November 2023, Poste Italiane's Board of Directors, in light of the financial position and results of operations of Poste Italiane SpA at 30 June 2023, the performance for the following months, the business outlook and the related expected economic prospects at 31 December 2023, and in line with the Group's dividend policy, resolved to bring forward, as an interim dividend, part of the ordinary dividend for 2023. 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 €0.237 per share, gross of any legal withholding taxes, was paid with effect from 22 November 2023, with "ex-dividend date" of coupon no. 13 coinciding with 20 November 2023 and record date (i.e. the date on which the dividend was entitled to be paid) 21 November 2023.

Based on the number of shares outstanding at 6 November 2023, which amounted to 1,295,434,202, the total amount of the interim dividend was €307 million.

7.2 Impacts from ongoing conflicts

The year 2023 was characterised by the continuation of the conflict between Russia and Ukraine.

Following the recommendations issued by ESMA and CONSOB during 2022¹¹⁹ and in line with previous accounting closures, the following is an update to 31 December 2023 of the main effects of the crisis in Ukraine on the Group; for a complete recognition, please refer to the information given in chapter 3 Material events during the year, in the section "Poste Italiane's financial statements".

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.

119. 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.

The macro-economic context during 2023, in particular, was characterised by a combination of factors leading to a widespread slowdown in economic growth. In particular, it is worth noting that inflationary dynamics, although decreasing, continued throughout the year, generating growth in the prices mainly of raw materials and transport costs, as well as the continued normalisation of monetary policy by the world's main central banks, which revised their reference interest rates upwards for most of the year, in order to stem the overheating of the economy.

With specific reference to gas and electricity prices, these were significantly reduced in 2023 compared to 2022, as a result of a gradual rebalancing of the international gas market after the cut-off of Russian pipeline supplies to Europe, as well as other factors such as the increase in production from renewable sources in Europe and French nuclear production compared to 2022. The volatility of gas and electricity prices also decreased, although it was also fuelled by the new geopolitical tensions in the Middle East quadrant, which in any case had a much more limited impact than the Russian-Ukrainian crisis. In this gradually improving scenario, the Group successfully started selling electricity and gas to the retail market in 2023, keeping risks under control. Moreover, in its gas procurement policies, in 2022, the Group selected suppliers with minimal exposure to gas imported from Russian territory, in order to minimise geopolitical risk, and expanded its panel of suppliers in 2023 to maximise diversification and competitiveness.

Against this backdrop, the Group's performance during the period was solid and better than expected, with an operating result of €2.62 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 about €845 million in 2023, to pay shareholders €570 million as the balance of the 2022 dividend and €307 million as the interim dividend for 2023, and to accelerate the Group's growth through investments in strategic companies for business development, in execution of the shareholders' resolution of 8 May 2023, to finance buyback transactions totalling €34 million from its own funds (for the latter, see section 3 - Material events during the year - of the "Poste Italiane's financial statements" section).

Lastly, it should be noted that the escalation of the Israeli-Palestinian conflict from October 2023 onwards, even though it accentuated the volatility of the financial markets, did not affect the Group's business during the financial year 2023, as its operations were mainly domestic and exposures to countries involved in the conflict were marginal.

7.3 Group operating results

IN THIS CHAPTER:



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

Revenue
€11.99 billion
(+5.4% y/y)

EBIT
€2.62 billion
(+9.4% y/y)

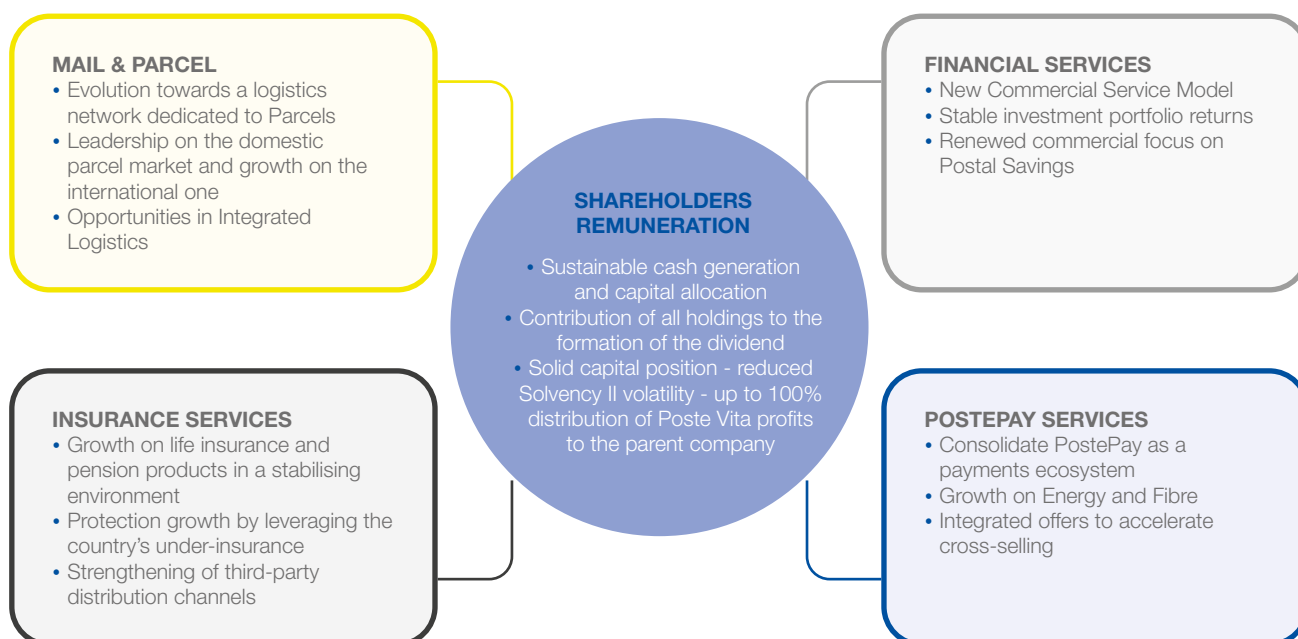
Net Profit
€1.93 billion
(+22.1% y/y)

The comparison scenario for 2022 was pro-forma according to the new accounting standard IFRS 17.

The Group's performance in 2023 is solid and up on 2022 with a record EBIT value (€2,620 million, +9.4% 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.

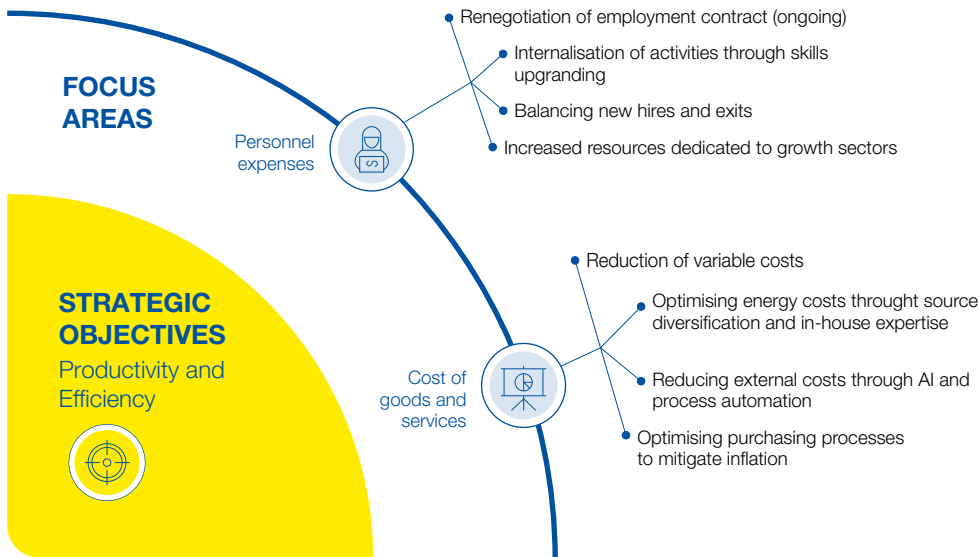
On 20 March 2024, the Group's new 2024-2028 strategic plan was presented to the financial community, outlining future strategies across the various Strategic Business Units (SBUs). In addition, with the new strategic plan, the SBU Payments and Mobile was renamed to PostePay Services.

The evolutionary lines of the 4 Strategic Business Units over the course of the new plan are summarised below. In the following sections on the respective SBUs, the corresponding objectives of the strategy and the main drivers and KPIs are explained.



Business growth will also be supported by careful cost discipline (personnel expenses and costs of goods and services), which will lay the foundation for the target drivers and KPIs depicted below.

MANAGERIAL LEVERS



KPIs

Value added/FTE (€k)*

2023	2028
81	102

Ordinary labour costs/revenues

2023	2028
41%	38%

Variable costs/variable revenues

2023	2028
62%	51%

* Group revenue net of production costs related to the number of resources employed on Full Time Equivalent contracts.

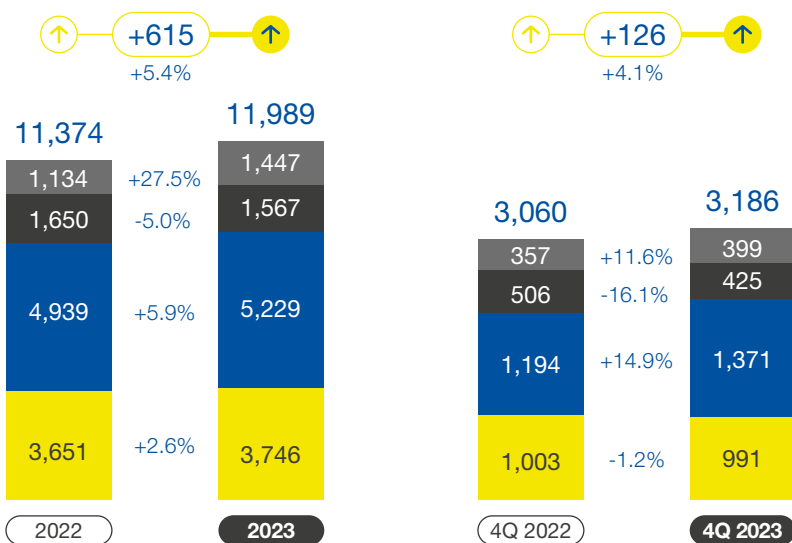
In order to provide an interpretation of the new energy business, more consistent with the view used by management, as the Group is not an energy producer, a net revenue presentation was adopted in 2023. Consequently, some values shown in the following document (including the respective comparative values), reflect a management reclassification with respect to the accounting data: specifically, revenue is shown net of costs related to the purchase of raw materials, system charges and the transport of electricity and gas. Please refer to the reclassified statement of profit or loss schedules in the 'Other Information' section of this Report on Operations for the reconciliation of the management values with the accounting values.

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Revenue*	11,989	11,374	+615	+5.4%	3,186	3,060	+126	+4.1%
Total costs*	9,369	8,978	+390	+4.3%	2,671	2,738	(67)	-2.5%
EBIT	2,620	2,396	+225	+9.4%	515	322	+193	+59.9%
EBIT margin %	21.9%	21.1%			16.2%	10.5%		
NET PROFIT	1,933	1,583	+350	+22.1%	411	144	+267	+185.4%
Net earnings per share	1.48	1.21	+0.27	+22.2%	0.31	0.11	+0.21	+188.1%
CAPEX	845	810	+35	+4.3%	453	401	+51	+12.8%
% of revenue	7.0%	7.1%			14.2%	13.1%		

* The items include the management reclassification of the costs of the energy business.

EXTERNAL REVENUE (€m)

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



Group revenue¹²⁰ amounted to €11.99 billion, marking a growth of €615 million compared to 2022 (+5.4%) with the positive contribution of the Strategic Business Units Payments and Mobile (+€312 million equal to +27.5%), Financial Services (+€290 million equal to +5.9%) and Mail, Parcels and Distribution (+€95 million equal to +2.6%). The Insurance Services Strategic Business Unit recorded revenue down by €83 million (-5%) compared to 2022. The inorganic revenue growth in 2023, i.e. without considering the incremental contribution of the newly acquired Group companies¹²¹, amounted to a total of €245 million (+2.2% compared to 2022).

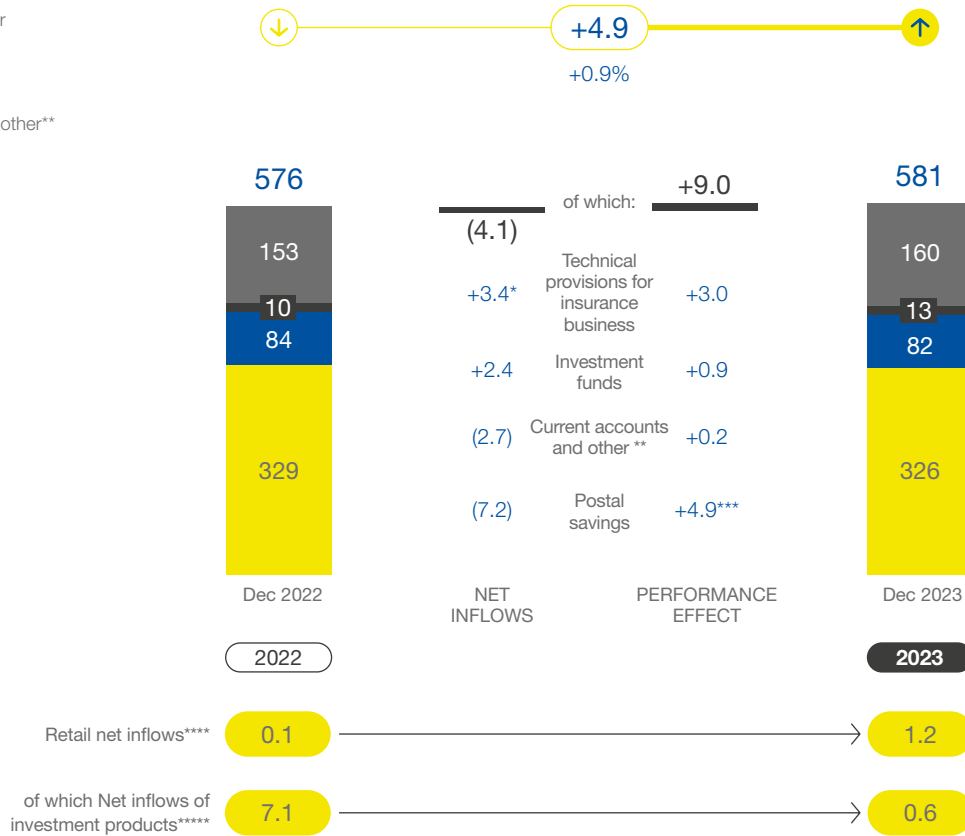
The fourth quarter of 2023 shows revenue growth of €126 million (+4.1%) compared to 2022 attributable to the positive performances of the Strategic Business Units Financial Services (+€178 million; +14.9%) and Payments and Mobile (+€42 million; +11.6%), only partially mitigated by the performance of the Strategic Business Units Insurance Services (-€82 million equal to -16.1%) and Mail, Parcels and Distribution (-€12 million equal to -1.2%).

120. The Group's accounting revenue amounted to €12,128 million in 2023 (€3,251 million in the fourth quarter of 2023) and €11,386 million in 2022 (€3,071 million in 2022).
121. M&A 2022: Plurima (April), LIS (September), Agile and Sourcesense (October); M&A 2023: Net Insurance (April).

TOTAL FINANCIAL ASSETS (€bn)

The value of the total financial assets of the insurance segment, as of the financial year 2023, takes into account the “Insurance Provisions” indicator¹²² of the Life segment (in accordance with the local processing principles of the financial statements of Poste Vita SpA); the stock of total financial assets at 31 December 2022 has also been readjusted according to this new measure.

- Technical provisions for insurance business*
- Investment funds
- Current accounts and other**
- Postal savings



* Values do not include the protection line of the Life business.

** Includes the value of current accounts and assets under administration. Current accounts do not include REPO and Poste Italiane's liquidity.

*** Includes capitalisation of interest.

**** Includes net inflows on: Postal Savings, Investment Funds, Moneyfarm, Insurance, Current Accounts and Assets under Administration.

***** Includes net inflows on: Investment Funds, Moneyfarm, Postal Savings Bonds, Insurance and Assets under Administration.

€581 billion

Total Financial Assets

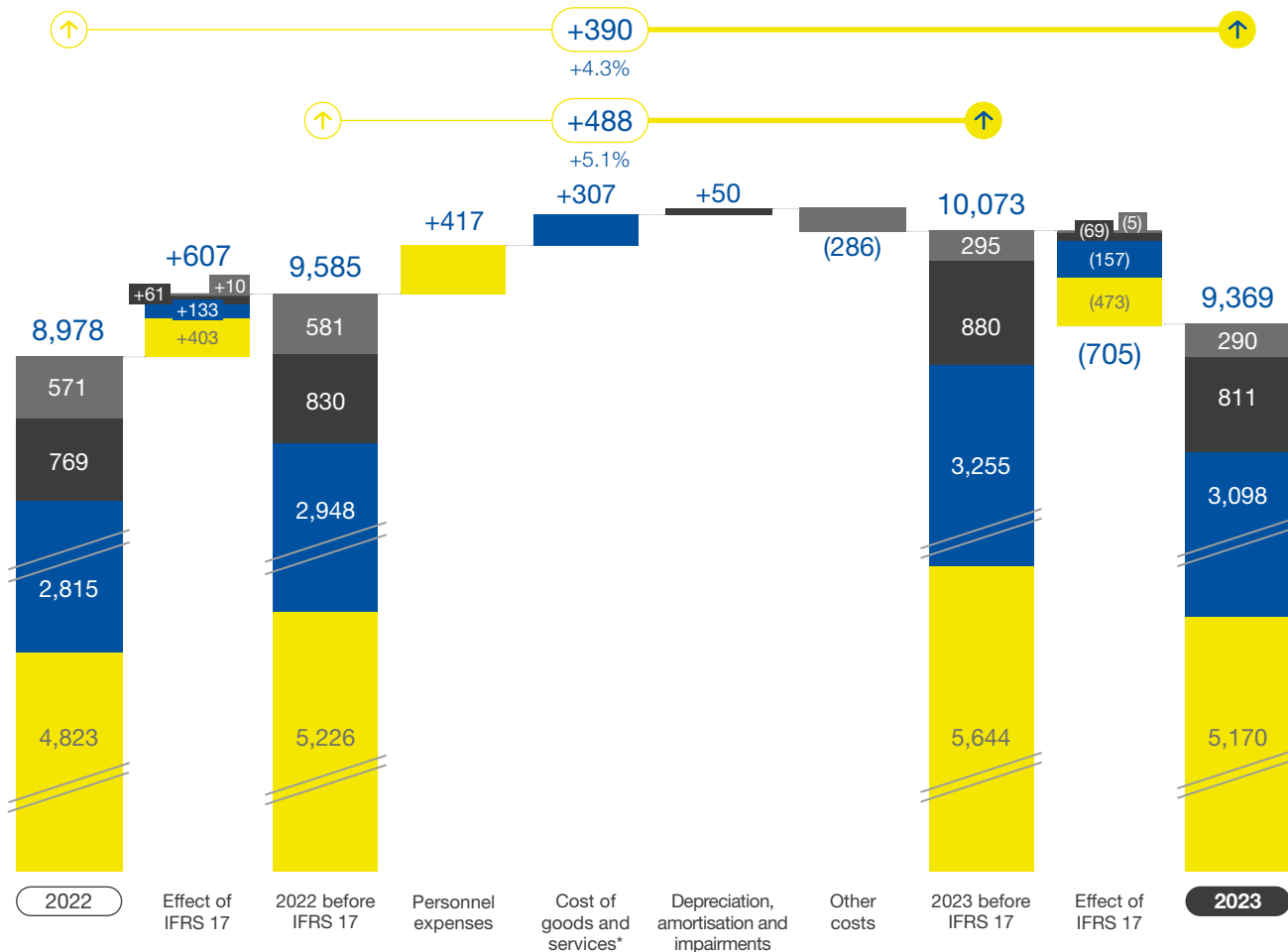
During 2023, **total financial assets**, which amounted to €581 billion, increased by 0.9% (+€4.9 billion) compared to the €576 billion at 31 December 2022, due to the positive performance effect mainly on Postal Savings (+€4.9 billion) and on Insurance Provisions (+€3 billion), partially offset by negative net inflows on Postal Savings and current accounts. There were also positive net inflows in insurance (€3.4 billion) and mutual funds (€2.4 billion).

122. They represent the obligations undertaken vis-à-vis policyholders as well as the tariff premiums net of loadings. Technical Provisions are calculated, in accordance with the application rules set out in Annex 14 of ISVAP Regulation no. 22 of 4 April 2008, analytically, contract by contract with reference to the portfolio issued by the Company and in force at the valuation date (Mathematical Provisions). This item also includes Outstanding claims provisions and Miscellaneous Technical Provisions (provisions for future expenses, supplementary insurance premium provisions, profit-sharing provisions and reversals).

TOTAL COSTS (€m)

- Other costs
- Depreciation, amortisation and impairments
- Cost of goods and services*
- Personnel expenses

Following the entry into force of the new IFRS 17 standard, the costs incurred by the Group and directly attributable to insurance policies, from the time of their placement and until their settlement, are considered within insurance liabilities and released periodically in the statement of profit or loss (among insurance net revenue). For the purpose of understanding the trends presented below, the total value of costs incurred by the Group was highlighted, also considering those attributable to insurance contracts.



* This item takes into account the management reclassification of costs related to the purchase of raw materials, system charges and the transportation of electricity and gas, which are classified as a direct reduction of energy segment revenues. Please refer to section 8.2 Other Information for a reconciliation with the respective accounting data.

In accordance with the accounting standard IFRS 17, total costs¹²³ stood at €9,369 million, an increase compared to the €8,978 million of 2022 (+€390 million), mainly due to the increase in the items: personnel expenses (+€347 million), costs of goods and services (+€282 million) and depreciation and amortisation (+€42 million). The expansion of the Group's corporate scope in 2022 and 2023 explains a significant part of the increase in total costs: +€42 million in personnel expenses, +€159 million in costs of goods and services, and +€20 million in depreciation and amortisation (totalling €221 million).

Personnel expenses amounted to €5,170 million, an increase of €347 million compared to 2022. See the following section for more details.

Costs of goods and services recorded an increase of €282 million, going from 2,815 in 2022 to 3,098 in 2023. Net of the effects of the application of the new standard, costs of goods and services recorded an increase of €307 million, going from €2,948 million in 2022 to €3,255

123. Accounting operating costs, before costs of the Energy business netted against revenue (raw materials and system charges), amounted to €9,508 million in 2023 and €8,991 million in 2022.

million in 2023. In addition to the incurring of costs to support the business, the change is mainly related to the expansion of the company scope (for €159 million) for the companies acquired during 2022 and 2023, and the inflation scenario (for €55 million).

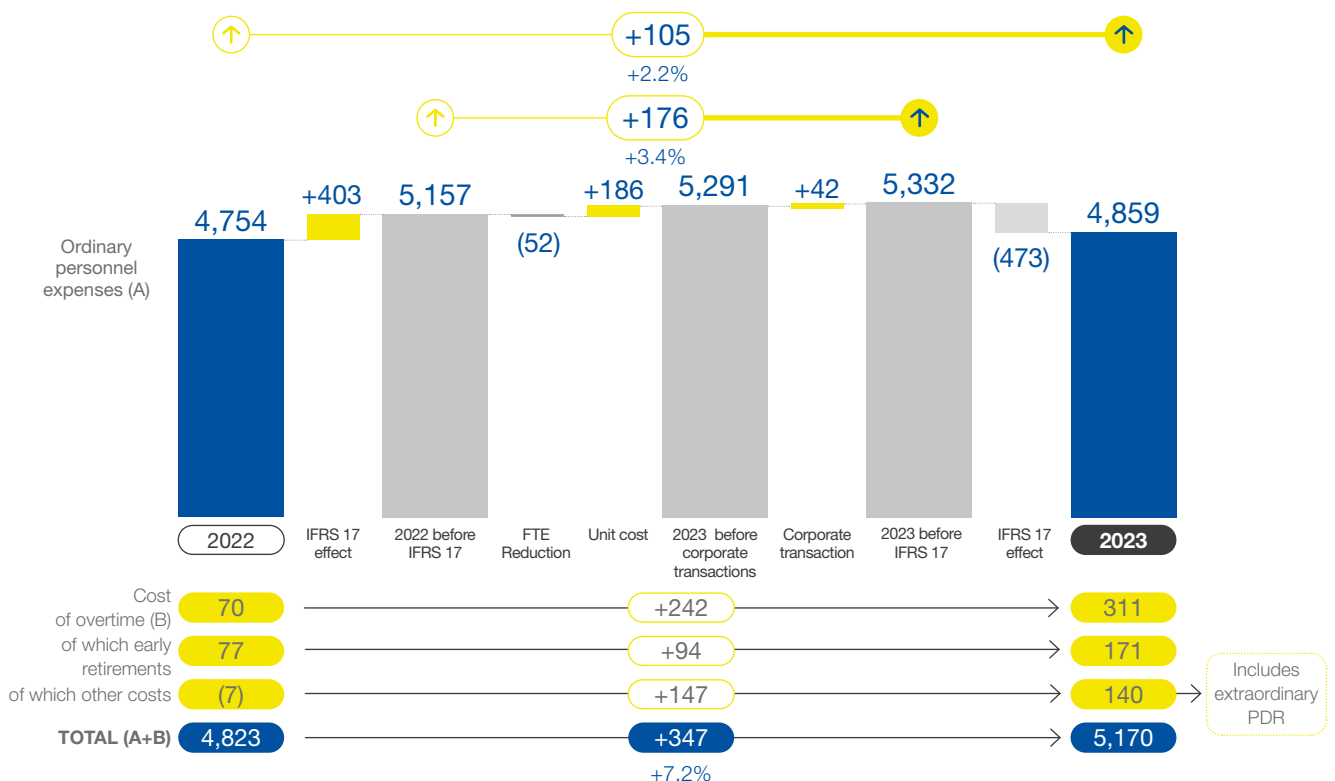
Depreciation, amortisation and impairments costs increased by €42 million (+5.4%) from €769 million in 2022 to €811 million in 2023, due to the expansion of the company perimeter as well as higher depreciation on rights of use (mainly for the expansion of the Parent Company's leased fleet) and on property, plant and equipment.

Further information is provided in the Notes to Poste Italiane Financial Statements for the year ended 31 December 2023.

PERSONNEL EXPENSES
(€m)

Total personnel expenses recorded an increase of €347 million (+7.2%) compared to 2022, of which +€242 million on the cost of overtime and +€105 million on the cost of ordinary labour. Analysing the development of personnel expenses compared to 2022, without taking into account the effects from the application of IFRS 17, the overall increase amounted to €417 million (+8.0% compared to 2022). Ordinary personnel expenses, net of the effect generated by the application of the IFRS17 accounting standard, recorded an increase of €176 million (+3.4%) going from €5,157 million in 2022 to €5,332 million in 2023. This change is linked to the increase in unit cost (+€186 million), the effect of the corporate transactions (around 700 average FTEs) carried out during 2022 and 2023 (+€42 million), partially offset by the reduction of the workforce (approximately -1,200 average FTE). Contributing to the increase in the unit cost were the increase in the contractual minimums triggered in July 2022 and July 2023 in connection with the National Collective Labour Agreement renewed in June 2021 and the increase in the variable component driven by the share linked to commercial incentive.

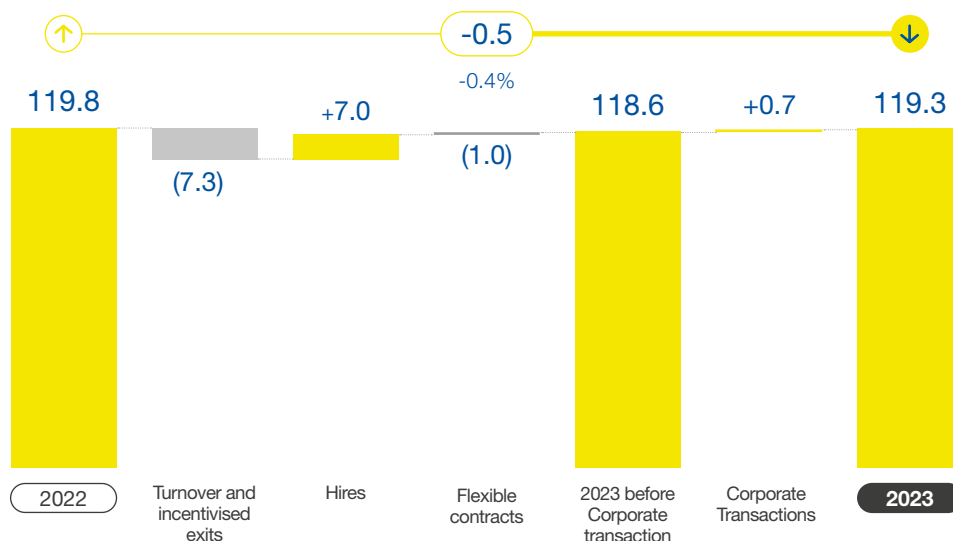
The change in the cost of overtime compared to 2022 is equal to +€242 million and is mainly attributable to the provision to the redundancy fund to support the commitment of 3,900 incentivised exits by 2025 (communication to the Trade Unions of 22 December 2023) and to the additional and extraordinary performance bonus (approximately €133 million) paid in November 2023 and recognised in order to appreciate the commitment of employees and mitigate the effects on real wages produced by the inflation phenomenon (Agreement on the Performance Bonus for the year 2023 signed with the trade unions on 1 August 2023).



NUMBER OF RESOURCES (average Full Time Equivalent in thousands)

about **119k**
Average persons employed in 2023

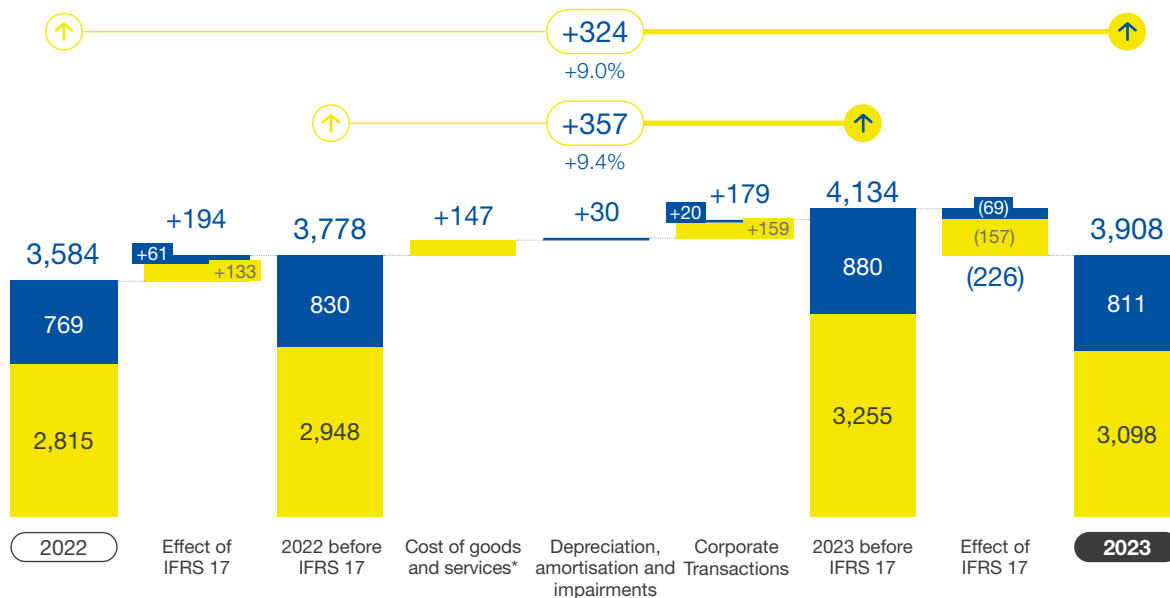
The number of resources leaving the Group in 2023, including incentive redundancies, is 7.3 thousand (average FTE) on a permanent basis and 1 thousand (average FTE) on a fixed-term basis, against new hires of 7 thousand (average FTE). The expansion of the Group scope which took place in 2022 with the entry of Plurima, Agile, LIS and Sourcesense and in 2023 of Net Insurance (+0.7 thousand average FTE) also contributed to the change in the workforce for the period.



COST OF GOODS AND SERVICES AND DEPRECIATION AND AMORTISATION (€m)

The following table shows the development of costs of goods and services and depreciation and amortisation compared to 2022, showing the effects of the application of IFRS 17. Net of the effects of the application of the new standard, costs of goods and services increased by €307 million from €2,948 in 2022 to €3,255 in 2023. In addition to the incurring of costs to support the business, the change is mainly related to the expansion of the company scope (for €159 million) for the companies acquired during 2022 and 2023, and the international inflation scenario (for €55 million). Depreciation and amortisation, net of the application of IFRS 17, amounted to €880 million and increased by €50 million compared to 2022 due to the expansion of the company scope (+€20 million) as well as higher amortisation on rights of use, mainly for the expansion of the Parent Company's leased fleet, and on property, plant and equipment.

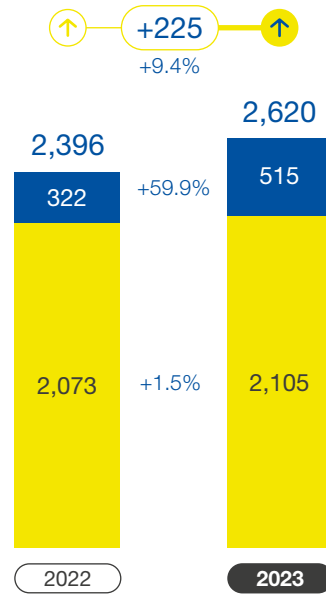
- Depreciation, amortisation and impairments
- Cost of goods and services*



* This item takes into account the management reclassification of costs related to the purchase of raw materials and the transportation of electricity and gas, which are classified as a direct reduction of revenues in the energy segment. Please refer to section 8.2 Other Information for a reconciliation with the respective accounting data.

GROUP EBIT
(€m)

- 4Q
- 9M

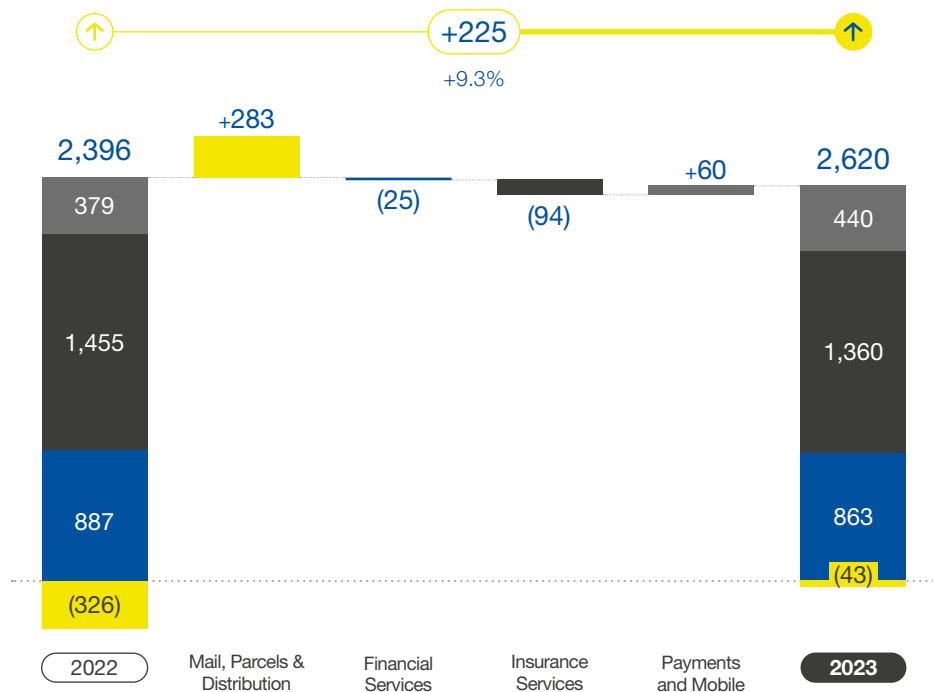


The consolidated **operating profit (EBIT)** stood at a record level for the Group at €2,620 million and recorded growth of €225 million (+9.4%) compared to the last financial year (€2,396 million). It should be noted that in the year 2023, the Mail, Parcels and Distribution SBU reached a substantially balanced budget one year ahead of schedule.

Below is a representation of the contribution of the individual SBUs to the operating result for the period.

EBIT BY STRATEGIC BUSINESS UNIT
(€m)

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

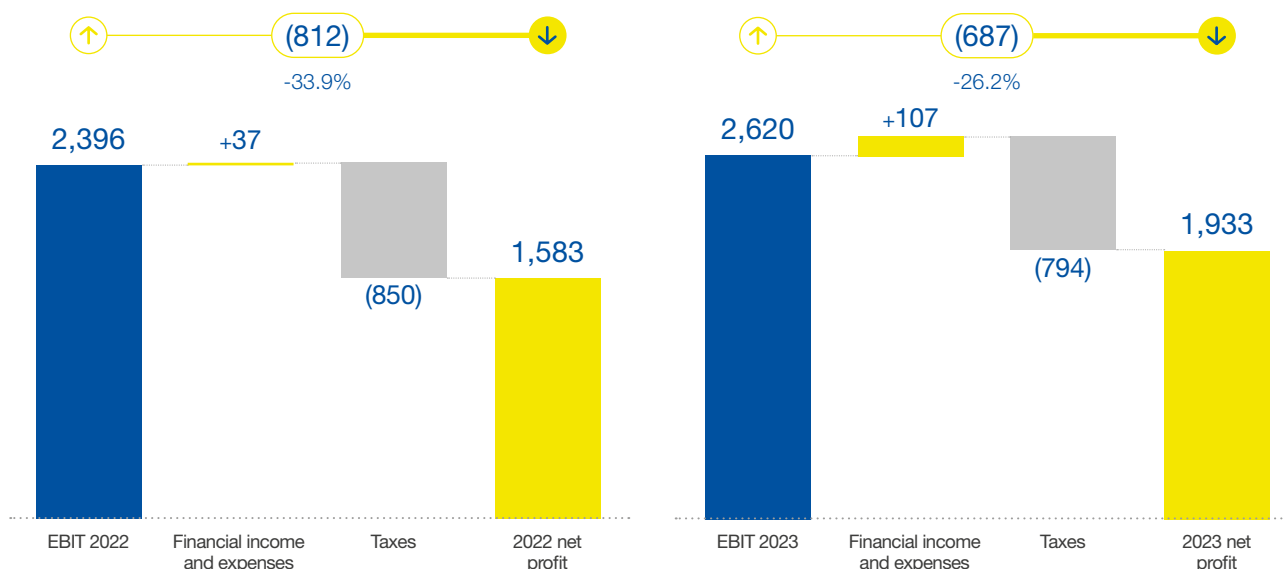


In 2023, the Group's operating profit amounted to €2,620 million, showing an increase of €225 million compared to the previous year. The growth in operational performance affected the **Strategic Business Units Mail, Parcels and Distribution** which recorded an operating result of -€43 million in 2023, up by €283 million compared to last year, and **Payments and Mobile**, which recorded an operating result of €440 million, up by €60 million compared to 2022 (€379 million).

The operating results of the **Financial Services and Insurance Services Strategic Business Units** were positive at €863 million and €1,360 million respectively, a decrease of €25 million and €94 million compared to the value realised in 2022 (€887 million and €1,455 million).

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)



The **profit for the period** stood at €1,933 million, an increase of 22.1% compared to 2022 (€1,583 million), and takes into account financial management, which went from €37 million in 2022 to €107 million in 2023.

This change (+€70 million) is mainly attributable to: (i) the release, following the July 2023 ruling of the Court of Cassation, of part (€25 million) of the provision for doubtful debts from others relating to the interest income accrued on the IRES receivable (for the non-deduction for IRAP purposes of personnel expenses); (ii) the adjustment of €21 million, following the impairment test carried out in 2022, on the value of the investment in Anima Holding (at 31 December 2023, the need to adjust the carrying amount of the investment had not arisen). For further details, please refer, respectively, to as reported in the chapter "Proceedings pending and principal relations with the Authorities" and to the paragraph "Use of Estimates" of the section "Poste Italiane's financial statements".

7.3.1 Mail, Parcels and Distribution Strategic Business Unit

INDUSTRIAL PLAN STRATEGY 2024-2028



MAIL, PARCELS AND DISTRIBUTION

Leading logistics player with the aim of consolidating its presence in the parcels and express courier sector and growing in integrated logistics

- Evolution of the logistics network
- **B2X** market leadership
- Growing in integrated logistics

Targets and KPIs Business Plan

Actual 2023

Target Plan



Automation and streamlining of the logistics network

- Parcels delivered by postmen and women

90 mln/pcs

240 mln/pcs in 2028



Green address

Pick-up and delivery points for a sustainable offer

- Parcels collected and delivered at PUDO network*
- Punto Poste network population coverage**

44 mln/pcs
95%

>80 mln/pcs in 2028
>98% in 2028

Reduction of consumables in logistics centres

- Reduction of disposable materials*** in sorting centres

-

-40% disposable materials in 2028 vs. 2023

* Pick Up Drop Off (PUDO): includes the Punto Poste network, Post Offices with poste restante and Lockers.

** % of the population within 5 minutes (or 2.5 km) of a PUDO.

*** This means all materials that can wear out and break (e.g. wooden decks), which will need to be replaced with reusable materials (specifically with recycled plastic decks).



Business Development

Parcels

- Revenue share related to parcels and logistics****
- Key customer revenues*****

40%
2x vs. 2019

43% in 2024, ~60% in 2028
3x in 2028 vs. 2019

International

- International Revenues

210 €mln

390 €mln in 2028

Integrated Logistics

- Revenues from Integrated Logistics*****

0.1 €bn

0.3 €bn in 2028

**** Calculated on mail and parcel revenues, excluding other revenues.

***** Key customers: Amazon, Zalando, China business, Vinted and Ebay.

***** Revenues in 2023 do not include those from the order with the Civil Protection (Ministry of the Interior).

The Strategic Business Unit shows, one year ahead of the Plan's forecasts, the historic milestone of an operational break-even. This result benefited from both the growth in external revenue, thanks in part to the contribution of the €109 million capital gain related to the sender transaction, and the growth in revenue from the placement of products/services of the other segments on the distribution network. The operating profit absorbed the increase in costs generated by inflationary pressures (€55 million) and the extraordinary performance bonus paid to employees in November (€133 million).

Mail, Parcels and Distribution (€m)	2023	2022	Changes	
External revenue	3,746	3,651	+95	+2.6%
Revenue from other sectors	5,244	4,862	+383	+7.9%
Total revenue	8,991	8,512	+478	+5.6%
Costs	8,987	8,799	+188	+2.1%
Costs vs. other sectors	46	39	+8	+19.8%
Total costs	9,033	8,838	+195	+2.2%
EBIT	(43)	(326)	+283	+86.9%
NET RESULT	(46)	(361)	+315	+87.3%

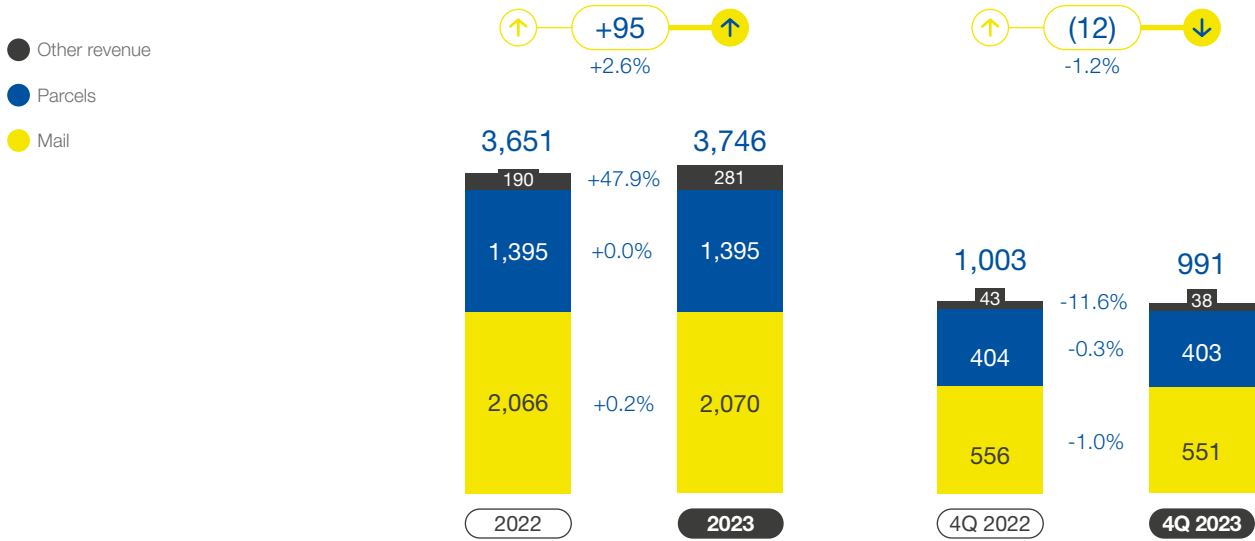
Operative KPIs	2023	2022	Changes	
Mail and parcels				
Revenue/FTE (€k)	76	72	+5	+6.4%
Parcels that can be delivered as standard mail (volumes in m)	90	71	+19	+26.9%
New Punto Poste Network (number of lockers and alternative collection points)	15,724	15,117	+607	+4.0%
Incidence of parcels delivered using alternative channels*(%)	7.7	6.0	+1.7	+28.8%
Distribution				
Number of customers (m)	35.1	35.1	-	-0.1%
Number of Post Offices	12,755	12,755	-	n/s
Rooms dedicated to consultancy	7,907	7,853	+54	+0.7%
Postamat ATM network	8,135	8,118	+17	+0.2%
ESG				
Green fleet (electric vehicles)	5,822	3,653	+2,169	+59.4%
Electric charging points installed	5,637	4,012	+1,625	+40.5%
Smart mailboxes	707	418	+289	+69.1%
No. buildings involved in the Smart Building project**	1,996	1,617	+379	+23.4%
Photovoltaic Panels (no. of buildings)	308	163	+145	+89.0%

n/s: not significant.

* Third-party networks. Calculated as parcel volumes delivered on the Punto Poste network (Lockers, tobacconists and other collect points) on total B2C parcel volumes.

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

EXTERNAL REVENUE (€m)



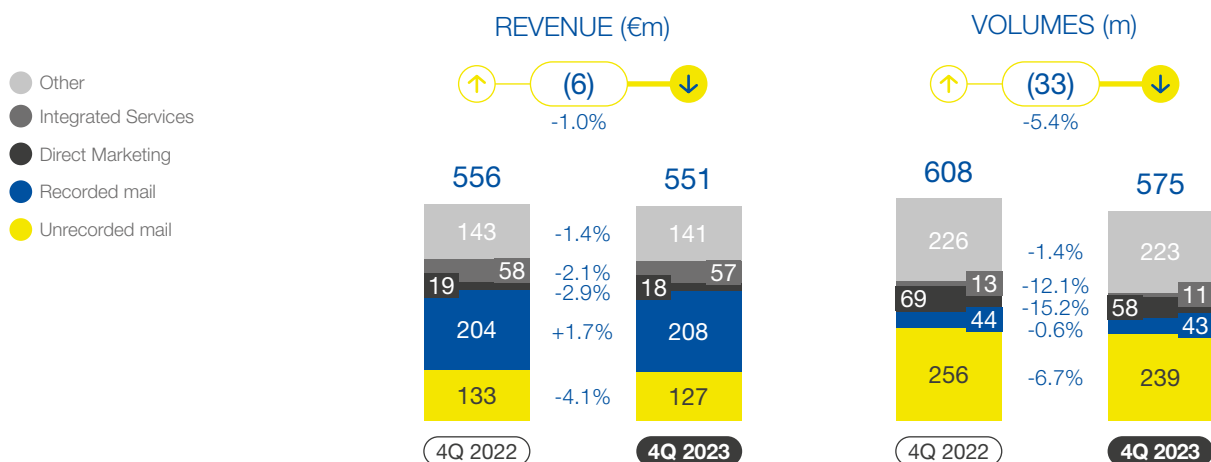
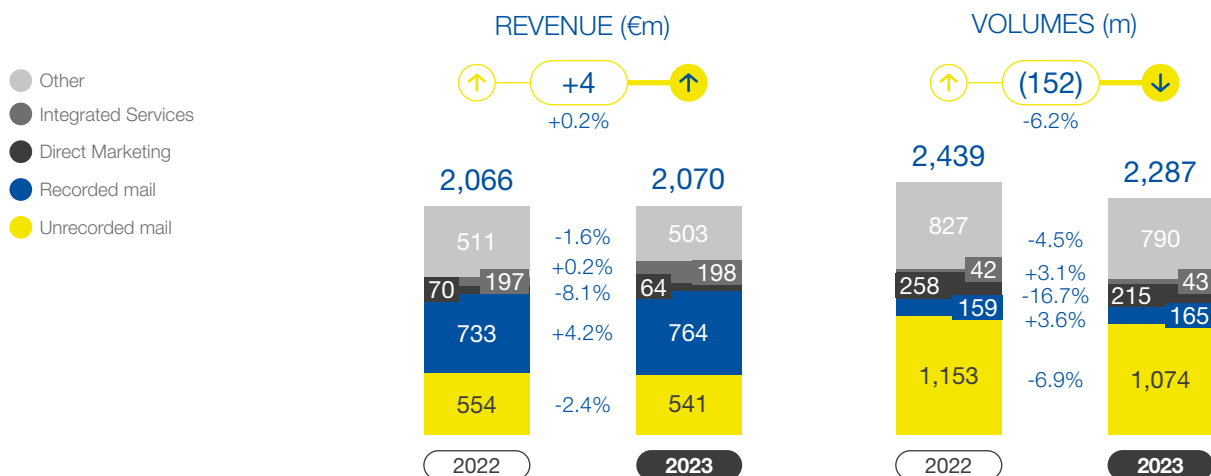
The external revenue of the Strategic Business Unit went from €3,651 million in the year 2022 to €3,746 million in the same period of 2023 (+€95 million, equal to +2.6%). This increase is mainly attributable to the performance of other revenue and income¹²⁴ (+€91 million, equal to +47.9%), due to the recognition, in the second quarter of 2023, of a core operating income of approximately €109 million and linked to the renegotiation of the Joint Venture agreements with sender. For further details, please refer to as previously reported in the paragraph “Corporate structure of the Group and principal corporate actions during the period”.

The revenue of the traditional mail sector, after a first quarter characterised by the full recovery of post-pandemic activities and a slight slowdown in the second quarter, recorded a recovery in the third quarter, due to a better mix of volumes and an adjustment in the last quarter, leading the sector’s revenue at €2,070 million in 2023 (+€4 million, equal to +0.2% compared to 2022). Parcel revenue in the period were in line with the results achieved in the twelve months of 2022.

Neutralising the positive contribution of Plurima (+€15 million), the lower revenue linked to logistics services provided during the Covid-19 pandemic emergency phase (-€43 million), as well as the lower contribution of sender (-€11 million) related to the Group’s exit from the scope of consolidation from the end of June 2023 and other one-off components, the revenue trend of the parcel and logistics sector in 2023 would increase by approximately €50 million, +4% compared to 2022, reflecting the growth trend in sector volumes.

124. “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 results of Mail services recorded by the Group during 2023 show a decline in volumes equal to 6.2% (-152 million items), with revenue in line (+0.2% equal to +€4 million) compared to the previous year. This trend is attributable to a different product mix compared to 2022, which saw a growth in the volumes of some higher value products present in the families of Integrated Services and Described Mail (Judicial Act and Registered Mail), compared to the decline in the volumes of products with lower unit value.

Recorded Mail recorded a 3.6% increase in volumes (+6 million items), against a 4.2% increase in revenue (+€31 million). This growth was concentrated in the first quarter, particularly on the product Judicial Act, and then stabilised in the other quarters with registered mail, thanks to the increased volume of shipments from some large customers.

Unrecorded Mail showed a reduction in both volumes and revenue of 6.9% (-79 million items) and 2.4% (-€14 million) respectively compared to 2022, attributable to a physiological drop in shipments that continued in the fourth quarter of the year substantially in line with the drop recorded in the second and third quarters of 2023 (-17 million items in the fourth quarter of 2023 compared to the same period of 2022, or -6.7%).

Integrated Services recorded an increase in the year compared to the previous year in terms of volumes (+1 million shipments, equal to +3.1%) and a trend in line with revenue (approximately +€1 million, equal to +0.2%), thanks to the positive result recorded in the first nine months of 2023, which compensated for the slight drop in the last quarter (-2 million shipments compared to the fourth quarter of 2022, in which there were exceptional shipments from the Public Administration).

Direct Marketing continues to record a decrease in volumes of 16.7% (-43 million items), resulting in a negative change in revenue of approximately €6 million (-8.1%), attributable to the phenomenon of e-substitution.

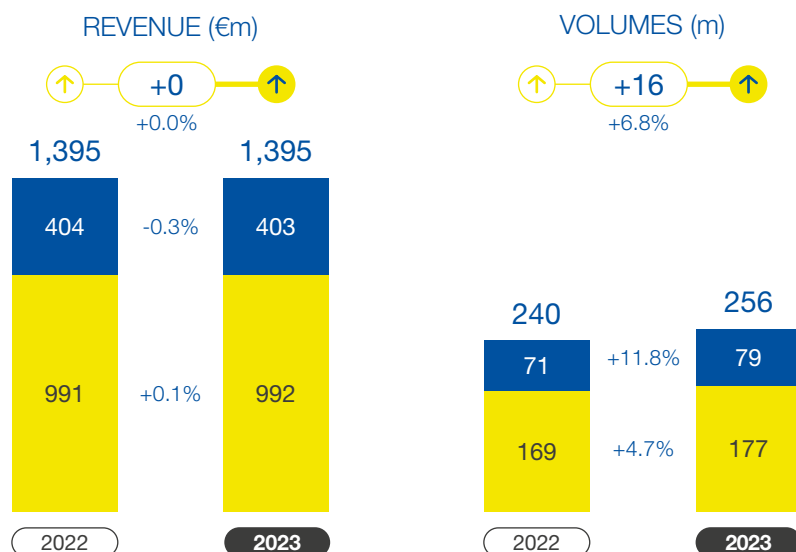
The item Other, which also includes services marketed by Postel, showed in 2023 a 4.5% drop in volumes (-37 million items) compared to 2022, accompanied by a 1.6% decrease in revenue (-€8 million). This development is mainly attributable to Publishing, which in the second quarter of 2022 was characterised by increased mailings from non-profit associations in favour of refugees from the war in Ukraine.

The item Other also includes the fee for the Universal Service Expense of €262 million in 2023, in line with 2022, and the tariff subsidies on the publishing service, which recorded a growth of 1.4% (+€1 million) compared to the previous year, as a result of the AGCom Resolution 454/22/CONS which defined, with effect from 1 September 2022, a process of progressive increase of the universal tariffs for editorial services.

Generally speaking, since the second half of 2022, Mail has recorded a tariff and revenue recovery linked partly to the tariff manoeuvre on universal service products, and partly to tariff adjustments related to inflationary pressures, on expiring business customer contracts.

PARCELS

- 4Q
- 9M

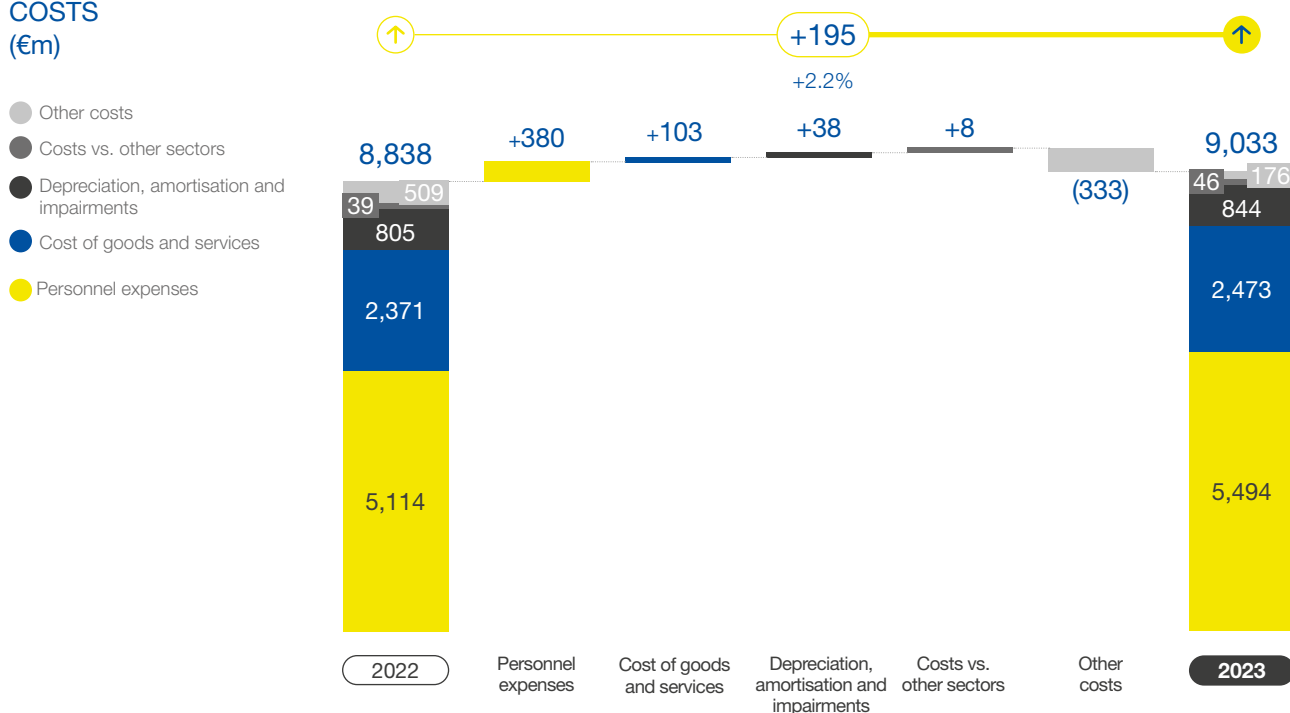


In the year 2023, the parcel business recorded a volume growth of 6.8% (+16 million shipments), while revenue was in line with the previous year.

E-commerce continues to be the strategic business segment, thanks to steadily increasing performance, with an even more visible effect on volumes in the second half of 2023. In 2023, the C2X segment posted revenue growth of 4.5% (+€2 million) and volumes substantially in line with 2022 (+€0.1 million, or +1.1%), also thanks to some repricing effects.

The last quarter of 2023 shows an acceleration in volume growth (+8 million shipments compared to the fourth quarter of 2022) equal to the growth recorded during the first nine months of the year. In particular, major customers show a significant increase in average daily volumes entrusted compared to the previous year. Revenue performance in the fourth quarter of 2023 (-€1 million, -0.3% compared to the same quarter of 2022) was in contrast to volume growth, mainly due to the combined effect of the following factors: lower revenue related to logistics services provided during the Covid-19 pandemic emergency phase (-€8 million), lower revenue from the deconsolidation of sender (-€6 million) and other one-off components; neutralising these factors, the revenue trend in the parcels and logistics segment in the fourth quarter of 2023 would be up by approximately €23 million, +6.2% compared to the fourth quarter of 2022.

COSTS (€m)

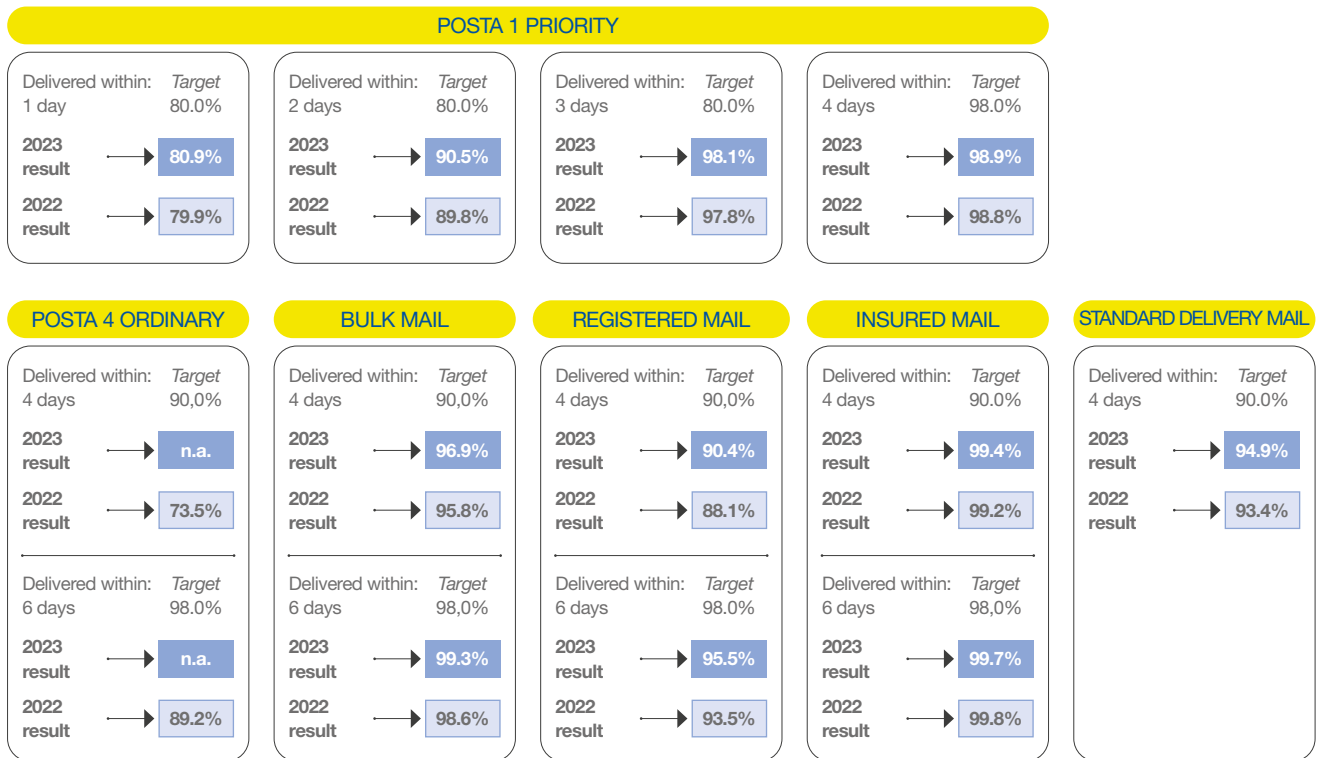


Costs of the Mail, Parcels and Distribution SBU including depreciation, amortisation and impairments for 2023 amount to €9,033 million, an increase of €195 million (equal to +2.2%) compared to 2022. This trend is attributable to the increase in personnel expenses, which stood at €5,494 million, up by €380 million (+7.4%) compared to the previous year, mainly attributable to the increase in the per capita cost related to the contractual adjustments that took effect starting from July 2022 and July 2023, to the extraordinary performance bonus that was awarded to employees in November 2023 and to the provision to the redundancy fund to support the commitment of approximately 3,900 incentivised exits by 2025. Costs of goods and services showed an increase of €103 million (+4.3%), reaching €2,473 million in 2023. This trend is attributable to the joint effect of the increase in variable costs related to business growth and the increase in costs generated by inflationary pressures on fuel and raw materials. Depreciation, amortisation and impairments increased by €38 million (+4.8% compared to 2022) against an increase in investments. Finally, the decrease in other expenses only partially offsets the increase in the cost items described above, and is attributable to lower provisions for risks and charges on tax credits, as better described in the notes to the Consolidated financial statements.

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 2023 shows good performance overall, with almost all products exceeding their targets for the year. Compared to the previous year, the trend showed a general improvement. It should be noted that during 2023, there was an increase in the volumes handled in Registered Mail compared to the forecast.



7.3.2 Financial Services Strategic Business Unit

INDUSTRIAL PLAN STRATEGY 2024-2028

Financial Services

More transparent, capillary, best offer pricing and customer-oriented manager of Italian people's assets

- New service model to optimise specialist customer coverage, maximising customer value
- Proactive investment portfolio management providing flexibility in different rate scenarios

Targets and KPIs Business Plan

Actual 2023

Target Plan

Evolution of the service model:

- New customer segmentation with specialised financial advisors to improve commercial effectiveness
- "Hub and Spoke" model of the Post Office network to optimise its coordination

Specialist coverage on Affluent+ customers
32%

Specialist coverage on Affluent+ customers
>80% in 2028

Savings and Investments

- Customer portfolio management with a range of products to suit every need
- Renewal of the postal savings product range and user experience
- Integration of investment and protection into the advisory model

TFA
581 €bn

TFA
624 €bn in 2028

Loans

- Optimising the multi-partner model to maximise commercial efficiency
- Evolution of the product offering

Intermediated disbursement of personal loans and assignment of one-fifth of €3.3bn per year

Intermediated disbursement of personal loans and assignment of one-fifth of 4.3 €bn in 2028

Micro-small business

- Renewed commercial focus by leveraging the retail platform
- Comprehensive product offering and omnichannel approach

Current account stock
278,000

Current account stock
400,000 in 2028

Investment Portfolio Management

- Stabilised portfolio contribution with proactive management able to adapt to different market scenarios

Revenues from the investment portfolio*
2.4 €bn

Revenues from the investment portfolio*
2.5 €bn in 2028

* Income from the investment portfolio includes net interest income and net realised capital gains from proactive portfolio management.

The results of the Financial Services Strategic Business Unit in 2023 show revenue growth supported mainly by the greater net interest income achieved and the positive contribution of the postal savings collection and management service. The BancoPosta Total Capital Ratio at 31 December 2023 stood at 22.1%.

Financial Services (€m)	2023	2022	Changes	
External revenue	5,229	4,939	+290	+5.9%
Revenue from other sectors	866	820	+46	+5.6%
Total revenue	6,095	5,759	+336	+5.8%
Costs	152	114	+37	+32.8%
Costs vs. other sectors	5,081	4,757	+323	+6.8%
Total costs	5,232	4,872	+361	+7.4%
EBIT	863	887	(25)	-2.8%
EBIT margin %	14.2%	15.4%		
NET PROFIT	647	622	+25	+4.0%

Operative KPIs	2023	2022	Changes	
Total Financial Assets (€bn)	581	576	+5	+0.9%
Net inflows (€m)	(4,087)	(550)	(3,537)	n/s
Performance Effect* (€bn)	9.0	3.5	+5.5	n/s
Current accounts (average deposits for the period in €bn)	91.8	96.1	(4.4)	-4.5%
Net return on deposits**	2.44%	1.99%		
Postal savings (average deposits in €bn)	312.2	315.5	(3.3)	-1.0%
Loans (disbursed in €m)	3,374	3,296	+78.2	+2.4%

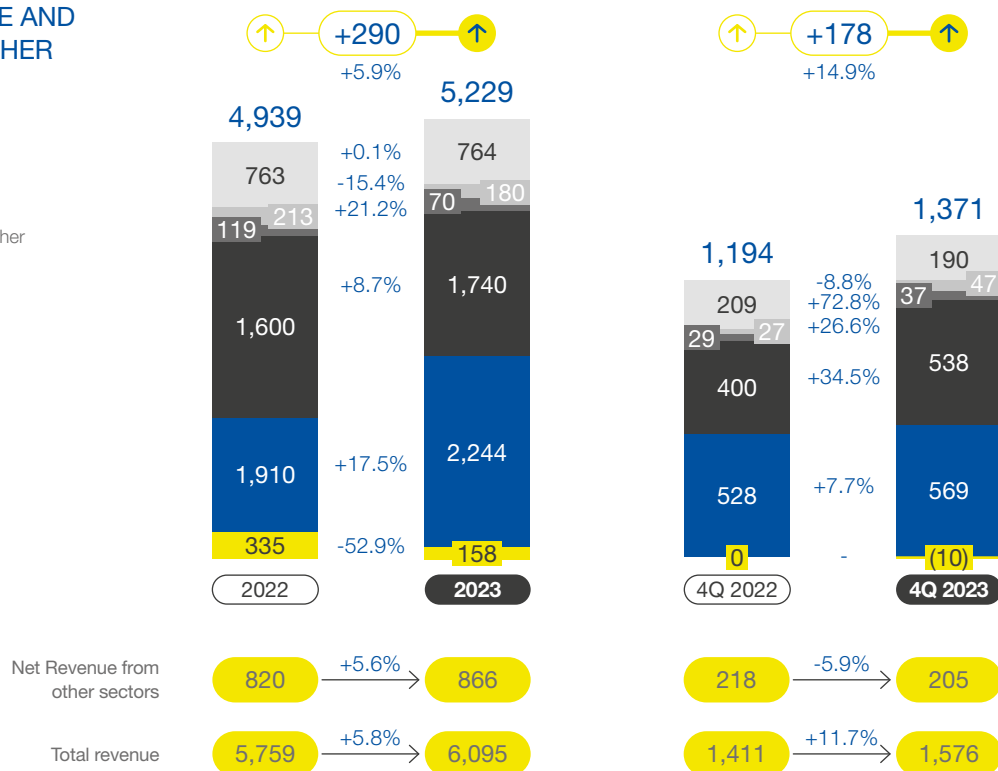
n/s: not significant.

* The performance effect mainly includes the impact of macroeconomic variables (spreads, rates, etc.) on the stocks of the insurance, managed funds and assets under administration segments, as well as the capitalisation of interest for the period on the stocks of postal savings bonds/loans.

** Excluding returns from pro-active portfolio management.

EXTERNAL REVENUE AND REVENUE FROM OTHER SECTORS (€m)

- Collection and payment services
- Distribution of loans and other third-party products
- Asset management
- Postal savings deposits
- Net interest income
- Pro-active portfolio management



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 loans and 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 2023 amounted to €5,229 million and record a growth of €290 million compared to the €4,939 million achieved in 2022 (+5.9%).

In detail, the period under review shows: (i) net interest income up compared to 2022 (+€334 million, +17.5%), essentially due to the higher yield relating to the Retail and Corporate segments (+€372 million) and the yield from the use of current account deposits in the Public Administration segment (+€52 million) partially offset by the lower net interest relating to the Treasury segment (-€71 million) (ii) net capital gains realised as part of pro-active portfolio management amounting to €158 million, down €177 million (-52.9%) compared to €335 million in 2022; (iii) revenue from the Postal Savings collection and management service amounting to €1,740 million, up 8.7% (+€140 million) compared to last year and benefiting from the renegotiation of the Agreement with Cassa Depositi e Prestiti for 2023 signed in January 2024, in a context of rapidly rising interest rates during 2023; iv) revenue from collection and payment services, which amounted to €764 million and are substantially in line with the previous year (+€1 million or +0.1%); v) revenue from the distribution of loans and other third-party products, which amounted to €180 million, down €33 million (-15.4%) compared to €213 million in 2022, mainly attributable to lower revenue from personal loans, which, despite growing volumes, were affected by lower up-front fees paid by financial partners; vi) revenue from Asset Management, which amounted to €144 million, up €25 million (+21.2%) compared to the previous year, mainly due to increased volumes of mutual funds placed.

AZ CONSULT THE GLOSSARY
ON PAGE 542

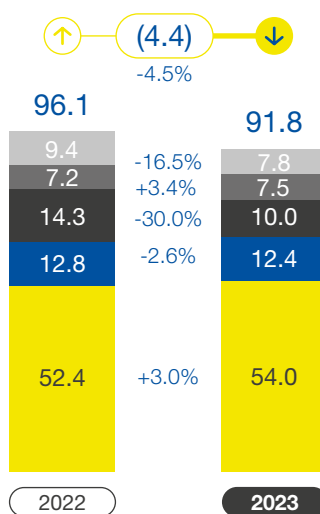
revenue from other sectors stood at €866 million (+€46 million compared to 2022, equal to +5.6%). The positive change is mainly attributable to the increase in **commissions** **AZ** for the placement and management of insurance policies.

The fourth quarter of 2023 showed an increase in external revenue of €178 million (+14.9%) compared to the same period of 2022, mainly due to higher revenue from the collection and management of Postal Savings (+€138 million, or +34.5%), higher net interest income (+€40 million, or +7.7%) and higher revenue from the distribution of loans and other third-party products (+€20 million, or +72.8%). These positive changes offset the negative balance of net capital gains realised as part of pro-active portfolio management (-€10 million in the fourth quarter of 2023 compared to nil in the same quarter of 2022) and lower revenue from collection and payment services (-€18 million, or -8.8%). Revenue from other sectors stood at €205 million, down by €13 million compared to the fourth quarter of 2022 (-5.9%).

AVERAGE CURRENT ACCOUNT DEPOSIT (€bn)

- Treasury*
- Long-term **REPO** **AZ**
- Public Administration
- Corporate customers and other**
- Retail + PostePay

AZ CONSULT THE GLOSSARY
ON PAGE 542



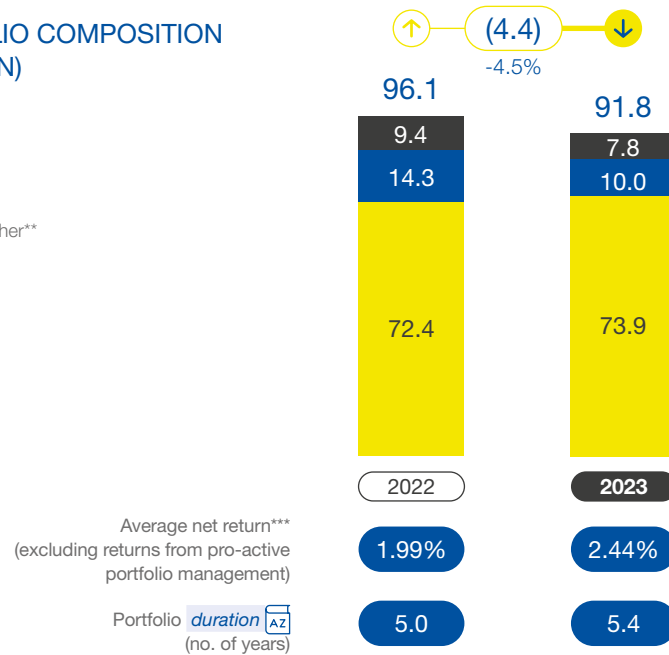
* Includes short-term REPO and collateral.

** Includes corporate current accounts and PostePay Business, Poste Italiane's liquidity and payables of other customers.

In 2023, the average current account deposit decreased compared to the previous year, going from €96.1 billion to €91.8 billion. This decrease, amounting to €4.4 billion, was mainly attributable to the contraction of the Public Administration deposit (-€4.3 billion, -30%) and the Treasury component (-1.5 billion, -16.5%). A positive result, despite the challenging environment, for the Retail component (including the balance of Postepay prepaid cards), which grew by €1.6 billion or +3% compared to 2022.

INVESTMENT PORTFOLIO COMPOSITION (AVERAGE DEPOSIT €BN)

- Treasury*
- Deposits with MEF
- Italian government bonds and other**



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* Includes REPO and short-term bonds and collateral.

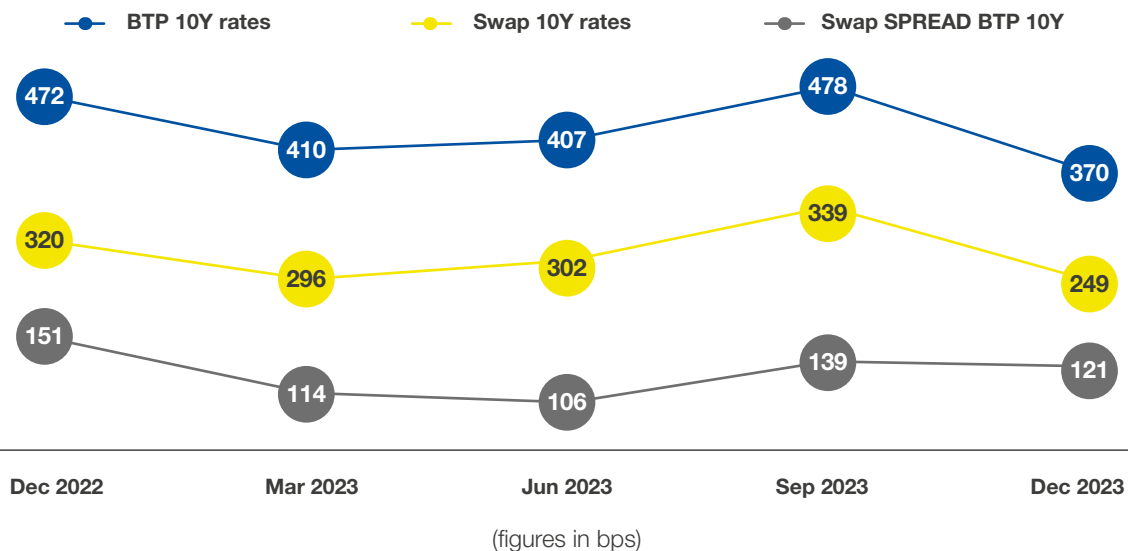
** Includes tax credits and cash on the [buffer](#) .

*** Calculated as net interest on average stock.

The **average deposit 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 (about €65 billion), in which funding from private customers on postal current accounts is invested, and deposits with the MEF (€10 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 €8 billion at 31 December 2023.

During 2023, financial markets were characterised by the continuation of the rapid and significant increase in monetary policy rates by the ECB and other major central banks in order to counter the high level of inflation that began in the second half of 2020, which was attributable to both the recovery of economic activity following the Covid-19 pandemic and Russia's invasion of Ukraine in February 2022.



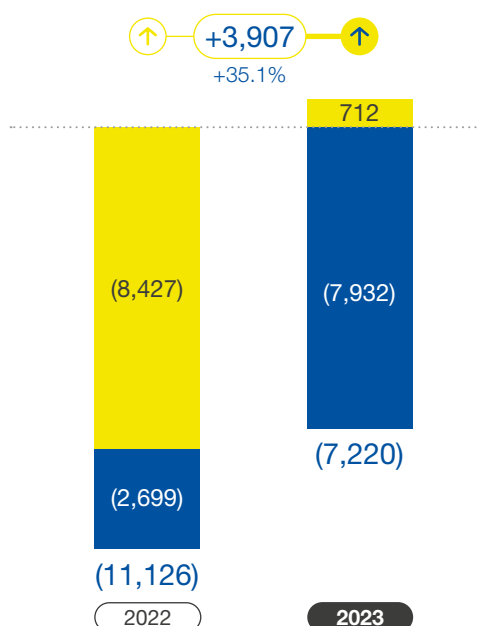
In this context, the management of BancoPosta securities portfolio was characterised by strategies aimed at reducing the risk of refixing¹²⁵ asset swap-covered securities over the next few years, in the expectation of a future reduction in market rates, by increasing the portion of the portfolio of fixed-rate securities, through: (i) new investments in this category, (ii) the early extinguishment of hedging swaps with positive mark-to-market (market value) at a time when swap rates were deemed to be at their maximum levels¹²⁶; (iii) sale of positions in asset swaps (sale of the security and extinguishment of the related hedging derivative), the countervalue of which was reinvested in fixed-rate securities.

In addition, during the course of the year, taking advantage of increasing yields, the following were entered into: (i) purchase contracts for the renewal of portfolio maturities (ii) transactions to hedge the return on the deposits with the MEF of inflows from the Public Administration.

Finally, in the final months of the year, in order to improve the income profile of the portfolio for the two-year period 2024-2025, was the sale of securities maturing in 2025 and with a yield tending to be low in favour of securities maturing in 2028 with a higher yield, for a nominal value of approximately €365 million. This switch resulted in capital losses of about €10 million for the financial year 2023, which will be more than offset by higher future interest payments.

POSTAL SAVINGS NET INFLOWS (€m)

- Savings Books
- Interest-bearing Postal Certificates



125. Adjustment of the interest rate of the financial instrument to market rates.

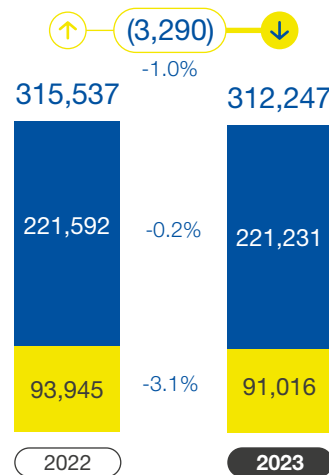
126. The mark-to-market of the derivative sold is recognised as a direct reduction of the amortised cost of the fixed-income security, increasing its yield.

At 31 December 2023, net inflows from postal savings amounted to approximately -€7.2 billion, approximately €3.9 billion better than in 2022. Savings books, with growth of approximately €9.1 billion compared to the 2022 figure, benefited from the initiatives dedicated to the provision of new liquidity carried out since the beginning of 2023. It should be noted that the comparison with the previous year is not homogeneous: in fact, eleven pension accruals were credited during 2022, as a result of the provisions related to the health emergency, compared to twelve in 2023¹²⁷, resulting in lower net inflows.

In relation to postal interest-bearing certificates, the change compared to the 2022 figure is negative by around €5.2 billion: the increased subscriptions (+€3.2 billion equal to +7.5% compared to the 2022 figure) were not sufficient to counterbalance the growth in repayments (+€8.5 billion), mainly influenced by the high amount of maturities for the year (+43% compared to the 2022 figure) and by the continuation of the growing trend in early repayments that began in the second mid-2022 in light of the changed economic and financial conditions.

POSTAL SAVINGS AVERAGE DEPOSIT* (€m)

- Interest-bearing Postal Certificates
- Savings Books

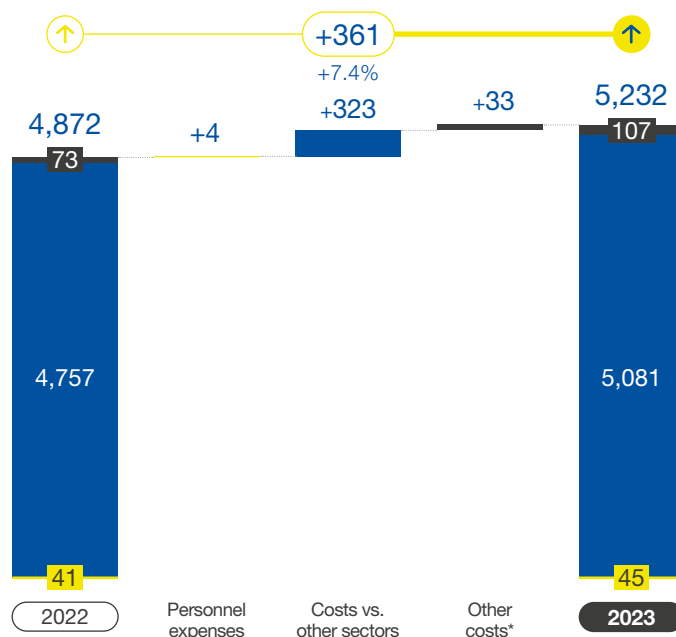


* Interest is calculated at the beginning of the year in respect of interest accrued in the previous year. Average value of the deposit excludes both the capitalisation of interest for the period and interest accrued, but not yet due, on Interest-bearing Postal Certificates that have not expired at the reporting date.

The postal savings average deposit decreased by about €3.3 billion compared to the figure for 2022. The value of Books is influenced by the particularly negative result of the net collection recorded in 2022, which affected the initial balance of 2023, while the substantially constant figure of the Average Deposit of Postal Interest-bearing Certificates (BFP) is mainly attributable to the capitalisation of interest, which has almost offset the effect of the negative Net Inflows.

TOTAL COSTS (€m)

- Other costs*
- Costs vs. other sectors
- Personnel expenses



* This item includes costs for goods and services, adjustments/reversals, depreciation/amortisation and other costs and expenses.

127. The January 2022 pension accrual was credited at the end of December 2021, while the March 2022 pension accrual, credited at the end of February, was the last instalment paid in advance.

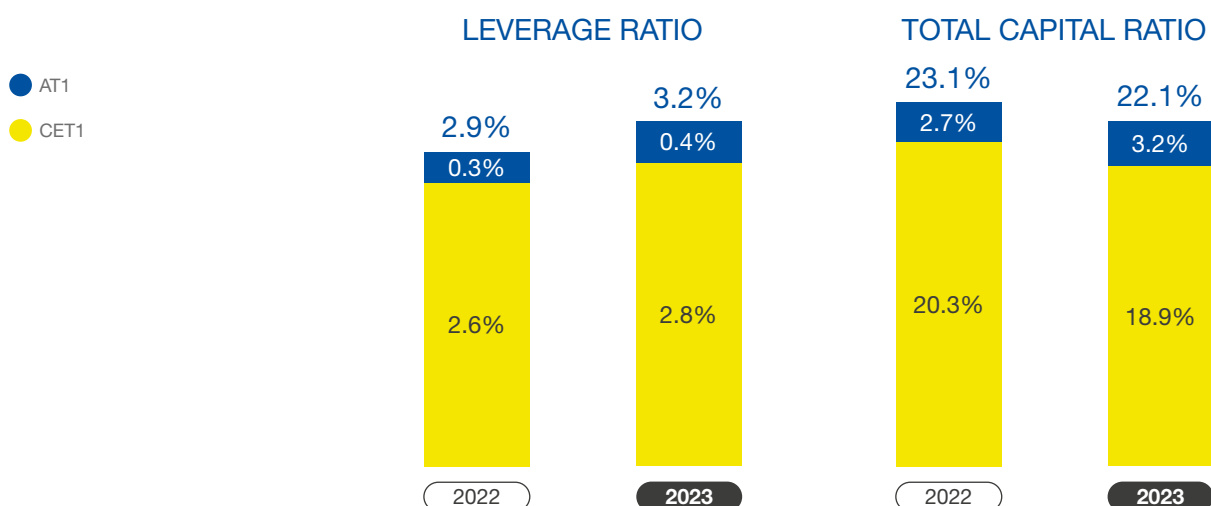
The total costs of the Strategic Business Unit amounted to €5,232 million and recorded a growth of €361 million (+7.4%) compared to the €4,872 million achieved in 2022, mainly due to the greater fees relating to the Operating Guidelines in relation to the activities entrusted to Poste Italiane.

The operating profit (EBIT) of the sector stood at €863 million, a decrease of 2.8% compared to last year (-€25 million).

With a positive financial management of €30 million and taking into account the taxes for the period (€246 million), the net result of the Financial Services Strategic Business Unit in 2023 stood at €647 million, an increase of €25 million compared to €622 million in 2022 (+4%).

FINANCIAL KPIs

€m	2022	2023
CET1 CAPITAL	2,618	2,654
TOTAL CAPITAL	2,968	3,104
TOTAL ASSETS	104,438	98,145
RWA – Risk Weighted Assets	12,867	14,077



At 31 December 2023, the Leverage Ratio stood at 3.2%, up from 31 December 2022, mainly as a result of the decrease in the ratio denominator, i.e. capital assets including adjustments for the purposes of calculating the ratio, by €5.7 billion; this decrease is mainly attributable to the reduction in deposits with the MEF (against inflows made with the Public Administration) and the reduction in deposits with the Bank of Italy (against the improvement in market rates compared to the rates recognised on deposits with Central Banks).

Regarding the numerator of the ratio (total capital), there was an increase in own funds of €0.1 billion compared to 31 December 2022; in particular, on 30 June 2023, the Parent Company further increased the BancoPosta capital endowment, through the granting of a perpetual subordinated loan with a 5-year non-call period, for €100 million, under terms and conditions that allow the calculation as additional tier 1 capital. The value of own funds at 31 December 2023 also includes the computation of €60 million from the profit for the year 2023 (i.e. about 90% of the profits available to the Parent Company), as these are subject to the resolution of the Poste Italiane's Board of Directors concerning the proposed allocation of the profit for the year 2023 and in compliance with the provisions of Article 26 of Regulation (EU) no. 575/2013.

The CET 1 Ratio at 31 December 2023 stood at 18.9%, while the Total Capital Ratio including Additional Tier 1 was 22.1%, confirming BancoPosta's capital solidity. The slight decrease in both indicators is related to the increase in Risk Weighted Assets (mainly counterparty and operational risk).

For detailed information on the different risk areas and on the methodologies used to measure and prevent the risks themselves, please refer to the Risk Management section in the "Poste Italiane financial statements" section.

7.3.3 Insurance Services Strategic Business Unit

INDUSTRIAL PLAN STRATEGY 2024-2028



Insurance Services

Market-leading insurance group with comprehensive Life and Protection product range

- Resilient and Sustainable Life Investment and Pension business
- Rapid and profitable growth in the Protection business
- Expansion of the distribution network through third-party channels
- Full integration of ESG principles in investment products
- Positive organic capital generation, strong capital ratios and less volatility than in the past

Targets and KPIs Business Plan

Actual 2023

Target Plan



Life Investment and Pension Fund

Constantly positive net flows, even in challenging market conditions, supported by a loyal customer base

- Average statutory technical reserves net of protection reserves
- % of Poste Vita products with ESG elements
- Normalised growth* of CSM

157 €bn

>180 €bn in 2028

79%

100% by 2024

+5% vs. 2022

~5% per year

* Growth adjusted for exogenous components (i.e. financial market trends and policyholder behaviour).



Protection Sector

Strong industry growth driven by rising demand and low market penetration. Improving profitability and expanding the distribution network through third-party channels

- Gross premiums Protection**
- Combined Ratio Protection (%)

0.8 €bn

~2x in 2028 vs 2023 (≥ 1.5 €bn)

84%

≤85%

** Includes Poste Assicura, the Life protection component, Net Insurance and motor segment.

The SBU financial results for the year were down year-on-year, and should be read in light of the challenging context for the sector and the fact that 2022 enjoyed positive effects related to interest rate dynamics. We highlight the solid performance in the Life business with net premium inflows of €3.4 billion in 2023, in line with expectations and bucking the trend in the sector, with the lapse rate remaining well below market levels. Net Insurance's contribution to the protection business was positive. The Solvency Ratio at 31 December 2023 stood at 307%, confirming the solvency of the insurance Group.

Insurance Services (€m)	2023	2022	Changes	
External revenue	1,567	1,650	(83)	-5.0%
Revenue from other sectors	(148)	(148)	(0)	-0.1%
Total revenue	1,419	1,502	(83)	-5.5%
Costs	31	19	+12	+62.0%
Costs vs. other sectors	28	29	(0)	-1.5%
Total costs	59	48	+11	+23.9%
EBIT	1,360	1,455	(94)	-6.5%
NET PROFIT	994	1,051	(57)	-5.5%

Operative KPIs	31 December 2023	31 December 2022	Changes	
Net technical provisions Poste Vita Group (€bn)*	161.1	154.0	+7.1	+4.6%
Contractual Service Margin (CSM)** (€bn)	13.7	12.9	+0.8	+6.5%
Solvency Ratio	307%	253%		
Life business	2023	2022	Changes	
Gross premium - Life (€m)***	17,996	17,179	+816	+4.8%
<i>of which: Classes I-IV-V</i>	14,059	9,584	+4,476	+46.7%
<i>of which: Multi-class****</i>	3,926	7,579	(3,653)	-48.2%
Net inflows (€m)	3.4	7.5	(4.1)	-54.4%
Redemption rate	4.4%	3.5%		
Poste Vita products with ESG elements*****	79%	70%		
P&C business	2023	2022	Changes	
Gross premium - P&C (€m)*****	581	392	+189	+48.2%
Average daily premiums - Modular offer (€k)*****	245	269	(24)	-8.9%
Combined protection ratio (net reinsurance)*****	84.2%	84.2%		

* Technical reserves of the insurance business (life and P&C) determined in accordance with the national accounting standards used to prepare the separate financial statements of the Group's insurance companies.

** Represents the present value of the expected and not yet realised profit that the Group will recognise on an accrual basis in profit and loss over the life of the contract.

*** Includes life written premiums, gross of reinsurance and intercompany portions of the Poste Italiane Group.

**** Includes gross premiums from Class I and Class III of Multi-class products.

***** All products with sustainability content consistent with the "Guidelines for defining the sustainability characteristics of products" approved by the CEO of Poste Vita in October 2023.

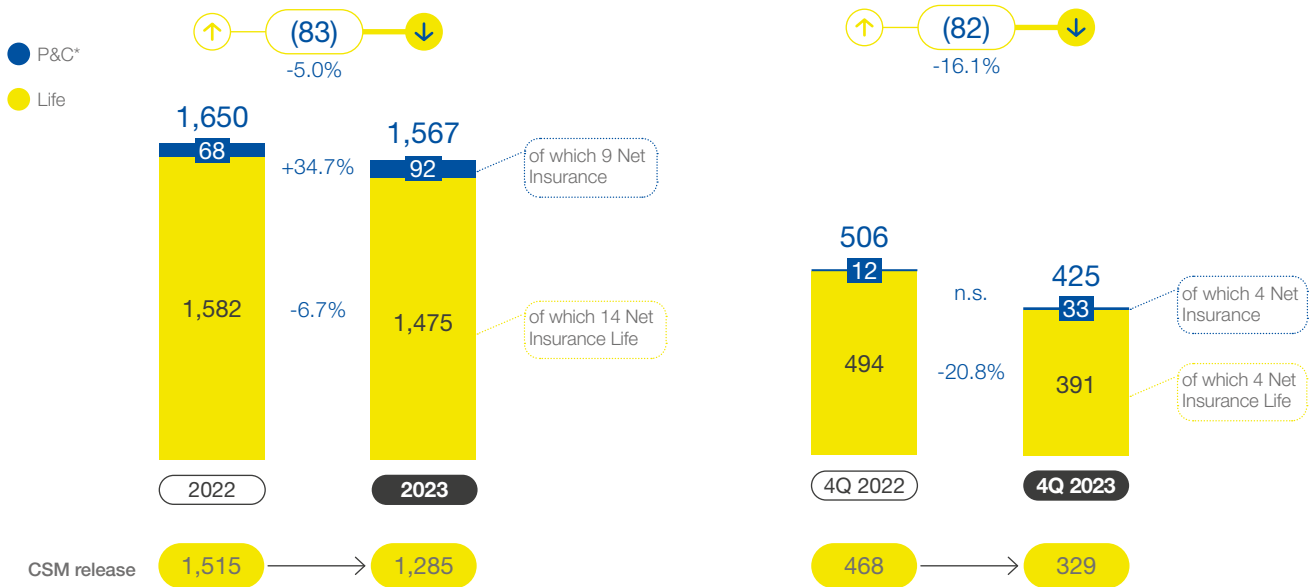
***** Includes non-life gross premiums written, gross of change in premium reserves, reinsurance ceded and intercompany portions of the Poste Italiane Group.

***** Calculated on annualised net premiums, including Property and Personal policies sold in the Poste Italiane network.

***** Corresponds to the ratio of total costs incurred (claims and settlement expenses + net reinsurance expenses + attributable/non-attributable operating expenses + other technical expenses and income) to gross insurance revenues.

EXTERNAL REVENUE

(€m)



The components of the revenue items for both life and P&C business are specified below.

Life revenue: release of the *Contractual Service Margin (CSM)* ^{AZ}, claims and expected benefits resulting from the release of expected cash flows, release of the *Risk Adjustment* ^{AZ}, recovery of contract acquisition costs, claims occurring in the reporting period and other directly attributable expenses, losses from groups of onerous insurance contracts and amortisation of expenses for the acquisition of insurance contracts issued, change in *Liability for Incurred Claims (LIC)* ^{AZ}, and relating to contracts valued with the *Building Block Approach (BBA)* ^{AZ} and *Premium Allocation Approach (PAA)* ^{AZ}, maintenance and collection commissions and other acquisition expenses entirely charged in full to profit or loss, investment management expenses to which the *Variable Fee Approach (VFA)* ^{AZ} method is applied, net finance income/expenses relating to investments and financial costs/revenue relating to insurance contracts issued (with reference to contracts valued with the VFA method, account is taken of the so-called "mirror effect") and outward reinsurance and the balance of costs and revenue from outward *reinsurance*. ^{AZ}

P&C revenue: release of Contractual Service Margin (CSM), expected claims and benefits arising from the release of expected cash flows, release of Risk Adjustment, recovery of contract acquisition costs, claims incurred in the reporting period and other directly attributable expenses, losses on groups of onerous insurance contracts and amortisation of acquisition costs of insurance contracts issued, change in Liability for Incurred Claims (LIC), commissions and other acquisition costs charged in full to profit or loss, net investment-related finance income/expenses and financial costs/revenue related to insurance contracts issued and outward reinsurance, the balance of costs and revenue from outward reinsurance and with respect to contracts valued using only the PAA method, the issue of premiums.

^{AZ} CONSULT THE GLOSSARY ON PAGE 542

Please refer to the glossary in Chapter 10 for more details on the IFRS 17 quantities in the above definitions.

External revenue went from €1,650 million in 2022 to €1,567 million in 2023 (-€83 million, equal to -5%) and are essentially attributable to the Life business, which contributed €1,475 million, while the contribution from the P&C business amounted to a total of €92 million.

In particular, Life net revenue decreased by 6.7% (-€106 million) compared to 2022, mainly due to the lower CSM release in the year compared to 2022 (-€246 million) primarily attributable to the additional release component¹²⁸. The reduction in the additional release in 2023 is linked to the evolution of the macroeconomic scenario (it should be noted that 2022 was marked by a scenario characterised by a sudden and high increase in the rate curve); this effect is only partially offset by: i) the positive contribution of net income from financial management (+€79 million), which during the year benefited from the improvement in financial dynamics compared to the previous year; ii) the positive balance between expected claims and expenses compared to claims and expenses that occurred during the year (+€41 million), iii) the increase in the risk adjustment release (+€26 million).

The returns achieved in 2023 by the Separately Managed Accounts are 2.76% for the Posta Pensione account and 2.52% for the PostaValorePiù account.

Net P&C revenue amounted to €92 million, up €24 million (+34.7%) compared to 2022 mainly due to the higher CSM release (+€16 million) and the higher risk adjustment release (+€6 million) recorded in the year compared to 2022 and related to the contribution of Net Insurance acquired in 2023. The Combined Ratio Protection, net of reinsurance, stood at a value of 84.2% in line with the 2022 value.

Considering the net revenue from other sectors, which stood at €148 million in 2023 and in line with the 2022 figure, the overall net revenue of the Strategic Business Unit in 2023 amounted to €1,419 million, down by €83 million (-5.5%) compared to 2022.

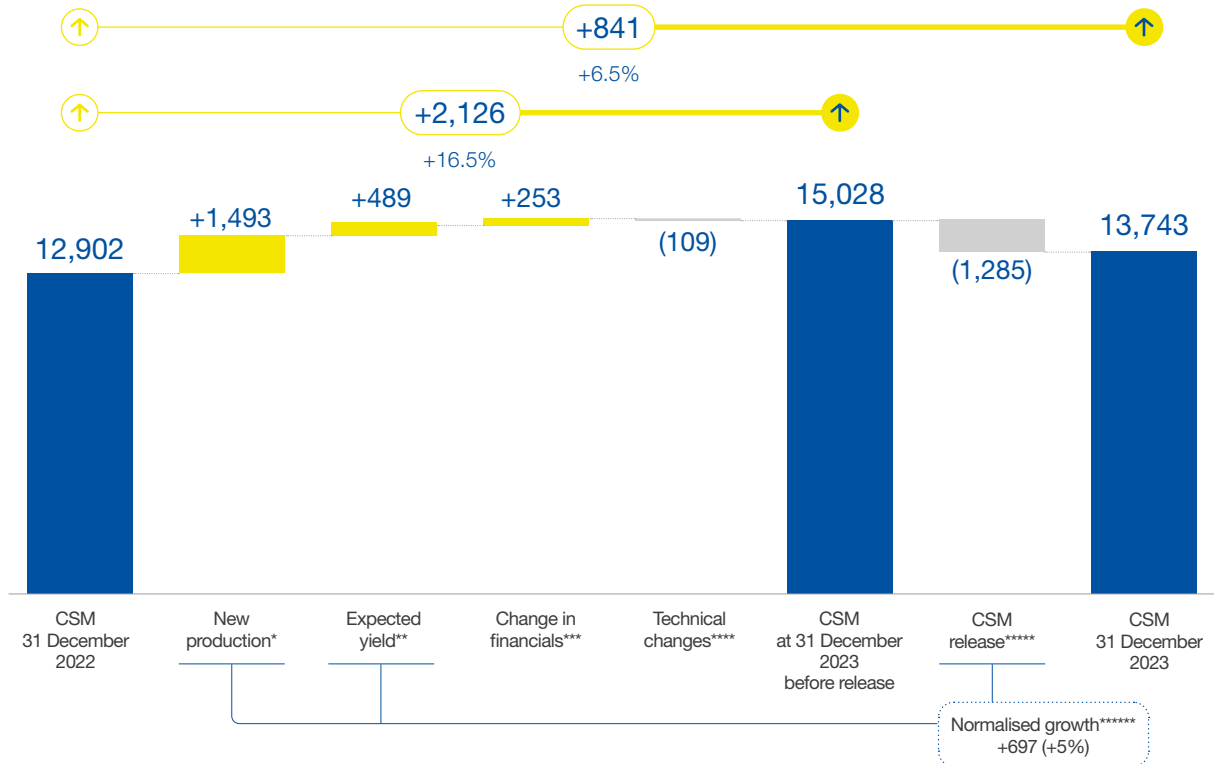
The fourth quarter of 2023 showed a decrease in net external revenue of €82 million (-16.1%) compared to the same period in 2022. Life business showed a decrease of €103 million (-20.8%) compared to the fourth quarter of 2022, mainly due to the lower CSM release in the period (-€142 million) primarily as a result of the additional release component. This decrease was only partially offset by the growth in net income from financial management, which increased by €12 million during the period due to improved financial market dynamics.

In the P&C segment, there was revenue growth (+€21 million) compared to the fourth quarter of 2022, due both to the increase (+€18 million) in net revenue from contracts measured under the PAA method, which mainly benefited from the strong growth in inflows, and to the higher CSM release, the latter relating almost entirely to Net Insurance.

128. The additional release is a release component of the CSM, which is calculated for the VFA model only, and which includes:

- the financial profit generated by the extra return for the period according to a Real World scenario (real scenario) compared to that calculated according to a Risk Neutral scenario (risk-free rate scenario);
- release of the financial risk of the period (Time Value of Options and Guarantees, TVOG).

CONTRACTUAL SERVICE MARGIN (CSM)
(€m)

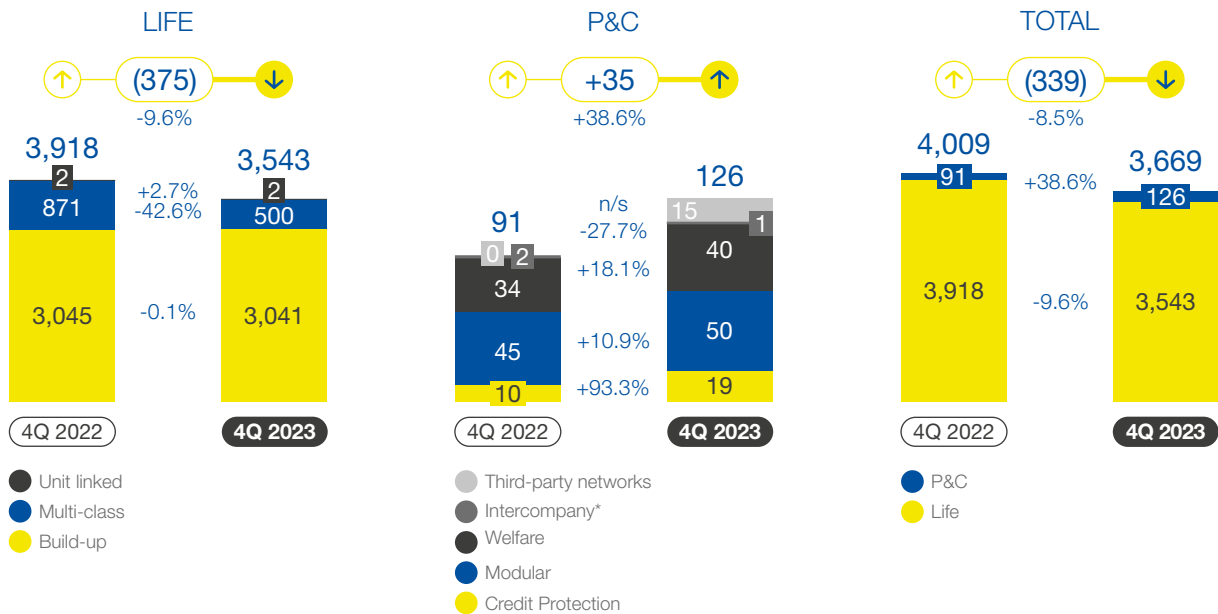
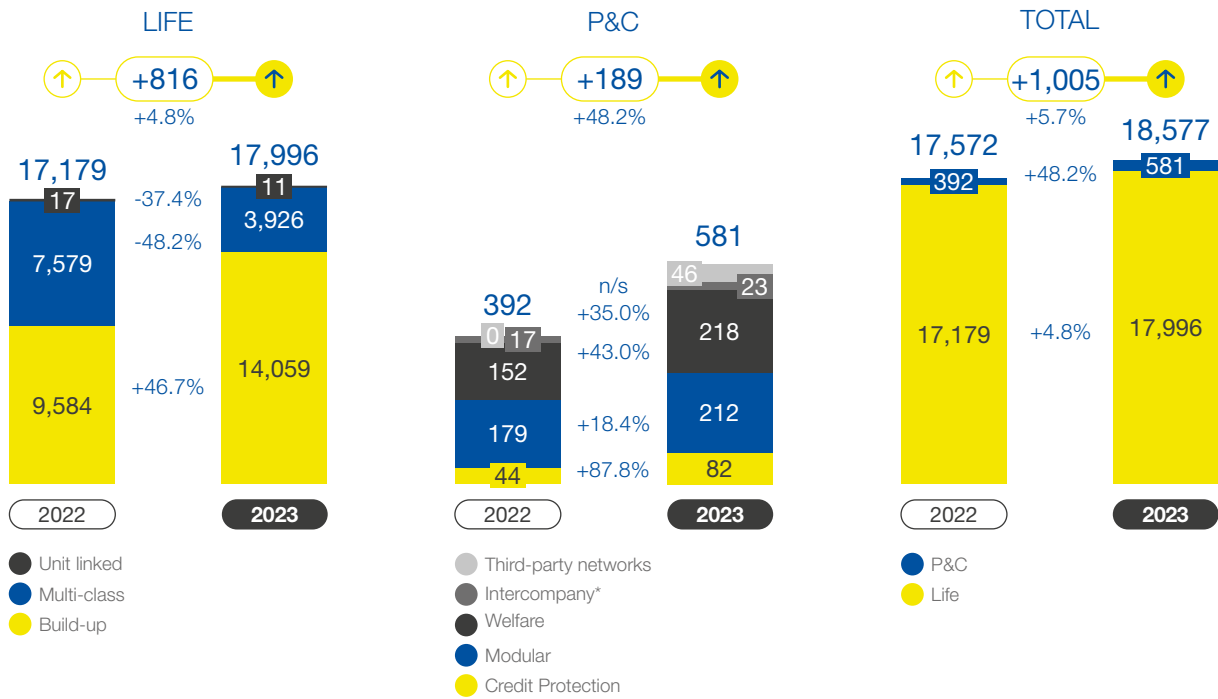


* This item includes: the present value of new business associated with the premiums recorded in the period and the associated estimated outlays (expenses and settlements).
 ** CSM growth independent of financial and technical management performance. Calculated as the sum of the accrued and capitalised interest on the CSM (based on the risk free yield curve) at the reporting date and the result of the difference between the real world yield curve and the expected risk neutral yield curve.
 *** This item includes the impact on the CSM resulting from the realisation of financial assumptions (e.g. interest rate spread, and the consequent effect on the fair value of the portfolio of segregated funds) at the end of the reporting period different from those expected at the beginning of the period, as well as the change in the financial assumptions on future flows.
 **** The item includes experience-related changes (changes between estimated and actual flows), changes in technical assumptions (e.g. actuarial assumptions, mortality rate, etc.).
 ***** The item represents the share for the reporting period determined on the basis of the [coverage unit](#) (AZ) as well as the adjustment related to the additional release component.
 ***** Represents the CSM growth for the period adjusted for exogenous components (i.e. financial market trends and policyholder behaviour). It is calculated as the ratio of the CSM of new production increased by the expected yield and decreased by the release of the period compared to the CSM at the end of the previous year.

AZ CONSULT THE GLOSSARY
ON PAGE 542

The Contractual Service Margin (CSM) shows a balance at the end of the financial year 2023 of €13,743 million, an increase compared to the figure at the end of 2022 of €841 million. During 2023, CSM recorded: i) a positive change of €1,493 million related to new business mainly due to Poste Vita inflows for the year (highlighting the contribution arising from the Net Insurance group acquired during 2023 of approximately €141 million); ii) an increase arising from the expected return of €489 million related to the interest accrued and capitalised on the CSM at 31 December 2023 (€428 million) and the adjustment of the CSM based on the difference between the real word return and the expected risk neutral return (€61 million); (iii) the positive result of financial changes of €253 million mainly related to an increase in the fair value of the investments of the separately managed accounts due to a reduction in the market rate curve compared to last year. These positive changes are partially offset by the negative impact of technical changes in the amount of €109 million due to the trend in lapses during the year (lapses occurred compared to expected lapses) and the release of CSM in the period totalling €1,285 million (of which €1,169 million determined on the basis of the coverage unit, and €116 million relating to the additional release component). Deducting exogenous components (financial market trends and policyholder behaviour) from the CSM trend, the normalised growth in the year was €697 million compared to the value at 31 December 2022 (+5%).

GROSS PREMIUMS 
(€m)



* Includes integrated life/non-life offer.

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ON PAGE 542

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ON PAGE 542

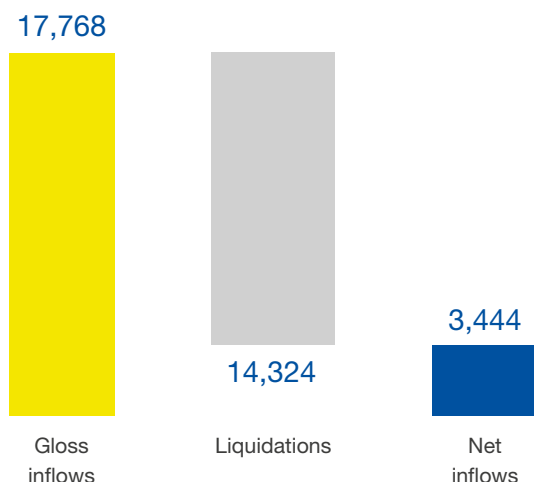
Despite a challenging market context, in 2023, the gross premiums of the Life business amounted to €18 billion, showing an increase of 4.8% (+€0.8 billion) compared to the 17.2 billion of the previous year; the insurance Group's commercial offer was able to adapt promptly to the changing needs of customers. There was an increase in inflows on traditional build-up products, which recorded a growth of €4.5 billion in the period. This trend is only partially offset by the decrease in inflows relating to [multi-class products](#) **AZ**, which recorded a decrease of €3.7 billion in the year.

Gross premiums in P&C business at the end of 2023 amounted to €581 million, up €189 million (+48.2%) from 2022 (€392 million) driven: i) by the "Welfare" segment, whose premiums rose from €152 million recorded in 2022 to €218 million in 2023 (+€65 million), supported mainly by the new group policies underwritten with corporate clients (Employee Benefits); ii) by premiums on "third-party networks" (i.e. premiums on the property and personal protection products of the company Net Insurance distributed through the banking network), which recorded an increase of €46 million during the year entirely attributable to the contribution, from April 2023, of Net Insurance; iii) by premiums relating to the "Credit Protection" line (+€38 million) due to the growth recorded on both salary-backed loans and CPI policies (entirely attributable to the contribution of Net Insurance); iv) by the "asset, personal and modular protection" line, which recorded an increase of €33 million; v) by premiums on intercompany policies amounting to €23 million in 2023 (of which €20 million related to the integrated life/P&C offering) and recording an increase of €6 million compared to 2022.

In the fourth quarter of 2023, gross premiums from the life business amounted to €3.5 billion, down €0.4 billion (-9.6%) from the fourth quarter of 2022, mainly due to the decrease in premiums from Multi-class products (-€0.4 billion) compared to the comparison period.

During the fourth quarter of 2023, gross premiums from P&C business amounted to €126 million, up €35 million (+38.6%) compared to the same quarter of 2022 (€91 million) driven: i) by premiums on "third-party networks", which recorded a growth of €15 million compared to the same period of 2022, entirely attributable to the contribution of Net Insurance; ii) by premiums related to the "credit protection" line (+€9 million compared to the fourth quarter of 2022) due to the growth recorded on salary-backed loans (entirely attributable to the contribution of Net Insurance); iii) by the "Welfare" segment, whose premiums rose from €34 million recognised in the fourth quarter of 2022 to €40 million recognised in the fourth quarter of 2023 (+€6 million), mainly supported by the new group policies taken out with corporate clients (Employee Benefits); iv) by the "asset, personal and modular protection" line, whose premiums went from €45 million in the fourth quarter of 2022 to €50 million in the fourth quarter of 2023 (+€5 million).

LIFE NET INFLOWS AT 31 DECEMBER 2023 (€m)



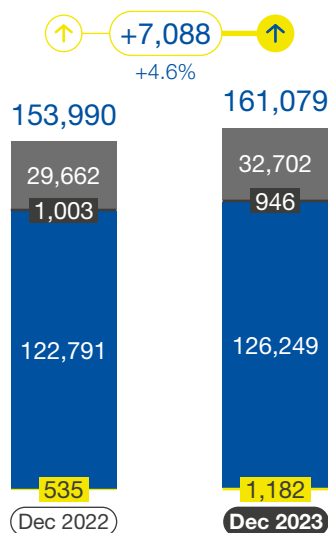
Life net inflows stood at €3.4 billion (€7.5 billion recorded at the end of 2022), decreasing mainly due to the performance of liquidations (mainly maturities and lapses), and remained positive mainly thanks to the contribution of the Separately Managed Accounts¹²⁹, a result that confirms the resilience of the business, in a market characterised by significant negative net flows.

CONSULT THE GLOSSARY
ON PAGE 542

The **lapse rate** stood at 4.4% at 31 December 2023, up compared to 3.5% in 2022 and at levels significantly lower than the average market figure of 10.63% at 31 December 2023¹³⁰.

INSURANCE PROVISIONS¹³¹ (€m)

- Multi-class
- Unit linked
- Build-up*
- Protection**



* Includes Welfare and other provisions.

** Includes provisions pertaining to the non-life business and the protection line of the life business.

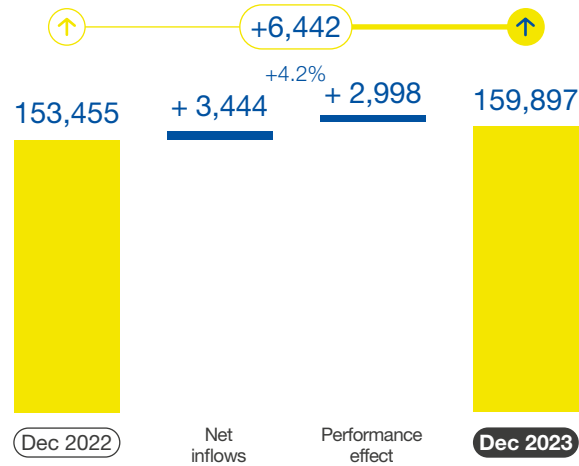
129. The separately managed accounts identify an investment portfolio, specifically created by the insurance company, in which the premiums of customers who subscribe to a life insurance policy (Class I products) are invested and revalued on the basis of the account results.

130. Source: Ania Trends - Life Flows and Provisions - Publication no. 4, February 2024.

131. Technical provisions of the insurance business (Life and P&C) determined in accordance with the national accounting standards used to prepare the individual financial statements of the Group's insurance companies.

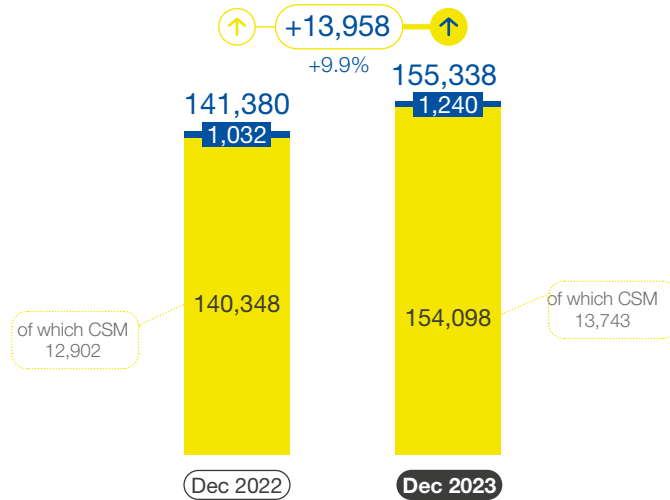
Life business technical provisions amounted to €159.9 billion and increased by €6.4 billion compared to 31 December 2022, mainly due to the positive net inflows recorded during the period (+€3.4 billion) and, secondly, to interest earned by policyholders (+€3 billion). Technical provisions pertaining to the Protection segment amounted to €1,182 million at the end of 2023 (of which €486 million related to the Life business), partly thanks to the contribution of Net Insurance and Net Insurance Life (€519 million), up from the €535 million recorded at 31 December 2022.

CHANGES IN LIFE INSURANCE PROVISIONS¹³² (€m)



LIABILITIES UNDER INSURANCE CONTRACTS (€m)

- LIC
- LRC



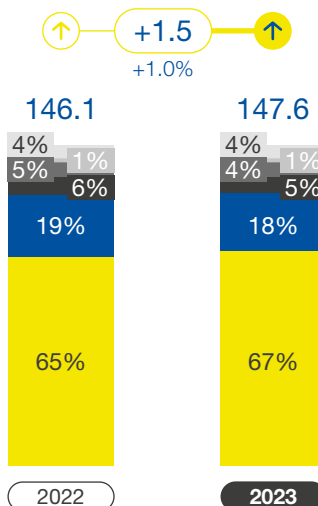
Liabilities under insurance contracts at 31 December 2023 totalled €155,338 million, of which €154,098 million consisted of Liability for Remaining Coverage (LRC), which includes the Contractual Service Margin (CSM) of €13,743 million, and €1,240 million from the *Liability for Remaining Coverage (LIC)*. The 9.9% increase during the period (+€13,958 million) is mainly attributable to the increase (+€13,750 million) in the LRC Present Value of future cash flow, thanks to the contribution of net inflows, which continue to be positive.

AZ CONSULT THE GLOSSARY
ON PAGE 542

132. Determined in accordance with the national accounting standards used to prepare the individual financial statements of the insurance company Poste Vita SpA.

BREAKDOWN OF THE INVESTMENT PORTFOLIO (€bn)

- Private Markets
- Equity instruments
- Emerging Markets
- **High yield** AZ securities
- Corporate Bonds
- Government Bonds

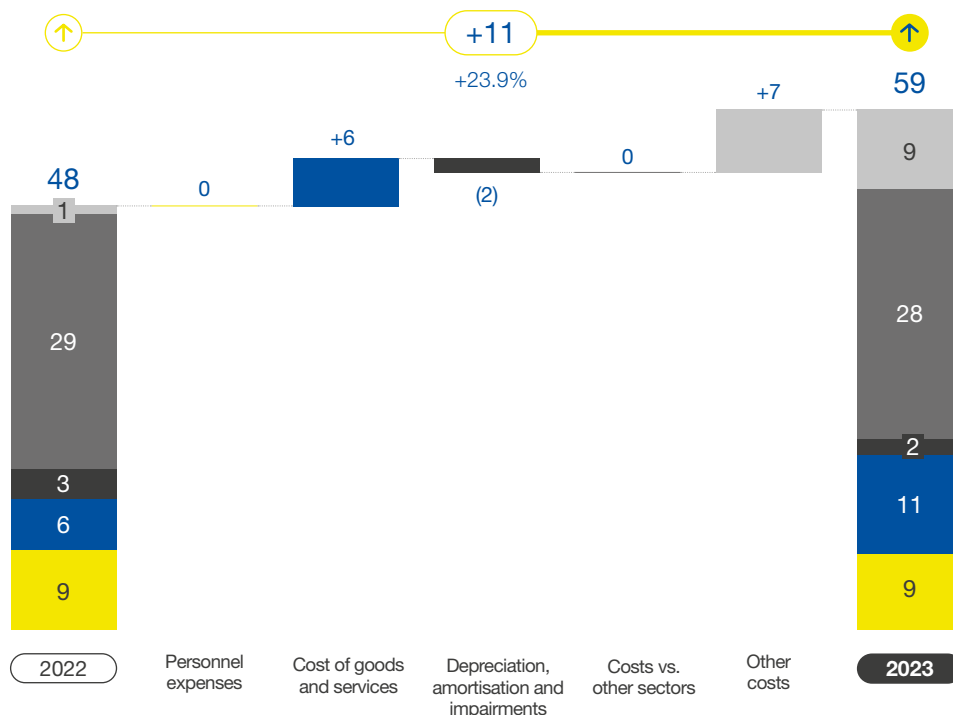


AZ CONSULT THE GLOSSARY ON PAGE 542

During 2023, in line with the latest **asset allocation** AZ of the Group's insurance companies, the portfolio diversification process continued, aimed at continually improving the insurance company's risk profile, through a gradual increase in allocation in favour of government bonds and an improvement in the average quality profile of corporate portfolios linked to issuers with higher creditworthiness.

TOTAL COSTS (€m)

- Other costs
- Costs vs. other sectors
- Depreciation, amortisation and impairments
- Cost of goods and services
- Personnel expenses



The costs discussed in the remainder of this paragraph are only those not directly attributable to insurance contracts. In light of the entry into force of the new IFRS 17 standard, costs directly attributable to insurance policies are in fact shown as a direct reduction of insurance revenue. These costs, moreover, at the time the contract is concluded are considered within insurance liabilities and released periodically in the statement of profit or loss (within net insurance income).

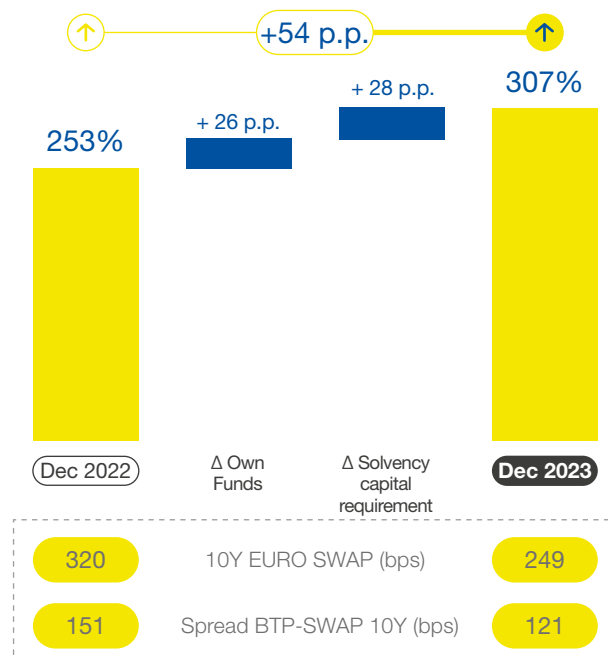
Non-attributable costs at 31 December 2023 (mainly related to personnel expenses, commercial expenses, IT service costs, and consulting/professional services) amounted to €59 million and

increased by €11 million compared to 31 December 2022, due to the increase in costs of goods and services and other costs and expenses.

In light of the results illustrated, the economic performance of the Insurance Services Strategic Business Unit shows EBIT of €1,360 million in 2023, down by 6.5% (-€94 million) compared to 2022 (€1,455 million).

Taking into account the positive financial management of €50 million, up by 21.4% (+€9 million), and the taxes for the year 2023, equal to €417 million (down by €28 million, -6.3%), the Insurance Services Strategic Business Unit achieved a net result of €994 million at 31 December 2023, a decrease of 5.5% (-€57 million) compared to 2022.

SOLVENCY RATIO PERFORMANCE



AZ CONSULT THE GLOSSARY ON PAGE 542

The **Solvency Ratio** ^{AZ} of the Poste Vita Group stood at 307% at 31 December 2023¹³³, increasing compared to the 253% recorded in December 2022 (+54 p.p.), remaining at levels well above regulatory constraints and managerial aspiration (above 200%).

The change in the period was due to an increase in available equity (+26 p.p. on the solvency ratio) and a decrease in the capital requirement (+28 p.p. on the solvency ratio).

In particular, the development of the BTP-Swap spread (-30 bps) and the decrease in interest rates (-71 bps) lead to an increase in **Own Funds** reflected in the increase in the value of investments not offset by an equal increase in technical provisions.

The decrease in the **Capital Requirement** is mainly due to the reduction in underwriting risks (especially the “lapse risk”) and market risks due to the favourable market scenario. These changes are partly offset by the increase in operational risks (due to higher inflows for the year) and counterparty risks (due to higher liquidity held by the Company).

Despite the current context of economic uncertainty, no significant early policy cancellation behaviour by customers is currently observed. It should be noted that the mass lapse risk hedging treaty, referring to Class I and Multi-class products, signed by the Company on 14 March 2023 (effective from 31 December 2022) is still in force.

133. The value of the Solvency Ratio is currently undergoing the review process and will be communicated to IVASS by 20 May 2024.

7.3.4 Payments and Mobile Strategic Business Unit

INDUSTRIAL PLAN STRATEGY 2024-2028



POSTEPAY SERVICES

Postepay payments ecosystem and everyday needs at the heart of customer value creation and full development of the Open Payment Ecosystem

- Consolidation of leadership in digital payments and evolution towards an Instant Open Payment Ecosystem, also for connecting retail and micro-small business customer ecosystems
- Focus on growth in the Fibre segment and retention of Mobile business

Targets and KPIs Business Plan

Actual 2023

Target Plan



Electronic money

Consolidation of payment leadership through the structural growth of the digital payments market, the development of the Instant Open Payment Ecosystem with the enhancement of the Postepay Wallet

- Total debit and prepaid value of card transactions
- E-commerce value of transactions
- Number of debit and prepaid card transactions*
- Number of e-commerce transactions
- Digital e-wallets stock

	Actual 2023	Target Plan
• Total debit and prepaid value of card transactions	80.3 €bn	>130 €bn 2028
• E-commerce value of transactions	24.3 €bn	42 €bn 2028
• Number of debit and prepaid card transactions*	2.7 bn	4.6 bn 2028
• Number of e-commerce transactions	0.6 bn	1.1 bn 2028
• Digital e-wallets stock	12.0 mln	16.0 mln 2028

* Number of transactions includes all payment transactions, top-ups, withdrawals and transfers with the exception of incoming transfers.



Telecommunications

Mobile business consolidation. Fibre business growth supported by ultrabroadband connectivity market growth, a loyal customer base and an omnichannel platform

- Stock of fixed and mobile lines

	Actual 2023	Target Plan
• Stock of fixed and mobile lines	4.7 mln	5.5 mln 2028



Energy

Growth supported by a simple, transparent, reliable and fully integrated offer in the Postepay ecosystem and with the values of the Poste Italiane Group

- Final customer base Energy and Gas

	Actual 2023	Target Plan
• Final customer base Energy and Gas	0.35 mln	2.5 mln 2028

The SBU performance at the end of 2023 proves to be solid and growing in all divisions compared to 2022; EBIT stood at €440 million (+16% compared to 2022) driven mainly by revenue from the collections and payments and electronic money segments, due to the growth of e-commerce and the acquisition of LIS Holding SpA, which more than offset the start-up costs of the energy business.

Payments and Mobile (€m)	2023	2022	Changes	
External revenue*	1,447	1,134	+312	+27.5%
Revenue from other sectors*	264	264	+0	+0.1%
Total revenue*	1,710	1,398	+313	+22.4%
Costs*	753	537	+216	+40.3%
Costs vs. other sectors*	518	482	+36	+7.5%
Total costs*	1,271	1,019	+252	+24.8%
EBIT	440	379	+60	+15.9%
EBIT margin %	25.7%	27.1%		
NET PROFIT	338	270	+68	+25.1%

* This item takes into account the management reclassification of costs related to the purchase of raw materials and the transportation of electricity and gas, which are classified as a direct reduction of revenues in the energy segment. Please refer to section 8.2 Other Information for a reconciliation with the respective accounting data.

Operative KPIs	2023	2022	Changes	
E-money and payments				
Total value of card transactions ("on us" and "off us") (€m)*	80,275	71,390	+8,885	+12.4%
Total value of card transactions ("off us") (€m)**	64,304	57,377	+6,927	+12.1%
Number of cards (m)***	29.6	28.9	+0.7	+2.5%
of which Environmentally Friendly Cards (m)	10.6	5.2	+5.4	+103.9%
of which Postepay Prepaid cards (m)	22.1	21.4	+0.8	+3.5%
of which Postepay Evolution cards (m)****	10.0	9.5	+0.5	+5.4%
of which Postepay Connect (k)	604.2	539.7	+64.5	+11.9%
Number of card transactions (m)	2,680	2,340	+341	+14.6%
of which number of e-commerce transactions (m)*****	607	512	+95	+18.6%
Incidence of Postepay top-ups on new channels*****(%)	77%	78%		
TLC				
SIM PosteMobile landlines and mobile telephones (stock in thousands)	4,732	4,815	(83)	-1.7%
of which mobile Sim (stock in thousands)	4,326	4,459	(133)	-3.0%
of which Sim Casa (stock in thousands)	406	356	+50	+14.0%
of which Sim Fibra (stock in thousands)	143	99	+44	+44.2%
Energy				
Contracts signed (in thousands)*****	530	47	+483	n/s

n/s: not significant.

* Transactions relating to payments made with Postepay Debit and Postepay on internal and external payment circuits ("on us" and "off us").

** Transactions relating to payments made with Postepay Debit and Postepay on external payment circuits ("off us").

*** Includes PostePay cards and debit cards.

**** Including business customers and Postepay Connect.

***** Includes e-commerce transactions + web (on Poste Italiane's digital properties). Incoming transfers are excluded from the perimeter.

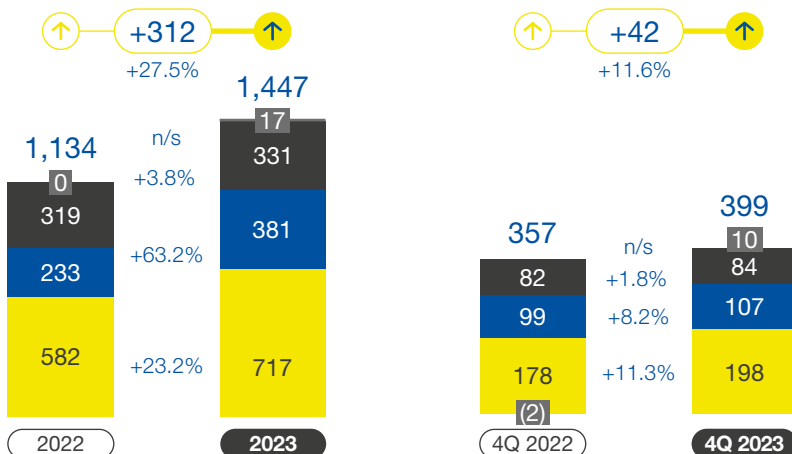
***** Includes transactions carried out on third-party networks (Post Office Point Network, Tobacconists, HORECA and other LIS points) and digital channels (Poste Italiane Retail, Business and Other Digital Channel Properties).

***** The value refers to the period from the beginning of the service (June 2022) to December 2023.

EXTERNAL REVENUE (€m)

- Energy
- TLC
- Collections and Payments
- Electronic money

AZ CONSULT THE GLOSSARY
ON PAGE 542



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** **AZ** services (transaction fee, fees and services) linked 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 fee) and fixed line (PosteMobile Casa and PosteCasa Ultraveloce offers).

Energy: revenue from electricity and gas sales following the start of the employee and family promotion in mid-June 2022 (mass market offer starting from January 2023) and revenue from energy management portfolio optimisation activities.

External revenue¹³⁴ stood at €1,447 million and mark a growth of €312 million compared to the previous year (+27.5%).

As mentioned above (see Section “Group operating results”), starting in 2023, the energy business has been represented on a net revenue basis, i.e. the revenue shown below is shown net of costs associated with the purchase of raw materials, system charges and the transport of electricity and gas.

The growth of €312 million is supported by the acquisition of LIS Holding SpA and LIS Pay SpA, which brought in incremental revenue of €184 million for the year¹³⁵ (distributed between the Electric money business, €65 million, and the Collections and Payments business, €119 million), while the new energy business with €17 million in revenue benefited from the launch of the mass market offer in January 2023.

Revenue from Collections and Payments services grew by €147 million (+63.2% compared to 2022) due to both the inorganic growth of LIS (+€119 million) and the growth in revenue from PostePay PagoPA payment alerts (+€18 million, +24% compared to 2022) and instant bank transfers¹³⁶ from Postepay Evolution (+€9 million, +72% compared to 2022).

Revenue of the Electronic money business increased by €135 million (+23.2%) from €582 million in 2022 to €717 million in 2023, due to the aforementioned acquisition of LIS (and the associated €65 million increase in revenue) and growth in the

134. The SBU accounting external revenue amounted to €1,586 million in 2023 (€464 million in the fourth quarter of 2023), compared to €1,147 million in 2022 (€368 million in the fourth quarter of 2022). The SBU total accounting revenue amounted to €1,861 million in 2023 (€542 million in the fourth quarter of 2023), compared to €1,410 million in 2022 (€430 million in the fourth quarter of 2022).

135. Incremental revenue of LIS recorded in January/August 2023. The month of September 2023 and the last quarter of 2023 are included in the organic growth, i.e. with the same company perimeter compared to the comparison periods (LIS entry into the Group starting from September 2022).

136. 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

operations of both Postepay Evolution and Postepay debit cards, as well as higher fee income; there were also higher revenue from acquiring services compared with 2022, due to the increase in volumes transacted and the contribution of LIS.

The Telecommunications segment showed revenue of €331 million (+€12 million or +3.8%) compared to €319 million in 2022. The increase in external revenue is mainly attributable to higher revenue from the fibre optic connectivity service.

In the year 2023, the Energy segment recorded €17 million in net revenue (of which €157 million in revenue and €140 million in costs for raw materials, sorting charges and transport costs), mainly due to the Light offer. In addition to the energy offer reserved for employees and their relatives launched in June 2022, the mass market offer was launched in January 2023, with the advertising campaign starting on 12 February 2023; in 2023, 488 thousand subscriptions were recorded (of which 336 thousand for the light offer and about 151 thousand for gas).

Revenue from other sectors amounted to €264 million in 2023 and were substantially in line with the previous year.

The performance in the last quarter of 2023 confirms the sustained growth in the Collections and Payments and Electronic money segments. Specifically, Electronic money revenue for the quarter amounted to €198 million (+€20 million, +11.3% compared to the fourth quarter of 2022) driven by growth in e-commerce (approximately €197 million e-commerce transactions in the quarter, +16.1% compared to the same quarter in 2022) from high payment card operations, structural growth in cashless payments, and the acquiring service. Collections and Payments services recorded revenue of €107 million in the last quarter of 2023 (+8.2% compared to the fourth quarter of 2022) mainly due to the positive contribution of the PagoPA payments service to the Public Administration and the revenue by Instant Bank Transfers. Positive performances also for the Telecommunications segment, which achieved revenue of €84 million in the last quarter of the year (+€1 million, +1.8% compared to the fourth quarter of 2022) supported by the growth of the customer base of the fibre optic connectivity service. In the last quarter of the year, the energy segment generated revenue of €10 million, net of costs related to the purchase of raw materials and transport costs.

CARD STOCK (m)

- Postepay debit
- Prepaid Postepay



29.6 mln
the card stock at 2023

At 31 December 2023, the overall stock of prepaid cards and debit cards amounted to 29.6 million, up compared to 31 December 2022 (+0.7 million, +2.5%) with overall transactions¹³⁷ in 2023 equal to €80.3 billion, up by approximately €8.9 billion (+12.4%) compared to 2022.

137. The figures refer to on-us and off-us payment transactions.

+18.6%

the **growth** of **e-commerce** transactions in 2023

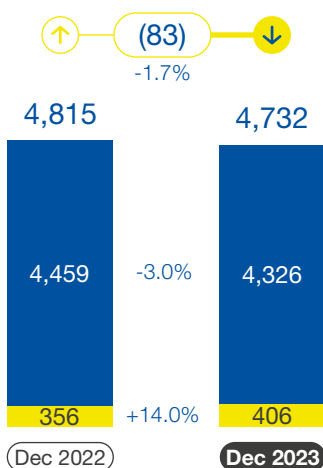
The existing Postepay prepaid cards amount to 22.1 million (+3.5% compared to December 2022) and of these, the Postepay Evolution cards, reached a stock of 10 million at the end of 2023 (+5.4% compared to the value at 31 December 2022). The sale of Postepay Connect¹³⁸ continued in 2023, with approximately 90 thousand activations at December 2023 and a stock of 604 thousand cards (+11.9% compared to December 2022). There was strong growth in the stock of eco-friendly cards, which reached 10.6 million cards at 31 December 2023, up by 5.4 million or 104% from 5.2 million at the end of December 2022.

During 2023, there was an increase in payment card transactions of 14.6% (+341 million transactions) compared to 2022, also thanks to the contribution of e-commerce transactions¹³⁹ and on the web +18.1% (+108 million transactions).

In the area of acquiring, against a number of POS installed in 2023 of about 287 thousand, a transacted volume of €30 billion was developed (+12% of transacted volume compared to 2022, an increase of €3 billion).

SIM STOCK (figures in thousands)

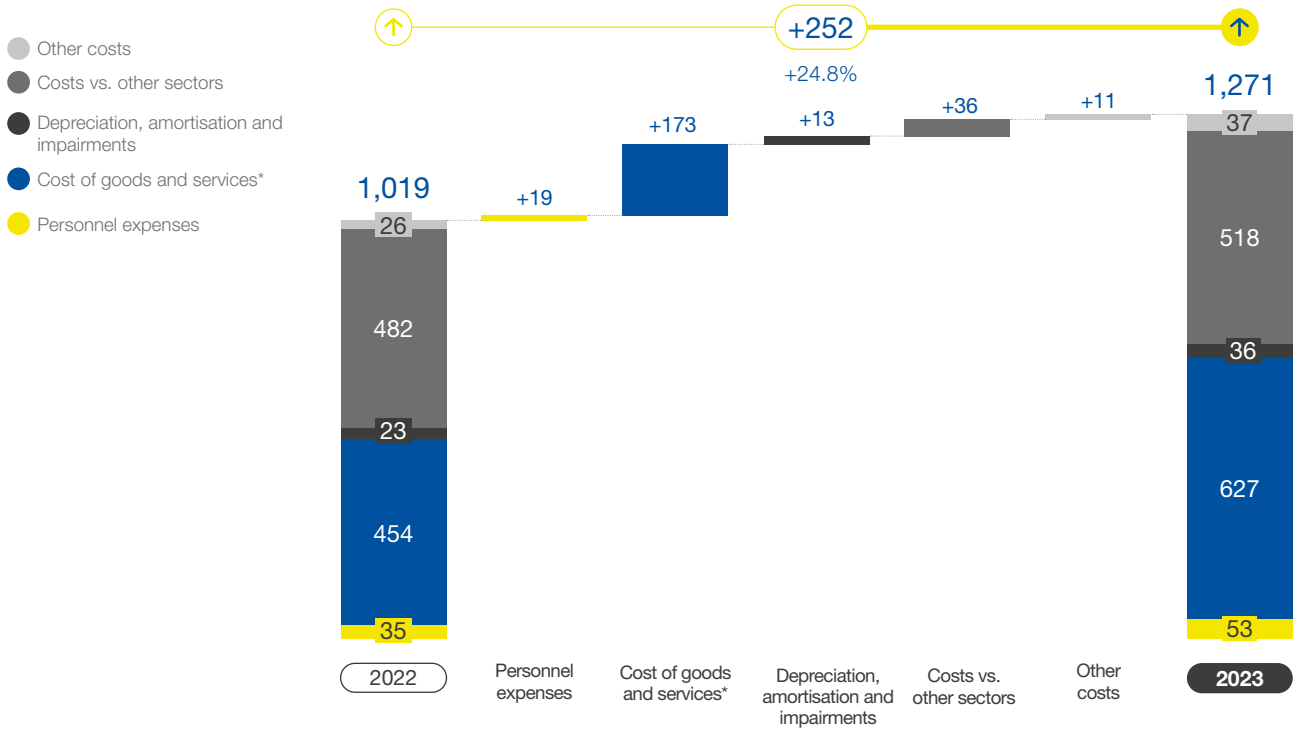
- Mobile SIM
- Fixed Lines



In Telecommunications, the customer base related to mobile telephony services, in December 2023, is represented by approximately 4.3 million lines, down (-3.0%) compared to 31 December 2022. With reference to Fixed Telephony services, the “PosteMobile Casa” offer and the “PosteCasa Ultraveloce” fibre optic data connectivity offer recorded a 14% increase in lines, rising from 356 thousand lines at 31 December 2022 to 406 thousand lines at the end of 2023. In detail, the lines of the “PosteMobile Casa” offer increased by 2.4%, while the lines of the “PosteCasa Ultraveloce” (Fibre) offer reached 143 thousand units in 2023, an increase of 44 thousand lines compared to December 2022.

138. Offer integrating the Postepay Evolution prepaid card and the Postemobile SIM.
139. Includes e-commerce transactions + web (on Poste Italiane's digital properties).

TOTAL COSTS (€m)



* This item takes into account the management reclassification of costs related to the purchase of raw materials and the transportation of electricity and gas, which are classified as a direct reduction of revenues in the energy segment. For a reconciliation with the respective accounting data, see section 8.2 Other Information.

The total costs of the Strategic Business Unit amounted to €1,271 million, an increase of 24.8% (+€252 million) compared to the €1,019 million incurred in 2022.

The increase in the cost of goods and services (+€173 million, +38.1% compared to the previous year) was mainly due to the expansion of the operating perimeter generated by the acquisition of LIS (+€132 million), start-up costs in the Energy segment following the launch of the commercial offer during the period (+€16 million), and the increase in the costs of payment circuits due to increased operations.

The increase in costs towards other sectors (+€36 million, +7.5% compared to 2022) is mainly determined by the higher outsourcing costs to the Parent Company, with particular reference to back office and call centre activities and systems information on payment services and placement of contracts at post offices linked to the start-up of activities in the energy business.

Personnel expenses increased by €19 million (+53.7%) compared to 2022, due to the expansion of the workforce following the acquisition of LIS and the new Energy business.

In light of the described results, the economic performance of the Payments and Mobile Strategic Business Unit at the end of 2023 shows an operating profit (EBIT) of €440 million, up 15.9% compared to the previous year (+€60 million) with a contribution on the last quarter of the year of €122 million (+€13 million compared to the fourth quarter of 2022).

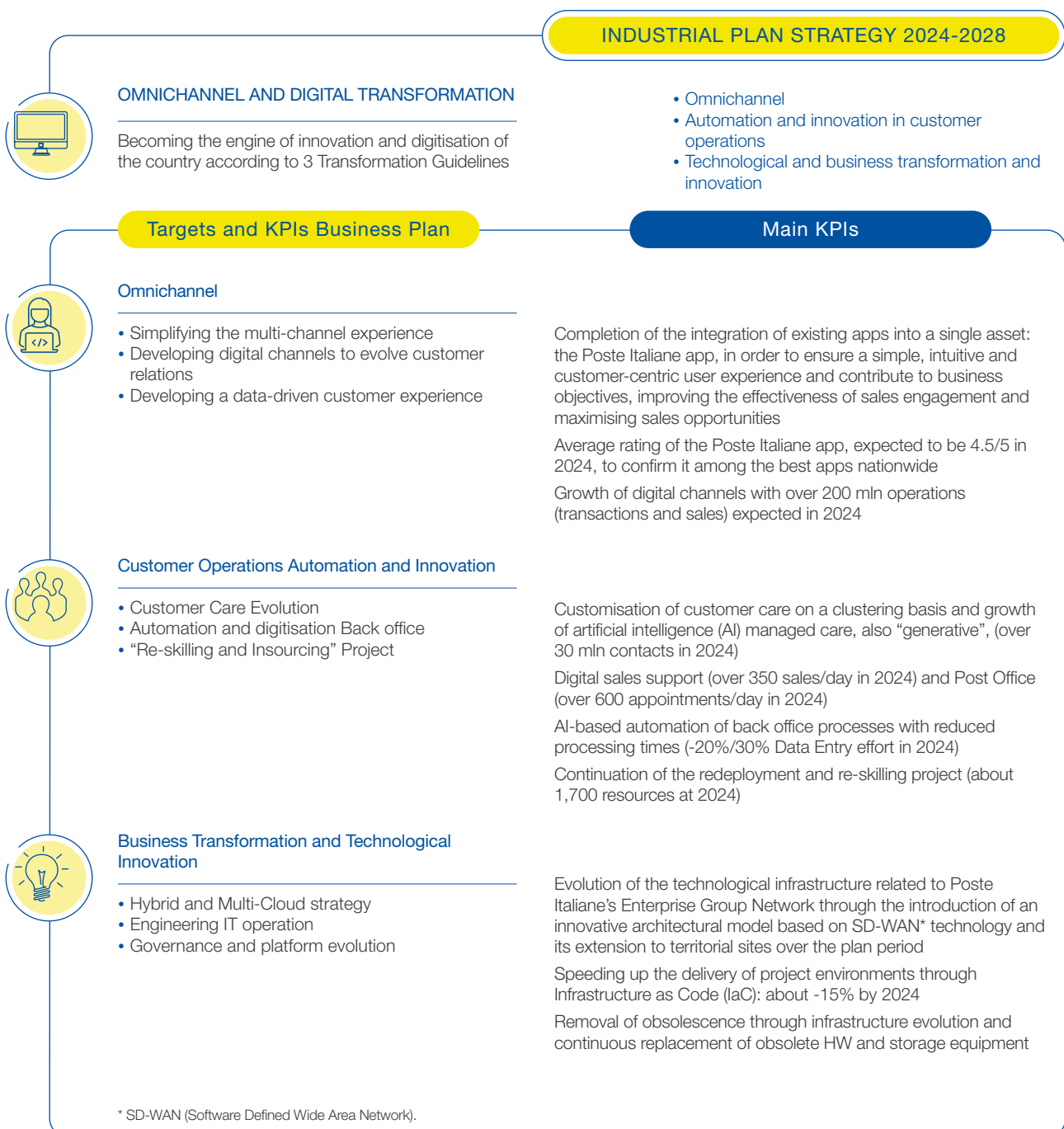
The profit achieved in 2023 amounted to €338 million, an increase of 25.1% compared to the value of 2022 (+€68 million).

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 homogeneous customer experience on all contact points.

The main drivers of the Group's digital transformation, outlined in the new 2024-2028 business plan, are outlined below:



>6 mln

Daily visitors on the Group's digital channels (+10% y/y)

Digital properties

The Group has implemented a programme of “digital transformation” of 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 market¹⁴⁰, almost 52 million people in Italy are on-line and almost 43 million are present and active on social channels 98.3% of Italians continue to use a smartphone and 67.9% a desktop or laptop computer, while the growth of smartwatches (used by 35.3% of the population, up 6.3% compared to 2022) and smart homes (used by 23.8% of Italians, up 16.1% compared to 2022) continues. As far as e-commerce is concerned, 47.1% of people in Italy made at least one online purchase in 2023.

The main KPIs with the Group's performance on digital channels and third-party networks during 2023 are represented below.

Key KPIs Omnichannel	2023	2022	Changes	
Daily interactions physical network Poste and new channels (m)*	23.1	21.2	+1.9	+9.0%
Daily operations Poste physical network and new channels (m)*	3.2	3.1	+0.1	+3.7%
KPIs New Channels*				
Incidence of new channel interactions (digital, remote channels and third-party networks/total daily interactions)	69%	69%		
Incidence of operations on new channels (digital operations and third-party networks/total operations)	52%	50%		
Digital KPIs				
Incidence of digital interactions (e-commerce + digital retail channels)/total interactions	47.8%	46.7%		
Daily digital operations (m)	0.5	0.4	+0.1	+20.4%
Digital operations/total operations*	17.7%	15.2%		
Daily users (website and apps) (m)	6.3	5.8	+0.6	+10.0%
Overall app rating	4.6	4.6	(0.0)	-0.5%
Digital clients (m)	13.4	12.0	+1.4	+11.7%
App downloads (m)	96.8	84.5	+12.3	+14.5%
Poste Italiane Digital e-Wallets (m)	12.0	10.7	+1.3	+11.9%
Active SPID digital identities (m)	24.0	23.8	+0.2	+0.8%
KPIs third-party networks				
Payslip volumes (in mln)	40.7	50.8	(10.0)	-19.8%
Postepay top-ups (in mln)	52.8	51.8	+1.1	+2.1%
Postemobile top-ups (in mln)	9.4	11.1	(1.7)	-15.2%
Parcels delivered (in mln)	15.7	10.8	+4.8	+44.7%

* The indicators shown in the 2022 column have been pro-formed to include LIS's operations in the first eight months of 2022 (the company was acquired in September 2022).

140. Source: <https://wearesocial.com/it/blog/2024/02/digital-2024-i-dati-italiani/>

 CONSULT THE GLOSSARY
ON PAGE 542



>17%

The incidence
of daily operations
on **digital channels**
in 2023

 CONSULT THE GLOSSARY
ON PAGE 542

about 27 mln

digital identities
issued with about
75% market share

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.

Operations: customers' purchase actions (e.g. purchase of current account or postepay evolution) and transactions (e.g. payment of pay slips, postepay top-up, bank transfer) on the Poste Italiane Group's digital properties, in post offices and at third-party networks.

Average unique visitors: number of users who made at least one daily visit to the Group's digital properties (Poste.it website and apps) in the selected period.

In 2023, the Poste Italiane Group reached 23.1 million daily interactions (21.2 million interactions in 2022) with 69% of interactions on digital properties, remote channels and third-party networks. The number of average daily unique visitors also grew during the year, reaching 6.3 million, up 10% compared to last year. Compared to last year, daily operations on digital channels also grew in double figures (+20%), accounting for about 18% of total daily operations. Digital customers enabled for online operations through **e-wallet**  reached 12 million at 31 December 2023, using the Poste Italiane Group's apps, which recorded over 96 million downloads with an overall rating in 2023 of 4.6 out of 5.

The share of digital operations on total transactions also increased compared to 2022 from 15.2% to 17.7% in 2023.

Poste Italiane is confirmed as the first SPID Digital Identity Manager, with a market share of around 75% and a customer base of around 27.3 million Identities Digital public databases issued, of which 24 million active. As further confirmation of its commitment to institutions and citizens, Poste Italiane renewed the SPID Identity Manager Agreement with AgID in September.




In order to guarantee the highest quality of service and to always 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 pursues continuous improvement of the customer experience in all its aspects and an ever-evolving offer through the development of new digital identity solutions.


Strengthening of digital channels

In 2023, 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

- During 2023, the **new Poste Italiane app (formerly the Ufficio Postale app)** was made available, with a new design and a personalised user experience, thanks to the improvement of existing services and the introduction of new features, including particular:
 - simplified booking flow, with the possibility of retrieving appointments made in omnichannel mode;
 - introduction of a form pre-filling service directly in the app to simplify the experience in the Ufficio Postale app;
 - new notice board, organised in a simpler way and navigable via the advanced search functionality;
 - new section of the profile that allows customers to view and keep updated their personal and contact data and manage their PostelID;

- a “featured” area with communications and notifications relating to the customer’s operations, as well as a section dedicated to business proposals and one for quick access to the most frequently performed operations and with a summary of current activities, to support the customer in day-to-day operations;
 - simplified access through the creation of a PostelD, even for non-financial users, and enabling biometric recognition to standardise the way all customers access the app;
 - new section dedicated to assisting customers in requesting information on the various products/services and for the resolution, also in self-service mode, of any problems encountered;
 - available on the app the new Poste Delivery Web and Postaonline funnels optimised for the purchase and dispatch of parcels, as well as the purchase and dispatch of registered mail, letters and telegrams online from smartphones;
 - integration of the financial component, which enables customers to independently view and manage their BancoPosta accounts and Postepay cards, expanding the range of products available in the app; it is therefore possible to access the details of their financial products and carry out the main payment transactions, in addition to those already available on the BancoPosta and Postepay apps¹⁴¹;
 - customisation of the app services (thanks to the use of Artificial Intelligence), based on the customer’s usage with a data-driven logic to facilitate daily use; it is also possible to customise the home page, colour and sorting of services based on one’s preferences.
- In the area of **Postal Savings**, a recognition process was made available to customers on the BancoPosta web and app channels to allow holders of Libretti Smart, enabled only for information functions, to also access device functions by carrying out online transactions without the need to go to a post office or a Postamat ATM.
 - On the basis of the main innovations introduced with the new Poste Italiane app, the evolution of the poste.it website has begun, with the simplification of its reserved areas through the introduction of fast-track operations and the use of new graphic elements, in order to facilitate the usability of information and enable customers to quickly access the main order operations.
 - The **digital assistant (BOT)  service was evolved** in order to monitor the status of shipments.
 - As part of the activities to **evolve the fibre offer**, in March 2023, the possibility was made available for customers paying through the pay slip to be able to speed up the payment of invoices with the new feature of “**one-click-to-pay**” offering customers access to their payment tools to pay their slips via app and web and, at the same time, to switch to direct debits.
 - In the Poste Italiane, BancoPosta and Postepay apps, thanks to the new PostePass functionality, the **identification** phase of customers in the Post Office (at the counter and in the consultancy room) has been simplified for the purposes of contracting a product/service present on the Single Front End platform¹⁴², through the use of Strong Customer Authentication (SCA). Customers, whose identification document is already present in the Poste Italiane archives, by framing the **QR Code ** on the **PAD ** provided at the counter and entering their PostelD code, are identified without the need to present their documents. In addition, customers in possession of FEA¹⁴³ (*Firma Elettronica Avanzata*, Advanced Electronic Signature) can also sign the contractual documentation for the purchase of a new financial product at the Post Office using the Postepay and BancoPosta apps.
 - The new **cardless withdrawal service** has been introduced in the Poste Italiane, BancoPosta and PostePay apps, which allows Postepay Debit card holders to withdraw cash without using their physical card by going to one of the affiliated points of the PUNTOLIS network.

 CONSULT THE GLOSSARY
ON PAGE 542

141. Safely pay slips and car and motorbike tax stamps, make PagoPA payments, top-ups and transfers, send and receive money, withdraw without a card, view card PINs and block them, and pay bills.

142. The Single Front End (FEU) is Poste Italiane’s product sales platform that allows the sale of different products to be managed through a single system and render a more efficient service to customers.

143. The advanced electronic signature (FEA) is the technological solution that allows customers to electronically sign the contractual forms required for the activation of services requested at Post Offices, in compliance with the regulations in force. Customers will be able to affix their signature using an electronic pen connected to a tablet that is capable of detecting the graphic signature stroke and a series of additional graphometric characteristics (writing speed, pressure exerted, acceleration, inclination, etc.), guaranteeing the value of the documents signed in this way as private deed in accordance with current legislation, and ensuring the unique connection of the signature to the signatory, the authenticity and non-changeability of the document.

- For holders of a digital domicile¹⁴⁴ a new service model has been implemented, as an alternative to service by post, which provides for the filing in the **Platform for Digital Notifications**¹⁴⁵ of the deed and the sending of an information notice in telematic mode to the addressees.

Strengthening the catalogue of offers on digital channels

- In the Electricity and Gas sector, the new functions have been made available¹⁴⁶ in the **self-service area** (of the website and app), of the new transversal assistance model in the PostePay app and of the new sales funnel from the BancoPosta app and the management of the recalculation of the annual (fixed) instalment is available¹⁴⁷ and related communications to the customer via digital channels (web and app), on the bill, and by e-mail.
- In the utilities area, omnichannel functionalities of **cross-selling between Energy and Fibre products** were implemented on the **Thank You Page**¹⁴⁸. In addition, the contact centre sale of Fibre products was extended to all customers (including prospect customers¹⁴⁹, SPID customers and those with an incomplete or invalid identity document).
- The **new simplified sales funnel** for the Current Account was introduced in the BancoPosta app, completing, in an omnichannel logic (i.e. the ability to switch from the app channel to the web and vice versa during the request process), the active channels for the sale of the product; on the web channel, the new simplified sales funnel dedicated to the purchase of Mutual Investment Funds was introduced, for customers already in possession of a current account and smart passbook.
- In the **Postal Savings** area, the new **Supersmart Rinnova Offer** is available, and can be activated from both the web channel and the BancoPosta app, dedicated to Libretto Smart holders with the Supersmart Premium Offer whose accruals are about to expire; in addition, the range of products that can be subscribed to on the digital channels, web and BancoPosta app, has been expanded (Interest-bearing Postal Certificate Soluzione Futuro and Supersmart Pensione Offer for Libretto Smart holders).
- Digital sales of the Postepay Evolution card have been made available, both from the PostePay app and from the poste.it website, completing the active channels for selling the product and the range of cards that can be purchased online from an omnichannel perspective.

Optimising PosteBusiness infrastructure

- The digital payment functions of business customers with the Postepay Evolution Business card and, where applicable, Postepay Debit Business have been expanded, integrating the **payment of pay slips** (both from the web and the app), Postepay top-ups (both from the web and the app), the **F24 forms** (from the web), telephone top-ups (from both the web and the app) and foreign bank transfers (from the web).
- The **“My Business” service** has been integrated, both on the web channel and on the PosteBusiness app, for users of the **BancoPosta Business Link current account**, which allows you to have a simple and intuitive vision of your financial situation, monitoring income, expenses and cash flow, including forecasts, and the achievement of personalised income and/or expense objectives.
- With regard to the e-commerce service dedicated to the Corporate target, the marketing of the new **Virtual POS platform** was launched on a panel of selected customers and the analysis and development of the innovative functionalities managed by the platform was started. The new solution makes use of a new customer service model provided directly by Poste Italiane, guaranteeing greater customer control and monitoring.

144. The digital domicile is the electronic address elected at a certified electronic mail (PEC) service or a qualified certified electronic delivery service, as defined by the eIDAS Regulation, valid for the purposes of electronic communications having legal value.

145. Official Journal no. 130 of 6 June 2022, Regulation governing the modalities of operation of the platform for the notification of Public Administration deeds (Pnd). Administrations, through one of their officials, will log in via SPID or CIE and will be able to upload the document to be notified on the platform, entering the addressee's tax code and digital domicile. The platform operator will send the addressee a notice by PEC (certified e-mail) informing of the existence of the deed and providing the means of accessing and acquiring it.

146. The new functionalities relate to typical after-sales activities, such as: change of residence status, change of payment method, transfers, complaints, management of land registry data, activation/deactivation of bill by e-mail, change of delivery address, etc.

147. It is checked whether the initial estimate on which the fixed instalment paid by the customer in the current year was developed is still valid or, due to changed consumption habits of the customer or changes in prices, whether it should be modified for the following year.








148. The thank you page is the last screen in the sales process where the customer is greeted and thanked for signing up for the service.

149. Prospect customers are users who do not have any product/service with Poste Italiane and are not registered at poste.it, who come into contact with Poste Italiane through Call me Back or call centre calls but for whom no data is present on the systems.

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.

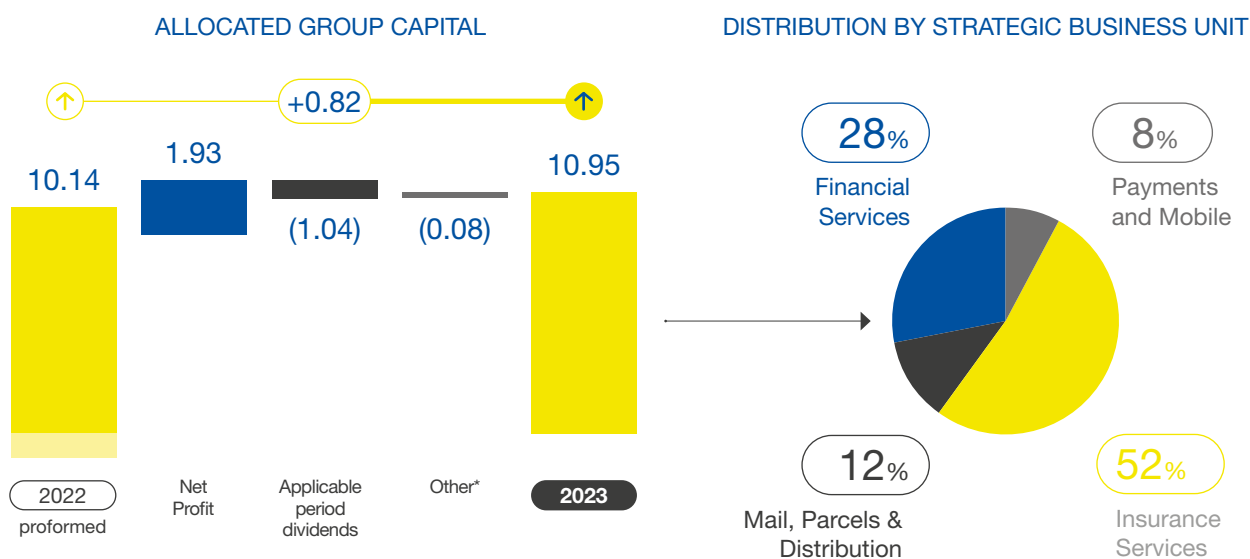
OBJECTIVES	2023-2022 KPIs	FOCUS
<p>1 Support the operational continuity of the business, ensuring industrial investments consistent with the objectives of the Strategic Plan.</p> <p>Maintain capital requirement levels in line with the forecasts of the various authorities or consistent with management's aspiration.</p> <p>Maximise cash flow from Group operations.</p>	<ul style="list-style-type: none"> • Investments of €845 million in 2023 (€810 million in 2022) <p>BancoPosta:</p> <ul style="list-style-type: none"> • CET1 ratio of 18.9% in 2023 (20.3% in 2022) • Total Capital Ratio of 22.1% in 2023 (23.1% in 2022) • Leverage ratio of 3.2% in 2023 (2.9% in 2022) <p>Poste Vita Group</p> <ul style="list-style-type: none"> • Solvency Ratio of 307% in 2023 (253% in 2022) <p>PostePay EMI:</p> <ul style="list-style-type: none"> • Free Capital ratio: 55.4% in 2023 (33% in 2022) • Total Capital Ratio: 13.45% in 2023 (8.95% in 2022) <ul style="list-style-type: none"> • FFO of the Mail, Parcels and Distribution SBU in 2023 amounting to €339 million (€259 million in 2022) 	<p>FOR FURTHER INFORMATION P. 247 </p> <p>FOR FURTHER INFORMATION P. 222 </p> <p>FOR FURTHER INFORMATION P. 233 </p> <p>FOR FURTHER INFORMATION P. 253 </p>
<p>2 Maximise the Group's medium-/long-term value creation, directing strategic choices according to return on capital, towards continuous value growth over time.</p>	<ul style="list-style-type: none"> • Group ROE of 17% in 2023 (15% in 2022) • EPS of €1.48 in 2023 (€1.21 in 2022) 	<p>FOR FURTHER INFORMATION P. 198 </p>
<p>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.</p>	<ul style="list-style-type: none"> • DPS 2023 of €0.800 (+23% y/y) of which a portion (€0.237) was settled as an advance in November 2023 (€307 million) • Distributable reserves of the Parent Company at 31 December 2023 of €1.8 billion, (€1.4 billion at 31 December 2022) 	<p>FOR FURTHER INFORMATION P. 198 </p>
<p>4 Seize opportunities related to strategic M&A transactions, flexibly managing the capital and liquidity while keeping the Group's financial structure balanced.</p>	<ul style="list-style-type: none"> • NFP Mail, Parcels and Distribution SBU at 31 December 2023 -€1,381 million (-€1,401 million at 31 December 2022) • EBITDA 2023 of €3,431 million (€3,121 million in 2022) 	<p>FOR FURTHER INFORMATION P. 252 </p>

With reference to the objectives listed above, during the year the Group has:

- incurred industrial investments in the amount of €845 million, details of which are given below;
- distributed dividends to shareholders of €883 million;
- supported M&A transactions by committing around €145 million of liquidity mainly for the acquisition of the following companies:
 - Net Insurance (€108 million);
 - Cronos (€49.5 million).

Below is the evolution of the Group's allocated capital compared to 2022 and its distribution among the SBUs.

(figures in €bn)



● Effect of IFRS 17 FTA

* Other includes the purchase of treasury shares, the coupon on the hybrid bond, the recognition of put options for the purchase of minority interests and the change in the IFRS 2 reserve.

Allocated capital at 31 December 2023 amounted to €10.95 billion, an increase of €0.82 billion compared to 31 December 2022, mainly due to the 2023 profit for the year of €1.93 billion, partially offset by dividends for the year of €1.04 billion (partly distributed through an interim dividend of €307 million in November). The Group's allocated capital is mainly attributed to the Insurance Services (52%) and Financial Services (28%) SBUs.

7.6 Group financial position and cash flow

(€m)	31 December 2023	31 December 2022	Changes	
NON-CURRENT ASSETS	6,195	5,852	+343	+5.9%
NET WORKING CAPITAL	1,096	1,288	(192)	-14.9%
GROSS INVESTED CAPITAL	7,291	7,140	+152	+2.1%
SUNDRY PROVISIONS AND OTHER ASSETS/LIABILITIES	(715)	(274)	(442)	n/s
NET INVESTED CAPITAL	6,578	6,866	(288)	-4.2%
EQUITY	10,439	7,878	+2,560	+32.5%
NET DEBT (SURPLUS)/DEFICIT	(3,861)	(1,012)	(2,849)	n/s
<i>of which: Net debt of the Mail, Parcels and Distribution SBU</i>	2,755	2,839	(84)	-2.9%

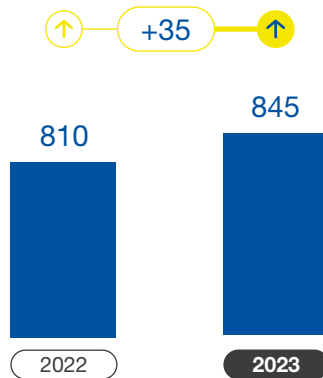
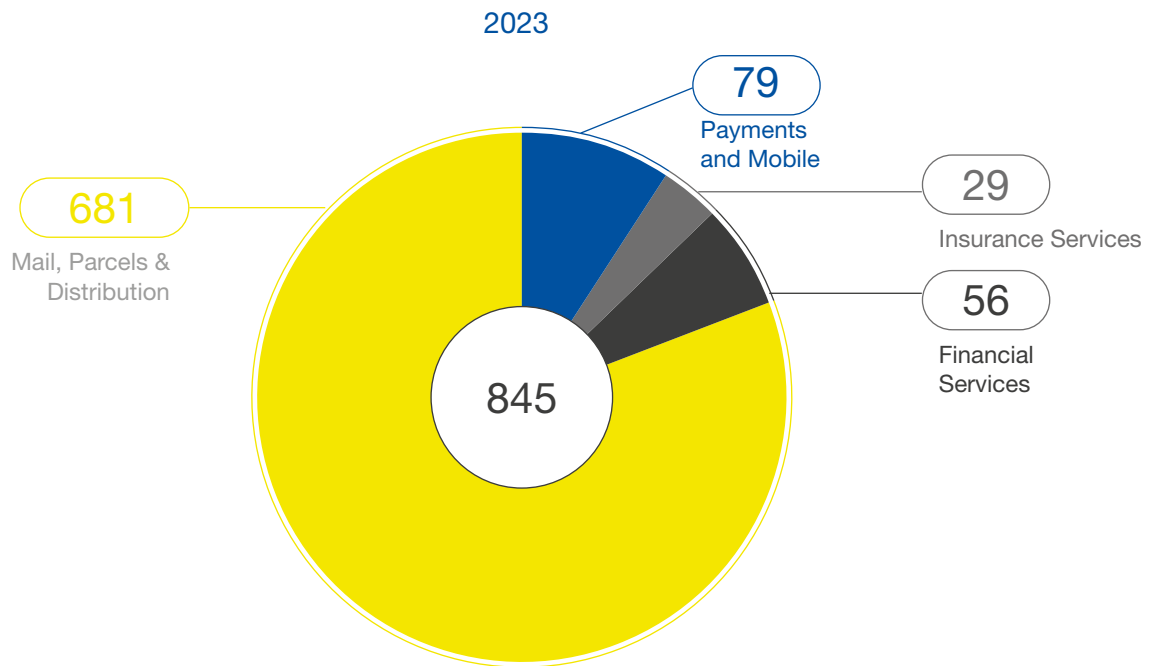
n/s: not significant.

The Poste Italiane Group's **non-current assets** at 31 December 2023 amounted to €6,195 million, an increase of €343 million compared with the end of 2022. Investments of €845 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 €248 million. In addition, there was an increase resulting from the first-time consolidation of Net Insurance of €160 million (of which €124 million related to the recognition of provisional goodwill from acquisitions). These changes were partially offset by depreciation and amortisation of €882 million.

Also contributing to the balance of this item are equity investments in companies accounted for using the equity method for a total of €294 million, mainly relating to the investments held in Anima Holding, Financit, Replica SIM and, starting from the current year, the investment in sennder Italia for €22 million, which, as part of the renegotiation of agreements with sennder GmbH, lost the status of subsidiary and assumed the status of associate.

Group **investments** in 2023 amounted to €845 million. Investments classified as ESG, i.e. complying with the reference principles of the Group's 8 Pillars of Sustainability, represent more than 70% of the total value. Among the main projects we highlight the interventions relating to the Polis Project "Digital Citizenship Services Houses", the interventions of energy efficiency of the real estate assets, the automation and evolution of the sorting and delivery network from a green perspective, the improvement of the customer experience of the products and services offered to customers from a multi-channel and digital perspective, the evolution of the Cloud infrastructure, as well as the adoption of management systems, equipment and infrastructures in the field of health and safety.

(€m)



In line with the investment programme for the period 2021-2024, designed to support the objectives of the Strategic Plan, around 80% of the Group's investments (€681 million) focused on the automation and modernisation of the **Mail, Parcels and Distribution Strategic Business Unit**.

about **26,200**
low-emission vehicles available in the fleet, of which approximately 5,800

In particular, the renewal of the fleet dedicated to delivery continued in 2023, with the introduction of about 3,600 new vehicles, of which about 2,200 electric, about 800 hybrid and the remainder with low emissions. At 31 December 2023, the total fleet consisted of around 26,200 new low-emission vehicles. In addition, some 1,600 electric vehicle charging infrastructures were installed in 2023. At 31 December 2023, approximately 5,600 electricity columns are installed.

During the year, new zero-emission delivery lines were also implemented on 7 city centres (Naples, Foggia, Matera, Pesaro, Palermo, Reggio Calabria and Siena) in addition to the 28 city centres already implemented in 2021-2022, for a total of 35 city centres. Instead, as far as municipalities are concerned, there are about 800 with zero-emission deliveries.

about **2,000**
buildings
involved in the
Smart Building
interventions at
31 December 2023

Property investments concerned the redevelopment of Post Offices, the creation of new spaces for commercial specialists and mobile consultants. In the area of reducing environmental impacts, work continued on automation and remote control of facility management (about 380 buildings involved in the Smart Building interventions in 2023) in order to reduce electricity consumption and CO₂ emissions. Work also continued on the replacement of conventional lamps with LED technology (around 21,000 additional lamps in 2023) and 145 photovoltaic systems were installed in 2023, totalling more than about 310 systems with an installed capacity of over 15,000 kWp.

about **433k**
LED lamps
installed at
31 December 2023

In 2023, work continued on the routine management of safety in the workplace, in particular with the distribution of safety equipment at the territorial branches (including around 1,400 anti-harassment kits) and *information security* ^{AZ} through activities to prevent threats and counter cyber attacks. Work continued on the Poste Italiane video surveillance service for sites not yet served and existing systems were improved by progressively replacing digital video recorders (DVR) and obsolete anti-intrusion control units. In particular, around 330 cameras and over 170 Intrusion Control Panels were replaced. Furthermore, during 2023, the TAPA - FSR (Transported Asset Protection Association – Facility Security Requirements) certification was obtained¹⁵⁰ on 3 sorting centres, as well as renewed at the Brescia Operations Center and 5 further Sorting Centres, for a total of 9 certified sites at 31 December 2023.

^{AZ} CONSULT THE GLOSSARY
ON PAGE 542

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*” ^{AZ} procedure of application components. In addition, activities continued on the Data Driven Company project, which aims to support corporate strategies through the implementation of a Data Mesh Platform¹⁵¹ that will provide access to structured and customised information. In Customer Service, the transformation process sees the increasing use of the Artificial Intelligence platform to support the management of first-level contacts compared to last year. Finally, among the most important initiatives in the omnichannel sphere is the completion of the gradual release on stores of the first version of the new Poste Italiane app, replacing the previous Ufficio Postale app, with over 2.5 million users having already made digital bookings.

In the **Financial Services Strategic Business Unit**, total investments amounted to €56 million and mainly concerned the streamlining of sales and post-sales processes, with a focus on customer identification procedures and the simplification of contract signing at Post Offices. In addition, the pilot project of the new online trading platform was launched and the enhancement of customer engagement continued¹⁵².

In the **Insurance Services Strategic Business Unit**, during 2023, project activities continued to support industrial development, which particularly concerned the finalisation of Poste Vita’s acquisition of Net Insurance SpA through its subsidiary Net Holding SpA. Furthermore, the functional/infrastructural improvement activities of the most important business support systems continued and the systems adaptation interventions were completed to comply with regulatory obligations, such as the first application of the IFRS 17 accounting standard. Total investments in 2023 amounted to €29 million.

150. TAPA certification involves the implementation of physical security systems and the adaptation of security systems (access control, video-surveillance, anti-intrusion, etc.) at the logistics sites of Posta Comunicazione, as well as the adoption of specific rules, procedures and audit plans so that what is implemented is aimed at protecting assets and spreading a culture of security, in compliance with company regulations, in order to ensure the reduction of exposure to the risk of theft, compliance with the international TAPA-FSR standard according to which sites will be certified, the maintenance of air security certification (regulated agent, airport handler) and the transport of dangerous goods under ADR (Accord Dangereuses Route - road) and DGR (Dangerous Goods Regulation - air transport). (Regulatory requirement on civil aviation security Reg. EU 300/2008; Reg. EU 2015/1998 and following).

151. The data mesh is a decentralised data architecture that organises data according to a specific business domain. In this type of architecture, data is conceived as a “product”, in fact reference is made to “data product”.

152. Improving the customer experience through the set of interactions between the various channels, especially digital.

Investments in the period of the **Payments and Mobile Strategic Business Unit** amounted to €79 million. Developments to support the fixed and mobile network offerings continued with the aim of increasing their competitiveness in the market, as well as investments in IT systems aimed at supporting the new sales processes in post offices, the provision of PagoPA services and the release of new functions in the issuing area. Finally, following the launch of the Poste Energia offer, development activities continue on the management platform and the release of specific functions on digital channels (app and web).

FOR FURTHER INFORMATION 
P. 242

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 2023 amounted to €1,096 million and decreased by about €192 million compared to the end of 2022 mainly due to:

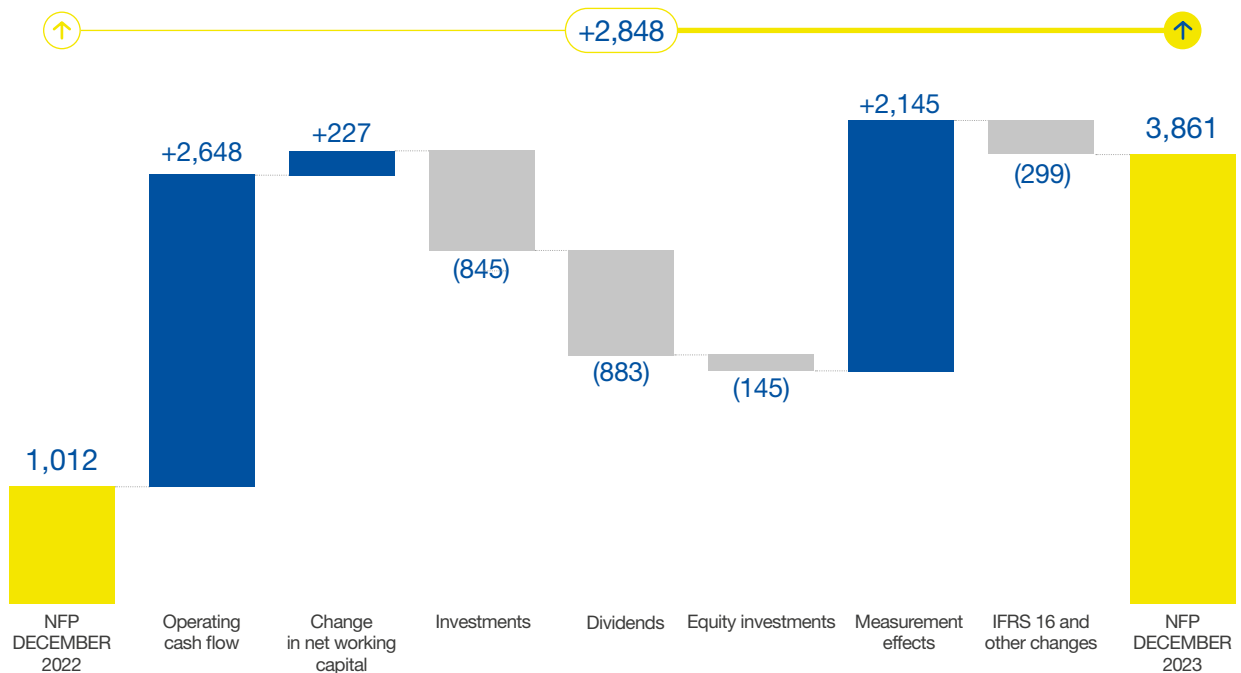
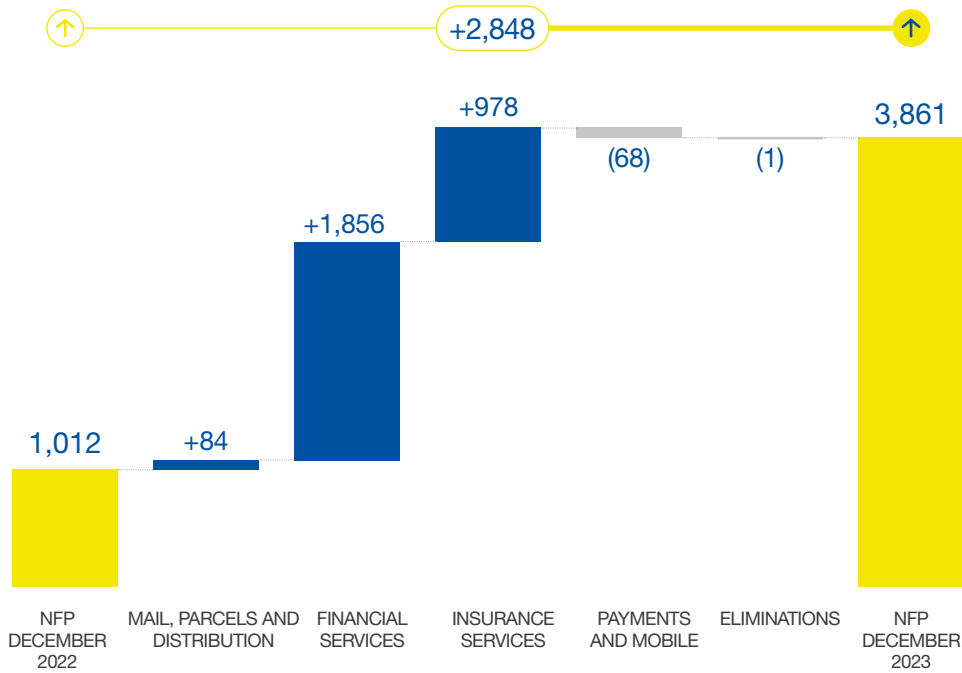
- higher trade receivables of €226 million net of higher trade payables of €19 million;
- net decrease of approximately €310 million resulting from changes in other assets and liabilities;
- increase in current tax payables, net of current tax receivables, of €103 million.

The balance of **Sundry provisions and other assets/liabilities** at 31 December 2023 amounted to €715 million and increased by €442 million compared to 31 December 2022 mainly due to the lower net deferred tax assets and liabilities of €579 million partially offset by the decrease in the employee termination benefits for €68 million, by the recognition of the investment in Cronos among the assets for sale for €50 million and by the decrease in the provisions for risks and charges of approximately €20 million.

Equity at 31 December 2023 amounted to €10,439 million, an increase of €2,560 million compared to 31 December 2022. This change is mainly attributable to:

- the positive effect of the profit for the year of €1,933 million;
- the negative effect from the distribution of dividends in the amount of €883 million (of which €307 million as interim ordinary dividend planned for the financial year 2023);
- the net positive change in the fair value reserve for investments held by the Financial Services Strategic Business Unit of approximately €1,550 million;
- the decrease in the cash flow hedge reserve of about €170 million.

GROUP NET DEBT/(FUNDS) (€m)



Total net debt/(funds) at 31 December 2023 showed funds of €3,861 million, an improvement of €2,848 million from 31 December 2022 (funds of €1,012 million). The following mainly contributed to this change:

- a positive operating result of €2,648 million (of which €1,933 million referable to the profit for the year and €882 million to depreciation and amortisation partially offset by the net uses of the employee termination benefits for €103 million and other items for approximately €64 million);
- the positive effect of the change in working capital and taxes (excluding the effects of changes in the scope of consolidation) amounting to approximately €227 million:
 - increase in gross trade receivables of about €300 million (excluding the contribution from corporate transactions);
 - €61 million of higher trade payables (excluding the contribution from corporate transactions);
 - a decrease in Other Receivables and Assets net of Other Liabilities of about €318 million mainly attributable to the net decrease in tax-related items mainly connected to the operations of the Insurance Services and Financial Services Strategic Business Units;
 - positive effect from the change in taxes for about €147 million;

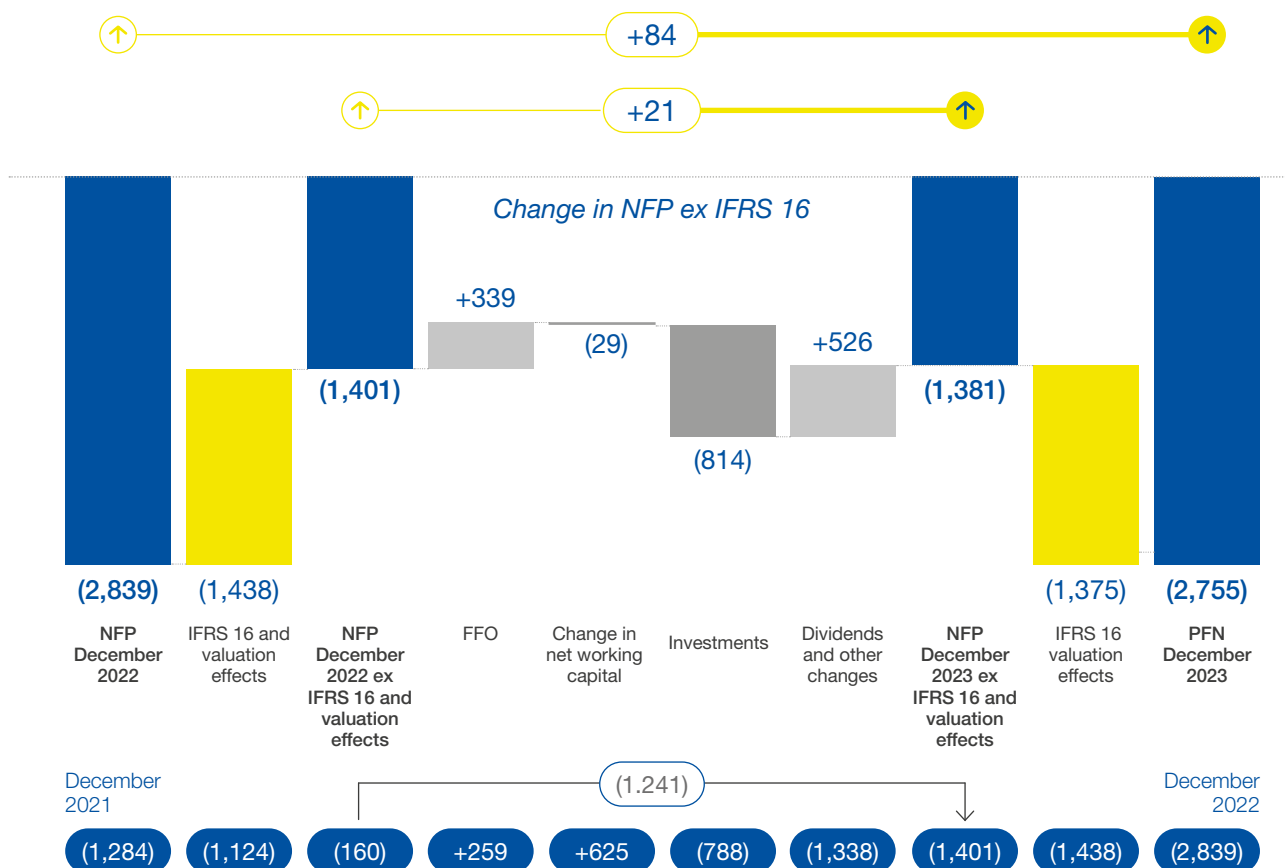
- investments in assets for €845 million;
- the negative effect from the distribution of dividends in the amount of €883 million (of which €307 million as interim ordinary dividend planned for the financial year 2023);
- the positive valuation effects for the year amounting to €2,145 million, mainly attributable to positive fluctuations in the value of investments classified as FVTOCI, held mainly by the Financial Services Strategic Business Unit, and residually by the other SBUs;
- investments in shareholdings amounting to €145 million mainly related to the acquisition of Net Insurance (of which about €108 million for disbursement) and Cronos (€49.5 million including the second capital increase subscribed by Poste Vita for about €47.8 million);
- other decreases totalling €299 million, mainly attributable to the increase of €234 million in financial liabilities for leases falling under IFRS 16.

With reference to the financial instruments held by the Financial Services Strategic Business Unit, the overall change in the fair value during the year was positive for approximately €2.3 billion and a positive amount of €1.9 billion was recognised in the specific equity reserve for the part not covered by fair value hedge instruments and €0.4 billion for the part covered in the statement of profit or loss, offset by the negative change in fair value hedge derivative instruments.

At 31 December 2023, the total balance of derivatives in fair value hedge was positive for €3.6 billion (€5.4 billion at 31 December 2022).

In addition, as part of these hedging transactions, the Parent Company shows a balance of liabilities for Guarantee Deposits of about €4.8 billion (€2.8 billion at 31 December 2023). The change, compared to the previous year, is mainly due to the reduction in fair value hedge derivatives following early settlement transactions.

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** at 31 December 2023 showed a debt of €2,755 million (€1,381 million net of lease liabilities and valuation effects), an improvement of €84 million compared to 31 December 2022, when it showed a debt of €2,839 million (€1,401 million net of lease liabilities and valuation effects).

Net of lease liabilities and valuation effects in the year, the change amounting to €21 million reflected:

- a positive operating result (FFO) of €339 million due to the negative result for the year of €155 million net of the capital gain realised following the renegotiation of the agreements with Sennder GmbH (€109 million), depreciation and amortisation (excluding rights of use) for €573 million and of the net uses of the provision for employee termination benefits, provisions for risks and other minor changes for approximately €79 million;
- a negative effect related to the change in net working capital of €29 million;
- new investments in fixed assets for €814 million;
- a net positive cash flow from dividends and other changes of about €526 million mainly due to the net effect of dividends received from companies (€1,397 million) and paid to shareholders outside the Group (€883 million).

The **Payables** shown in the net debt/(funds) of the Mail, Parcel and Distribution Strategic Business Unit primarily relate to:

- an EIB loan of €173 million maturing in March 2026;
- an EIB loan of €400 million maturing in October 2026;
- an EIB loan of €150 million maturing in May 2028;
- an EIB loan of €100 million maturing in May 2028;
- a CEB loan of €125 million maturing in December 2030;
- two senior unsecured bonds issued on 10 December 2020 with a total nominal value of €1 billion, the first of €500 million maturing in December 2024 and the second of €500 million maturing in December 2028.

ANALYSIS OF THE ESMA NET DEBT/(FUNDS) OF THE MAIL, PARCELS AND DISTRIBUTION STRATEGIC BUSINESS UNIT

(€mln)	31 December 2023	31 December 2022
A. Cash and cash equivalents	(650)	(575)
B. Cash equivalents	-	-
C. Other current financial assets	(6)	(1)
D. Liquidity (A+B+C)	(656)	(577)
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	813	379
F. Current portion of the non-current financial payable	1	1
G. Current financial debt (E+F)	814	381
H. Net current financial debt (G + D)	158	(196)
I. Non-current financial debt (excluding current portion and debt instruments)	2,058	2,001
J. Debt instruments	498	997
K. Trade payables and other non-current payables	15	18
L. Non-current financial debt (I + J + K)	2,571	3,017
M. Total financial debt (H + L)	2,729	2,821

ESMA FINANCIAL DEBT RECONCILIATION WITH NET DEBT/(FUNDS) INCLUDING INTERSEGMENT TRANSACTIONS

(€mln)	31 December 2023	31 December 2022
M. Total financial debt (H + L)	2,729	2,821
Non-current financial assets	(647)	(539)
K. Trade payables and other non-current payables	(15)	(18)
Tax credits Law no. 77/2020	(407)	(420)
Net debt/(funds)	1,661	1,843
Intersegment financial receivables and borrowings	1,094	996
Net debt/(funds) including intersegment transactions	2,755	2,839

Existing cash and credit lines are sufficient to cover expected financial requirements. More specifically, at 31 December 2023, the cash of the Mail, Parcels and Distribution Strategic Business Unit amounted to €0.6 billion (mainly relating to the Parent Company), while unused committed and uncommitted lines to support liquidity totalled approximately €3.4 billion.

The table below provides details of the credit lines at 31 December 2023 and 31 December 2022.

Description (€m)	Balance at 31.12.2023	Balance at 31.12.2022
Committed credit lines	2,450	2,450
Short-term loans	2,450	2,450
Uncommitted credit lines	2,201	2,159
Short-term loans	960	1,005
Current account overdrafts	185	145
Unsecured loans	1,056	1,008
Total	4,651	4,609
Uncommitted uses	569	652
Short-term loans	0	1
Unsecured loans	569	652
Total	569	652

7.7 Performance of Poste Italiane SpA and Report on operations of BancoPosta RFC

IN THIS CHAPTER:



- Operating results of Poste Italiane SpA
- Financial position and cash flow of Poste Italiane SpA
- Report on operations of BancoPosta RFC

7.7.1 Operating results of Poste Italiane SpA

RECLASSIFIED PROFIT OR LOSS

(€m)	2023	2022	Changes	
Revenue from sales and services	9,880	8,904	+976	+11.0%
Other income from financial activities	271	428	(157)	-36.6%
Other operating income	1,003	721	+282	+39.1%
Revenues	11,155	10,053	+1,102	+11.0%
Total personnel expenses	5,348	4,987	+361	+7.2%
Other operating expenses	3,505	3,246	+259	+8.0%
Costs	8,853	8,233	+620	+7.5%
EBITDA	2,302	1,820	+482	+26.5%
Depreciation, amortisation and impairments	773	744	+29	+4.0%
EBIT	1,528	1,076	452	+42.0%
EBIT MARGIN	13.7%	10.7%		
Finance income/(costs)	90	24	+66	n/s
Gross profit	1,619	1,100	+518	+47.1%
Taxes	229	253	(24)	-9.5%
Net profit	1,390	847	+542	+64.0%

n/s: not significant.

Total revenue generated by Poste Italiane SpA in 2023 amounted to €11,155 million, up 11% year-on-year (€10,053 million in 2022). The item Revenue and Income recorded growth of €976 million (+11%) compared to 2022, mainly thanks to the contribution of **revenue from financial services**, which show an increase compared to the financial year 2022 mainly attributable to the income from the use of postal current account deposits and free cash balances and to the remuneration of postal savings deposits. With reference to the former, the change in the item refers mainly to income from investments in securities and income from deposits held with the MEF, both related to the effects of the upward shift in the interest rate curve. With reference to the remuneration of postal savings deposits, the increase in the item compared with the previous year reflects the fees accrued at 31 December 2023, based on the Supplementary and Amending Deed of 30 January 2024 (effective retroactively from 1 January 2023 to 31 December 2023) to the Agreement in place with Cassa Depositi e Prestiti.

The decrease in **Other income from financial activities**, compared to the previous year, was mainly due to lower realised gains from financial instruments, partially offset by higher other income for interest accrued on guarantee deposits paid to counterparties. The increase in **Other revenue and income** was mainly due to higher dividends distributed by subsidiaries during the year and the capital gain of about €91 million generated by the sale of the controlling interest in the company sender.

Total costs, net of depreciation, amortisation and impairments, went from €8,233 million in 2022 to €8,853 million in 2023 due to the increase in total personnel expenses (+€361 million compared to 2022) and other operating costs (+€259 million compared to 2022).

The **total personnel expenses** increased by €361 million (+7.2%) compared to 2022. This change is attributable to both the increase in the extraordinary component and the increase in the ordinary component. The increase in the extraordinary component is mainly related to the additional and extraordinary performance bonus (approximately €130 million) paid to employees in November 2023, as well as higher provisions for early retirement incentives. The change in the ordinary component compared to the previous year derives from the increase in the contractual minimums triggered in July 2022 and July 2023 in connection with the National Collective Labour Agreement renewed in June 2021 and the increase in the variable component driven by the share linked to commercial incentive.

The increase in **other operating costs** is mainly attributable to: i) the increase in financial operating expenses mainly due to the effect of the change in the interest rate curve, which generated higher interest expenses on deposits under guarantee received from counterparties, on repurchase agreements and on postal current accounts of public customers; ii) higher costs of goods and services mainly attributable to the general increase in costs generated by the international inflationary pressure, the increase in costs for logistics and delivery services related to the recovery in demand in the parcels segment and fees related to the increased use of Cloud technology. These changes are partially offset by the decrease in other costs and charges mainly attributable to lower provisions for risks on tax credits compared to the previous year (for further details, see Note B4 - Provisions for risks and charges and Note A10 - Tax Credits, Law no. 77/2020 in Poste Italiane's Financial Statements in the section Poste Italiane's Financial Statements).

The item **Depreciation, Amortisation and Impairments** increased by €29 million compared to the previous year due to higher amortisation on utilisation rights (€15 million), largely related to the expansion of the leased fleet, and depreciation of the item Property, plant and equipment (€5 million).

Income taxes went from €253 million in 2022 to €229 million in 2023, a decrease of €24 million.

Poste Italiane SpA's **net profit** for the year ended 31 December 2023 was €1,390 million (€847 million in 2022).

7.7.2 Financial position and cash flow of Poste Italiane SpA

NET INVESTED CAPITAL AND RELATED HEDGING

(€m)	31 December 2023	31 December 2022	Changes	
Tangible assets	2,348	2,234	+114	+5.1%
Intangible assets	1,053	945	+108	+11.5%
Right-of-use assets	970	1,040	(70)	-6.7%
Investments	3,695	3,676	+18	+0.5%
Non-current assets	8,066	7,895	+170	+2.2%
Trade receivables and Other receivables and assets	5,556	5,281	+275	+5.2%
Trade payables and Other liabilities	(5,328)	(5,332)	+4	+0.1%
Current tax assets/(liabilities)	(81)	54	(135)	n/s
Total net working capital	148	3	+144	n/s
Gross invested capital	8,214	7,899	+315	+4.0%
Provisions for risks and charges	(1,228)	(1,257)	+28	+2.3%
Employee termination benefits	(608)	(678)	+70	+10.3%
Prepaid/deferred tax assets/(liabilities)	656	1,224	(567)	-46.4%
Net invested capital	7,033	7,188	(155)	-2.2%
Equity	5,653	3,808	+1,845	+48.5%
<i>of which profit for the period</i>	1,390	847	+542	+64.0%
<i>of which fair value reserve</i>	(825)	(2,374)	+1,549	+65.2%
Financial liabilities	96,863	104,704	(7,841)	-7.5%
Financial assets	(81,272)	(84,197)	+2,926	+3.5%
Tax receivables Law No. 77/2020	(8,318)	(9,021)	+703	+7.8%
Cash and deposits attributable to BancoPosta	(4,671)	(5,848)	+1,177	+20.1%
Cash and cash equivalents	(1,222)	(2,258)	+1,036	+45.9%
Net debt/(funds)	1,380	3,380	(1,999)	-59.2%

n/s: not significant.

Poste Italiane SpA's net invested capital amounted to €7,033 million at 31 December 2023 (€7,188 million at 31 December 2022).

Non-current assets amounted to €8,066 million, an increase of €170 million compared to 2022. Investments in tangible and intangible assets of €780 million also contributed to the formation of non-current assets, partly offset by amortisation, depreciation and impairments of €550 million. The item Right-of-use assets recorded a negative change of €70 million, which takes into account the acquisitions of the year for €134 million (mainly referring to the rental of company vehicles used for the delivery of mail and parcels), positive adjustments of €54 million for contractual changes that occurred during the year, disposals (€35 million) relating to the early termination of existing contracts with respect to their natural expiry and depreciation and amortisation for the year amounting to €223 million. The value of equity investments increased by €18 million compared to 31 December 2022, mainly due to the effect of: i) the purchase, on 19 July 2023, of the remaining 30% of the share capital of MLK Deliveries SpA for a total of €20 million, following the exercise by Poste Italiane of its call option on the shares held by Milkman SpA in MLK Deliveries SpA. With the transfer of the stake, Poste Italiane acquired total control of MLK Deliveries SpA and iii) the transfer, on 29 June 2023, of 35% of the stake held in sennder italia Srl to the shareholder sennder Technologies GmbH as part of the broader renegotiation of the current partnership between the company and Poste Italiane. Following the completion of the transaction, which resulted in the recognition in the statement of profit or loss of a total capital gain of approximately €91 million, Poste Italiane holds a 25% stake in sennder Italia Srl which, therefore, lost its status as a subsidiary and assumed that of an associate.

Net working capital at 31 December 2023 amounted to €148 million, up €144 million compared to year-end 2022, mainly due to the combined effect of: i) the increase in other receivables due from subsidiaries and associates mainly attributable to the amount due

from Poste Italiane SpA in its capacity as tax consolidator (+€106 million); ii) the increase in trade receivables mainly attributable to the increase in amounts due from Cassa Depositi e Prestiti (+€225 million) in respect of amounts to be invoiced accrued at the date, based on the Supplementary and Amending Deed of 30 January 2024 to the Agreement in place with Cassa Depositi e Prestiti and mentioned above; iii) the increase in current tax liabilities (+€105 million) and the reduction in current tax assets (+€30 million) (net of the balance of current tax assets).

The balance of the **Provisions for risks and charges** stands at €1,228 million (€1,257 million at the end of December 2022) and mainly takes into account the risk provision for tax credits Law 77/2020 equal to €400 million (€320 million at 31 December 2022) for risks on tax credits and the provisions for early retirement incentive for €283 million (€352 million at 31 December 2022), which reflects the estimate of the liabilities that the Company has irrevocably committed to support for voluntary early retirement incentive payments, according to the management practices in place with the Trade Union Representatives for a defined number of employees who will terminate their employment relationship by 31 December 2025.

The balance also includes provisions for disputes with third parties hedging the 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 2023, the provision amounted to €209 million (€265 million at 31 December 2022). Movements during the year primarily regard updated estimates of liabilities and uses to cover liabilities settled.

The Provision for personnel expenses amounts to €131 million (€101 million at the end of December 2022) 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 by €121 million during the year to reflect the estimated value of new liabilities and decreased as a result of past contingent liabilities that failed to materialise (€31 million) and settled disputes (€60 million).

Provisions for operational risks relating to liabilities arising from transactions conducted within BancoPosta and amounting to €95 million at 31 December 2023 decreased compared with the balance at 31 December 2022 (€109 million). Movements during the year primarily regard updated estimates of liabilities and uses to cover liabilities settled.

The net balance of **Deferred tax assets/(liabilities)** at 31 December 2023 was positive in the amount of €656 million (1,224 at 31 December 2022); the change in the period was largely attributable to the net negative tax effect on the net positive change in the fair value reserve of investments in available-for-sale securities.

Equity amounted to €5,653 million and increased by €1,845 million compared to the previous year mainly in relation to the profit achieved in the year (€1,390 million), the change in the fair value reserve (+€1,549 million) in which the fluctuations (positive and/or negative) from the valuation of investments classified in the FVTOCI category are substantially reflected. These changes are partially offset by the payment of the 2022 balance and 2023 interim dividend to shareholders (-€877 million) and the movement in the cash flow hedge reserve (-€170 million).

ESMA FINANCIAL DEBT OF POSTE ITALIANE SPA'S CAPITAL OUTSIDE THE RING-FENCE

(€m)	31 December 2023	31 December 2022
A. Cash and cash equivalents	(564)	(469)
B. Cash equivalents	-	-
C. Other current financial assets	(61)	(29)
D. Liquidity (A+B+C)	(625)	(498)
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	2,105	1,590
F. Current portion of non-current debt	1	1
G. Current financial debt (E+F)	2,106	1,591
H. Net current financial debt (G + D)	1,481	1,093
I. Non-current financial debt (excluding current portion and debt instruments)	1,720	1,671
J. Debt instruments	498	997
K. Trade payables and other non-current payables	15	18
L. Non-current financial debt (I + J + K)	2,233	2,686
M. Total financial debt (H + L)	3,714	3,779

RECONCILIATION OF FINANCIAL DEBT ESMA

(€m)	31 December 2023	31 December 2022
M. Total financial debt (H + L)	3,714	3,779
Non-current financial assets	(1,001)	(875)
K. Trade payables and other non-current payables	(15)	(18)
Tax receivables Law No. 77/2020	(407)	(421)
Net Debt/(Funds) Industrial	2,291	2,465
Intersegment financial receivables and payables	366	349
Net debt/(funds) for capital outside ring-fence including intersegment transactions	2,657	2,814

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 Shareholders' 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**" (ROF) approved by Poste Italiane's Board of Directors, the latest update of which dates back to 28 June 2023. 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 "Governance of Assigning and Outsourcing" process for BancoPosta RFC, which had already been reviewed in 2018, was further strengthened, most recently during 2023, with regard to the areas of oversight of assigned and/or outsourced activities, both in relation to the actions included in the Bank of Italy's 2022 Action Plan, in particular for the aspects of monitoring and control over outsourced activities, and in line with the provisions of the 40th update of Bank of Italy Circular 285, with the extension of the scope of application of the Regulation to ICT third parties and the expansion of the requirements envisaged in the matter of outsourcing to cloud service providers.

During the first quarter of 2023, the process of renewing the Operating Guidelines¹⁵³ for the three-year period 2023-2025 was concluded. The signed Operating Guidelines were sent to the Bank of Italy in April 2023. During the year, a new Operating Guideline was also signed with the Group's Strategic Marketing Function for market research activities on products, analysis of BancoPosta customer satisfaction, and analysis of the positioning and trends of the various BancoPosta products on the market. This Operating Guideline, as part of the evaluations required by the Regulation governing the process of assignment and outsourcing of BancoPosta RFC, was classified as a Non-Essential or Important Function (FEI).

¹⁵³ 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 RFC at 31 December 2023 in this Annual Report for further details.

In 2023, with the aim of overseeing and strengthening the methods of dialogue on the assigned and outsourced functions, the **Operational Management Committees** continued with the Poste Italiane functions (Private Market, Digital, Technology & Operations, IT Security, Fund Movement, Business and Public Administration, Administration, Finance and Control, Legal Affairs, Privacy, Communication, Anti-Money Laundering, CERT also for the field of Business Continuity Management, Fraud Management and Human Resources and Organisation). Periodic meetings also continued with BancoPosta Fondi SGR, which provides the financial management service for BancoPosta RFC, and with PostePay, which manages for BancoPosta products such as pay slips, car tax, RAV, bank transfers, direct debits, postal orders, money orders, domiciliary collections, eurogiro, book cards and the payments platform.

In March 2023, the renewal activities for the contract between BancoPosta and PostePay relating to collection and payment services were concluded.

Still on the subject of outsourcing, in 2023, the risk profile assessments of the renewals for the outsourcing of Paper Archive Management and related dematerialisation (Postel), for the outsourcing of the Financial Back Office for the processing of bills, cheques and treasury, and for the outsourcing of back office services for judicial inspections in the Group's Anti-Money Laundering area were concluded with a positive outcome.

System integration and specialised back office services for the evolved advisory solution Premium and evolved advisory solution services for the private segment were also evaluated as outsourcing of Non-Essential and Important Functions.

Finally, in December 2023, three outsourcings of Essential or Important Functions were authorised for back office management services through a cloud-based case management and robotics platform called "Digital Desk", for cloud services to the provider Amazon Web Services Inc. and of financial back office services for the areas of Cheques, Bills, Treasury, Succession, Credit Statements, Foreclosures, Disallowances, Administrative Services and other activities related to financial services.

Also in December, the first report on outsourcing was sent to the Bank of Italy. The survey, which will be conducted on an annual basis, collects information on outsourcing contracts useful for assessing the main outsourcing risks arising from situations of concentration of service providers, the spread of the sub-outsourcing phenomenon and the increasing use of cloud computing.

BANCOPOSTA RFC FINANCIAL REVIEW

Main indicators	2023	2022
CET 1 CAPITAL * (*)	2,654	2,618
TOTAL CAPITAL ** (*)	3,104	2,968
CET 1 RATIO ***	18.9%	20.3%
TOTAL CAPITAL RATIO **** (*)	22.1%	23.1%
ROA *****	0.6%	0.6%
ROE ***** (*)	23.0%	23.0%
Net interest income/Net interest and other banking income *****	37.6%	35.3%
Operating expenses/Net interest and other banking income *****	85.5%	84.7%

* 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 capital (AT 1)

*** 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 treasury funds (Total Capital) with respect to the weighted exposure to Pillar 1 risks (operational, credit, counterparty, 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 is the ratio between Operating expenses and Net interest and other banking income.

(*) The 2023 ratios and shareholders' equity take into account the calculation of the €60 million allocation of profit for the year 2023 as they are the subject of the resolution of the Board of Directors of Poste Italiane concerning the proposed allocation of profit for the year 2023 and in compliance with the provisions of Article 26 of Regulation (EU) No. 575/2013.

Operating performance

PROFIT OR LOSS

(€m)	2023	2022	Changes	
Interest and similar income	2,778	2,095	+683	+32.6%
Interest expense and similar charges	(587)	(172)	(415)	n/s
Net interest income	2,191	1,923	+268	+13.9%
Fee and commission income	3,670	3,454	+216	+6.3%
Fee and commission expenses	(200)	(216)	+16	+7.4%
Net fee and commission income	3,470	3,238	+232	+7.2%
Profits/(Losses) on hedging*	4	(49)	+53	+108.2%
Gains (losses) on sale of financial assets or liabilities	158	335	(177)	-52.8%
Net interest and other banking income	5,823	5,446	+377	+6.9%
Administrative expenses	(4,973)	(4,627)	(346)	-7.5%
a) personnel expenses	(35)	(32)	(3)	-9.4%
b) other administrative expenses	(4,938)	(4,595)	(343)	-7.5%
Net operating expenses	(4,973)	(4,627)	(346)	-7.5%
Net operating result**	850	819	+31	+3.8%
Net allocations to Provisions for risks and charges and other operating income and charges***	(4)	15	(19)	-126.7%
Net impairment losses/reversals of impairment losses due to credit risk	(12)	(1)	(11)	n/s
Current pre-tax result	834	834	-	-
Taxes	(233)	(231)	(2)	-0.9%
PROFIT/(LOSS) FOR THE PERIOD	600	602	(2)	-0.3%

n/s: not significant.

* The value reported in the 2022 comparative includes a reclassification of €1 million classified in the 2022 Annual Report under the item "Profits/(losses) on financial assets and liabilities measured at fair value through profit or loss".

** Net operating income differs from BancoPosta's operating income included in the consolidated operating income of the Financial Services SBU in that the latter includes "net provisions for risks and charges and other operating income and charges" and "net adjustments/reversals for credit risk", while it excludes the result from financial operations.

*** The value reported in the 2022 comparative includes a reclassification of €6 million classified in the 2022 Annual Report under the item "Other operating income/(expenses)".

Net interest income amounted to €2,191 million, an increase of 13.9% (+€268 million). Interest income, deriving mainly from the yield on investments in securities, interest-bearing deposits with the MEF, tax credits, repo transactions and collateralisation on derivatives, totalled €2,778 million, up 32.6% from €2,095 million in 2022. The change in this item is mainly due to higher income from investments in securities and the related derivatives portfolio, as well as from deposits with the MEF from postal current account deposits belonging to public customers.

Interest expense, essentially attributable to current account relationships, repurchase agreement transactions and collateralisation of derivative transactions, amounted to €587 million and increased compared to €172 million in 2022 (+€415 million). The change in this item is mainly due to the increase in interest paid to public customers on postal current account balances, as well as to higher charges incurred for repurchase agreements and guarantee deposits.

Net commissions stood at €3,470 million and showed an increase of €232 million (+7.2%) compared to the previous year.

Commission income totalled €3,670 million, an increase of 6.3% compared to €3,454 million in 2022 (+€216 million). The positive change mainly reflects the effect of higher revenue from the postal savings business and an improvement in insurance brokerage commissions.

Commission expenses amounted to €200 million, a decrease of 7.4% compared to €216 million recorded in 2022 (-€16 million). The change in this item is essentially attributable to lower costs accrued under the service contract signed with the PostePay group company.

The Profits/(Losses) on trading and hedging of €4 million mainly includes the negative effect of the ineffectiveness component of existing hedging derivatives, as well as the positive change in the fair value of the Visa Incorporated Series C Convertible

Participating Preferred Stock held in the portfolio, partially offset by the negative change in the forward sale derivative contract for the shares themselves. Last year, the item included the effect of charges generated by derivative instruments entered into to hedge the index-linked component to which the remuneration of the Public Administration deposits is linked.

Net income from disposals of financial assets stood at €158 million, a decrease of 52.8% compared to the €335 million of 2022 (-€177 million).

Net operating expenses, which totalled €4,973 million, included Personnel expenses of €35 million (+9.4% compared to 2022) and Other administrative expenses of €4,938 million, up 7.5% from €4,595 million in 2022 (+€343 million).

Net provisions for risks and charges and other operating income and expenses showed a balance of -€4 million, compared to +€15 million in the previous year, and include: (i) releases of Provisions for risks and charges of €8 million, which compares with the release of €21 million in 2022, which was affected by the revision of the estimate of certain risks related to the money order product and disputes relating to BancoPosta RFC; (ii) Other operating income and expenses, which amounted to a negative €12 million, up from the negative €6 million reported in 2022.

Net adjustments and reversals for credit risk amounted to -€12 million (-€11 million compared to 2022). The item mainly reflects the negative effect of the value of Expected Credit Losses on the securities portfolio; the 2022 value included the release of an impairment provision to cover an impaired loan, collected in the first months of 2023.

After taxes of €233 million (€231 million in 2022), the financial year 2023 closes with a Profit for the period of €600 million.

Resources of Bancoposta RFC

BancoPosta's average workforce, all permanent employees, at 31 December 2023 was 412 (15 more than the 397 of the previous year) and was composed as follows:

Average number in full-time equivalent terms	2023	2022
Executives	26	28
Middle managers	313	298
Operational staff	73	71
Total	412	397

At 31 December 2023, BancoPosta has 9 second-level functions, including: 2 Marketing Functions, Private Marketing and Business and Public Administration Marketing; the Product Channel Support Function, dedicated to the training of commercial channels for the offer of financial and insurance services; 3 Staff Functions: Administration, Planning and Control, Operating Processes and Technical Secretarial services; 3 Control Functions: Compliance, Internal Auditing, Risk Management and Outsourcing Governance.

Furthermore, within BancoPosta, there is the Financial and Insurance Services Committee, which has the objective of addressing, in line with the Product Governance process, the issues connected to the development and distribution of products and services placed by BancoPosta, with a view to unitary and integrated vision of the entire offering portfolio, as well as monitoring the performance of financial investments relating to deposits from private customers and public administration. The Committee is chaired by the Head of BancoPosta and meets in two sections: "Products" and "Financial Investments".

The Financial and Insurance Services Committee met a total of 19 times during 2023 (10 for the Products Section, 9 for the Investments Section); 4 written consultations were also produced: 3 for the Products section and 1 for the Investments section.

At 31 December 2023, over 31,000 hours of technical/specialist, regulatory/mandatory and behavioural/managerial training had been provided to BancoPosta staff via classroom, webinar and e-learning platform.

Financial position and cash flow

STATEMENT OF FINANCIAL POSITION

Assets (€m)	31 December 2023	31 December 2022	Changes	
Cash and cash equivalents	4,732	5,874	(1,142)	-19.4%
Financial assets measured at fair value through profit or loss	26	40	(14)	-35.0%
Financial assets measured at fair value through other comprehensive income	33,069	33,161	(92)	-0.3%
Financial assets measured at amortised cost	44,562	46,576	(2,014)	-4.3%
Hedging derivatives	4,257	6,109	(1,852)	-30.3%
Tax assets	642	1,157	(515)	-44.5%
Other assets	10,857	11,521	(664)	-5.8%
TOTAL ASSETS	98,145	104,438	(6,293)	-6.0%

Liabilities and Equity (€m)	31 December 2023	31 December 2022	Changes	
Financial liabilities measured at amortised cost	90,964	98,944	(7,980)	-8.1%
Financial liabilities held for trading	3	4	(1)	-25.0%
Hedging derivatives	1,136	971	+165	+17.0%
Tax liabilities	266	225	+41	+18.2%
Other liabilities	2,833	2,789	+44	+1.6%
Employee termination benefits	2	2	-	-
Provisions for risks and charges	163	188	(25)	-13.3%
TOTAL LIABILITIES	95,367	103,123	(7,756)	-7.5%
Valuation reserves	(841)	(2,223)	+1,382	+62.2%
Equity instruments	450	350	+100	+28.6%
Reserves	2,570	2,585	(15)	-0.6%
Net profit/(Loss) for the year (+/-)	600	602	(2)	-0.3%
TOTAL EQUITY	2,778	1,314	+1,464	+111.5%
TOTAL LIABILITIES AND EQUITY	98,145	104,438	(6,293)	-6.0%

Assets are represented by cash and cash equivalents, financial assets, hedging derivatives, tax assets and other assets.

The item Cash and cash equivalents amounted to €4,732 million, down by 19.4% compared to €5,874 million at 31 December 2022 (-€1,142 million, -19.4%), and is mainly composed of liquidity at Post Offices and valuables transport companies, amounting to €3,969 million, and deposits in accounts at the Bank of Italy intended for interbank settlements, amounting to €696 million. The decrease is mainly attributable to the improvement in market rates compared to the rates recognised on deposits with the Bank of Italy.

Financial assets at fair value through profit or loss amounted to €26 million and were attributable to the fair value of 32,059 Visa Incorporated (Series C Convertible Participating Preferred Stock) convertible shares, the change of which from 31 December 2022 is shown in Net income from financial assets and liabilities at fair value through profit or loss. During the first half of the year, 101,900 ordinary shares were sold for a total value of approximately €21 million.

Financial assets measured at fair value through other comprehensive income, which amounted to €33,069 million, decreased by 0.3% from €33,161 million at 31 December 2022 (-€92 million). The decrease in this item is mainly due to the negative effect of net sales of securities compared to the previous year, mitigated by the improvement in the fair value of the securities portfolio.

At €44,562 million, financial assets measured at amortised cost decreased by 4.3% from €46,576 million at 31 December 2022 (-€2,014 million). The decrease in this item was mainly due to the decrease in loans and deposits with the MEF (-€4,088 million) and in amounts due from other financial counterparties for collateralisation transactions (-€1,234 million), partially offset by a positive change in new investments in securities issued or guaranteed by the Italian State (+€2,498 million).

The change in loans and deposits with the MEF is mainly attributable to a contraction in deposits with the Public Administration and private deposits not yet invested in securities. The reduction in guarantee deposits, on the other hand, is mainly attributable to lower deposits paid as collateral in repo transactions, against a reduction in the volumes of the latter.

Hedging derivatives with positive fair value at 31 December 2023 amounted to €4,257 million, down compared to €6,019 million at 31 December 2022 (-€1,852 million). The change was mainly due to the reduction in the fair value of outstanding derivatives and the significant decrease in the notional amount that occurred during the year as a result of forward sales and purchases reaching maturity, as well as the early termination of certain fair value hedges as part of a broader securities portfolio restructuring strategy.

Tax assets amounted to €642 million, a decrease of €515 million (-44.5%) compared to 31 December 2022, mainly due to deferred tax assets as a result of changes in Valuation reserves in Equity.

Other Assets decreased by 5.8% (-€664 million), from €11,521 million at 31 December 2022 to €10,857 million at 31 December 2023, mainly attributable to lower loans and higher offsets of tax credits acquired from customers (as per Law Decree no. 34/2020 then converted into Law no. 77/2020).

The principal liabilities are represented by financial liabilities, hedging derivatives, tax liabilities, other liabilities and provisions.

Financial liabilities measured at amortised cost, equal to €90,964 million (with a decrease of €7,980 million compared to the €98,944 million at 31 December 2022, -8.1%) include: (i) amounts due to customers of €80,628 million (€86,094 million at 31 December 2022, down by €5,467 million equal to -6.3%) attributable to deposits carried out through current accounts, repurchase agreements and to payables for guarantee deposits paid by counterparties; (ii) payables to banks for €10,336 million (€12,850 million at 31 December 2022, down by €2,514 million, -19.6%) referable, also in this case, to current account relationships and transactions in repurchase agreements and payables for guarantee deposits paid by banking counterparties. The change from the previous year is mainly attributable to lower deposits from customers through postal current account relationships, lower utilisation of repurchase agreements and a reduction in liabilities for guarantee deposits, mainly due to the negative change in the fair value of hedging derivatives.

Financial liabilities held for trading, amounting to €3 million, represent the fair value of derivative instruments entered into to hedge the Visa shares mentioned above.

Hedging derivatives with negative fair value relating to securities in portfolio amount to €1,136 million (€971 million at 31 December 2022, an increase of €165 million, +17%). The reasons for the change are described in Hedging derivatives with positive fair value.

Tax liabilities amounted to €266 million, up €41 million from €225 million at year-end 2022 (+18%).

Other liabilities, equal to €2,833 million (€2,789 million at 31 December 2022, an increase of €44 million, +1.6%), are mainly attributable to items of a tax nature by way of withholding tax and to items in progress.

The Provision for employee termination benefits, equal to €2 million, has not changed compared to the value at 31 December 2022.

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 €163 million, down €25 million (-13.3%) on 31 December 2022.

BancoPosta RFC at 31 December 2023 stood at €2,778 million (€1,314 million at 31 December 2022, an increase of €1,464 million, +111.5%). The positive change is mainly due to the increase of €1,382 million in Valuation reserves, which went from -€2,223 million at 31 December 2022 to -€841 million at 31 December 2023, the improvement of which (+€1,382 million, +62.2%) is linked to the trend in the fair value of Financial assets.

The other components of Equity showed more moderate trends: the BancoPosta RFC reserve decreased by 0.6%, from €2,585 million at 31 December 2022 to €2,569 million at 31 December 2023 (-€16 million). The decrease of €16 million is attributable to interest expenses, net of tax effects, accrued on Equity instruments.

Equity instruments increased to €450 million, up by €100 million compared to the figure at 31 December 2022. They include €350 million for a subordinated, perpetual loan with a non-call period of 8 years granted to BancoPosta by the Parent Company on 30 June 2021 and €100 million for another subordinated, perpetual loan with a non-call period of 5 years granted by the Capital outside

the ring-fence to BancoPosta RFC on 30 June 2023. The terms and conditions of both contracts allow them to be counted as Additional Tier 1 capital.

The Net profit of €600 million for the financial year 2023 decreased by 0.3% compared to €602 million for the financial year 2022 (-€2 million).

BancoPosta RFC's internal control and risk management system

The elements that characterise BancoPosta's Control Area¹⁵⁴, 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 no. 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 "SCIQR"), 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 autonomous and independent control functions, with respect to both the corresponding functions of Poste Italiane, as well as with respect to 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. It is also planned that BancoPosta, also in the context of controls, will make use of the other functions of Poste Italiane, in line with the Regulation for the process of assigning and outsourcing BancoPosta RFC mentioned above.

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 2024 BancoPosta's Internal Auditing function prepared its 2023 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 2023 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.

¹⁵⁴. 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.

Internal Auditing has also drawn up the Annual 2024 and Multi-year (2024-2026) 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.

Lastly, it should be noted that Internal Auditing carried out, with a positive outcome, the planned verification and certification activities of the reinforcement measures defined in response to the results of the Bank of Italy's inspections conducted from 14 March 2022 to 15 July 2022, which focused in particular on BancoPosta's profitability and business model, governance and control systems, and interest rate risk management methods.

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 the first half of 2023, the Risk Appetite Framework (RAF)¹⁵⁵ was revised. The 2022 Annual Report and the programme of activities for 2023 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)¹⁵⁶ report and the Public Risk Report for 2022. 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, 2023 was characterised by a decrease in Italian government bond yields (10-year BTP 3.7% at 31 December 2023, -100 bps in the last year) and in the 10-year BTP-Bund spread (168 bps at the end of December 2023, 75 bps lower than at the end of the previous year).

The evolution of rates and spreads led to a reduction in net capital losses at portfolio level, which went from approximately €7.2 billion at the end of December 2022 to €3.3 billion at 31 December 2023.

With regard to BancoPosta's capital structure, the Leverage Ratio stood at 3.2% in December 2023, the CET 1 Ratio at 18.9% and the Total Capital Ratio at 22.1%, 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 2023.

BancoPosta RFC events after 31 December 2023

With regard to significant events subsequent to the closing of the 2023 Financial Statements, it should be noted that on 30 January 2024, Poste Italiane SpA and Cassa Depositi e Prestiti SpA (CDP) signed a Supplementary and Amending Deed, to the Agreement for the Collection of Postal Savings Service in force for the four-year period 2021-2024, with respect to the terms and conditions applicable to the year 2023.

This contractual integration became necessary due to changes in macroeconomic conditions compared to the situation at the time the Agreement was signed.

155. 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.

156. 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.

Specifically, Poste Italiane and CDP negotiated a number of changes to the Agreement that mainly concerned the mechanisms for defining remuneration and the revision of the budgets for technological developments and communication. In addition, a comprehensive programme was planned to relaunch postal savings with CDP active participation in training activities and workshops for the sales network.

Outlook for BancoPosta RFC

In the area of Retail Current Accounts in the first quarter of 2024, promotions with dedicated codes will continue, as well as the gradual release of the new front end of current account sales at the Post Office with the associated process simplifications and customer experience improvements.

With regard to Business and Public Administration Current Accounts, new digital services such as scheduled and standing credit transfers will be developed during 2024.

On the corporate finance side, the offer will be further enhanced by introducing the so-called “Phygital” model. The initiative envisages the enabling of the physical channel for the placement of business financing products currently placed online, through the development of new functionalities aimed at enabling the possibility of initiating the request at the post office with subsequent completion of activities on the digital channel independently by the customer. The offer will also be enriched with two new products assisted by the Central Guarantee Fund for SMEs: a short-term liquidity advance product on a POS transaction basis, placed initially on the physical channel and then on the digital channel, dedicated to partnerships and corporations that have subscribed to the PostePay acquiring service; and a medium- to long-term loan, placed on the digital channel, dedicated to corporations.

In the area of Postal Savings, initiatives aimed at collecting new liquidity on the Libretto Smart for actual and prospective customers are expected to continue, as well as the launch of important retention actions dedicated to the conversion of Interest-bearing Postal Certificates and Supersmart Offers expiring in the fourth quarter.

With regard to Investments, the expansion of the product range continues with the launch of new products. Specifically, with regard to investment products, the placement of new insurance policies in the Class I and Multi-class range is planned, as well as the launch of new funds and the placement of a Bond, from third-party bank issuers, dedicated to the Premium Segment.

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 2023 (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 2023 (BancoPosta RFC’s Separate Report, Part A of the notes).

7.8 The ESG value (Environmental, Social and Governance)

Postenibilità is



Integrity and transparency



People development



Diversity and inclusion



Creating value for the Country



Green transition



Customer experience



Innovation



Sustainable finance

poste

is Integrity and
transparency



Our work ethic, our commitment
to the citizenry, communities
and companies.

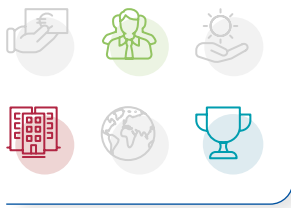
nibilità

Extended **certification according to ISO 9001 and 37001**
“Quality Management and Corruption Prevention System” standards
to the entire perimeter of company processes and sites

Inaugurated the **Fraud Prevention Center** that monitors 24 hours a day
the security of completed transactions

Approved the **new edition of the Code of Ethics**

MAIN RELATED
TYPES OF CAPITAL













7.9 Integrity and transparency



INTEGRITY AND TRANSPARENCY FOR US:
scan the QR code and watch the video.



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2023	
  	Adaptation of the Internal Control System framework on Sustainability Reporting in line with regulatory changes (e.g. CSRD)	<ul style="list-style-type: none"> Adaptation of the Internal Control System framework 	<ul style="list-style-type: none"> Adaptation of the framework by 2024 	2023	New	  
	Increase staff training on ethical principles	<ul style="list-style-type: none"> No. of initiatives undertaken 	<ul style="list-style-type: none"> 2 initiatives by 2024 	2023	New	
	Group-wide implementation of the sustainable procurement framework	<ul style="list-style-type: none"> % coverage on Group purchases 	<ul style="list-style-type: none"> 100% by 2024 	2021	70% 	
	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	<ul style="list-style-type: none"> % of the Group's qualified suppliers subject to sustainability audits 	<ul style="list-style-type: none"> 100% by 2026 	2022	30% 	
	Implementation of the new Integrated Anti-Fraud Platform (PIAF) that combines fraud prevention objectives with improved customer satisfaction	<ul style="list-style-type: none"> % financial, insurance, digital products 	<ul style="list-style-type: none"> 100% by 2024 	2020	80% 	
	Definition of ESG parameters in the participation requirements and in the evaluation criteria of the technical tender offers	<ul style="list-style-type: none"> % ESG coverage for OEPV tenders 	<ul style="list-style-type: none"> 100% by 2024 	2022	96% 	
	Maintaining ESG parameters in the participation requirements and in the evaluation criteria of the technical tender offers	<ul style="list-style-type: none"> % ESG coverage for OEPV tenders 	<ul style="list-style-type: none"> 100% by 2024 	2023	New	

 Objective achieved/Objective achieved and updated

 Objective not achieved

 Deadline for achieving the objective that has not yet expired

MAIN RELATED
TYPES OF CAPITAL



NFS

Work with transparency and integrity

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 laws, regulations, internal and external policies and codes of conduct, respect for rules and the utmost 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.

Model 231

“The principles that guide our organisation in the management of business activities.”



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 no. 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 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.

The Organisational Model is constantly updated in order to ensure, on an ongoing basis, its adequacy and effectiveness in relation to the various changes affecting both the organisation and the external context, also taking into account the progressive expansion of the so-called “predicate-crimes” referred to in Legislative Decree no. 231/2001, as well as the orientations of case law on this subject.

Poste Italiane: signatory of the Global Compact principles

The Group is a member of the UN Global Compact and prepared an “Advanced” level Communication on Progress in 2023, in continuity with previous years

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 boards, 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, so 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, for example, 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. Five years after the last update, in 2023, the Code of Ethics has been revised, attributing a decisive and central role to the People of Poste Italiane who, by applying the Group's values in their relations with all stakeholders, contribute to the creation of value. Moreover, in line with regulatory developments, sustainability policies, the values enshrined in the Sustainability Pillars, as well as the role that Poste Italiane plays for the territory and the communities, new guiding principles have been introduced and existing principles have been revised and integrated.

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 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 Sustainable Development, Risk and Compliance function/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 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, 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.



ISO 9001 and ISO 37001 certification to the entire perimeter of company's processes and sites

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. In 2023, the commitment made by Poste Italiane with its stakeholders regarding the certification in accordance with ISO 9001 and ISO 37001 "Quality Management and Corruption Prevention System" to the entire perimeter of the company's processes and sites (approximately 16,000 sites) was achieved. In particular, the activities carried out have made it possible, in line with the extension initiatives of previous years, to maintain the Integrated Quality and Anti-Corruption Certification covering the entire Poste Italiane perimeter. With regard to Group companies, all certifications obtained, as of 2019, by the companies Poste Vita, PostePay, BancoPosta Fondi SGR, SDA Express Courier, Poste Assicura, EGI and Postel were confirmed.

ISO 37301 and ISO 37002 certifications

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, focussing on the importance of spreading a culture of compliance within the organisation that contributes to the pursuit of sustainable success.

Poste Italiane – the first company in Italy to obtain, in 2022, this certification for the management of Integrated Compliance to oversee the design, development and delivery processes of Postal, Financial and Logistics Services in the areas of administrative, accounting and fiscal responsibility – maintained compliance with this certification also in 2023.

Furthermore, again in 2023, Poste Italiane maintained the certification of conformity with the ISO 37002 "Whistleblowing" standard, an international standard which aims to provide a complete guide to help organisations define, develop, implement and effectively maintain a Management System on the process of receiving and managing reports.

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 corporate bodies, executives, employees and all those who work to achieve the Group's purpose and objectives must observe. In particular, the objectives set out in said document concern: i) ensuring compliance with competition and consumer protection rules, of which no violation is tolerated; ii) strengthening awareness and disseminating knowledge about the importance of competition and consumer protection regulations; iii) 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; defining a guide to prevent actions, behaviours and omissions that violate competition and consumer protection regulations, and outline 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 Police) 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.

Poste Italiane and Polizia di Stato (State Police)

Posteitaliane



Security agreement with the State Police to guarantee the security of communications and postal services through the repression of offences involving products and production processes of the services offered by the Poste Italiane Group, surveillance activities in post offices during scheduled payment periods, and the creation of task forces functional to the study of new computer fraud scenarios, in continuity with what the State Police constantly ensures in all strategic sectors of the country, to protect essential services and the fundamental rights of citizens.

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 over 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 “System of Internal Control over Financial Reporting” Guideline (hereinafter also referred to as “SCIF”) 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 combat 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 honourableness 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 line with the provisions of the Corporate Sustainability Directive, Poste Italiane is strengthening its internal control system by establishing an internal process capable of integrating financial information, operational data and sustainability information in order to ensure the reliability of internal and external sustainability reporting, adequately supporting the decision-making processes of all categories of stakeholders.

The new Integrated Anti-fraud Platform (PIAF)

During 2023, the fraud prevention management process was further strengthened through an integrated anti-fraud system. In particular, the Integrated Anti-fraud Platform (PIAF) is operational, an innovative fraud prevention system that includes all digital financial products and services of: On US e-money, e-commerce and digital banking, based on predictive analytical models and enabling - in real time in 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).

Fraud Prevention Centre

On 21 March 2023, the Fraud Prevention Centre was inaugurated, a centre that monitors 24 hours a day the security of transactions carried out in the more than 12,700 Post Offices across the country and online, through payment cards, e-commerce transactions and those of Poste Vita's insurance business.

The centre employs more than 100 specialists with long experience in the field of financial and cyber security, together with young graduates selected from top Italian universities. In support of the specialists who govern the entire control process, from prevention to the management of suspicious transactions, the Centre adopts the most advanced technologies in Fraud Management and Fraud Intelligence to further raise the level of security of the financial activities of the entire Group and strengthen the tools to protect citizens against offences and fraud.

The Centre is an example of Poste Italiane's innovative capacity also in the field of security because it adopts a very effective integrated operating model that has increased its prevention capacity in the face of the continuous increase in the number of physical and digital transactions each year between Poste Italiane's different business areas.

Legality rating

In 2023, Poste Italiane confirmed its **legality rating**, receiving the **highest** three star rating from the AGCM, which is awarded to just **8.5%** of companies

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.

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 Strategy¹⁵⁷ 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;
- carry out transactions in application of the arm's length principle and applying transfer pricing at arm's length;
- 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 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

157. Poste Italiane SpA's Tax Strategy is available on the Group's website at the following link www.posteitaliane.it/it/strategia-fiscale.html

The Collaborative Compliance Regime

admitted Poste Italiane and its subsidiary Poste Vita with the tax authorities

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 Replacement, Business Income, Indirect Taxes, Local Taxes and Litigation, VAT and IT Compliances and Financial Tax Compliances. In detail, the Tax function provides support to top management, as well as to the functions concerned, for the preliminary analysis of tax aspects arising from strategic, business and financial transactions.

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.

In addition, for risks that arise during the interpretation of a regulation, either before the regulation in question is actually applied or afterwards, the Company:

- participates in working groups with the relevant institutions, both national (e.g. Assonime, Confindustria, ABI, Assofondi, Ania) and international (e.g. OECD, European Commission), and carries out in-depth internal investigations, if necessary initiating discussions with external consultants, in order to arrive at a shared interpretative thesis;
- proceeds, if it perceives that margins of uncertainty remain in relation to potentially contestable issues or issues of doubtful interpretation, to an informal discussion with the Revenue Agency and/or, in cases of particular relevance that require an official formalisation of the interpretative thesis, avails itself of the use of the instrument of prior appeal (so-called Tax ruling); these procedures are followed in cases of complex corporate, financial or commercial transactions with tax-relevant outcomes, in particular, if they fall under aggressive tax transactions.

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.

Tax Risk Assessment

During the year 2023, the Tax Risk Assessment was updated, which entailed a review of certain of Poste Italiane's tax risks, also in consideration of the regulatory updates that have taken place, both in terms of existing risks and their assessment, as well as the updating of certain activities and the related control measures. In general, the review of the Tax Risk Assessment covered the following points:

- integration/modification of tax risks due to changes in tax legislation, the review of risks with a view to continuous improvement;
- update of the qualitative/quantitative assessment of tax risks, where appropriate, mainly following the outcomes of monitoring;
- update of the activities and related control measures identified to mitigate tax risks, where necessary, depending on the evolution of tax regulations, organisational and process changes that occurred during the period, alignment to the detected operations and/or any opportunities for improvement in the design of controls, detected during testing activities, or with a view to optimisation.

During 2023, 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 2023, the courses delivered by the Tax function covered the following topics:

- tax treatment under the procurement code of registration tax and stamp duty in respect of framework contracts and application contracts and/or delivery notes;
- tax impacts of settlement deeds;
- general principles and novelties introduced by the Simplification Decree;
- functionalities and usage of the tax risk management platform (GRC Archer).

MAIN RELATED
TYPES OF CAPITAL



NFS

Legality and incorporation of ESG in the procurement process

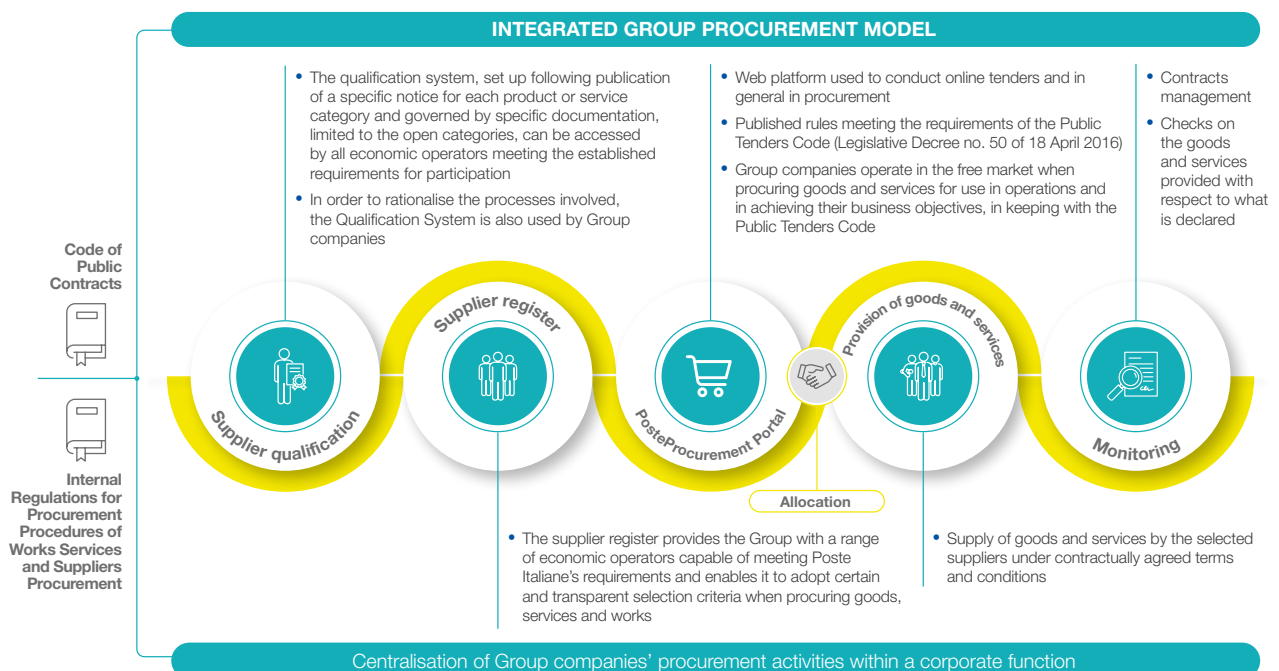
Poste Italiane manages its supply chain responsibly, aiming to certify the sustainability, functionality and traceability of the materials purchased. To ensure this, in addition to complying with current regulations and company directives, the Poste Italiane Group is committed to basing its purchasing processes on pre-contractual and contractual relations based on the values of legality and transparency. Focusing on compliance with agreements, payment terms and deadlines, the Company includes in its supplier network those who demonstrate appropriate quality characteristics and are committed to protecting workers and complying with environmental standards.

The Poste Italiane Group guarantees each supplier the possibility of competing in award procedures, ensuring fairness and avoiding 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 and any subcontractors, as well as their partners to formally accept the guiding principles and criteria of conduct outlined in the Code of Ethics and Group Policies.

In selecting suppliers, the Group follows objective and documentable criteria, including those linked to ESG aspects, with the aim of guaranteeing suppliers' loyalty, impartiality, transparency and equal opportunities for collaboration.

Through internal rules, Poste Italiane regulates the purchasing process for contracts subject to the Public Contracts Code, and for those which are excluded from the scope of application of the Code itself.

With the aim of promoting and strengthening relationships with suppliers, as well as ensuring efficient and integrated management of the supply chain in compliance with the principles of confidentiality, authenticity, competitiveness, integrity and availability in data exchange, purchases are made through the PosteProcurement Purchasing Portal. The Portal is a telematic system dedicated to procurement activities and the management of the Supplier Register.



The purchasing procedures of the Poste Italiane Group follow the trend of recent years, characterised by frequent use of competitive procedures aimed at guaranteeing competitive advantages for the Company.

The purchasing process considers ESG issues into account with the aim of favouring sustainable procurement, acting as a vehicle for disseminating the culture of sustainability - understood as the set of the Group's sustainable policies integrated in the company's regulatory system and outlined in the purchasing process itself.

→ **Poste Italiane receives the ISO 20400 certification**

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.

The Group's Sustainable Development, Risk and Compliance Function in the Corporate Affairs area is committed to identifying 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. The objective of risk management is to reduce the risks deriving from transactions with third parties, ensuring adequate supplier rotation and minimising losses linked to the non-collectability of receivables, thanks to a constant monitoring process. To identify direct and indirect relationships prone to critical issues, it is necessary to strengthen the prevention activities of illicit phenomena through an analysis that takes into account internal and external information.

→ **Poste Italiane obtains the Recognition of the UN Global Compact Network Italia**

The Poste Italiane Group's adherence to the ideals of the UN Global Compact was officially recognised by the UN Global Compact Italy Network, which included the Group's example in its Position Paper entitled "Sustainable supply chain management: between responsibility and opportunity for companies". This document, presented during the exhibition dedicated to Corporate Social Responsibility (CSR) and Social Innovation, highlights the commitment of various companies, including Poste Italiane, in managing supply chains with a sustainable perspective, underlining their ability to recognise the opportunities associated with this challenge.

Main types of goods and services purchased

Within real estate procurement, in continuity with the previous year, also in 2023 all tenders for the supply of furniture, cleaning services and works included compliance with the Minimum Environmental Criteria (MEC). In particular, the objective of reducing the environmental impact on natural resources and increasing the use of recycled materials was pursued in works tenders. To this end, specific reward criteria have been introduced for the use of new materials produced with a certain percentage of recycled content which, at the end of their life cycle, can be subjected to selective dismantling, recycling or reuse. For each product receiving a reward score, it was required to present a specific form containing the general description, physical characteristics, brands, environmental labels and certifications attesting to the recyclable or eco-friendly nature of the material.

The concessions for catering services at the real estate complexes also respected the principles of Green Public Procurement (GPP - Green Purchasing of the Public Administration), ensuring the provision of a corporate catering service with reduced environmental impact, in terms of processes and contents, respecting environmental, economic and social sustainability. Poste Italiane continued to reward 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 regards the supply of electricity for the Group, in 2023, the Group continued with the purchase from the reference market with a percentage of 100% from renewable sources certified with Guarantees of Origin. A residual share of the demand was self-generated by proprietary photovoltaic plants, the total number of which in 2023, including installations from previous years and including also the plants built as part of the Polis Project, was 308, with a total capacity of approximately 15,753 kWp.

Poste Italiane's main photovoltaic plants include the recent site in Palermo, the site at its Rome headquarters, which houses a photovoltaic plant in instantaneous self-consumption mode to produce the energy needed to power, among other things, five electric car charging stations, and the plants in operation in Pomezia and Melzo.

Poste Italiane's Photovoltaic Project

Largest photovoltaic plant
in the centre-south of Italy
inaugurated in Palermo



The new photovoltaic plant, which went into operation in Palermo in 2023, claims to be the largest in the centre-south of Italy, with a production capacity of around 250 homes.

The inauguration of the plant allows Poste Italiane to accelerate its path towards the goal of carbon neutrality by 2030.

The Group plans to construct 1,400 photovoltaic systems by 2026, which will cover 15% of the Company's energy needs. Of these, around 300 medium to large ones, such as the one inaugurated in Palermo, capable of meeting the energy needs of 250 homes, will be built by 2024.

+355

New interventions
of monitoring
systems for
consumption and
environmental
parameters

As part of the Smart Building Project, aimed at monitoring consumption and environmental parameters, as well as the automated remote management of systems, with particular focus on lighting, heating and cooling, data was acquired on energy consumption and the main environmental parameters such as temperature, humidity and lighting. This system enables significant energy efficiency and emission reduction, thanks to the ability to remotely manage and operate the systems, as well as adjust and optimise their operating set points.

In the course of 2023, a total of approximately 355 new installations were carried out, also taking into account the 24 installations under the Polis Project and the 9 related to the so-called "improved offer" of the "Multiservice" contracts. These interventions brought the total number of locations certified on the BEMS platform to 1,976, including those involved in POLIS projects and Multiservice contracts, which totalled 2,009.

Efforts are also continuing to build charging points that will become operational within the next three years on roads and in city centres, with more than 21,000 charging stations to be installed. Similarly, as part of the Polis Project, the commitment continues to the creation of a charging infrastructure across the entire national territory continues, with 5,000 columns that can be used by the community every day and at any time.

With regard to logistics purchases, within the scope of the maintenance of the operating fleet owned by Poste Italiane, in order to ensure the maximum efficiency and operability of the vehicles used for deliveries, as well as the safety conditions of employees, an EU tender was carried out for the activation of the fleet management service for Poste Italiane's own vehicles, including tricycles and motorbikes, both thermal and electric, distributed throughout Italy.

With reference to plant and equipment maintenance, some of the main certifications were introduced (ISO 14001:2015 - “Environmental Management Systems”, ISO 45001 - “Occupational Health and Safety Management Systems”, ISO 37001:2016 - “Management Systems for the Prevention of Corruption”- UNI EN ISO 14064:2019 Carbon Footprint of the Organisation), as well as the use of environmentally sustainable cleaning/sanitisation products (UNI EN ISO 14024 or equivalent) and the presence of a corporate Policy on diversity, inclusion and sustainable procurement. With regard to the airport handling service at the international airports of Milan Malpensa and Milan Linate, in order to maintain operational continuity inherent to the handling of postal dispatches and the support and assistance activities for controls on shipments, a tender was carried out that confirms, in the ESG area, the adoption of some of the main certifications (ISO 14001:2015 - “Environmental Management Systems” and ISO 45001 - “Occupational Health and Safety Management Systems”) and introduces the adoption of its own code of ethics. For the transport service, on the other hand, the tenders published in the year 2023 also confirm, in the ESG area, the adoption of some of the main certifications (ISO 14001:2015 - “Environmental Management Systems” and ISO 45001 - “Occupational Health and Safety Management Systems”), as well as the adoption of its own code of ethics. There are also award criteria for the environmental approval class of the vehicles to be applied on the transport services covered by the contract.

The main supplies using plastics (e.g. postal seals, courier bags and packaging films) were characterised by the reduction of the raw material required, as well as the use of PCR (Post-Consumer Recycled) plastics, while maintaining the physical characteristics of the products necessary for the provision of services. With regard to supplies for Postel printing production sites, all competitive comparisons concerning the supply of paper and envelopes for mass printing included the requirement of FSC (Forest Stewardship Council) product certification, which guarantees proper forest management from both an environmental and a social point of view and the traceability of derived products. Almost all competitive comparisons involving printing supplies and services for Commercial Printing & Direct Marketing also included the requirement of FSC-COC certification for participating economic operators to guarantee the continuity of the supply/service chain. In the second half of 2023, in the best-price competition for the supply of roll paper for printing, the participation requirement concerning the scope of Governance was introduced.

In the context of the ongoing competitive tendering procedure, concerning the services of transport, escort, counting, sorting, authentication and custody of money and/or valuables at the Post Offices of Poste Italiane and the offices of SDA Express Courier, a bonus is envisaged for economic operators able to provide uniforms with sustainable characteristics regarding the chemical substances they contain (ecological quality conformity ecolabel/ISO 14024/OEKOTEX), to the special security guards employed in the services.

In the area of ICT procurement, the computer hardware necessary for the implementation of the ATMs within the Polis Project, digital shop windows and virtual counter kiosks, were purchased in compliance with the principles and specific obligations of the NRRP/PNC with regard to not causing significant harm to environmental objectives (so-called “Do No Significant Harm” - DNSH). In addition, the IT requirements for servers and storage systems were acquired in accordance with the latest criteria for energy efficiency, reduced environmental impact and increased reliability. In particular, for the power supplies of the aforementioned equipment, minimum technical specifications have been defined in the technical tender specifications that allow for a reduction in energy waste, decreasing electricity consumption and the production of heat to be dissipated, resulting in less need for air conditioning in the premises where the equipment is installed (data centre). These technical features can also achieve direct savings in energy expenditure and a reduction in CO₂ emissions.

With reference to the sector-specific characteristics of its supply chain, there are three prevailing types of supply chains with respect to real estate purchases: those characterised by labour-intensive (cleaning, maintenance and portering sector); those for works, building supplies and waste disposal; and those for intellectual services, i.e. professional engineering and architectural services.

With respect to logistics procurement, on the other hand, the target market is very distinct by product area. In particular, the supply concerns the following types:

- transport services, which are entrusted to small and medium-sized enterprises registered in the Supplier Register in the “local network transport service” category, and which manage the transport network of postal products, linking Sorting Centres, Distribution Centres and Post Offices, including the service of emptying mailboxes, within the individual Logistics Macro Areas;
- fleet rental, characterised by a concentration of operators in the Long Term Rental sector;
- automation service for the sorting of objects (letters/correspondence, parcels, packages), which is influenced by the growing demand for parcel automation (closed loop systems) and the shrinking mail (linear systems).

Supplier qualification procedures

In accordance with current legislation, the Poste Italiane Group established its own Supplier Register in 2006 with the aim of simplifying the awarding procedures and guaranteeing homogeneity among the selected subjects, in every product sector, as well as transparency towards the market.

The Regulation of the Supplier Register and the Regulation of the Qualification System, which respectively govern the Qualification System in the Supplier 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 is possible at any time by submitting the application and the required documentation.

To be qualified in the Register, all suppliers must meet general requirements, such as moral quality and professional suitability, and special requirements, including those of an economic-financial and technical-organisational nature. These requisites aim at consolidating the governance of the Group’s purchasing process.

In the context of relationships with suppliers of works, services and supplies, Poste Italiane’s contractual clauses are constantly updated based on new regulatory provisions and the specific needs communicated by the internal customer. This contributes to the acceleration of contractual time and ensures adequate governance of the most relevant issues.

Poste Italiane Group ensures a high level of disclosure of its procurement process, in conformity 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 explicitly mentioned in the regulatory provisions. To facilitate access to this information, the “Open and transparent contracts” portal has been created and can be consulted on the Company’s website.

Selection of suppliers

+7.1%

of tenders carried out on the basis of environmental criteria compared to **2021**

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.

The Poste Italiane Group pays particular attention to the ESG aspects linked to the management of the supply chain, aware that establishing transparent and lasting relationships with suppliers, as well as paying maximum 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 system¹⁵⁸ and the continuous improvement of the service offered to its customers.

90.5%

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 provides for specific contractual clauses related to sustainability issues (e.g. human rights, health and safety at work, ethics, etc.) in its relations with its suppliers.

Confirming the Poste Italiane Group's constant attention to these issues, there were significant increases in the number of tenders carried out on the basis of environmental, social and governance criteria in 2023.

+3.4%

of tenders carried out on the basis of social criteria compared to **2021**

Specifically, 87.9% of suppliers, compared to 84.5% in 2021, were selected in accordance with specific social standards during 2023. Said indicator, when considered net of tenders 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, 90.5% of the tenders issued in 2023, compared to 83.4% in 2021, meet certain environmental 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. An analysis of the tender procedures with amounts exceeding the community thresholds highlights the adoption of specific governance criteria in the qualification, in the evaluation criteria (e.g. ISO 37001, Legality Rating, Code of Ethics/Conduct, Policy etc.) and in the contractual clauses.

In addition, as part of the strategic objective to define ESG parameters in participation requirements and tender evaluation criteria, the first phase on the definition of ESG parameters in OEPV tendering procedures was completed in 2023, with the definition of +60 k-ESG validated, adoptable both as participation requirements and tender evaluation criteria, in relation to the maturity of the relevant product sector. The mapping of the Minimum Environmental Criteria into requirements and criteria was also completed, and a percentage of 96% of OEPV tenders covered by k-ESG was achieved. In addition, the activities conducted to support the achievement of the target included: the implementation of the ESG-box (expansion of the offer of applicable keys); the revision of procurement procedures with ESG grafts; the implementation of an impulse plan for material substitution (changeover); and the implementation of the green check model during the tender construction phase.

158. In 2023, there are zero instances of supplier non-compliance with environmental and labour rights policies.

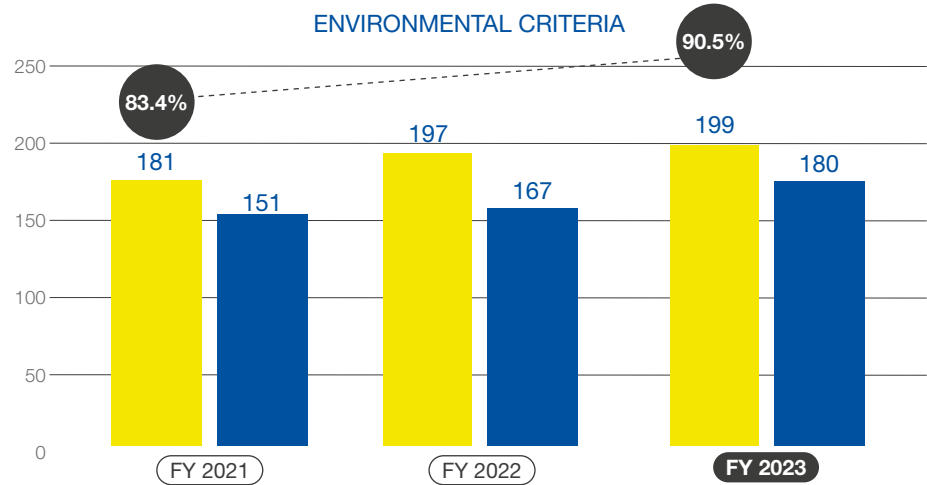
+45.7%

of tenders carried out on the basis of governance criteria compared to 2021

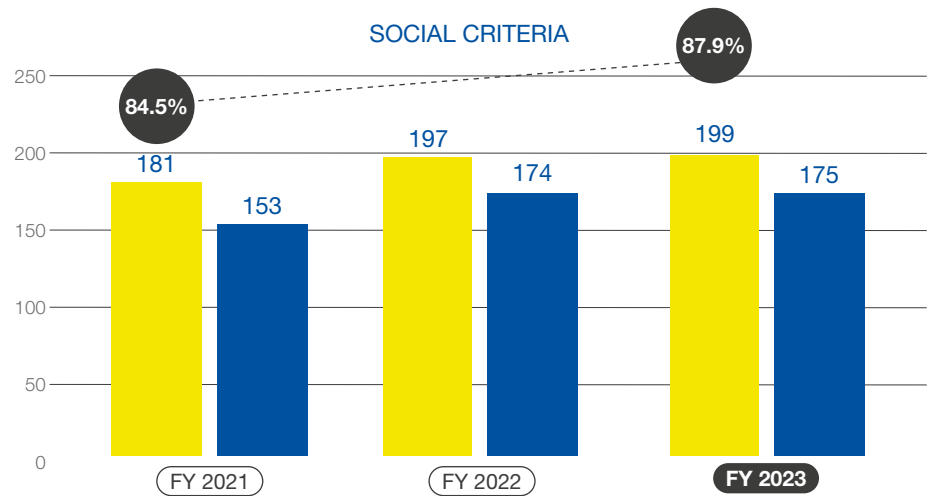
Of the tenders issued during the year, 78.9% took governance aspects into account, compared to 33% in 2021. By eliminating tenders without technical offers, the same indicator shows that almost all tenders launched require governance criteria (>98%).

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.

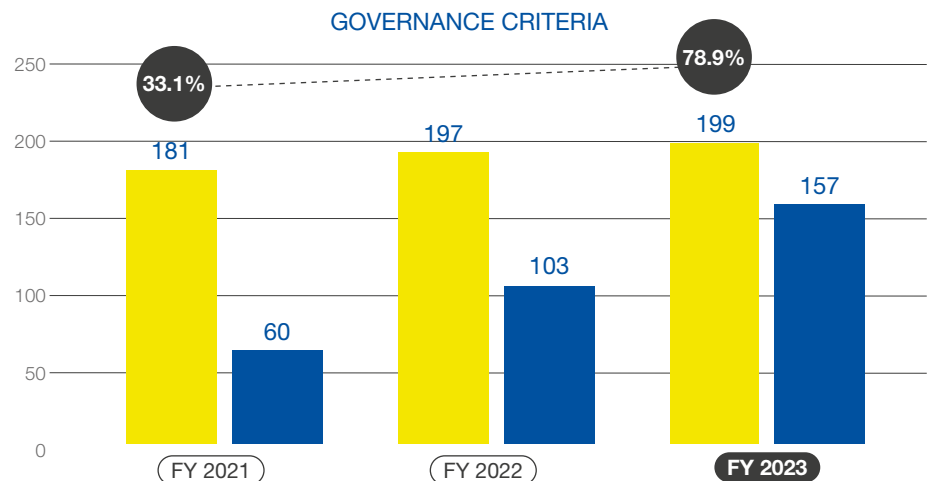
- Total number of tenders launched
- Number of tenders conducted on the basis of environmental criteria
- Percentage of tenders conducted on the basis of environmental criteria



- Total number of tenders launched
- Number of tenders conducted on the basis of social criteria
- Percentage of tenders conducted on the basis of social criteria



- Total number of tenders launched
- Number of tenders conducted on the basis of governance criteria
- Percentage of tenders conducted on the basis of governance criteria



The Sustainable Procurement function is responsible for the timely monitoring of ESG issues within its supply chain management. This function ensures a constant integration of sustainability issues within tender processes and ESG criteria in the technical evaluation of offers. By defining highly relevant projects, such as logistics, the decarbonisation of properties, consumables, and promoting attention to the use of resources, investment plans and technological development, together with the green implementation of the most traditional, the goal of sustainable change can be achieved.

The growing trend of Environmental, Social and Governance indicators is associated with the significant increase in the ESG impact of the technical offer. In this regard, more than 78% of the tenders launched are ESG, a percentage that rises to 97% for the perimeter of tenders launched with technical offers, with the stable presence of criteria related to Environmental Management and Occupational Health and Safety (82%), Attention to People (56%) and Integrity and Transparency (79%). Poste Italiane, by promoting the adoption of ESG criteria in the selection, assessment and monitoring of suppliers, as well as mitigating potential ESG risks, is committed to improving the effectiveness of business processes and competitiveness. Consistent with previous years and with the aim of combining sustainability through the reduction of environmental impacts and rationalisation of costs, the Poste Italiane Group has integrated the criteria envisaged by the Green Public Procurement by implementing, when required, the indications on the Minimum Environmental Criteria (MEC), established with specific Ministerial Decrees. Furthermore, the ESG model in the Group's procurement process was implemented with the introduction of specific Integrity and Transparency (Governance) criteria.

**Poste Italiane's
Vendor Rating system**



The Vendor Rating (VR) supplier assessment system, implemented by Poste Italiane, was conceived in order to provide the Company with a system for measuring supplier performance and assessing them in an ESG context. This system plays an essential role within the supply chain, having as its main objective the definition and implementation of a scoring model that allows an accurate assessment of suppliers in relation to quality, safety, punctuality and environmental respect of services offered, as well as commercial conduct and correctness of billing. The Vendor Rating, therefore, allows Poste Italiane to make considered choices in the acquisition of goods and services. All suppliers who had contractual relationships with Poste Italiane during the reporting period, including framework agreements and spot tenders, were subject to evaluation through this tool.

100%

of suppliers
classified by
**ATECO sector
and size**

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 creation of an ad hoc questionnaire for each supplier (100% of qualified suppliers). The model is risk-based, allowing for the 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 Poste Italiane Group within the 99 recognised ATECO sectors. Since each sector has 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. In relation to the size of the organisation, defined by the European Commission as small, medium or large, the Company has indicated 8 main Governance risks potentially relevant for the suppliers subjected to 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 subjected to analysis and processing through the definition of an ESG scoring process which provides, for each aspect analysed, the attribution of a rating for each relevant risk and a total ESG rating.

These elements give the model the following advantages:

- assessment focused on the supplier's relevant ESG risks, through the use of specific questionnaires for each economic sector, adopting a risk-based approach;
- solidity of the analysis ensured by the use of a quantitative algorithm that guarantees the attribution of a rating 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 on the basis of the rating given to the way individual risks are managed;
- facilitated completion of the questionnaire, characterised by multiple closed answers;
- 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.

In order to raise awareness among suppliers and support them on a path of sustainable growth, Poste Italiane is committed to gradually introducing, over the years, environmental, social and governance criteria into its tender procedures. This initiative guarantees a constant expansion of the required areas, coverage and weight of ESG criteria on the tender score.



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poste

is People
development



Human capital, a key element in the
growth of our Company.



nibilità

6.5 million hours of **training** provided

Poste Italiane is Top Employer for the 5th consecutive year

+200% of participation to the **Poste Mondo Welfare program**

+4% Result bonus 2023 and extraordinary bonus of **€1,000**
for Group employees

MAIN RELATED
TYPES OF CAPITAL



7.10 People development



PEOPLE DEVELOPMENT FOR US:
scan the QR code and watch the video.



IMPLEMENTATION
STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2023	OUTCOME
	Provide continuous training to all Group employees	• Hours of training provided	• 25 million by 2024 • 25 million by 2028	2020	24.4 million hours	
	Campus Italia: Dedicated training centres for Group employees	• No. of Training centres	• 5 Training centres by 2028	2023	New	
	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	+18%	
	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	2 Community realised: • Volunteering • Diversity & Inclusion • Community	
	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	2 editorial plans realised: Poste Centro Medico and Poste Mondo Welfare	
	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 Italiane and the Group companies concerned	• % average daily users compared to average for previous years	• +5% by 2023	2022	+7% average daily visitors	
	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	100% of supervisors involved	
	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% • 80%	3 GOOD HEALTH AND WELL-BEING
	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	73%	
	Reduce the number of Group employees' occupational injuries	• Number of injuries	• -190 events in the PCL area by 2028	2023	New	4 QUALITY EDUCATION
	Reduce the occupational injury frequency rate for Group employees	• Injury frequency rate	• -2% by 2028	2023	New	
	Increasing the participation of women in coaching and mentoring and in leadership development programmes	• % participation of women in coaching and mentoring and leadership development programmes	• +10% by 2024	2023	New	5 GENDER EQUALITY
	Ensuring participation in engagement and change management programmes	• No. of participants in programmes	• approx. 2,000 participations by 2024	2023	New	
	Devising and defining a parent campaign of value reference and positioning with a focus on the centrality of people, subsequently declined in the various areas of service, business and development (e.g. Digital HR, Change Management, Performance Management, Talent Management)	• No. of launch/positioning campaigns with umbrella concept development and multi-subject declination in 5 thematic strands • Editorial and multi-channel communication plan to support	• 5 supporting communication campaigns and channel planning by 2024 • 1 Editorial plan by 2024	2023	New	
	Information and awareness of care and wellness activities. Prevention seminars by PCM specialists	• No. seminars (organisation and management with related communication campaigns to inform and raise awareness among employees on the importance of prevention) • Dedicated intranet and app publishing plan	• 7 seminars by 2024 • 1 Editorial plan by 2024	2023	New	
	Improving employees' digital experience on NoidiPoste app/intranet	• No. new releases on internal communication digital channels (e.g. app navigation menu, evolution of personal profile, evolution of horizontal navigation tools, evolution of social component) • Google Play and App Store ratings	• 5 new releases by 2024 • Rating >2 by 2024	2023	New	
	Strengthen welfare initiatives in favour of company caregivers to support care and work-life balance for the improvement of their personal and family well-being	• No. of initiatives to support caregivers	• 2 initiatives by 2025	2023	New	
	Fostering the alliance between the corporate and educational worlds with new orientation opportunities for the younger generations (children of employees and students) also through the active involvement of corporate professionals	• No. of editions	• 40 editions by 2025	2023	New	
	Implementation of a training campaign on the subject of "health risk prevention" focusing specifically on risks to the musculoskeletal system and with the aim of continually improving safety and efficiency in carrying out activities	• No. of editions	• 150 editions (max. 20 participants/edition) by 2024	2023	New	
	Encouraging employee listening through continuous surveys	• No. of Surveys	• 10 surveys by 2024	2023	New	
	Enhancing the contribution of participants in training initiatives through the introduction of digital solutions for feedback collection	• % redemption of perceived quality questionnaires of classroom training activities	• 50% by 2025	2023	New	
	Empowering people to expand their knowledge and skills to achieve period business objectives related to the market segments covered	• No. of training initiatives on the evolution of the sales network service model • No. of training initiatives on Transformation orientation for logistics personnel • No. of training initiatives on the evolution of products and services (at least one initiative per Energy, Telco, Financial/Insurance, Logistics sector)	• 2 training initiatives by 2024 • 1 initiative by 2024 • 4 initiatives by 2024	2023	New	8 DECENT WORK AND ECONOMIC GROWTH

■ Objective achieved/Objective achieved and updated
 ■ Objective not achieved
 ■ Deadline for achieving the objective that has not yet expired



Staff training and development

For Poste Italiane, the role of human capital is particularly important, being a distinctive and essential element for the achievement of the company objectives and the creation of competitive advantage. Precisely for this reason, the Group actively promotes and invests in training courses aimed at preparing staff to effectively meet the challenges and needs of a constantly changing business context. 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 accordance with the principles expressed in the Code of Ethics, expresses its commitment to recognising and valuing the individual contribution of each member of the company population, committing itself to guaranteeing equal opportunities in career paths for all employees, without making distinctions of any kind.

The Group considers training an essential lever for achieving competitive advantage in the market, constantly promoting its innovativeness and continuity.

In line with the Strategic Plan, the training initiatives are part of a much broader project, which, in accordance with company principles and the demands of the market, customers and regulations, provides for the provision of approximately 25 million hours of training in the five-year period 2020-2024. To ensure regular and effective carrying out of training activities, in 2015, the Company established the Corporate University, identified as a Human Resources function which, through the organisation in various Academies, provides training on different business contents, depending skills to develop. The Corporate University aims to define and ensure the carrying out of the training process in its entirety (including operational training). In particular, the “Training and Operational Training” Procedure, aimed at all company functions and all staff, describes the Group’s operational training model, explaining the operating mechanisms and organisational responsibilities regarding training and operational training activities. The guidelines of the Procedure aim to ensure the effectiveness, efficiency and conformity of the expected results, through the implementation of relevant organisational and control measures, also in compliance with Legislative Decree no. 231/01.

In 2023, the training plan, in addition to a strong focus on the role skills needed to support new business models and new service models, focused on the development of the transversal skills needed to operate in an ever-changing context and to steer behaviour towards sustainability, innovation and continuous improvement.

In 2023, the learning experience improved through the introduction of new innovative formats, 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 fact, the focus on digital learning technologies for the continuous improvement of the learning experience remains constant, as part of the process of continuous evolution that the Corporate University is committed to pursuing in terms of content, teaching methods and tools with the aim of implementing continuous training programmes and using innovative learning methodologies to support and develop people’s skills. Of particular note during the year was the commitment to the topic of accessibility and inclusion. For this purpose, a specific online format was developed that includes new navigation and interface features to facilitate the use of courses by people who may have varying degrees of visual and hearing impairment and reduced mobility.

6.5 mln
Hours of training
in 2023

Campus Italia with Universities

Poste Italiane for the
development of its
people

A total of approximately 6.5 million hours of training were provided during 2023. To respond to the specific training needs of the various businesses of the Group, targeted training courses have been developed, dedicated to specific targets (e.g. tellers, postmen, customer service representatives, salespeople) in order to provide, consolidate and develop technical and specialist skills specific to each role. Transversal training courses were also provided on topics focused on the adoption of cultural tools and models aimed at all Company employees, without distinction of specific role. Finally, through individual training courses, especially dedicated to developing resources, skills useful for more complex roles, such as customer relationship management, were strengthened, promoting the adoption of responsible marketing and sales practices in order to prevent any disrespectful or discriminatory treatment of customers.

In 2023, Poste Italiane launched the “Campus Italia” project, an initiative that stems from the alliance with the country’s leading universities and destined to give rise to the first five development and training centres for Group employees. The Company has entered into around 50 agreements with the best Italian universities and training institutions, with the aim of developing these partnerships to the maximum in order to create advanced technological and training spaces.

The new training centres are planned in the cities of Milan, Venice, Bologna, Rome, Naples and Palermo, so that Poste Italiane’s people can be deployed throughout the country.

“Campus Italia” is intended to be a project of excellence, through which Group employees will have the opportunity to develop new skills and obtain certifications. Aware that valuing people is one of Poste Italiane’s strategic pillars, the project will help make the Company even more attractive on the labour market.

Thanks to the involvement of various organizational functions, the Corporate University plays a central role in the training process and ensures the governance of the entire training process itself. This is structured in five Academies, each dedicated to specific skills. Three Academies focus on vertical business areas: 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. In the Faculty area, efforts continue to develop and maintain the skills of in-house teachers, a valuable figure who provide their know-how and experience by dedicating themselves to the development of technical or operational skills. In addition, the training course of the Poste Italiane Coaches’ School aimed at enriching their methodological knowledge and increasing their role awareness, through individual supervision meetings with certified coaches, continues. Coaches were engaged in coaching courses aimed at high-potential resources and personnel returning to service after a long absence.

The other two Academies, on the other hand, focus on transversal core competencies. Specifically, the Managerial Academy oversees the development of managerial skills for key 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, a Planning and Governance function that deals with the consolidation of the training plan and the periodic monitoring and control of progress. Furthermore, with the aim of enhancing the synergies of tools, methodologies and skills, starting from May 2022, the Education initiative merged into the Corporate University, which aims to promote campaigns, initiatives and opportunities for discussion aimed at encouraging dialogue with citizens on issues of social and inclusive value.

The training process begins with the drafting of the annual Training Plan, which takes into account the training needs identified by the various company lines consistently with the objectives of the Strategic Plan. Listening to and collecting training needs represents, in fact, the first step in creating paths and planning interventions aimed at updating, qualifying for the role and consolidating skills for the entire company population, from resources newly added 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.

To evaluate the achievement of the established 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 planned periodic audits conducted 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 participants. The Company pays particular attention to the role of the means of communication, such as the company website, Poste News, interviews with TG Poste, to raise awareness among potential employees of the importance of the training courses offered. 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.

To improve systems, processes and strategies, Poste Italiane is oriented towards achieving sustainable business success, using People Analytics practices, also known as HR Talent or workforce analytics, i.e. the practice of collecting and analysing organisational data of human resources through the application of statistics and other data techniques. In particular, the Group used People Analytics practices in 2023 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;

100%
of employees
covered by
People Analytics
practices

- 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 the professional family 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, SpazioRUO, an online platform, was created to make work tools available to all people in the function and present organised content and innovative solutions from the HR world, with a multidisciplinary and user friendly approach, aimed at the contamination of knowledge and the emergence of practices to be incorporated into functional strategies; furthermore, contributions are proposed from the various functions for the pooling of knowledge and for facilitating implementation synergies with respect to company objectives, also with a view to achieving integration into 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;
- f. In addition, as part of its People Analytics practices, the Development function uses a wide range of additional data, including personal, organisational, performance and potential information, to define, monitor and initiate human resources development and enhancement paths in line with business objectives. The integration and analysis of such data allows to clearly identify employees with distinctive capabilities and performance, who can be taken into consideration for possible access to potential assessment programmes or for the possible activation of paths towards specific roles. 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.

3.110 mln
Hours of training
for compliance

With the same objective in mind, an OnBoarding and Pre-Onboarding platform has been set up to accompany the entry of new colleagues into Poste Italiane, enabling a more effective employee experience and at the same time, more efficient internal operations related to personnel induction. As part of its training model, the Group always dedicates close attention to compulsory regulatory training, which includes cross-cutting issues aimed at the entire company population (Safety at Work, Legislative Decree no. 231/01, GDPR, Integrated Quality and Corruption Prevention System, etc.) and role aimed at specific professional figures (e.g. ESMA/IVASS and Air Safety training).

**Compliance
training**

Legislative Decree no. 231/2001

The online course “The Decree 231 in business ethics” continued to be delivered in 2023. It describes, through the stories of its protagonists, the general contents of Legislative Decree no. 231/2001 and the tools adopted by Poste Italiane to comply with the principles and provisions established by the Decree itself. The course falls within the scope of compulsory training and is therefore intended for all Poste Italiane Group staff. The training initiative deals with general topics of Decree 231, which are also of interest to the Subsidiaries; however, it remains the responsibility of each Subsidiary to evaluate any further training needs on this subject, considering the specific activities carried out by its employees and the operational and organisational peculiarities of the Company itself. In addition, with regard to training initiatives aimed at the Poste Italiane Group’s managerial figures, specific training events were held on the topics of Legislative Decree no. 231/01 “The types of corruption offences” and “Market protection and corporate offences” were introduced.

“The GDPR: General Data Protection Regulation”

Since 2019, the Group has been delivering the online course “The GDPR - General Data Protection Regulation”, which provides 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 adopt 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 hold 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. As of March 2022, the online course “Privacy Protection in the Post Office” is being delivered to all personnel working in Post Offices.

IT security

Like in previous years, the Group continued the delivery of the online course “Cybersecurity”, 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. With regard to specialised technical training for resources working in Information Security, a training plan on IT Methodologies and IT Best Practices was delivered in 2023. The new online course “Fraud management” was also launched in 2023, course progressively aimed at the entire Group population and for which the first accessible training format was used.

Integrated Compliance and Antitrust

Since May 2021, Poste Italiane has been delivering the training webinar entitled “New Group Compliance Programmes - Integrated Compliance and Antitrust Compliance” aimed at the Group’s management figures. In addition, 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 promoting and disseminating a corporate culture that is aware and attentive to the issue of compliance, which represents a strategic objective and a fundamental value for the Company. The training initiative is intended for resources working in the Group’s central and territorial staff functions. The training offer also includes an additional online course called “Competition and Consumer Protection Compliance” for the same target group.

Anti-corruption

In 2023 was the start of the new version of the online course “The Integrated Management System: the Rules of the Game”, an anti-corruption training activity which, in continuity with previous editions, is intended for all Poste Italiane Group staff and describes the integrated Quality and Anti-Corruption Management System with which Poste Italiane has equipped itself, focusing on the provisions of the reference legislation on the subject and focusing attention, 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 the year 2023, in line with the regulations of the financial and insurance sector, the usual ESMA/IVASS induction and refresher training programmes were provided, with particular focus on the topics of Anti-Money Laundering, Credit Protection Insurance policies, supplementary pensions 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 2023 in continuity with the previous years:

“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.

Integrated management system

The online course “The Integrated Management System: the Rules of the Game”, which provides an overview of the Poste Italiane Group’s Integrated Management System and focuses on the application of the fundamental rules to improve the quality of its services and prevent corruption, promoting greater awareness and improving skills and the quality of work to achieve the company objectives, was delivered to all Group staff in 2023. We also highlight the launch in February 2023 of the online course “How to best prepare for a Management Systems Audit”. The course illustrates the purpose of a Company Management Systems Audit and provides guidance on how to carry out this important audit.

Business continuity management

In November 2023, the BIA course for Business Continuity Roles, Responsibilities and Workflows on GRC Archer was delivered in webinar mode. The course, dedicated to about 140 resources working in different corporate functions, aimed at illustrating the new Business Impact Analysis methodology for business continuity implemented on business processes according to the new methodology derived from the Group CM/BCM/IM Model.

The Group has implemented targeted training programmes for the managerial class. In particular, 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. Institutional pathways were developed for new managers to accompany them in their new role and in order to foster cross-functional skills development and promote an exchange of personal and professional value. Again this year, managers were involved in D&I-related initiatives, such as workshops focusing on Gender, Generations, Vulnerability and Culture of Inclusiveness, aimed at developing a common culture and promoting inclusion at all levels of the organisation. In addition, a webinar on LGBTQ+ was organised to raise awareness of labour inclusion and increase awareness of affective orientation and gender identity.

In addition, activities aimed at developing managerial skills related to the Business Units in Mail, Communication and Logistics (PCL) continued with training on the Lean methodology (Lean Academy), while in the Post Office network, courses were developed dedicated to Sales Managers and Operational Management Managers to strengthen their roles following the revision of the territorial organisational model. The top management of MIPA and DTO were involved in experiential activities in order to strengthen collaboration, integration and sharing strategies in the management team. Finally, for the BancoPosta function, a training course for managers based on the Crafting Leadership model was implemented, aimed at increasing leaders’ awareness of their active role in promoting the development of people and the organisation.

Finally, the Group has implemented innovative and immersive training interventions for managers and high-potential resources, in order to spread the culture of leadership and improve skills in managing complexity, decision making and problem solving.

Of particular relevance is the “Study Tour” training initiative that aims to create moments of contamination with Italian companies that represent excellence in various product sectors, from whose history to gather insights and with whom to compare best practices. “Study tours” are active, participative and cognitively and emotionally stimulating learning opportunities during which the people involved have the opportunity to engage with colleagues and managers of the host companies, reflect and develop strategic skills for their own work. Accompanied by professionals as facilitators and lecturers, in these training initiatives, participants have the opportunity to gain greater awareness of the distinctive factors of the markets and make useful comparisons with their own reality.

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**Diversified skills
development within
the Poste Italiane
Group**

Mail, Parcels and Distribution

Training initiatives focus not only on upgrading skills and verifying compliance with IVASS and ESMA regulations, but also on developing digital skills, innovation and the management of change and complexity. The Group invested in important training projects, involving the commercial structures of the Post Office Network and the Business and Public Administration Market. In 2023, in line with the regulations of the financial and insurance industry, the usual ESMA/IVASS-compliant induction and refresher training programmes were implemented for sales staff, customer service staff and internal trainers of the BP-Channel Product Support function. The mapping of development and training needs (annual assessment) was conducted for both the financial and insurance areas with a particular focus on Anti-Money Laundering, Credit Protection Insurance policies, supplementary pensions and Ethics. In December, the ESMA tests valid for maintaining the ISO 22222 investment advisory service certification of MP's sales network were completed. Training activities in the area of Postal Savings included in the distribution agreement with Cassa Depositi e Prestiti also started in 2023. In support of the Polis Project, training was provided to Post Office network staff progressively involved in the provision of Public Administration services to citizens: INPS certificates and voluntary jurisdiction for the Ministry of Justice. In addition, a specific basic knowledge initiative on Polis objectives and characteristics was dedicated to the entire company population. In the Customer Operations sector, particularly in the area of Customer Assistance, training initiatives were launched dedicated to specific targets such as Tutor Trainers, Operations Tutors and Financial Services Operators focused on the evolution of the assistance model towards a greater commercial proposition and an integrated and omnichannel customer experience. It is also worth mentioning the launch of a specific training project on Artificial Intelligence and Conversational Design dedicated to resources working in the Customer Service Models structure. 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. To further support technical expertise and with a view to continuous improvement, training initiatives were carried out on the Methods-Time Measurement (MTM) methodology. 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 4,800 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. With reference to Nexive, the Quality culture initiatives aimed at increasing awareness of the importance of customer value within the Group's Quality model are highlighted. In Postel, with the aim of accompanying the transformation phase of the company's business model, a training course on Digital Marketing skills was set up, aimed at supporting the strengthening and evolution of the skills of the professional family in the light of the changes in the context, market and offer (digital and innovative services). Finally, MLK Deliveries Spa completed the mandatory regulatory courses aimed at ensuring the compliance of company processes and activities.

In the Corporate sector, training plans were implemented for the Real Estate function on both energy and environmental and safety site compliance. In addition, in the last quarter, a knowledge mapping exercise was initiated in B.I.M. (Building Information Modelling) in order to customise the designed training courses to the specific needs and peculiarities of the resources involved. In the area of Corporate Protection, training initiatives on Physical Security involved specific targets on active security topics such as best practices in the design of video surveillance systems and anti-robbery and anti-intrusion and passive security systems as reference standards and design of an integrated, burglar-resistant system. Training was also provided on security management issues, in compliance with national regulations and the international standard, with the launch of training initiatives on emergency management in the event of adverse events during travel (travel risk management) and on security management at major events. In the regulatory/contractual area, the year saw training courses dedicated to the impact of the Cartabia reform on civil and criminal proceedings and to the new Public Contracts Code. For the Communication function, training continued, aimed at upskilling skills, consisting of courses on the evolution of social media, mobile and digital journalism, effective writing techniques and data storytelling. Finally, a series of meetings on inspirational topics involving academics and testimonials from external companies was launched for the Human Resources function. Update meetings on key internal HR processes such as people and performance management were also held. In the area of Administration, Finance and Control, specialised courses were organised, with internal lecturers, on tax matters (settlement deeds and tax treatment of framework agreements and delivery vouchers). Training activities also continued, at various levels, on a wide range of ISO standards (D&I, corruption management and prevention, business continuity, quality, computer incident prevention, privacy, etc.).

Financial Services

At BancoPosta, a training initiative on Consumer Protection was carried out to deepen knowledge on the subject across the function (e.g.: Marketing, Channel Product Support and Compliance) and specialised training for the Compliance function on Data Literacy and Financial Intermediation Risks. In order to offer BancoPosta people the same training opportunities as the reference sector, an agreement was made with ABI for the participation of professionals in training courses organised by the Association. In order to support business developments, a collection of synchronous training proposals from leading market institutions on the topics of industry evolution (Observatory "Innovation in Financial Services") was compiled.

At BancoPosta Fondi SGR, the offer of sector-specific regulatory courses continues (e.g. Knowledge and Competence, Privacy, Anti-Money Laundering, Business Continuity and Management etc.). With regard to technical-specialist training, the focus was on strengthening industry-specific skills. In this context, the training activity “Money Market Derivatives” was proposed, which analyses the return and risk profiles of a bond portfolio and illustrates how to use instruments to control interest rate risk and volatility. Initiatives were also promoted to explore the skills required for the company’s activities, with a focus on “sustainable finance”, considering the BancoPosta Fondi SGR position as one of the main players within the Poste Italiane Group in this area.

Insurance Services

The aim of the training for the PosteVita Group (PosteVita, 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 activities were aimed at developing specialised knowledge of the company’s business, such as actuarial issues, risk and claims management, regulatory updates on insurance product design and sustainability factors in the insurance industry. Courses were offered on IT aspects such as the use of Bloomberg financial software to support investment management and asset allocation, as well as training on innovation, digital transformation and blockchain. In addition, refresher courses were provided on finance topics such as financial statements and taxation in insurance. Finally, at NET Insurance, in order to support the company’s strategic plan, the main regulatory issues, both general and specific to the insurance sector, were addressed in 2023, technical and specialised training courses were provided (P&C Technical Training, Finance, Innovation, ESG, SQL Training, Agile, ITIL, etc.), and Development, Welfare and Equal Opportunity and Transversal Skills courses were offered.

Payments and Mobile

The training courses dedicated to 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. At Postepay, a training initiative on Consumer Protection was implemented to deepen knowledge on the subject across the function. Training on specific target groups on Banking Transparency issues also continued, and, in order to provide a comprehensive compliance training proposal, a number of Digital Compliance events were held. To foster managerial development and the acquisition of key competencies for the company, several Executive Labs and mini-master courses were delivered in cooperation with leading national and international business schools. Finally, the higher education programmes continued with diversified Master’s programmes on Competition Law and Innovation, Data Science and Quantitative Finance, Marketing & Sales and Flex ESG and Sustainable Development.

Continuous performance improvement

The Group undertakes to regularly monitor the effectiveness, efficiency and quality of the training programs provided, as they constitute key indicators of their performance. Effectiveness is assessed through learning tests conducted at the end of the training activities, while efficiency is measured by the ability to achieve the aforementioned objectives by appropriately using the available economic and organisational resources. Finally, quality is evaluated by means of questionnaires administered to employees to assess their level of satisfaction with the various aspects of training provision.

The development system

The Development, Change Management and Digital HR Function sustains 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 guides the evolution of the corporate culture by promoting the change of mindset, behaviour and operating methods of employees in a logic increasingly projected towards widespread leadership, which makes responsibility, integration and collaboration its main drivers. Furthermore, through an integrated system of policies, programs and development tools, as well as through People Review and engagement processes, the Group promotes an organisational culture centred on people as a whole, considering them from both a personal and professional point of view.

Each initiative is designed to involve a diverse audience belonging to all corporate functions and all Group companies. Particular emphasis is dedicated to guaranteeing equal opportunities for participation, in terms of age, gender, functional and geographical affiliation, without prejudice, however, to the specific entry criteria of each initiative.

The Development System is built on the following three 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.

All Development, Talent and Change Management initiatives are periodically communicated to the company population through the main internal (TG Poste, newsletter, corporate Intranet, etc.) and external (social media, specialised press) communication channels.

The objectives pursued in 2023, 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. Furthermore, the establishment of the Development, Change Management and Digital HR function was crucial to maximising the integration between the scouting, development and People Review processes; furthermore, this facilitated the start of an HR digitalisation process within a broader strategy for the evolution of the services offered by Human Resources and Organisation.

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 company 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.

Platform "Insieme 24 SI"

Poste Italiane, in order to consolidate its sustainable development strategy, launched in 2021, "Insieme 24 SI", the platform for collecting ideas and contributions aimed at the entire Group population. It is open to the entire population and 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. Within the framework of Poste Italiane's Strategic Plan, "Insieme 24 SI" represents a space in which the contribution of all stakeholders is taken into account, as fundamental contributors to the realisation of the Plan. This initiative fits within the eight pillars of the sustainability strategy, highlighting the Group's commitment to actively involve the business community in order to contribute significantly to the Company's sustainable development path.

The first edition, which opened in November 2021, was immediately followed by the second, which ended in September 2023. Both editions received wide involvement and interest, with more than 1,300 proposals submitted by colleagues and subsequently evaluated by more than 50 business managers from all business functions from the programme's launch to date.

During the course of these two editions, two Bootcamp events were organised, veritable "innovation marathons" in which more than 470 participants worked in teams to develop and explore their proposed ideas and presented their pitches to the jury of in-house managers.

From the outcome of the two Bootcamps, the best 20 proposals were selected, which then followed a typical start-up incubation path. The teams, comprising a total of 115 people, worked with agile/sprint methodology and, thanks to internal mentors and external tutors, produced prototypes that were later presented live to top management during the programme's final events. Some of these prototype solutions, supported by the business functions, are currently going through a consolidation and implementation phase, with the aim of turning into concrete projects capable of generating a positive impact inside and outside the company.

Both editions registered a wide participation and involvement, also witnessed by the accesses to the intranet and campaign news (about 60 thousand in total) and the likes collected during the social vote of the ideas (about 36 thousand).

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 skills 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 intercepting young people with limited company seniority, who are included, based on predefined criteria, in a Development process, functional to growth towards roles of greater complexity. The process is directed by internal Developers certified to digitally conduct Development Center sessions;
- **MLAB:** the process of intercepting professionals and managers, with consolidated experience in the role of manager to be developed on more important management positions. This path has also been entirely redesigned in a digital perspective.

450

People involved in the **POP and MLAB** programmes in 2023

Following the assessment of potential, both programmes provide specific interventions to reinforce the identified skills profile, with a special focus on coaching as the preferred support tool. In addition, managerial scouting processes, aimed at executives growing into roles of greater responsibility, were further expanded to include individual assessment solutions. Both programmes received a positive evaluation from the participants, who appreciated the usefulness, the level of professionalism of the Assessors and 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, contributing to the design of career paths and succession plans. In line with the Diversity & Inclusion objectives defined by Poste Italiane to support the 24SI strategy, the 2023 programme has given priority to the involvement of women managers, identified in periodic Review meetings as potential "successors" for more complex positions. With this initiative, Poste Italiane strengthens its commitment to supporting the growth of the skills necessary for leadership development.

With the aim of increasing involvement in potential assessment processes, also involving populations not attributable to those eligible for the scouting programmes already in place - POP, MLAB, Leadership Assessment - the Company continued to invest in smart potential assessment tools, usable online and characterised by rapid administration times, which made it possible to involve an additional 884 people compared to 2022. In particular, this new approach was used in the People Review processes, for the valorisation of the resources of the HR, Group Engineering and PCL Centre Managers families.

+884

Resources involved in mass scouting compared to 2022

In the context of scouting processes, considerable attention was paid to skill assessment, programmes aimed at assessing the coverage of professional roles through an analysis of technical and specialised skills, as well as soft skills, within Poste Italiane's Professional System. Skill assessments are implemented through specific campaigns designed in response to the particular needs of Professional Families. During 2023, these initiatives focused on DUPs in Post Office networks and PCL Centre Managers, involving a total of 3,472 resources. The campaigns made it possible to map the coverage of roles by identifying any discrepancies between current skills and those required, thus initiating the design of training and development actions aimed at strengthening skills and assessing the potential for growth into more complex roles.

The results of the potential, together with the performance trend and seniority have guided the structured implementation of the People Review, a process aimed at enhancing the talents of the Group, which involves the business lines together with RUO, in a transversal comparison, aimed at bringing out a shared concept of talent within the organisation.

+50%

Presence of
women in coachee
activities compared
to **2022**

During 2023, the People Review involved the professional families DUP, Group Engineering and HR. The line managers and HR managers discussed a talent pool of around 1,000 resources, with the aim of defining accelerated development solutions and expanding the pipeline of candidates to cover positions of business or interest, also transversally within the Group. For the talents identified in 2023, the Blooming Programme continued, a personal programme for Group talents aimed at developing cross-functional skills, broadening vision and relationships, and enhancing leadership. With regard to the introduction of innovative tools in the area of skills development, the SkillGym initiative continued. During 2023, over 1,200 employees were involved in the practice of “critical conversations” aimed at strengthening soft skills relating to the management of the feedback process, through the use of a digital platform that offers simulated environments guided by artificial intelligenc.

In 2023, coaching activities were strengthened, carried out by both internal and external coaches, which involved managers and young talents in paths to strengthen transversal skills useful for improving performance. The number of coachees increased by 50% compared to 2022, with significant female participation. In addition, the Mums at Work programme continued, aimed at employees returning from maternity leave, accompanying them in the process of reintegration into the Company through dedicated coaching courses. The initiative is in line 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. The Policy emphasises the responsible role of leaders and managers in creating an environment increasingly based on trust and engagement, encouraging the expression of the personal and professional skills of each employee. 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.

In addition, with the aim of promoting a leadership style that facilitates change management uniformly within teams, coaching activities have assumed a central role. In fact, in addition to traditional individual coaching, collective coaching programmes, such as group and team coaching, were also consolidated in 2023. These forms of collective coaching have been implemented to support groups, which are regarded as fundamental elements of the organisation, during change processes in order to improve their efficiency and productivity.

In the constant commitment to enhance people based on the results achieved and the expertise gained, the “Development paths in the territory” project continued which, in continuity with 2022, outlined specific paths for key roles in the territory, through co-planning between central and territorial HR and Line functions, in an agile manner and capable of strengthening, at the same time, the development skills of the functions involved. Particularly significant in 2023 was the start of the process of designing tailor-made pathways for the IT professional family, as part of a broader plan aimed at developing skills and providing growth opportunities for professionals belonging to this family.

+22%

Female mentors
compared to **2022**

In a context characterised by a constant drive for change, people are called upon to express greater responsibility, autonomy and flexibility. In response to this need, the Poste Italiane mentoring programme has evolved, establishing itself as a stable and widespread process throughout the company as a space for discussion with recognised managerial best practices and role models. In 2023, more than 457 mentors and mentees actively participated in the Company, with a significant female presence (+22% female mentors compared to 2022). Mentoring ensures the expansion of a global vision as it allows a comparison between diversity of gender, age and experience. Cross fertilisation, understood as the promotion of transversality between different functions and effective integration between the centre and the territory, constitutes the main driver of the programme, as it promotes mentorship relations between managers and professionals coming from different areas and functions.

457

**Mentor and Mentee
in 2023**

With a view to enhancing intergenerational exchange, a call for mentoring was launched specifically targeting the group of NAL-Newly Hired University Graduates. In particular, these young talents were invited to join coaching courses with senior mentors on a voluntary basis. NAL represent 36% of the total number of mentees in 2023.

In connection with the assessment campaign for white collar workers, 2023 saw a further consolidation of assessment and feedback tools.

In order to provide support to the teams and increase the level of engagement, the possibility of involving the project teams in the performance assessment was integrated into the PSP, both during the assignment of goals (goal management) and in the actual assessment phase. During this process, Project Managers, Organisational Contacts and members of cross-functional teams are therefore involved as additional providers of feedback on the performance of employees involved in cross-functional projects. This approach allows direct managers to broaden the view of their staff and take this into account in the overall performance assessment.

In compliance with the provisions of the Corporate Governance Code for Listed Companies, during 2023, succession plans were carried out as part of the Poste Italiane Group's annual Management Review process. Through dedicated meetings with each function manager, valuable resources within the Group were identified and mapped, which, at various levels of the organisation, are considered as the priority pool for managerial development opportunities. The definition of succession plans ensures that key positions in the organisation are covered, helping to contain managerial risk. The Succession Coverage Index, which measures the "completeness" of succession plans, showed very positive results. Particular attention was paid to the presence of women in management succession plans, with the aim of increasing the representation of women in top positions within the Group. Specifically, there is an upward trend on the Gender Index for all mapped positions, indicating a progressive increase in the presence of women in the Group's future leaders.

The implementation of the Oracle HCM Cloud platform over the last three years has enabled the integrated management of people assessment and development processes. The platform made it possible to rethink the evaluation process as a pivotal process for people's development. To emphasise the relevance and centrality attached to individual competence development and performance, the assessment process is called the Performance Development Plan (PSP), which is based on the promotion of a culture of results, collaboration and feedback.

Feedback plays a fundamental role within the PSP, acting as an essential tool for growth and constructive confrontation between people, their manager and the team to which they belong. It also raises people's awareness, ensuring continuous improvement of the performance expressed.

All programmes managed by the central Development, Change Management and Digital HR function are constantly monitored. Data and information on the various topics are periodically shared with the HRBP involved in the process. As regards data management and governance, internal IT systems or digital platforms from HR partner suppliers are used (e.g. SAP, WEB PERS, MS Teams, Oracle HCM).

Following the initiatives, RUO-SCMDH regularly conducts satisfaction surveys to evaluate their effectiveness. The final figures generated and the feedback collected allow us to evaluate the degree of effectiveness of the development initiatives.

To encourage broader involvement of people, the implementation of a work model has been expanded that provides for greater individual responsibilities and organisational and participation integration (bottom up, team) that goes beyond the traditional evaluation model (top down, manager-collaborator).

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 assessment of employees and project leaders for members of cross-functional teams.

Cross-training to support the Company



Transversal training initiatives play a significant role for the Group, as they enable the expansion of knowledge on topics common to several professional families, promoting the development of skills in a cross-functional perspective and fostering an exchange of value, both on a personal and professional level.

In fact, the year saw the launch of the “Transversal Competence Plan”, aimed at the indirect production population, with the objective of fostering reskilling in specific competence areas. This initiative was promoted in line with the European Community’s proclamation of 2023 as the European Year of Skills, in order to assist both companies and individuals in successfully coping with the changes taking place, fostering innovation, the transition to a green and digital economy. The Plan consists of three “hybrid” training paths, which supplement compulsory courses with additional courses that can be freely enrolled in. Topics covered include: Mindset and Behaviour, Digital and Innovation, and Sustainability.

In addition, the use of the Open Learning Area content, freely accessible by the entire company 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. In support of the initiative, a wide-ranging campaign to engage the company population was carried out with the Internal Communication function, in several stages and with specific objectives. A survey was launched to raise interest in the initiative itself and to increase the number of active participants. Subsequently, a series of news items related to national and international events in 2023 (such as Innovation Day, Book and Copyright Day, Creativity Day) and dedicated to the launch of new courses available for automatic enrolment were published. An important transversal initiative was dedicated to the topic of Eco-Driving. The actions implemented by Poste Italiane to contribute to the reduction of CO₂ emissions into the air and raise awareness among the resources involved towards eco-sustainable driving also include the event “Green Talk: Together for the conscious consumption of energy”, which involved the heads of organisational/operational structures to make them aware of the subject and the procedures to be applied in order to reduce energy consumption, and the online course “Noi Green - L'Eco Routine in Poste Italiane”, which provides data and useful elements for reflecting on the value of sustainability and the benefits of adopting environmentally aware and respectful behaviour.

The focus on the development of soft skills, which are increasingly important to support change, is confirmed: from the way of relating to colleagues to the ability to solve more or less complex problems. Hence, new initiatives to enhance decision making, problem solving and critical thinking skills, all necessary to meet the challenges that the environment imposes, as well as public speaking courses and various project management and language training proposals.

Benefits of employee development programmes

Insourcing and re-employment

Poste Italiane's "Insourcing and Re-Employment" project aims to re-employ, on outsourced activities, internal Group personnel who, as a result of organisational initiatives and/or production-digital developments, are not allocated to fully productive/value-added areas.

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 allows for the in-house management of previously outsourced activities, with benefits both in terms of maximising productivity and saving on the income statement, which in 2023, stood at €36.8 million, enabling the reduction of the recourse to external supplies.

During 2023, 2,500 people were interviewed, of whom 1,684 (equal to 1,561 FTE) 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.

Best Performer Development Programme

Dedicated to resources identified as "best performers", the programme aims to strengthen the participants' soft skills profile, increase personal awareness and make people aware to take responsibility for their own professional development.

Specifically, the programme provides diverse individual development paths such as, for example:

- 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.

In general, the programme leads to the empowerment of participants' competencies, leading to a competitive advantage of the company in the market, and is linked to broader business benefits in terms of engagement, motivation and sense of belonging of the resource to the company. The path to the development of the best performer target in 2023 led to benefits both in terms of containing the absenteeism rate and the impact on the turnover rate on a voluntary basis with exit from the Company. Furthermore, the enhancement of the skills of the programme participants led to promotions within the target group involved and an increase in the turnover generated.

As evidence of these benefits, the following results were achieved in 2023, with reference to the best performers target:

- absenteeism rate of 1.66 % compared to Poste Italiane's absenteeism rate of 3.9 %, to be understood as referring only to sickness in 2023, net of Covid;
- turnover with voluntary resignations constituted by about 1% of the best performer target compared to about 2% at Group level, with reference to the resignation case in 2023;
- promotions in 2023 equal 12% of the best performer target compared to 6% at Group level;
- 53% of the target group surveyed reported a superior/excellent performance rating.

In order to improve the working conditions of employees, Poste Italiane dedicates particular attention to active dialogue with the company population. In this context, 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, also contributing to spread the company culture more widely, support the brand reputation and encourage the active participation of employees in company dynamics.

Poste Innovation Jam

The importance of
exchanging ideas and
experiences



In order to spread a mindset related to innovation and a new way of working, strengthening skills related to collaboration and enhancing the richness of diversity in terms of collaboration, confrontation and inclusion, Poste Italiane has promoted the "POSTE INNOVATION JAM" initiative, which consists of a series of internal Hackathons and Datathons, i.e. "innovation marathons" of three days each in which participants work in teams to develop solutions to respond to the business "challenges" identified from time to time. The teams are supported by Experts from Poste Italiane and Mentors from Elis, partners in this initiative, and at the end of the three days, they present their idea to a jury of managers from the impacted business functions, who select and award the best ones.

The initiative gives participants the opportunity to get to know new colleagues, facilitates the exchange of experiences and skills, and experiments with the agile approach to tackle real problems with innovative tools that stimulate collaboration between different areas, functions, generations and territories.

During 2023, 3 editions of the programme were realised, which saw the participation of about 180 employees: a Datathon in the DTO area, to develop innovative solutions using data, a Hackathon dedicated to the Marketing professional family and another in the Post Office network/Operational Management area.

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 2023, the annual surveillance audit was passed.

MAIN RELATED
TYPES OF CAPITAL



NFS

Staff welfare and well-being

In 2023, the Company's commitment to the protection and well-being of its people continued, through initiatives aimed at strengthening the welfare system, with interventions in favour of employees and their families in a growing logic of proximity and personalisation of the caring. The relevant character of the path undertaken can be traced back to the integration of the initiatives promoted, which involved personal services, organisational behaviours and relations within the Company.

Welfare is a distinctive feature that qualifies Poste Italiane's positioning in the market and its relationship with civil society. Well-being represents a "collective feeling" rooted in Poste Italiane's natural inclination to take care of people, territories and social contexts.

Poste Italiane is dedicated to promoting activities aimed at improving the well-being of its employees, facilitating more favourable living conditions and, at the same time, encouraging superior work performance. These initiatives are integrated into the process of enhancing staff commitment, which is considered essential to create a positive corporate climate that ensures social well-being and productivity levels in line with company objectives.

The adoption of the company welfare system is characterised by taking a comprehensive perspective on the individual, going beyond the work sphere. This approach is also able to consider the individual experience in social, family and territorial contexts, highlighting an increasing focus on listening and valuing individual contributions. This is all part of a logic of greater involvement towards common and shared goals.

**Poste Italiane's
inclusive company
welfare system**



A continuous process accompanies company welfare policies and is based on the value of people and the skills they can generate if they are put in a position to express the potential they are capable of, without cultural and social conditioning and without prejudice. The aim is to generate organisational well-being, releasing the generative and innovative potential present in all people regardless of age, gender, health status, role and social status.

The implementation of the inclusive company welfare system has been predominantly characterised by certain distinctive assets:

- adoption of an integral vision of the person, which goes beyond the work aspect and takes charge of the individual's experience, including in the social, family and territorial spheres;
- listening to and valuing individual contributions in a logic of greater involvement towards common and shared objectives;
- strengthening of "proximity" welfare solutions as opposed to a more impersonal and generalist service system.

At the organisational level, there is a corporate function dedicated to Welfare, within the Human Resources and Organisation function, embedded in the Industrial Relations structure, called "Labour Legislation, Social Security and Welfare".

The company welfare plan can be traced back to illustrative documents, which are developed in line with sustainability policies. For the main welfare initiatives, in addition to contractual agreements setting out requirements and performance conditions for suppliers, internal regulations and policies are also available. A strong monitoring of the impacts of welfare initiatives is also designed, which is mainly reflected in the definition of strategies, objectives, organisational managers and, above all, cultural awareness of the context through communication and listening plans to encourage the active participation of people in the co-generation of welfare solutions to increase motivation and engagement towards common objectives.

The system for measuring the corporate impact of the welfare plan is therefore linked to a constant and programmatic survey of the various initiatives put in place, having clear metrics of appreciation that, in addition to purely objective elements, are also clearly identifiable on a subjective level in terms of involvement, listening, motivation, skills and soft skills of both suppliers and work teams. The aim is therefore to make explicit how the proposed initiative should manifest itself in terms of:

- Output: identifying the result of the action implemented
- Outcome: defining the object of the action
- KPIs: indicators to measure the various aspects of the plan
- Trend: to give comparability and comparison with previous editions.

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;
- 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 aim is to structure a company welfare system capable of intervening to neutralise inequalities and conservative resistance with intergenerational, modular and solidarity-based programmes and levers for the well-being of individuals and, in general, for 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 2023. 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 company 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 company population. The rating scale on which the survey was based provided values from 1 to 10.

Survey Home-work travel 2023: 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. The survey featured multiple-choice questions, radio buttons and open fields. In 2023, the survey was targeted at approximately 39,000 employees of the 135 locations with more than 100 employees, in 75 municipalities in the territory

Survey “Services for the person”: annual survey aimed at the entire company population analysing user satisfaction with the content and navigability of the section on the corporate intranet.

Survey “INostroXcorso”: survey addressed to the entire company population aimed at investigating satisfaction with the initiative for all employees launched on the occasion of Poste Italiane’s 160th anniversary celebrations.

Survey “Car rental service”: survey to investigate satisfaction with the company car rental service. Target: fellow recipients of the service delivered via e-mail and managed by the Real estate function.

Survey Webinar Sponsorship: survey aimed at investigating satisfaction with online webinars dedicated to sponsorship activities. Target: macro area managers and webinar participants.

Survey on the OLA Platform: survey to assess staff needs regarding the voluntary training platform, aimed at the entire company population.

Survey “InEvidence”: survey aimed at investigating colleagues’ needs and opinions on internal communication channels, tools and initiatives. .

Survey Disability - Vulnerability - Inclusion: survey addressed to the entire company population, aimed at identifying the main needs and perceived level of inclusion related to the health conditions of both colleagues with disabilities and those with vulnerabilities, also comparing it with those who are not affected by any of these conditions. The survey also provided suggestions to expand the organisation of events and initiatives in support of disability, so that more can be said about it and more information can be disseminated on the subject.

Survey “Research project with PoliMi”: the survey is part of the research project conducted by the Polytechnic of Milan to build an interpretative model on employee engagement/disengagement with respect to established variables. Target for 2023 was approximately 13,700 people representing the main company functions, including employees already involved in 2022. In addition, the analysis of the results of the second survey was completed in 2023.

Survey D&I Event “Poste, Plurale, Universale”: 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.

Over 50

Editions of
Postenews from
2018 to 2023

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 June 2023, the magazine Postenews reached its 50th edition, in tabloid-type daily format and with a 32-page spread. Through news, reportages, interviews and focus on Poste Italiane, the aim of the new house organ is to recount topics involving the Company's people and business, from sustainability to logistics, passing through innovation, welfare and the constant attention to the territory. 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.

Work-life balance

+200%

of participants to
the Poste Mondo
Welfare programme
compared to 2022

In the area of contractual welfare, the Poste Mondo Welfare programme was implemented for the fifth consecutive year, implementing the trade union agreement on the Results Bonus, which allows employees, on a voluntary basis, to convert all or part of their Results Bonus into welfare goods and services with specific social, educational, recreational and welfare purposes, accessing tax benefits linked to current legislation and additional company welfare credits for an ever greater appreciation of the opportunities linked to the programme and to support the increased purchasing power of employees and their families.

28 thousand

Participants with over
500 employees in
the role of dedicated
ambassadors
dedicati

The launch of the initiative was preceded by a process of listening to colleagues to understand their individual and family needs for the development of services based on the prevailing needs. The 2023 programme achieved record results with participants tripling from last year to 28 thousand. The success of the 2023 campaign was characterised by an improvement in the employee experience with new solutions available on the platform to encourage an informed choice of participation, by a capillary and multi-channel internal communication plan, by training briefs addressed to staff to increase their knowledge of all the opportunities of the programme, and by information workshops involving all company structures to ensure maximum territorial proximity. In particular, the 2023 edition saw the preparation and active involvement of more than 500 dedicated ambassadors, who also disseminated the programme on the basis of their personal experience, giving continuity to the coaching of colleagues, together with promotional stands in the most staff-intensive organisational structures, as well as an expansion of the network of goods and services offered.

In addition, the opportunities arising from current tax legislation were exploited, especially with regard to employees with dependent children in the area of fringe benefits and reimbursement of bills.

88%

Percentage of
utilisation of the
Bonus converted
into welfare in 2023

All this led to a higher percentage of premium utilisation converted into welfare, averaging 88%, also higher than market trends and observers. This indicator attests to the social and reward value recognised in the model, the effective support for the reconciliation needs and social well-being of people and the appreciation of the plurality of goods and services offered on the platform, in line with the needs and requirements of the participants.

PosteXTe:

The digital catalogue with all agreements dedicated to Poste Italiane employees



As part of Poste Italiane's initiatives to improve the well-being of employees and their families, "PosteXTe" was launched, a programme to purchase products and services at advantageous prices from carefully selected partners.

In May 2023, the first digital catalogue was launched, with over 150 participating partners and, to date, continuously growing and updating offers.

The partners and product categories within the programme allow for a broad coverage of the territory, encompassing a wide range of offers concerning, personal well-being and home care, essential needs related to mobility but also shopping, travel, sports, catering, leisure and entertainment.

Poste Italiane and parenting support



The company's commitment to support Active Parenthood continues in line with corporate policy, which has led to diversified initiatives aimed at fostering gender balance, including through measures accompanying a change in the cultural paradigm in the sharing of family responsibilities, as well as the introduction of measures and paths aimed at enhancing the skills acquired during parenthood, which are also essential for professional growth. The Company aims to generate a management alliance capable of overcoming dysfunctional cultural systems and biases to enhance inclusion and life balance in the family as well as at work.

In continuity with previous years, the company PosteBimbi crèche service remains active at the Rome and Bologna sites for the children of employees and a portion for users from municipal and third-party entities. The service is provided for the children and grandchildren of Group employees. The service is extended to more than 100 families with children from three to 36 months; 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, by cross-culturalism (bilingualism) and by inclusion and educational alliance with families to foster dialogue through innovative communication methods. There is also a counselling service within the nurseries to support families in dealing with their children's developmental processes, together with the structuring of a cycle of dedicated seminar programmes.

The Company has set itself the objective of contributing to the strengthening of measures and pathways aimed at promoting active parenthood, also as levers to combat the phenomenon of denatalità and to encourage an increasingly balanced distribution of care burdens. In this context, 4 parenting support seminars were held for all employees, innovative and structured parental involvement programmes with a kick-off and 6 webinars dedicated to raising awareness of dedicated projects such as the Lifeed Parents programme (about +33% compared to last year with a 40% representation of fathers), as well as the launch of gradual actions in relation to the return-to-work accompaniment paths provided for in the company Policy.

To celebrate its 160th anniversary, Poste Italiane promoted an initiative, called "Il NostroXcorso" (OurXcourse), which continued to develop in 2023, with the aim of keeping employees connected, sharing passions and creating a strong community. The initiative is accessible through a specially created application available on the NoidiPoste app and intranet and allows people to share travel experiences, alone or in company, made by using a green vehicle or simply walking. Connecting to the app allows to share and upload posts of trips and share with colleagues the roads, nature, views and places visited, enriching the description of the trip with phrases, kilometres travelled, type of green vehicle used.

Health and prevention

As part of its welfare policies, the Poste Italiane Group pays particular attention to the issue of health, also with a view to prevention.

“Poste Centro Medico”

Poste Italiane’s
healthcare facility for its
People



In 2023 the activities of Poste Centro Medico, which with over 17 thousand healthcare services performed in three years, represents 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, mammograph, videodermatoscope, gynaecological unit, ophthalmic equipment, etc.). In particular, in October 2023, a programme dedicated to the prevention and early diagnosis of breast cancer was activated at the Outpatient Clinic in order to raise awareness among an increasing number of women.

The Company always pays attention to people’s well-being and promotes initiatives to inform, educate and support the health of employees and families. With this aim in mind, a series of seminars for employees on prevention in cooperation with specialists from the Poste Centro Medico started in 2023.

Finally, the Poste Centro Medico’s initiative dedicated to blood donation, in collaboration with AVIS Comunale Roma, continued this year, contributing to the good of the entire community also with a clinical purpose as an act of preventive medicine.

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 product is carefully checked for ecological and health aspects. In 2023, the distribution of the new uniforms, which combine sustainability, innovation, safety and the well-being of all employees who wear them every day, began for the staff of the production and delivery centres. The new uniforms, in fact, have greater elasticity, breathability and have been produced, with a view to the circular economy, through the use of recycled components. The design was made possible by incorporating direct input and experiences of employees gathered through an intranet-based survey of a sample of employees in the delivery centres and plants. 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 strengthens its corporate commitment to the development of new generations, actively contributing to the growth of young people through numerous initiatives including scholastic and professional orientation programmes, as well as activities aimed at developing soft skills and aimed at the children of employees and children also from vulnerable social realities.

19

Scholarships
for deserving
children of
employees

The Group, in fact, has implemented, for the fourth consecutive year, the “Next Generation” project dedicated to the children of employees and children from secondary schools located 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, several training meetings and workshops were organised throughout the year, with lessons in virtual classrooms to explore topics of relevance for the development of new skills, which involved the collaboration of professionals from various sectors, with whom the students had the opportunity to exchange ideas and reflections useful for their professional orientation. This year, the project focused the children’s attention on the value of the handwritten letter as a means of communication, an expression of freedom and a means of establishing contact with others. An important phase of the project was the Creathon week, a creative marathon in which the students, divided into six groups, tried to design a postage stamp, which ended with a final vote, and subsequent awarding, by a corporate jury. The course ended with participation in a summer camp, where participants came together for a week to realise the winning Creathon idea. They acquired new skills by learning to use graphics programmes, as well as a conscious use of artificial intelligence.

In addition to the two-year “School4Life 2.0” project, extensively covered in the previous chapters, STEAMcamp courses have been created which, dedicated to the children of employees and their families, promote innovation and the valorisation of the distinctive skills necessary to carry out future professions through a learning and gaming experience that stimulates comparison with new models ranging from coding, artificial intelligence, gamification, robotics and much more, whose only boundary is represented by creativity. Furthermore, in 2023, two awareness-raising proposals called “Social Media Lab” were created with the aim of bringing employees’ children closer to understanding the evolution of identity on the internet and acquiring greater awareness of digital sociality.

Also for the children of employees, two new editions of the “Future Lab” programme were carried out, aimed at 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, offering them support in their choices so that they can pursue paths in line with their skills and passions and learn about the main market trends related to the professions of the future.

Lastly, with a view to promoting intercultural exchange, 19 study abroad scholarships were awarded in 2023 reserved for deserving children of employees, supported entirely by the Company, with the aim of enabling young people to confront international realities socially and culturally different from their own.

Sense of belonging

As part of the initiatives aimed at consolidating the sense of belonging, in 2023, 65 Group employees received the “Star of Merit for Work” recognition for having distinguished themselves due to their particular expertise and industriousness in the context of their work in 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 their activity from the lowest contractual levels and have distinguished themselves for their human and professional contribution to the

company. Specifically, the male and female employees were selected throughout the national territory and represent the majority of the professions present 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 and certain categories of middle managers are the company car for mixed use and the medical check-up.

MAIN RELATED
TYPES OF CAPITAL



NFS

Relations with social partners

Poste Italiane, through regular 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 stipulates agreements compliant with the National Collective Labour Agreement (CCNL) and the Consolidated Law on Representation, aiming to encourage the creation of a positive corporate climate and ensuring compliance with current legislation. The Group implements all the activities envisaged by the Industrial Relations System, outlined 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 adequate 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 element.

In compliance with the provisions of current legislation, Poste Italiane guarantees impartiality and independence in the promotion of its relationships with Trade Unions, as established by the Group's Code of Ethics, and at the same time undertakes to preserve the well-being and guarantee the protection of the rights of its workers, ensuring their freedom of association and collective bargaining.

Poste Italiane's commitment to ensuring the well-being and protection of its employees, as well as to maintaining an ongoing dialogue with the social partners, underlines the importance the Company attaches to human capital and the creation of a healthy and collaborative working environment. This approach is crucial for building positive relationships and achieving business goals.

100%

of employees
covered by
collective
bargaining
agreements

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.

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 agreement 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 are a distinctive and significant element in the Group's growth and evolution strategy. The continuity of the dialogue with the Trade Unions is guaranteed through an important information and negotiation activity with the social partners conducted by the Industrial Relations function. The most significant results of this activity are manifested in the signing of specific agreements with the Trade Unions, concerning both the matters expressly indicated by the

National Collective Labour Agreement of 23 June 2021 (CCNL), and additional topics relating to the achievement of the objectives of the Plan that may have regulatory and/or managerial implications on staff.

The National Collective Labour Agreement

Poste Italiane's commitment to promoting the well-being of employees and guaranteeing the protection of their rights, both during ordinary management and in phases of change in the company organisation, is evident through the constant dialogue with workers' representatives, a central aspect in the organisation and management of the Group. Therefore, the Company is committed to a constant dialogue with the Trade Union (OO.SS.), ensuring impartiality and independence in the promotion of relations in compliance with current legislation and guaranteeing, 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 significant 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.

Main agreements signed

On 2 March 2023, a Memorandum of Agreement on Voluntary Mobility (transfers on request) was signed whereby 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. On 20 June 2023, a further Memorandum of Agreement was signed, which - tracing the framework of the previous agreements - provides for a three-year term instead of a two-year term, and an increase in the minimum length of service and length of stay in the region to be eligible for mobility, raising it from 6 to 12 months as from 2024.

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. In this regard, the Parties agreed to proceed with the immediate testing of this model and to meet again by May 2023, to assess its progress and to analyse in detail the operational aspects related to the implementation of the organisational model. 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. In order to best implement the new service, the Parties acknowledged the need to complete dedicated training courses for the personnel 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, the entry into force of the remodulated timetables based on the new organisation of the Technological Poles characterised by a unique structure at a national level with a presence also on Saturdays has been foreseen. 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.

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.

On 22 June 2023, complementing the year 2023, an agreement was finalised outlining further Active Employment Policies interventions, providing for part-time stabilisations amounting to 1,050 FTE, 30 conversions from part-time to full-time at the Network Nodes, and an increase in staff in the Post Office Network amounting to 950 FTE. The Parties committed to meet at the national level by January 2024 to assess the definition of the numbers and a new regulatory framework of the agreement on 2024 Active Labour Policies. The Company confirmed the activation of the special elastic clause pursuant to Article 23 paragraph X of the current National Collective Labour Agreement.

On 24 May 2023, an overall update was provided on the status of implementation of the main projects defined in the Post Office networks area (Hub&Spoke Project, Polis - House of Digital Services, etc.) in respect of which the Parties agreed to implement specific management actions of active labour policies aimed at accompanying their full implementation, favouring opportunities for the development of personnel skills and the achievement of the targets defined in the Corporate Development Plan. Specifically:

- with regard to the Hub&Spoke Project, starting from June 2023, the application allowing Hub Post Office Managers to autonomously replace their internal resources has been extended to all Hub Offices and, in addition, the Parties have agreed to strengthen the training activities of Hub DUP, which will have to ensure - in agreement with the reference Branch and in relation to the area managed - the necessary supply of means and tools at Spoke Offices, the planning of resource absences and their replacement in Post Offices where the need arises, as well as commercial coordination on front-end products and services;
- with reference to the Polis Project - House of Digital Services: the parties shared the project's progress, both with reference to the new Post Office model and the company spaces to be allocated to co-working. With reference to the subsequent implementation phases of the project, the Parties have scheduled four-monthly meetings for a joint update on the main elements, subject to specific briefings in the event of significant new developments.

On 2 March 2023, the Company signed an Agreement with the Trade Unions, in force until 30 September 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. Similarly, in the memorandum of agreement of 14 September 2023, the aforementioned Parties agreed to extend the use of Agile Working until 31 December 2024. In particular, agile working is allowed for a maximum of 2 days per week and 9 days per month. The agreement also confirmed the use - as of January 2024 - of agile working for training purposes only for personnel assigned to operational activities. 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 1 August 2023, the memorandum of agreement on the Performance Bonus were signed for Poste Italiane SpA and the Group companies, the economic and regulatory validity of which is for the two-year period 2023/2024. The agreement provides for a 4% increase in average unit

bonus amounts compared to 2022. Furthermore, exceptionally and for 2023 only, in order to appreciate the commitment of the employees of Poste Italiane and the Group Companies as well as to mitigate the effects deriving from inflation, was the disbursement - in November - of an additional and extraordinary bonus, equal for all employees, of €1,000. 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 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.

Subsequent to the understandings of 2 August 2022 and 21 November 2022, in which the Parties outlined the organisational and management guidelines by which the organisational revision processes of some important production areas of the Mail, Communication and Logistics (PCL) function are implemented, on 25 May 2023, the Parties agreed to sign meeting minutes regarding the reorganisation of in-house processing. The focus of the meeting was on the reinforcement of the Business Lines dedicated to closing activities, providing for the introduction of the figure of the LBC (Closing Business Lines) which will ensure, in addition to mail delivery, also the closing activities of the Centres. The conversion of 547 Business Lines, already present in the architecture of the current organisational model, into Closing Business Lines, all to be covered by permanent staff, as well as the introduction of new time grids for Saturday shifts in the Logistics Centres and Distribution Centres, were also planned.

Following the general elections of 28 and 29 March 2023 of the Unitary Trade Union Representatives (RSU) and of the Workers' Safety Representatives (RLS) of the Companies Poste Italiane SpA, Postel SpA, Poste Vita SpA Poste Assicura SpA, PostePay SpA and Nexive Network Srl, on 20 June 2023, meeting minutes were signed between Poste Italiane SpA (also representing the aforementioned companies) and the Trade Unions, in which the Parties, at the conclusion of the electoral round for the RSU/RLS elections of 28 and 29 March 2023, acknowledged the 81.10% turnout of those entitled to vote, and also validated the election results. 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, the Parties provided for the application 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 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.

On 17 October 2023, the Parties met in order to carry out some in-depth discussions on the process of organisational reorganisation of the focal points within the Personnel Administration Branch. More specifically, the Company, in recalling the intervention rationales that inspired the adoption of the organisational reconfiguration of personnel administration processes, illustrated to the Trade Unions the main expected benefits in terms of:

- recomposition of activities to eliminate operational redundancies;
- reduction of lead times in process processing;
- integration and enrichment of skills by operators;
- increased operational and service standards also as a result of the introduction of new technology platforms to support activities.

In line with the spirit of solidarity that characterises the work of the Poste Group, on 25 May 2023, the Memorandum of Agreement was signed between Poste Italiane SpA, also representing the Group Companies and the Trade Unions, which provides for the possibility for employees to join the so-called “Ora Etica” solidarity initiative in favour of the Civil Protection committed to helping the populations of Emilia-Romagna affected by the recent flood events, which consists in the donation of the equivalent of an hour of work through a deduction from pay slip. The Company undertook to pay to the Civil Protection an additional amount equal to that collected from employees. The same solidarity initiative was undertaken in favour of the region of Tuscany affected by extraordinary atmospheric events by virtue of the Memorandum of Agreement signed between the Company and the Trade Unions on 27 November 2023.

As part of the work of the OPN Committee, on the occasion of the meeting on 20 March 2023, the National Joint Committee for Occupational Health and Safety (OPN), in order to follow up on the new process of detection and assessment of work-related stress (SLC) risk, identified - by draw - the workers who will be part of the Regional SLC Assessment Teams, whose task will be to proceed with the compilation of the INAIL check list.

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.

Participatory organisations with mixed composition (members from Poste Italiane and Trade Unions)

Together with the Trade 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)**, established on 27 February 2024, 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 Riquilificazione Professionale (the Bilateral Agency for Personnel Training and Retraining)**, through which the Parties jointly 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;

MAIN RELATED
TYPES OF CAPITAL



NFS

84,602

Employees
trained in
workplace safety
in 2023

- **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”. Moreover, there is the Osservatorio Paritetico sulla Sanità Integrativa (Joint Observatory on Supplementary Healthcare), with the role of proposing and monitoring the services offered by the Supplementary Healthcare Fund.

Occupational health and safety

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 identifying organisational responsibilities and adopting specific policies to ensure adequate coverage of all aspects relating to health and safety at work, constantly undertakes to adopt all necessary measures to reduce accidents, injuries at work and professional diseases. Moreover, through prevention policies and programmes and information and awareness campaigns, it promotes people’s psychophysical well-being. As Employer, the Group CEO assumes the highest role of responsibility and supervision for health and safety issues in the Company. The Board of Directors approves the Policy and, through its Board committees, oversees the appropriate management of the associated risks and compliance with the principles.

The integrated policy and the Group health and safety policy outline the main elements of the workplace 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 continuous improvement;
- prioritisation of actions to be implemented in order to manage the occupational health and safety risks identified during the assessment phase, and the subsequent integration of action plans with quantitative targets to address these 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 (SGSSL), the responsibility of each single production unit of the Parent Company and the main Group Companies is attributed to its employer. Within the Parent Company, employers are supported by the Corporate Affairs/Corporate Protection function, which oversees, 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 accordance with the current regulatory framework.

The Group gives significant priority to occupational health and safety issues. In this regard, Poste Italiane has defined quantifiable targets for Business Unit managers, which are evaluated on an accident reduction target. The Company has also set up dedicated teams with the specific task of monitoring the relevant data on a daily basis for the purposes of the defined quantitative targets.

Fostering and encouraging the establishment of a corporate culture of safety in all organisational layers of Poste Italiane is a key element in reducing accidents and promoting constant progress in the management systems adopted.

Among the main objectives pursued by Poste Italiane, the constant awareness and involvement, in relation to the issue of Health and Safety at Work, of all those who operate within the Group takes on crucial and priority importance. Particular emphasis is placed on the dissemination and strengthening of the culture of safety within the territorial operational centres (distribution centres and post offices) and the related 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 ambitious objectives.

For several years now, Poste Italiane has been actively engaged in the objective of mitigating the accident phenomenon, focusing in particular on the sectors most vulnerable to road traffic risks, such as logistics and delivery, including postal mechanisation and distribution centres. The constant monitoring and control of said phenomenon contributed, also in 2023, 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 that the continuous improvement of OHS Management Systems requires the involvement and participation of all workers, each based on their assigned roles and responsibilities, is committed to promoting and strengthening the culture of safety in a systemic and participatory approach.

Among the activities undertaken to pursue the objectives, we highlight the continuous training, awareness and involvement of staff on OSH issues, the interventions aimed at the plant-structural improvement of the sites, the constant commitment to continuous improvement and maintenance of the certification of the Management Systems, as well as the regular assessment of the risks inherent to the processes and workplaces, the monitoring of the implementation of the Improvement Plans referred to in the risk assessment and the constant checks of compliance with the requirements established by current legislation.

In this regard, in order to implement the upskilling and reskilling process addressed to Managers, consistent with the updates introduced by Law 215/2021, with the aim of improving the level of awareness of the role, performance and positive impact on the overall system of Safety in the Workplace, during 2023, a specific survey was carried out addressed to the entire target audience to detect the need for information, which led to the subsequent creation of a vademecum containing useful information on the tasks that the law provides for Managers. The Vademecum has been transmitted, in digital format, to all the approximately 14,000 Managers in the Company.

Poste Italiane Group allocates budgets each year 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.

During the risk assessment process, the Group examines all situations that could constitute a potential danger in relation to work processes and workplaces and, after having identified

the relative potential to cause damage, proceeds to evaluate the level of risk associated. This assessment takes into account the actual methods of carrying out work activities and the exposure of personnel, as well as any protection measures already implemented in compliance with the criteria defined by current technical regulations, technical standards, good practice rules 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. The systematic control of all potential dangers applicable and related to work places and processes is guaranteed through the preliminary compilation of a check list included in 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, regarding the management of health and safety risks at work, a process based on dialogue and the continuous exchange of information between human resources, managers and the various Business Units is implemented. On a quarterly basis, the function responsible for control coordinates with the risk specialists and, through them, also with the risk owners, in relation to the monitoring activities on the trend of the risk indicators and the treatment actions relating to the Top Risks regarding 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). Subsequently, we proceed with an annual reporting phase of the activities, consolidating the contributions coming from the various control functions within the "Risk and Compliance Report". This is presented to the Corporate Bodies and Top Management, offering a concise and integrated overview of the initiatives promoted and/or introduced during the year in the various areas 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.

The Group, in addition to the mandatory training provided to the entire company population, disseminates in a controlled manner the Safety Operational Instructions (IOS) in which the dangers associated with the relevant work processes are detailed, as well as the organisational, preventive and protective measures for the mitigation of the corresponding risk level. Within them, the IOS include the obligation (deriving from Legislative Decree 81/08) for workers to report the presence of potential dangers or risk situations at the workplace 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 any critical issues, respecting the timing and methods corresponding to the level of risk associated with them. Given the relevance of this issue, Poste Italiane has implemented 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 compliance with specific processes defined within the adopted health and safety management systems, conducts 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 accident monitoring activities, with particular attention to the accident phenomenon, in order to identify – or manage – the triggering factors.

By means of the three-year moving average, which considers accident data from 2017 until 2023, before and after Covid, 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 team of company doctors who, within specific territorial perimeters, carry out the provisions of article 41 of Legislative Decree no. 81/08 (visits, inspections, periodic meetings, spot consultations). The network is coordinated by a competent doctor who provides support 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 detail 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.

For workers who carry out tasks/activities with exposure to a specific risk (listed or assessed), a health surveillance programme is implemented, which includes medical visits, supplementary health and toxicological checks.

During 2023, Health Surveillance activities were carried out continuously, throughout the country, in compliance with health protocols and current regulations.

The Workers' Safety Representatives (RLS), identified 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 no. 81/08. The RLS are regularly consulted not only following the implementation of new risk assessment methodologies, but also on the occasion of organisational or process changes that may impact occupational health and safety, as well as during the drafting of the Risk Assessment Document. The adoption of adequate, timely and preventive consultation with the RLS allows them to obtain fundamental advice for the precise fulfilment of legislative obligations and to promote the continuous improvement of workers' health and safety. The consultation may involve all the Workers' Safety Representatives of the national territory or only those of a specific territory.

The dialogue between employers and workers, actively 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 unions and RLS representatives participate, the Company involves all stakeholders in order to address specific issues related to health and safety arising also from workers' reports, share occupational health and safety initiatives and start the process of consulting RLS on risk assessment. Therefore, the meetings of the Joint Bodies are convened in response to needs that arise and do not follow a pre-established schedule, thus ensuring flexibility in the management of dialogue and the timely handling of relevant issues.



Over the years, Poste Italiane has developed a multi-year plan for the adoption of health and safety certifications throughout the Company. In 2021, this plan led to the completion of the certification process for all production units of the Parent Company. In line with the strategic plans and objectives established, during 2023, Occupational Health and Safety Management Systems compliant with UNI ISO 45001 were kept active, with the relevant certifications, in all the main production units of the Poste Italiane Group, with 100% coverage. Group companies also adopt OHS Management Systems certified by accredited certification bodies. As of 2023, 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 conducted 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 2023 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.

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 performances and objectives established are subject to constant monitoring and review during the planned review of adopted OHS Management Systems.

Finally, it should be noted that despite the end of the state of health emergency, which occurred on 31 March 2022, and the improvement in the epidemiological evolution, linked above all to the notable reduction in the damage expected in the event of contagion, during 2023, the Company attention to Covid anti-contagion measures however remained high. In particular, the Company conducted communication campaigns aimed at continuously raising staff awareness on the adoption of correct behaviours aimed at risk prevention, and distributed protective respiratory masks at the request of workers.

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.

Security in Logistics

With specific reference to the logistics and delivery sector, which presents greater exposure to risks associated with road traffic, Poste Italiane has implemented various initiatives, including constant risk assessment and updating of risk assessment documents (DVR) in response to reorganisations in the sector of the delivery.

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.

With the aim of disseminating information on the accident phenomenon throughout the territory, daily, weekly and monthly reporting has been established at central level. Furthermore, in order to conduct an adequate analysis of the phenomenon and promote the sharing of best practices, the presence of a monthly Security Committee with all the Logistics Macro Areas (MAL) coordinated by the central Security and Infrastructure structure is highlighted.

As regards the reduction of accident events, the Group has adopted substantial measures, such as the replacement of all equipment that constituted sources of potential accidents with new equipment, such as Automated guided vehicles instead of man-on-board trolleys 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.



peoste

is Diversity
and inclusion



The value of diversity for
an inclusive corporate culture.



nibilità

Achieved **Uni/PdR 125:2022** certification for gender equality

Approved the new **LGBTQ+ Inclusion Policy**

Obtained the **first prize** in the “**Diversity & Inclusion**” category in the fifth edition of the “Sustainability Report Awards”

+46% increase in the **incidence of women** among middle managers and executives

MAIN RELATED
TYPES OF CAPITAL



7.11 Diversity and inclusion



DIVERSITY AND INCLUSION FOR US:
scan the QR code and watch the video.



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	IMPLEMENTATION STATUS		OUTCOME
					2023		
	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	43%		
	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	2 28 +110%		
	Promote intergenerational matching between mentor and mentee within the mentoring programme	• % matching of mixed-generation pairs	• 40% by 2024	2022	67%		
	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	47%		
	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	15 news items on the subject (communication campaign) • 1 "In altre parole" podcast • Training • 1 webinar on LGBTQI+ • 1 LGBTQ+ online course		
	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	53		
	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 • 6		
	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	No. 3 ERGs initiated (Generations, LGBTQ+ Vulnerability)		
	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	Implemented participative process through the development of a training plan with intercultural company testimonials hired from all territories		4 QUALITY EDUCATION
	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	Delivery of an online course adopting the first format		5 GENDER EQUALITY
	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	Creation of Volunteering Community - Multi-subject communication campaign with omnichannel plan		10 REDUCED INEQUALITIES
	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	Release of redeveloped property in Bologna office - Local scouting for design of services to be activated concluded		
	Implementation of the framework to foster digital inclusion, promoting equal opportunities and ensuring fair and inclusive access for all	• Framework for accessibility	• Implementation of the framework by 2025	2023	New		
	Promoting the strengthening of accessibility measures and assistive technologies also through the activation of listening and involvement paths for staff with disabilities	• No. needs Surveys	• 1 Survey by 2024	2023	New		
	Sport & Inclusion: valorisation of athletes with disabilities in order to assess possible participation in inclusive external sporting events. The initiative is also potentially aimed at employees who want to support/accompany athletes with disabilities	• Communication plan to support the initiative • Engaging the community to identify opportunities for external participation	• Plan and community engagement by 2024	2023	New		
	Increase the implementation of training initiatives that use inclusive formats to facilitate accessibility for people with disabilities or special educational needs	• No. of training initiatives with the application of the "Accessible Training" format starting with transversal courses	• At least 5 releases by 2024	2023	New		
	Strengthen nationwide caring and listening measures for colleagues in vulnerable and fragile situations to support their mental and motivational well-being	• Nationwide activation of caring and listening services	• Activation of services by 2025	2023	New		
	Promoting and disseminating corporate procedures and internal document systems geared towards inclusive and gender-neutral written language	• Awareness Guidelines for Internal Procedures and Documentary Systems	• Guidelines by 2025	2023	New		
	Introduction of policies and measures to counter ageism through valorisation and engagement campaigns focusing on the senior population	• No. of age management programmes	• 1 age management program by 2025	2023	New		
	Realisation of training, organisational and inclusive courses and interventions for the valorisation of neurodiversity in a "Dyslexia Friendly" company	• No. of dedicated courses/interventions	• 3 dedicated courses/interventions by 2025	2023	New		
	Promotion of Employee Resource Group (ERG) activities also with regard to LGBTQ+ inclusion initiatives	• No. of measures/interventions carried out	• 2 measures/interventions carried out by 2025	2023	New		
	Enhancement of the skills of young talents in PCL and logistics functions through an inclusive onboarding and job rotation programme to enhance employer branding towards genZ	• No. of onboarding cycles	• 2 onboarding cycles by 2025	2023	New		
	Fostering a culture of inclusion at all levels of the corporate structure through specific training courses	• Initiative release	• Release of the Diversity/Inclusion "Learning Path" by 2024	2023	New		

Objective achieved/Objective achieved and updated Objective not achieved Deadline for achieving the objective that has not yet expired

MAIN RELATED
TYPES OF CAPITAL



NFS

Protection of human rights

Poste Italiane recognises the fundamental importance of its contribution in promoting the principles of sustainable development, considering its relevance within the Italian economic and social panorama. Therefore, the Group has adopted a Code of Ethics, supported by 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 Support for Active Parenting Policy. Moreover, in addition to following the company policies and guidelines mentioned above, Poste Italiane guarantees the well-being of all the people working in the Company or collaborating with it, and is committed to improving the conditions of the communities in which it operates through a proactive approach aimed at disseminating respect for international principles concerning the safeguarding and protection of Human Rights.

Poste Italiane undertakes to progressively intensify its responsibility for the protection of Human Rights, in the interest of those who work with the Company and of the people belonging to the community in which it carries out its activities.

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 safeguarding the rights of all subjects included within the Group's value chain, belonging to specific categories such as: its own workers, women, children, indigenous people, migrants, external workers, local communities, suppliers and partners, customers, people with disabilities, people who are victims of any form of discrimination and violence. Through this Policy, the Group affirms its commitment to conforming company processes to the main international standards and best practices, and to promoting these principles and periodically reporting the progress of the performances achieved, in terms of management and monitoring methods, identified risks and management and mitigation actions. Furthermore, the Policy regulates various aspects concerning the prevention and condemnation of any form of discrimination or violence, including forced labour, child labour and human trafficking, also promoting freedom of association, the right to collective bargaining and to fair remuneration, in order to support the well-being of people.

Among the key objectives of Poste Italiane, particular importance is given to the encouragement and development at all levels of the organisation of a business culture based on the respect and valorisation of diversity in all its forms and manifestations. The conscious management of diversity in an inclusive way contributes not only to creating shared social value, but also represents a competitive advantage for the entire Group, strengthening people's engagement and commitment towards company objectives.

The projects and initiatives promoted by Poste Italiane in order to guarantee social inclusion and enhance diversity are an integral part of a broader strategic framework, aimed at developing balanced organisational models to encourage communication and highlight personal characteristics, while protecting individual vulnerability. The path undertaken by the Group aims to evolve from an approach focused exclusively on the protection and integration of diversity, towards a more proactive strategy that aims to overcome barriers and resolve the factors that hinder the inclusion of individuals in the workplace. The Group's diversity and inclusion strategy testifies to the Company's commitment to creating a collaborative, supportive and open working environment, while at the same time maximising the opportunities it provides, contributing to the well-being of its people on the one hand and to its competitive advantage in business on the other.

The guiding principles and values regarding diversity and inclusion have been defined by the Group through the development and formalisation by the Board of Directors of a Diversity & Inclusion Policy, through which the administrative body defines measurable and 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 company population. This process has led to the definition of numerous projects relating to topics such as development and opportunities, open communication, inclusion and care, participation and dialogue, culture and awareness. The Policy, available online on the company website is communicated to all employees through specific training sessions, in accordance with their respective roles and responsibilities. With reference to updating, the Policy is periodically 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 launched a series of initiatives and projects aimed at promoting gender equity and removing barriers to women's professional growth. In particular, the Group is committed to enhancing governance systems to foster career progression, designing composite focus groups to assess the main conscious or unconscious biases that influence inclusive leadership, and improving work life adjustment mechanisms in terms of reconciling and sharing family responsibilities. The awards obtained by Poste Italiane in this area expand, in fact, to the prestigious international Equal Salary certification, achieved in 2022, in addition to the more recent UNI/PdR 125:2022 certification, which further confirms the Group's commitment to guaranteeing gender equality within the organisation.

Furthermore, with the aim of providing an overview of the phenomenon of gender harassment and its impact on individuals and organisations, promoting a culture of respect within the workplace, the Group has extended its attention to issues related to sexual orientation and the prevention of gender harassment in the workplace, implementing an information programme to raise awareness among all employees.

Generations

Poste Italiane promotes integrated strategies to encourage dialogue and collaboration between different generations within the Company, taking into account demographic perspectives and their impacts on turnover. The Group promotes the contamination of different social, cultural and professional experiences, in addition to the different skills, knowledge and competences typical of each generation. This inclination towards complementarity and diversity encourages the mutual exchange of experiences in order to promote inclusion and employment opportunities.

Disability/Vulnerability

Poste Italiane has undertaken collective awareness initiatives in order to preventively identify vulnerable situations and facilitate job placement and the quality of work for those 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 fragile situations into consideration.

Interculturality/Inclusive culture

The Company has designed multi-year initiatives aimed at promoting interaction between different cultures and experiences through the implementation of envisioning and knowledge dissemination programmes in organisational and managerial environments, with the aim of promoting an intercultural vision open to discussion at different levels, focused on promoting cooperation at both organisational and social levels.

Furthermore, with the “Multi-ethnic Post Offices” project, an intercultural laboratory was activated, which involved multilingual counter operators as testimonials for the dissemination and awareness-raising on intercultural issues. Based on their testimonies, the e-learning course on Interculturality was designed for the entire company population and made available in early 2024.

Smart Café

Thematic meetings



In order to underline the Group's commitment to promoting initiatives for the development and integration of the managerial community, Poste Italiane continued the “Smart Café” project, which consists of conversations dedicated to managers with the aim of encouraging dialogue with a high intercultural rate at work and beyond.

These conversations focus on thematic paths that highlight different cultures and knowledge, also taking generational differences into account. Through an innovative approach to communication and relationships, the project aims to create an intercultural space for the exchange of contributions, points of view and social, cultural and work experiences.

In particular, in 2023, as part of the “Bridges between Generations” campaign launched by Poste Italiane on the occasion of the European Diversity Month 2023, a special edition of the “Smart Café” dedicated to generational exchange was promoted, where the contamination of different social, cultural and work experiences was promoted to strengthen the working alliance between different generations.

The Diversity & Inclusion programmes, in compliance with the provisions established in the company Policy, are subject to monitoring using indicators developed annually in conjunction and collaboration with the Group's Sustainable Development, Risk and Compliance function, consistently with the evolutionary guidelines of the corporate sustainability plan.

Poste Italiane maintains, in continuity with the previous year, its Diversity & Inclusion Plan, developed following an active participation process that involved the formation of cross-functional working groups made up of professionals and middle managers who operated according to a bottom-up approach, formulating project proposals evaluated on the basis of two criteria, the qualitative-quantitative impact on the company population and the speed of implementation. The objective of the Plan is to generate 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 campaigns, the Group promotes engagement, listening and trust, the creation of inclusive work environments, and the overall improvement of the corporate organisation through the valorisation of diversity.

In addition, in order to further disseminate knowledge and understanding of the importance of each individual within the Company and of diversity initiatives, as well as to promote interaction between different cultures and experiences in order to initiate participatory processes characterised by the coexistence of a set of different cultures among people, a dedicated section called “Diversity & Inclusion” has been set up on the NoidiPoste corporate intranet. This section offers content such as news, documents and multimedia material. Furthermore, in 2023, the series of serial podcasts entitled “In Other Words”, launched last year and aiming to emphasise listening through the narration of stories focusing on diversity and inclusion, was enriched with further episodes on the topics of gender, comparing generations, interculturality, vulnerability and affective orientation.

The Group's commitment to promoting an inclusive culture represents a cultural path that can enrich the professional experience of staff throughout their careers, bringing benefits both individually and collectively. To this end, the Company adopts a constant and systematic approach, implementing synergistic actions aimed at developing analysis models and indicators in line with people management processes. This system allows management to evaluate scenarios, objectives and metrics in a transparent and visible way, both within the organisation and towards external stakeholders.

Diversity and Inclusion Training

Poste Italiane promotes a barrier-free culture



Generations in the Company

Poste Italiane has made the online training course available to the entire company population, with the aim of providing awareness of the characteristics of the different generations present in the Company, learning what to implement in order to overcome differences with colleagues and to be an active part in a social context characterised by the coexistence of different lifestyles, work relations and cultural approaches.

Disability: a plural future without barriers

In order to foster and support the development of a more inclusive culture and stimulate a collaborative, supportive working environment open to everyone's contributions, great attention was also given to the issue of disabilities. Also in a training perspective, the webinar "Disability: a plural future without barriers" was delivered, with the aim of fostering understanding not only of the term but above all of the stereotypes and prejudices ingrained inside and outside the corporate system.

Training cycle and workshops

During 2023, the training cycle concluded with a further 16 innovation laboratories aimed at territorial operational heads, who with the polarity thinking methodology concretely addressed the issues relating to one of the four dimensions that constitute the Diversity & Inclusion Policy, putting themselves concretely at stake and drawing up their own personal action plan. To share the evidence from the various workshops, a further 4 thematic follow-up webinars were organised with the participation of all target group colleagues. During the follow-ups, external guests intervened with inspirational speeches and focused on key trends in order to foster greater contextualisation to business challenges.

Inclusive language

Poste Italiane has designed an e-learning course aimed at encouraging widespread reflection on the value and impact of language and offering participants knowledge of neutral communication techniques and methods. It will be made available to the entire company population in early 2024.

LGBTQ+ Awareness

During 2023, the Company committed to carrying out campaigns and awareness-raising actions on issues of labour inclusion and LGBTQ+ rights. In particular, 15 news items highlighting thematic events and initiatives were published, and the first issue of the podcast series "In other words" was released. Similarly, an online course was implemented, which started in November 2022 and delivered throughout 2023 for new recruits. With reference to the management target group, a further webinar on the same subject was organised.

Over the course of the year, all activities related to Diversity & Inclusion were carefully monitored and evaluated through a feedback collection system, in order to guarantee continuous improvement and allow participants to actively contribute to the planning of subsequent initiatives. The Company recognised the importance of increasingly integrating the social, relational and process dimensions of Diversity & Inclusion into its strategic vision.

With the intention of pursuing these objectives, a survey was launched in July, extended to the entire company population by means of the “Disability, Vulnerability and Inclusion” survey, with the aim of gathering information on individual and collective knowledge and perception of Diversity & Inclusion issues, in particular of disability and vulnerability, as well as corporate commitment in this area. Based on the evidence, it emerged that the perceived level of inclusion is high and knowledge of the topic is fairly broad. A large proportion of the population with special or vulnerable conditions shared their condition mainly with colleagues or their supervisor, indicating the presence of working environments that ensure openness and inclusion of difficult situations. The survey was disseminated online via the company intranet, official news, TGPoste and the newsletter. Moreover, following the results of the survey and with the aim of offering continuous support to occupational well-being and promoting the valorisation of pluralities within the scope of Diversity & Inclusion policies, a further cycle of webinars specifically dedicated to disability was launched in December, with a view to continuing throughout 2024.

With the aim of preventing any possible negative impact on the company population affected by the initiatives, all events are disseminated, enhanced and communicated on the internal website, in such a way as to guarantee the possibility of obtaining information regarding the company’s action in this area and to allow the entire company population to participate. Furthermore, systematic feedback is provided to comments and reports from employees present in the company intranet community in order to ensure timely information clarity and offer contextualisation elements useful for participation and contribution to the collection of any suggestions for improving processes.

The main initiatives promoted on Diversity & Inclusion issues are monitored in the Human Resources and Industrial Relations area through the People Care and Diversity Management function, established in 2019, within which a contact person responsible for promoting the implementation of the planned project initiatives operates in the Diversity & Inclusion Plan, also taking care of programme management activities for cross-functional projects. In order to support these initiatives, a budget defined on the basis of the annual planning is assigned. In general, projects and initiatives related to Diversity & Inclusion are managed through internal databases using dedicated company systems, functional for mapping participants, reporting and monitoring, and are accessible via the company intranet.

In 2023, Poste Italiane continued with the implementation of the Diversity & Inclusion KPI monitoring dashboard, a tool based on the processes typical of the Human Resources function that analyses the performance of the main variables on the four Diversity aspects: gender, generations, disability/vulnerability and interculturality, breaking down the analysis by organisational function and territory. The dashboard provides a detailed picture of the movement on each of the four aspects, allowing timely intervention in case of objectives not in line and in critical situations. In addition, from 2023 onwards, the dashboard will also monitor the development of reasonable accommodations, in order to constantly monitor Diversity & Inclusion dynamics and take corrective action when necessary.

To ensure alignment with market trends and best practices, the operations of the HR Study centre continued during 2023, which actively participates in inter-company discussions also engaging with associations and institutions in order to generate new opportunities, visions and orientations suited to company objectives. The HR Study centre also provides carefully selected content organised into thematic areas presented through innovative editorial methods, making use of the dedicated online site, SpazioRUO, accessible to all Human Resources and Organisation employees. The online platform promotes the exchange of information, the sharing of experiences and the wide dissemination of contents and approaches aimed at supporting inclusive culture and people’s well-being in general.

Poste Italiane obtains Uni/PdR 125:2022 certification for gender equality

In 2023, Poste Italiane obtained UNI/PdR 125:2022 certification for its ability to ensure gender equality in the workplace. The certificate, provided for in the National Recovery and Resilience Plan (NRRP), recognises the Company's ability to guarantee a real level playing field in the design, steering, control, coordination and delivery of postal, logistics, financial, insurance and digital services.

Poste Italiane obtained an overall score of 96% - compared to the required minimum of 60% - achieving excellent results in the six macro-areas assessed: culture and strategy, governance, personnel (HR) processes, opportunities for growth and inclusion of women in the company, gender pay equity, parental protection and work-life balance.

10

Lodgings were made available for **40** women victims of violence throughout the country

To influence cultural awareness in the area in which Poste Italiane carries out its activities, professional figures called "Diversity and Inclusion Supporters" have been designated, operating in the Human Resources field throughout the national territory, with the aim of supporting and disseminating company initiatives and collect suggestions and ideas from staff in their respective areas of expertise, always in a logic of bottom-up dissemination of collaboration and the expression of needs in a virtuous cycle of continuous monitoring and redesign, which involves all the corporate realities.

In order to increase the engagement of the company population and to promote a positive working environment and a more inclusive organisational culture, in 2023, Poste Italiane launched the first two Employee Resource Groups (E.R.G.), groups of colleagues united by their sensitivity and enthusiasm for inclusion issues, who are guided and trained to spontaneously catalyse change within the Company, transforming the commitment to Diversity & Inclusion into concrete actions that generate value for the future and nurture an inclusive culture throughout the organisation. The aim of this initiative is to give people a voice, collect and systematise proposals and practices from the various territories, encouraging proactivity in generating new ideas and promoting collective awareness of the value of inclusion. This innovative approach mobilises people's energies, encouraging mutual learning and overcoming both hierarchical and functional dimensions to accelerate change. In addition, the first two E.R.G. also include Supporters and Allies of Diversity & Inclusion, figures who are actively involved in the transformation process and who provide input and project ideas, and the process of setting up the third E.R.G. has also been completed.

Poste Italiane promotes a wide range of initiatives that give concrete expression to the principles of inclusion and equal opportunities. A key element in this context is the drafting of the Framework Agreement on Harassment and Violence in the Workplace, by which the Group is committed to maintaining a working environment in which respect and dignity for every individual is ensured. Poste Italiane also cooperates with the two main advocacy organisations operating at national level, i.e. 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, offering many of them with training opportunities, job placement and in some cases, also accommodation solutions. The principle of equal opportunities in career paths is rigorously applied, guaranteeing that the selection of personnel takes place on the basis of professionalism and skills in compliance with company needs, regardless of personal characteristics such as age, gender, sexual orientation, disability, ethnicity, nationality, political opinions and religious beliefs.

Poste Italiane also adopts many good corporate practices aimed at supporting motherhood and fatherhood within the organisation. In collaboration with "Valore D", a business association that promotes diversity, talent and female leadership, Poste Italiane has undertaken managerial training actions aimed at encouraging the professional growth of its collaborators. The Company is also actively involved in raising awareness on the subject of gender violence, through the implementation of awareness initiatives and the continuous monitor-

ing of the impact of such activities on the territory, in accordance with the Memorandum of Understanding stipulated with the Ministry of Equal Opportunities. To this end, institutional awareness-raising messages on these issues are displayed on the screens of Postamat ATMs, as well as other useful information such as the 1522 toll-free number and the app for preventing and combating violence, including stalking and mistreatment.

Poste Italiane dedicates particular attention to all aspects aimed at fostering an ever-increasing reconciliation between work and family life, as well as at combating violence against women. In response to the emergency and difficulties caused by the pandemic in previous years, with particular reference to women victims of violence, and considering the availability of owned residential housing, in 2021, the Group launched the “Women Victims of Violence Housing Autonomy” project. The initiative, which is in continuity with the project launched in 2019 aimed at the employment inclusion of women victims of violence and their inclusion in the world of work, has been confirmed by Poste Italiane also in 2023. In fact, the Company has fully financed the initiative for the third consecutive year, thus consolidating its position as one of the leading companies in the Italian social sustainability scene.

Specifically, Poste Italiane is making available 10 dwellings belonging to its real estate assets throughout Italy, earmarking them for the independent living of women and their minor children in situations of particular economic hardship. This initiative currently involves nine regions, and is operational on the provinces of Vercelli, Brescia, Padua, Bologna, Macerata, Rome, Bari, Naples, Salerno, Messina. Since the start of the project in 2022, 32 women and 30 minors have been received through hospitality experiences. 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 DiRe (Donne in Rete) and Differenza Donna, a Third Sector reality engaged in the fight against gender violence throughout the national territory, with the task of selecting women and providing them with support throughout the entire process of housing independence.

Moreover, in 2023, Poste Italiane confirmed its commitment to the inclusion of women victims of violence through the “Suspension of mortgage instalments”. Indeed, the ABI and the Trade Unions agreed to extend the Memorandum of Understanding, already signed in 2019, for a further two years until 25 November 2025. The Company, in continuity with the actions already undertaken, in agreement with the financing banks Deutsche Bank and Intesa Sanpaolo has implemented the provisions of the agreement with ABI and offers women victims of gender violence included in duly certified protection paths and who are in economic difficulty, the possibility of requesting the suspension of the payment of the principal amount of mortgage loans, with the corresponding extension of the repayment plan, for a period not exceeding 18 months and in any case not beyond the duration of the protection process. The Company also signed the three-year Protocol on the implementation of policies on gender equality, equal opportunities and the fight against gender violence with the Ministry for Equal Opportunities and the Family on 13 April 2022, confirming its commitment within a broader institutional context.

In relation to the initiative promoted by the Ministry for the Family, Birth and Equal Opportunities, the Company signed the “Code of self-discipline of companies responsible for motherhood” in early 2024. The Code aims to promote a favourable environment for working women by promoting the career continuity of mothers, initiatives for the prevention and treatment of health needs and the adaptation of working time and working methods in an inclusive way.

In relation to the company's commitment to combating gender violence and the Housing Autonomy project, Poste Italiane has created training and awareness programmes available to staff with the aim of developing greater awareness on the topic of gender-based harassment and violence and on main tools for recognising the phenomenon and preventing it, while offering an overview of programmes for the work and housing inclusion of women victims of violence.

The new LGBTQ+ Inclusion Policy

In order to reinforce the Group's investment in its diversity and inclusion policies, the LGBTQ+ Inclusion Policy was outlined in 2023 and formalised in early 2024 in interdisciplinary working groups.

In line with what has already been stated in the Group's Code of Ethics, which recognises the value of a work environment free from any form of discrimination or harassment, the Policy aims to promote equal access to work opportunities and work environments in which everyone can feel free and safe to express themselves and thus give their best, and to define the tools and measures to counter any forms of discrimination or prejudice linked to gender and affective/sexual orientation.

The Group is therefore committed to intervening in favour of LGBTQ+ inclusion through social parenting support initiatives, specific guidelines to accompany gender transition, and training and awareness-raising campaigns to address prejudices in this context.

Parks – Liberi e Uguali

Gender identity and coexistence of differences



The collaboration with "Parks - Free and equal" continues in 2023, a non-profit association whose members are exclusively employers, which aims to provide support to member companies, bodies and institutions in understanding the potential of business related to the development of strategies and good practices that respect diversity, in order to create work environments that are inclusive and respectful of the entire company population, with particular attention to those who belong to the LGBTQIA+ community.

Poste Italiane actively promotes inclusion policies to protect diversity, and the collaboration with Parks significantly contributes to further strengthening this path. Numerous awareness-raising initiatives have been implemented aimed at valorising plurality, accompaniment in cases of gender transition, consultancy in the definition of training and communication programmes and evolutionary integration in work processes and relationships.

The collaboration aims to consolidate the cultural positioning of the Company in its diversity management journey.

Among these initiatives is the creation of an e-learning course aimed at promoting awareness on the issues of affective orientation and gender identity. It starts from the origin of the acronym LGBTQIA+ and proceeds to outline the main barriers to inclusion. The primary objective is to raise participants' awareness of these issues, enabling them to identify these barriers and subsequently address them constructively.

44.4%

of the **BoD** of the Parent Company is made up of **women**

In order to promote the values of diversity and inclusion also within the administrative bodies, the Group has adopted a "Diversity Policy for Management and Supervisory Bodies", which constitutes the document through which the Company declares its responsibility with respect to this issue.

The Policy establishes the criteria for a qualitative and quantitative composition of the Board of Directors, aimed at ensuring effective fulfilment of the tasks and responsibilities entrusted to it, through the presence of individuals who ensure a sufficient degree of diversity of perspectives and skills, fundamental for a good understanding of current affairs, risks and opportunities associated with carrying out the company's business in the long term.

Through this Policy, the Group defines the criteria for selecting the members of the Board of Directors in a manner functional to their responsibilities and tasks, also guaranteeing the presence of people characterised by different perspectives and skills, capable of managing the risks and opportunities related to the long-term business activity.

46%

of **female** middle and senior managers in **2023**

The Policy makes it possible to ensure a qualitative composition of the Board of Directors that is optimal for carrying out its functions effectively. In defining said criteria, the Board of Directors took into account various factors, including the nature and complexity of the corporate activity, the social and environmental context in which the Company operates, the experience gained by the Board itself with regard to the activities and the operating methods of the Board and the internal Board Committees, as well as the results of the self-assessment processes conducted in recent years. Finally, in compliance with the requirements of professionalism, integrity and independence, as well as situations of incompatibility and/or disqualification provided for by law, regulatory provisions and the Articles of Association, the Policy also considers age and seniority in office, gender, geographical origin and international experiences. In addition, the Policy recommends professional skills in the areas of financial or contributory policy, accounting and risk management, as well as in-depth knowledge of the sector in which the Company operates, in order to assess the related risks.

The Board of Directors, with the support of an external company specialised in this field, annually submits its performance to an evaluation called Board Review. This self-assessment follows a procedure that includes individual interviews with each director, statutory auditor and the Secretary of the Board of Directors, also using specific questionnaires.

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 2023 showed that the quality profile of the administrative body in terms of skills, professionalism, experience and diversity, in its various meanings, is appropriate.

In addition, during 2023, with the support of an external consulting firm, the Board of Statutory Auditors carried out an assessment on the issue of diversity, from which it emerged that the composition of the body is adequate and benefits from the complementary professional experience and skills of the Statutory Auditors. The Self-Assessment document also shows that the representation of “diversity” meets the needs of the Company in all the meanings considered below, i.e. experience/seniority, gender, age group, tenure, education and culture. In addition, the Board provided a fully positive assessment regarding the detail of supervisory activities, expressly referred to for the purposes of the Self-Assessment pursuant to Bank of Italy Circular no. 285/2013.

Sustainability Report Award

Placed first in Diversity and Inclusion



Poste Italiane obtained first prize in the “Diversity & Inclusion” category on the occasion of the fifth edition of the “Sustainability Report Award”, promoted by the Department of Economic and Business Sciences of the University of Pavia with the aim of enhancing the work of companies relating to reporting on ESG issues.

In particular, Poste Italiane stood out for its mention of activities supporting diversity and inclusion in the company and a good gender balance in top positions.

The award ceremony, held in the Aula Magna of the University of Pavia, was followed by two panel discussions in which sustainability experts and practitioners spoke, bringing their knowledge, experience and expectations regarding the future of sustainability reporting.

Excellence in Diversity and Inclusion

The Poste Italiane Case
as an Inspiring Model



Poste Italiane was included in Lundquist's "DE&I 2023 Whitepaper", a research study on the topic of Diversity and Inclusion, focusing on the analysis of the communication of commitments and initiatives in this area by 49 large companies. According to the research, the D&I approach adopted by Poste Italiane is comprehensive and integrated into both its company and sustainability strategy. This aligns with the stated actions and objectives, positioning the Company as an example of good practice.

Poste Italiane was mentioned by the research as a potential source of inspiration, as it demonstrates its commitment by communicating concrete actions, including mentoring programmes for the younger generation, motherhood and fatherhood support policies, and adaptations in post offices to meet the needs of people with disabilities.

MAIN RELATED TYPES OF CAPITAL



NFS

Equal career development opportunities

Human Resources management represents a priority for the Company, which is committed to guaranteeing respect for equal opportunities and recognising the value of each individual, while reducing situations of individual fragility. In accordance with the provisions of the Code of Ethics, the Group promotes fair management and growth of intellectual potential, in line with the criteria of merit and the results obtained, ensuring equal treatment and condemning any form of discrimination. In line with this principle, the selection of the company population is based on individual skills and professionalism, reflecting the needs of the Group. The selection process takes place independently of age, gender, sexual orientation, disability, ethnicity, nationality, political opinions and religious beliefs, which do not constitute evaluation criteria, in line with the principle of impartiality expressed by the Group.

roughly **1,200**

Employees
participated in the
Lifed project
in **2023**

Poste Italiane considers the development and valorisation of people's distinctive skills, in any form and manifestation, at different levels of the organisation, as fundamental strategic levers to support the growth of the Group's business. The approach adopted by the Company is aimed at the broadest involvement of employees, recognising and enhancing their skills along the entire value chain, in such a way as to acquire a competitive advantage on the market and generate shared social value.

Through ongoing dialogue with the entire workforce and a constant commitment to combating all forms of discrimination, Poste Italiane promotes the well-being of each individual within the Company

In continuity 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 signing 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 creating a work environment that reflects the values of inclusion and pluralism, offering equal opportunities to all people and enhancing individual skills. The encouragement and development of a corporate culture based on respect and valorisation of diversity also constitute the prerequisite for developing remuneration systems that enhance the skills of each individual, thus contributing to promoting optimal work performance and creating long-term shared value.

Poste Italiane continues to implement what was agreed within the Memorandum of Understanding with the Ministry of Equal Opportunities, in line with its commitment to enhancing diversity and creating joint and effective action in communication, awareness and dissemination of the following topics:

- 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

Consistent with previous years, the Lifeed initiative, originally launched in 2015 under the name “MAAM”, “Maternity As A Master”, continues. This initiative aims to support family reconciliation, with a particular focus on women’s participation in the world of work. The programme, which is accessible in digital format, aims to make the parenting experience a “master” in transversal skills, which are also essential for professional growth and considered particularly useful when returning to work. The aim is to provide a greater awareness of the changes and skills acquired through the experience of caring for a child.

The programme is aimed not only at new mothers and fathers but also more generally at parents of children up to the age of 18. During 2023, the programme achieved the participation of about 1,200 users, who had the opportunity to enhance the skills acquired during their parenting experience. Employees who join the initiative can take advantage of online self-coaching courses that help them achieve a work-life balance, experienced not as a conflict but as an opportunity. These are webinars for inspiration, reflection, skills training and sharing on issues related to work-life synergy, well-being and the development of transversal skills.

The MultiMe@Finder programme, a tool introduced in 2022 and offered by Lifeed in cooperation with the Kellogg School of Management at Northwestern University in Chicago, was expanded in 2023. This programme has been made accessible not only to parents, but to all employees who wish to improve their awareness and develop their personal and professional growth skills. The goal is to allow users to explore and discover their skills and roles in different life experiences, both personal and professional. In this way, the programme aims to increase awareness of the roles played in different experiences, enhancing one’s talents with greater flexibility in an inclusive perspective.

The Company has set itself the objective of contributing to the strengthening of measures and pathways aimed at promoting active parenthood, also as levers to combat the phenomenon of denatality and to encourage an increasingly balanced distribution of care burdens. This included 4 parenting support seminars for all employees, innovative and structured parental involvement programmes with a kick-off and 6 dedicated project knowledge webinars.

In addition, in 2023, Poste Italiane promoted the “Fiocco Giallo” (Yellow Ribbon) project, which, with the aim of offering concrete support to new parents and celebrating the arrival of a child, offers employees who become parents through birth, adoption or pre-adoptive fostering a box of quality products for baby care and hygiene.

Through the Support for Active Parenting Policy, already formalised since 2022, the Company has defined a clear framework for women before and after the maternity (or adoption) period. The Policy provides for support and development pathways aimed at the individual and organisational well-being of people and focuses on programmes to support the parental role and

actions to support the status of women. The aim is to offer a concrete response to colleagues who need to reconcile family life through inclusive policies. With it, in fact, the Company outlines a people development and management strategy in line with the tools already in place and develops a modern parenting model aimed at supporting women, before and after the period of biological or adoptive motherhood. The Policy, in particular, envisaged the centrality of listening in order to correctly identify the person's needs and individual requirements, and the identification and development of a customised accompaniment programme based on the professional profile of the person and their maternity and personal care needs. This programme is structured with development paths both before and after absence from work, the use of the aforementioned platforms to enhance the soft skills acquired through the parental role, as well as the possibility of participating in refresher and coaching programmes to facilitate, if necessary, 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 to the promotion of sharing care responsibilities for the strengthening of work-life conciliation mechanisms and of measures capable of promoting environments that are culturally ready to accommodate these needs. These initiatives are driven by increasingly innovative approaches and perspectives, which aim to improve the quality of life of employees and promote a sustainable and fair working environment.

With this in mind, the Policy provides for the definition of similar dedicated management paths for male personnel to:

- increase the number of male employees taking paternity leave;
- encourage the development of a culture oriented towards collaboration on care issues, because the inclusion and development of women's careers also passes through the rebalancing of care requirements with a view to the equal distribution of family responsibilities.

The Group, in fact, 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.

The "Mums At Work" project is part of the actions outlined by the Support for Active Parenting Policy, an initiative aimed at providing corporate coaching programmes to support women during the period of return from maternity leave, in order to facilitate achieving a balance between private and professional life. In particular, new mothers receive support for approximately four months from internal company coaches who assist employees in reformulating and refocusing their goals and in reconciling new family needs with the return to their work duties in the company. By 2023, the project had successfully involved more than 70 new mothers, highlighting the positive impact of the initiative in the business context. The Company, in addition to guaranteeing compliance with the regulations in force as regards breastfeeding leave, grants parents who take breastfeeding leave the possibility of being assigned, until their child turns one, to the municipality of habitual residence or to a neighbouring municipality, within their own territorial structure. Employees are also entitled to recuperative hourly leave for medical services for medically assisted procreation (PMA), for a maximum of 24 hours per year, or full-day leave, for a maximum of 4 days per year. It is also recognised that it is possible to increase the number of weekly and monthly days on which work can be performed in Agile mode in the event of particular personal and family situations that entail a greater commitment on the part of employees in terms of work-life balance, as well as for pregnant workers, for whom the possibility of performing their entire service remotely until the beginning of maternity leave may be considered.

Online Awareness Initiatives

Promoting Positive Parenting through Interdisciplinary Webinars

In the course of 2023, in order to undertake an interdisciplinary path on diversified topics to accompany families towards positive parenting, four webinars were organised, in collaboration with experts in the field, for all employees with children of paediatric and/or adolescent age, ranging from aspects related to the relational, emotional and social sphere to issues concerning the construction of children's identity with respect to gender issues, in line with the evolutionary dynamics of the current context. Through the development of such online seminar programmes, the Group aims to put parenting skills back at the centre to improve caring relationships and people's personal and organisational well-being.

Developing women's leadership

Poste Italiane's corporate identity has always been characterised by a strong female presence and a work environment that promotes freedom from any form of discrimination and prejudice in order to allow each individual to express themselves at their best, in line with the objectives shared in the Diversity and Inclusion Policy.

As part of its support for gender equality, Poste Italiane has promoted numerous initiatives, starting from its partnership with "Valore D", to obtaining Equal Salary and UNI/PdR 125:2022 certifications for gender equality. In addition, the participation of women in the field of STEM skills was emphasised, through the inclusion of young women with this course of study. These initiatives constitute a significant part 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. Adherence to the Equal Salary certification process, obtained in 2022 and maintained in 2023, has allowed the Company to verify pay equity between women and men within its organisation, enriching innovation processes, improving reputation and image of the Company and offering maximum transparency regarding 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, provides 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 recognitions obtained by Poste Italiane, including the Group's rating for gender equality policies and actions according to the Bloomberg Gender-Equality Index and by Equileap.

The numerous recognitions obtained by Poste Italiane for its policies of attention to gender diversity testify 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. To this end, Poste Italiane has collaborated with Consel-Consorzio Elis in the two-year "School4Life 2.0" project, which aims to foster a structured connection between schools and businesses, prevent school drop-outs and offer young people a more direct view of the world of work and greater awareness of their own potential.

Poste Italiane has also implemented programmes aimed at strengthening the alliance between the corporate and educational worlds, through orientation and intergenerational dialogue initiatives. 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 trade masters are the roles that the company experts identified play to inspire young people and guide them in their study and work choices, promote the expression of their critical thinking, transfer trade-related skills and bring them closer to the complex and constantly evolving world of work.

The enhancement of Mentoring has also contributed to the construction of the Leadership Community of Practice as an inspirational space for the dissemination of evolved managerial values and models. Also continued with Valore D was the implementation of orientation programmes through dialogue with role models of different ages aimed at encouraging school-age girls and boys to follow their aspirations, free from conditioning.

As part of the company's initiatives aimed at fostering intergenerational alliance and exchange on the basis of the results of the "Generations Connected" survey, support initiatives continued and new actions were launched.

In particular, the MIPA project "The Value of Experience", job training among colleagues, seniors and juniors, to compare techniques, approaches and acting skills, continued. The programme will continue in 2024 in Digital, Technology & Operations.

Enhancement of disabled personnel

In line with the objective of enhancing diversity and promoting social inclusion, Poste Italiane continues with the LIS Project in some Post Offices throughout the country. This project aims to establish a dedicated desk that provides services in sign language to customers with hearing disabilities. The customer is assisted by staff able to communicate in Italian sign language for normal counter activities, such as paying bills and sending mail and parcels. Poste Italiane has developed numerous accessible multimedia contents on its site, created to meet the different needs of users in terms of accessibility and communication methods. In fact, among the tools there are contents with predominantly visual characteristics such as infographics and video highlights, as well as recreational-educational narrative elements as in the case of interactive games. These initiatives are an integral part of Poste Italiane's vast programme aimed at offering services and tools accessible to all users.

With the entry into force of the new regulations as of November 2022, which make it mandatory for large Italian private companies to comply with the Web Content Accessibility Guidelines (WCAG) 2.1, Poste Italiane has made a commitment to fully comply with these standards and to adopt a specific approach aimed at making digital accessibility sustainable in the long term. Therefore, complying with the specific regulations on digital accessibility, Poste Italiane is committed to the design and development of technological solutions capable of ensuring that digital services are accessible and usable by all, eliminating barriers and facilitating equal access to information and online resources. Poste Italiane's commitment to digital accessibility, therefore, fits perfectly with its Diversity and Inclusion strategy, which promotes an inclusive work environment and company culture that respects diversity of perspectives and abilities. Thus, through the implementation of WCAG 2.1 and the emphasis on diversity and inclusion, Poste Italiane demonstrates its tangible commitment to creating an accessible digital environment that contributes to a fairer and more inclusive society for all.

Supporting vulnerability

In 2023, Poste Italiane continued to demonstrate its commitment to the “Noi Siamo Qui” (We Are Here) caring initiative, which aims to support people with chronic and/or serious illnesses or who find themselves in situations of vulnerability and fragility with dedicated listening actions, work flexibility interventions, and the activation of business coaching paths to accompany their return to work and support their well-being. Among the active services for the project target, in collaboration with the company Centro Medico, is also the possibility of requesting a second opinion for oncological and cardiovascular pathologies. The central objective of the initiative is to offer, among the various measures, a listening process aimed at identifying the main implications of a cultural, organisational and managerial nature linked to conditions of fragility and at the same time spreading growing sensitivity and establishing a corporate closeness relationship on the topic.

In addition, in order to ensure the re-employment of those people within the Company who, as a result of organisational initiatives and/or production-digital developments, are not allocated to fully productive/value-added areas, Poste Italiane continued the Insourcing and Re-employment programme, which was launched in 2021. Moreover, the project 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.

As part of its caring initiatives in support of vulnerability, the company has embarked on an integrated plan to support caregivers by introducing the “Lifeed Care” programme with the aim of offering a new vision and meaning to the caring experience. This course aims to enhance the skills acquired during the caring experience by presenting a digital approach dedicated to caregivers that redefines the value perspective of the dimension between care and career. Through specific online self-discovery sessions, participants have the opportunity to improve their well-being and stress management. In addition, a practical support kit was developed with the aim of fostering positive synergies for the reconciliation of professional and personal life. This kit was presented during a dedicated webinar aimed at promoting greater awareness of the role of caregivers, providing tools and ways to support them. The implementation of “Lifeed Care” reflects the Company’s commitment to provide concrete resources and support to those dedicated to the important role of caregiver.

Al tuo fianco (At your side) Project

Poste Italiane promotes active support for employees’ psychological well-being

With the aim of promoting the psychological well-being of its employees, the “At your side” project was launched in 2023 in an experimental phase. It is a listening, guidance and support desk whose services include access to a dedicated platform aimed at supporting people’s mental well-being. This project aims to provide concrete answers to challenges, changes and vulnerable situations that may arise in the daily lives of employees. The platform allows access to a network of accurately selected psychologists and psychotherapists to undertake an accompanying pathway, and makes available various accessible content, such as various scientific tests for the self-assessment of global well-being. Initially, the Company bears the costs of the first two sessions, thus demonstrating a tangible commitment to provide initial financial support to facilitate access to psychological support services. This initiative highlights the Company’s awareness of the mental health needs of employees and its willingness to offer meaningful resources for their psychological well-being.

Poste, Plurale, Universale

People at the centre of
the inclusion process



In November, Poste Italiane organised the second 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 shared testimonies related to the four dimensions of Diversity & Inclusion: Gender, Generations, Vulnerability and Interculturality, offering an immersive experience in diversity.

Participation in the event was ensured for the entire company population through the use of streaming and accessible with the presence of LIS interpreters.

In addition, a feedback questionnaire was administered anonymously to participating employees in order 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, highlighting the appreciation for the initiative and the value of the inclusion pathway.

In order to promote and guarantee smooth and effective communication with staff with hearing disabilities in terms of accessibility in work contexts, Poste Italiane continues to ensure the subtitling of all videos on the corporate intranet and the development of accessible aids to improve the use of training initiatives and intranet contributions.

Tutorial Poste Italiane:

an inclusive project
for digital accessibility
and the coexistence of
differences

Poste Italiane’s Tutorial platform, one of the winning projects of the Insieme 24SI initiative, has been realised. Its aim is to support customers with sensory disabilities or who are not yet properly digitalised in independently accessing the services of Poste’s digital channels. In this regard, the “PosteXtutti” competence centre was set up thanks to the project, with the aim of involving people in the Company who experience disability first-hand in order to arrive together at a shared communication using a language capable of restoring and representing a “coexistence of differences”. In this regard, in order to make Poste Italiane’s products and services more accessible, some editions of the TGPoste have been made available in LIS.

Also during 2023, Poste Italiane continued to support, for the eleventh edition, the initiative dedicated to employees’ children and siblings with disabilities, which includes two summer holiday periods, each lasting fifteen days. Thanks to this initiative, about 40 boys and girls had the opportunity to enjoy leisure time and receive individual assistance from dedicated operators and were able to express their individual abilities by stimulating self-confidence, self-esteem and the ability to join and belong to the Group. The programme has thus fostered an experience of socialisation and full integration, as well as allowing families to benefit from relief in their daily care needs.

For the fourth consecutive year, Poste Italiane participated in “4Weeks4Inclusion”, the largest inter-company event dedicated to diversity and inclusion in Italy. Over the course of four weeks, the event involved over 300 partners including businesses, universities, associations and non-profit organisations who shared events, in person and digitally, creating moments open to the public and generating thousands of interactions on social channels. Through the initiative, the company actively participated by bringing its own testimony to the inter-company day on the gender gap and realised its own seminar, accessible online, entitled “Art and the Other. Inclusion through diversity”, with the aim of promoting a reflection on the power of art and the artist in overcoming the limits of ordinary conventions and moving towards the enhancement of one’s uniqueness. This event is part of the company’s commitment to foster an inclusive and diverse environment, emphasising the fundamental role of art as a tool for expression and overcoming barriers.

The Company, already a signatory of the Charter for Equal Opportunities, joined the “European Diversity Month”, promoted by the European Commission to raise awareness among organisations and companies on the importance of diversity and inclusion in work contexts, launching a campaign entitled “A bridge between generations” in which several events took place in May and June to strengthen the knowledge of the characteristics of different generations and stimulate the active participation of people in order to improve intergenerational dialogue. Poste Italiane has organised several initiatives in this context, including: the release for the entire company population of the e-learning course “The Generations in the Company”, consisting of 8 video briefs dealing with the characteristics of each generation in the workplace; the publication of a podcast on the subject; the realisation of a webinar as part of the Diversity Innovation Meeting cycle that highlighted the trends characterising the different Generations; and the activation of a special edition of the “Smart Café” initiative.

As part of the promotion of diversity and inclusion, Poste Italiane has further intensified cultural awareness and training activities also through six “Diversity Innovation Meetings”, with the aim of exploring the main key aspects of diversity, focusing in particular on issues such as gender equality, intergenerational alliance, vulnerabilities, interculturality and inclusive language. During these meetings, representatives of start-ups, third sector organisations and institutions were invited to share their experiences and knowledge on promoting inclusion. The participants, divided into working groups, took part in interactive discussions and worked together to generate ideas to be implemented in the specific reality of Poste Italiane.

Poste Italiane’s support to food collection

Together in the 27th edition



Among the solidarity initiatives that involved Poste Italiane during 2023, there is the twenty-seventh edition of the National Food Collection Day, the initiative organised by Banco Alimentare Onlus that allows to donate part of spending to those in difficult situations of need.

The Group contributed with over 180 company vehicles for the transport of donated food and employees actively participated in the day of solidarity, offering their contribution both as drivers and as volunteers in the supermarkets. In just one day, 7,350 tonnes of food were collected in 11,800 outlets, a sign of trust that testifies to the value of the solidarity initiative as concrete help for the more vulnerable sections of the population.

poste

is Creating value
for the Country



Helping Italy recover.

nibilità

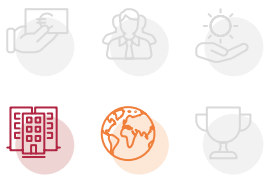
Financial and **digital education** and **inclusion** projects for citizens, customers and businesses

384 Italian municipalities involved in initiatives and interventions to **benefit the territory**

Launched corporate enterprise **volunteering** in collaboration with **Third Sector entities** in the territory

Hired more than **6,700 young people** and **recent graduates**

MAIN RELATED
TYPES OF CAPITAL



7.12 Creating value for the country



CREATING VALUE FOR THE COUNTRY FOR US:
scan the QR code and watch the video.



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2023	
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	<ul style="list-style-type: none"> 1,190 Post Offices in municipalities with less than 15,000 inhabitants 31 co-working spaces built 	
	Strengthen Poste Italiane's local presence with initiatives and projects to benefit increasingly large and broad local areas	• % increase in the number of Italian municipalities involved in initiatives supported by Poste Italiane	• 10% by 2023	2022	+163%	
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	<ul style="list-style-type: none"> • 1 online course for the entire population • 3 specialised courses for the MP population 	
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	<ul style="list-style-type: none"> • 1 editorial plan with 12 news items published on the intranet and apps, and 6 podcasts produced for the intranet and apps 	
Increase knowledge of financial education activities		• No. of events held	<ul style="list-style-type: none"> • 30 by 2024 • 90 by 2028 	2022	24	
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	<ul style="list-style-type: none"> • thematic events held • 6 webinars conducted with LIS translator and subtitles • 3 videopodcasts made with LIS translator and subtitles 	
Increase the number of sports and social initiatives supported by Poste Italiane in the southern regions and islands		• % initiatives supported in the sport and social sphere in southern regions and islands out of total initiatives	• ≥ 20% by 2024	2023	New	

* The target date is February 29, 2024.

** The number of training activities is dependent on the number of services delivered.

Objective achieved/Objective achieved and updated
 Objective not achieved
 Deadline for achieving the objective that has not yet expired

MAIN RELATED
TYPES OF CAPITAL



NFS

Support for the socio-economic development of local communities

Poste Italiane confirms its commitment to supporting local communities by overseeing the implementation of modernisation and digitalisation processes aimed at increasing the well-being of citizens and the socio-economic development of the territory. The Group is dedicated to promoting organic and widespread social inclusion initiatives on a daily basis, with the aim of creating a positive impact in the context in which it operates. Through an inclusive approach and constant dialogue with citizens, institutions and Third Sector associations at local and national level, the Group is committed to achieving this goal by exploiting the ubiquity of Post Offices and developing high quality products and services. Moreover, through an ongoing process of listening to and reconciling the legitimate interests of the community, the Company focuses its attention on the most vulnerable. The latter, due to particular physical, mental, family, economic, ethnic or social conditions, receive more support and consideration.

Poste Italiane is aware that listening, dialogue and the active participation of citizens are at the basis of the construction of a path of shared value creation with the territory, with a view to continuity and reconciliation of relative and legitimate interests.

Poste Italiane affirms its commitment to the territory and the community within its Policy on community initiatives, with the aim of contributing to the socio-economic development of the territory.

Poste Italiane's strategy to address social challenges reflects a strong commitment to the most vulnerable and the needs of the community. This policy is part of a broader regulatory framework defined by documents such as the Code of Ethics, the Group Integrated Policy focused on anti-corruption and the Policy for the protection of Human Rights. In addition, the Policy outlines the Group's main areas of action to generate shared value in the long term. These areas, in coherence with the Policy for the protection of Human Rights, include the integration of groups most at risk of exclusion through the provision of dedicated products and services, promotion of culture and education, economic sustainability and enhancing social connectedness. Thanks to collaboration with central and local administrations, the Third Sector and communities, the Company actively involves stakeholders, maintaining continuous dialogue to understand and satisfy the needs of the most disadvantaged categories.

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).

In making investments for the benefit of the community, the Group operates 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 methods with which Poste Italiane provides contributions by way of sponsorship and donations in favour of partners, bodies, associations and institutions operating in the area are defined by a specific "Sponsorships and Donations" procedure, which regulates the organisational measures, aimed at avoiding any possible conflict of interest. Version 8.1 of this procedure was approved in July 2023, consolidating the previous version, approved in March 2022, including the changes that occurred in the acquisition process via the website and for the evaluation of sponsorship initiatives according to the SELECT model, already revised in 2021 with the aim of strengthening it through more solid methods of calculating the media value and standardising the qualitative assessments of the initiatives. In addition, the SELECT 2.0 tool, developed

in 2021 with the support of the Digital Technology & Operations Function and updated with the quantitative data provided by potential partners on the web platform, has been integrated into Poste Italiane's systems for 2023, with the aim of transferring the algorithm and database from Excel to a more performing software. The online form created in 2022 has also been maintained for 2023 to guide Sponsees in the process of sending the sponsorship request. The platform intends to guarantee greater transparency and traceability, structure and standardise sponsorship requests from potential Partners and make quantitative information on the initiatives mandatory, useful for enhancing the SELECT sponsorship evaluation model.

As stated also 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 evaluation relating to their provision by the Company takes into account the relevance of the initiatives, the notoriety of the potential partner, the alignment with the company objectives and the expected benefits. In order to guarantee an adequate supervision of activities and to monitor sponsorship initiatives, the Company has a specific "Sponsorships and Product Placement" department, with a core of dedicated resources, in the Corporate Affairs/Coordination and Corporate Affairs and Sponsorships Support areas. Requests for sponsorship and donations are received by the relevant departments through a dedicated platform with an online form published on Poste Italiane's institutional website, and are then assessed by the Sponsorship and Liberal Donations Committee, which is chaired by an external Chair with high requirements of professionalism, honourableness and independence. Furthermore, in order to proceed with the disbursement of the contribution, an assessment is also 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.

The management and reporting activities of sponsorship and donation initiatives are subject to ISO 37001:2016 (Anti-Corruption) and ISO 9001:2015 (Quality) Certification. The anti-corruption management model constitutes a tool with which Poste Italiane intends to further strengthen and manage the processes for preventing the risks of offences specific to the subject matter covered by the certification, to continue along the path of strengthening the safeguards of legality and transparency, and to further strengthen the control and governance mechanisms.

382

Initiatives were evaluated by the Sponsorship Committee, which met 10 times in 2023

During 2023, the Sponsorship and Donations Committee met 10 times, evaluating a total of 382 initiatives, of which 94 had favourable outcome. In continuity with previous years, in the choice of initiatives to be supported, priority was given to those with a significant social impact, aimed in particular at the peripheral areas of the country. Through initiatives and interventions benefiting increasingly large and capillary territorial areas, Poste Italiane has involved the entire national territory, with the aim of strengthening its presence in the territory.

In particular, the target of increasing the number of Italian Municipalities involved in initiatives supported by Poste Italiane of 10% compared to 2022 was largely achieved in the financial year 2023, thanks to the involvement of 384 Italian Municipalities.

Poste Italiane continued to support events and initiatives throughout the country with a preference for projects of a socio-cultural nature. In particular, importance was given to the company's presence in peripheral territories, strengthening its intervention in favour of local communities by supporting initiatives to promote the sectors related to Culture and Art, without neglecting support for initiatives falling within the "Well-being and Social Inclusion" sphere aimed at the most vulnerable people living in situations of hardship.

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.

The Company is pursuing a new backbone of intervention towards community welfare logic, in synergy with local communities for company welfare services to support the vulnerabilities of employees and citizens. Community welfare represents an innovative perspective to accompany and support territorial systems to undertake a path of redesign and adaptation of responses to community needs. The objective is to activate responses capable of triggering participatory processes that guarantee the involvement of society and citizens, making the innovation produced more incisive, stable and sustainable. The company's action involves making 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.

In this regard, the plan led to the redevelopment and release of a company property located in Bologna to create meeting and socialisation places for people belonging to weak or vulnerable groups. The project also envisages the involvement of company volunteers in providing their professional and personal time and skills. To this end, a scouting exercise was carried out to identify the main local needs and best practices for assessing the local context and mapping the perimeter of the ecosystem in which the company space will move. On the basis of the main local needs, synergies and co-participations will be verified also through the network of the third sector as "network facilitators" for the realisation of inclusive and aggregation services addressed to the community and the primary reference targets, enhancing the available physical space in a flexible way, in an underlying logic of evolutionary social circularity in the encounter between demand and supply in which the players involved are both users and suppliers of the services.

In order to provide support to policyholders living in the areas affected by the floods in Emilia-Romagna, Marche and Tuscany, the Poste Vita insurance group has implemented a plan of initiatives in response to the difficulties faced by the population. In relation to non-motor damage, measures were taken such as the extension of arrears periods, the waiver of policy cancellation deadlines, the suspension of recovery actions and the strengthening of the expert network. For life insurance policies, on the other hand, the extension of the arrears period and the possibility of reactivating suspended contracts without further health checks have been provided for. These initiatives, aimed at customers residing in the affected municipalities of Emilia-Romagna, Marche and Tuscany, remained valid until 31 December 2023.

Moreover, in July 2023, the disbursement of the first economic measure of support to the population affected by calamitous events in Emilia-Romagna began by bank transfer and in cash, at the Post Office network, as provided for in the Agreement signed with the Civil Protection Department at the Presidency of the Council of Ministers.

On 25 May 2023, the Memorandum of Agreement was signed, which envisages the possibility for employees to adhere to the solidarity initiative known as "Ora Etica" (Ethical Hour) in favour of the Civil Protection committed to help the populations of Emilia-Romagna affected by the recent floods, which consists in donating the equivalent of one hour's work. The Company also undertakes to pay to the Civil Protection an additional amount equal to that collected from employees. The same solidarity initiative was undertaken in favour of the region of Tuscany affected by extraordinary atmospheric events by virtue of the Memorandum of Agreement signed between the Company and the Trade Unions on 27 November 2023.

The "solidarity" stamp for Emilia Romagna

Poste Italiane collaborates with the Ministry of Enterprise and Made in Italy to support the area affected by the floods

In order to help the areas affected by the flooding in Emilia Romagna, the Council of Ministers authorised the issue of a "solidarity" postage stamp, with which to celebrate the civic sense of those who were involved in making people and the territory affected by the weather events safe. The stamp was in fact issued with a surcharge over the face value of €3.75, the beneficiary of which is the Civil Protection Department, for the allocation of resources to the areas affected by the exceptional adverse weather and flooding events that occurred in May 2023. As stipulated in the issuing order, the stamps will be distributed and marketed until 31 December 2024, after which date they will cease to be valid. The stamps are issued by the State through the Ministry of Enterprise and Made in Italy, printed by the Istituto Poligrafico Zecca dello Stato (State Mint and Polygraphic Institute), and entrusted to Poste Italiane for marketing in the philatelic counters of Post Offices across the country. In the immediate aftermath of the flooding, Poste Italiane made every effort to quickly return and guarantee its services to the population. Poste Italiane, thanks to the commitment and sense of responsibility of its people, guaranteed the functionality of the Post Offices located in the areas most affected by the flood. These include the Post Office in Lugo di Romagna, which was back in operation almost immediately, and the one in Modigliana, which was restored thanks to the intervention of Poste Italiane technicians, who installed a mobile network kit. The Company has also temporarily provided an alternative delivery service for residents of the province of Bologna residing in evacuated homes or areas that cannot yet be reached, maintaining this service until the end of August.

Poste Italiane and the National Institute of Oceanography and Geophysics in Seismic Movement Monitoring

A shared commitment to National Security

In 2023, Poste Italiane will continue to support the OGS (National Institute of Oceanography and Experimental Geophysics) in the constant monitoring of seismic movements, particularly in seismic areas such as the North East. The Company actively cooperated by making itself available for the installation of seismographs in its buildings. The Group's prompt response to the Institute's request enabled the initial installation of 42 seismographs, out of a total of around 100 planned. In order to ensure careful monitoring without disrupting the daily activities of the employees, the seismographs were placed inside the racks, structures specially designed to house the servers and from which the telephone lines branch off. This strategic collaboration focused not only on workplace safety, but also on the effectiveness of seismic monitoring in the various areas of the territory, thus contributing to the promotion of the safety and well-being of the communities involved. The synergy between Poste Italiane and OGS remains a key element in guaranteeing continuity of service and protection of seismic areas.

Kiev, Mariupol, Lviv and Odessa: four stamps dedicated to refugees from Ukraine

Poste Italiane for the protection of rights and freedoms



In continuity with 2022, with the aim of providing support to the population affected by the humanitarian crisis linked to the outbreak of the conflict in Ukraine, Poste Italiane undertook actions to support the Ukrainian people, including symbolic initiatives with high institutional value. In 2023, four ordinary stamps belonging to the "Civic Sense" thematic series were issued by the Ministry of Enterprise and Made in Italy, dedicated to the Safeguarding of Rights and Freedoms: the Churches of Kiev, the Theatre of Mariupol, the Square of Lviv, the Port of Odessa. The issues included a surcharge of €1.30 per stamp, with a print run of 400,005 copies per stamp. In addition, in November, Poste Italiane announced the issue, by the Ministry of Economic Development, of an ordinary stamp belonging to the same thematic series, with a value of €1.25 and a print run of 300,015 copies in sheets of 45 copies.

A New Life for Small Municipalities

Poste Italiane plays an essential role in connecting institutions, communities and territory. Its widespread presence throughout the country contributes significantly to the country's prosperity, enabling citizens to access the largest network of services through an omnichannel offer.

Zero

Post Offices closed in 2023

Through the implementation of new digital infrastructures integrated with the Public Administration, Poste Italiane is tackling the problem of "desertification" in small towns, which, over the past fifty years, have experienced a significant loss of their population, now at risk of depopulation. This situation is due to a number of factors, including limited job opportunities, difficulties in transport and the gradual decrease in services, such as bank branches and public offices. In this context, investments in services and infrastructure are of strategic importance, as they can positively affect the quality of life of those who wish to stay in or return to small towns.

The Group continues its investments in the programme launched in November 2018, aimed at supporting the communities of Small Municipalities, aware of the important role it plays in the national socio-economic dimension. The project demonstrates Poste Italiane's commitment to consolidating a robust and active relationship with the territory, in order to promote initiatives aimed at encouraging the development and inclusion of less served territories.

In 2023, maintaining continuity with previous years, the Group ensured continuity of services through timely and transparent dialogue with local and central institutions. In addition, training initiatives aimed at the public were promoted, ranging from financial education to digital education. Poste Italiane responded promptly to the requests from local communities, particularly regarding the risk of depopulation. As a result, the Company decided to intensify investment in the peripheral network, actively involving local authorities to point out the specific needs of their territories, thus helping to consolidate 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 Uncem, the National Union of Mountain Municipalities, Communities and Bodies entitled "Communities, institutions, territories - Countries for the country, autonomies in dialogue in the community dimension". The Assembly, held in Rome on 4 December 2023, represented a moment of dialogue between central and local institutions, the world of associations and businesses, key players in the growth of mountain areas.

In 2023, Poste Italiane's commitment to service innovation continued. Through the use of the Internet of things, the Company continued with the Smart Letterbox project, the letterboxes capable of recording and transmitting data on the environment and weather conditions through sensors that detect temperature, atmospheric pressure and air quality. Some Smart Letterboxes are also equipped with a screen capable of conveying public utility communications, thus making it possible to create a capillary communication infrastructure even in areas where Public Administration offices are absent. The new tool is also a way for Poste Italiane to rationalise its mail collection operations, reducing their time. This is because the sensors in the Smart box are able to detect the moment when a letter is posted, allowing the post officer to know which boxes contain mail and therefore need to be emptied, with obvious advantages also in terms of environmental sustainability. Following an initial test phase in 2022, 550 second-generation Smart letterboxes, 500 without a screen and 50 with a screen, were installed in 2023, which, added to the letterboxes installed in 2022, results in a total of 707 letterboxes. In addition, KPIs for describing process performance were consolidated in the applications for managing the data collected from the letterboxes and implementation was carried out for sharing process data with PTL PDA in order to optimise the collection process. In addition to the new installations, Poste Italiane undertook a continuous monitoring activity to upgrade the letterboxes in the area and thus contribute to improving urban decorum.

Postel at the service of smart health screening campaigns

The Poste Italiane Group promotes the importance of health prevention

→ Postel, a company of the Poste Italiane Group, has promoted the "Smart Screening" solution, aimed at promoting citizens' adherence to health prevention campaigns promoted by the local health authorities. The service provides a complete kit, distributed via post officers, which includes an invitation letter, an information leaflet with instructions, an RFID-tagged self-sampling tube and a return envelope with RFID matched to the tube. The citizen receives the kit at home, follows the sampling instructions and returns the sample. During the dispatch of samples, the envelopes are checked by means of an electronic read-out that signals any mismatch errors. The Microsoft Power BI dashboard analyses and organises campaign data, highlighting response times, effectiveness of communication channels and providing customised reports. With PowerBI's OpenAI functions, future campaign trends are analysed and actions are suggested to make them more effective, considering channels, optimal times to send, more effective content and target profiling. The simulations provide data on costs, time, effectiveness and traffic generated in the workshops, enabling informed decisions for the design of new campaigns. Postelvideo also makes it possible to enrich communication with customised and interactive videos to convey prevention messages clearly and effectively. The service offers secure tracking and correct matching of samples thanks to Smart Label/RFID technologies, reducing costs and acceptance times.

At 31 December 2023, Poste Italiane had achieved significant goals within the Group's broader Strategic Plan, focused on enhancing one of the fundamental resources for the Company and the country: the territory and the communities that inhabit it. In line with environmental sustainability objectives, Poste Italiane's commitment to achieving carbon neutrality by 2030, with a consequent reduction in emissions and the environmental impact deriving from its activities, is further consolidated in relation to the initiatives promoted by the Group to favour small municipalities.

In this perspective, lies the ambitious purpose of the "Polis Project - Houses of Digital Citizenship Service", aimed at providing small municipalities with a state-of-the-art technological and digital infrastructure, enabling the automation of services and the rapid adoption of new digital services offered by the Public Administration. The project constitutes a significant step in the fight against the depopulation of small municipalities, in line with the support for the country's digital transition, as outlined by the National Recovery and Resilience Plan (NRRP) and the National Plan for Complementary Investments (PNC). Poste Italiane, in addition to consolidating the relationship with its vast clientele, contributes significantly to the optimisation of processes within the Public Administration. Through the initiatives undertaken to realise the project, 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. In 2023, there were a total of 1,190 Post Offices and by 2024, 2,800 real estate and technological upgrades will be started or completed in the Post Offices themselves. In addition, in order to support the implementation of the project through the realisation of specific training activities, an online course aimed at the entire company population was implemented in 2023. In addition, the following specialised courses were realised: online course "Polis Project: INPS certificates" and "Training on the job" webinars, already delivered in 2023; course "Polis project: ANPR certificates".

With the aim of ensuring the widest transparency in awarding procedures, with a view to maximising the protection of the dynamics of free competition in the market, the data on awards relating to the "Polis Project" have also been included in the portal set up by Poste Italiane for the exclusive use of the Guardia di Finanza, for the prevention of criminal infiltration in procurement and the fight against undeclared work. Poste Italiane has also created the "Contratti Aperti & Trasparenti" portal, a web space that can be consulted by everyone with the main information on each contract. Within the portal, it is also possible to find out the details of the individual "Polis Project" contracts concluded during the month with the amount, duration, product scope, award procedure, type, location and name of the successful bidder. The data published relate to contracts signed in respect of competitive procedures relating to the supply of goods and services, of Community relevance, and works subject to the Public Contracts Code in addition to those relating to the supply of goods, services and works excluded from the Public Contracts Code.

Polis Project



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 NRRP funds and a further 400 million from the Poste Italiane Group, which will involve almost 7,000 Post Offices. The Project, aimed at promoting the economic, social and territorial cohesion of the country and overcoming the digital divide in small towns and internal areas, 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 "Single Points of Contact": in the 6,933 municipalities with a population of less than 15,000 inhabitants, equipped with at least one Post Office; the second, "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. Within the webpage dedicated to the Project, detailed information is given on the Post Offices (number and location) involved in the digital renovation and enhancement process.

With regard to the “Sportelli Unici” (one stop shops) 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).

Cresco Awards sustainable cities 2023

In line with Poste Italiane's mission to act as a link between the country's institutions, territory and services through its extensive network of Post Offices, the Group participated again in 2023 in the prestigious Cresco Awards Sustainable Cities award. This initiative, promoted by the Sodalitas Foundation in collaboration with the National Association of Italian Municipalities (ANCI), and under the patronage of the European Commission, the Ministry for the Environment and Energy Security and CSR Europe, 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 Nibionno (Lc) for the "Nibionno Band" project, Rapino (CH) for the "Parco della Gioia" project and Molochio (RC) for the "Borgo della Longevità" project. The aim of the projects and programmes being developed is to contribute to the creation of virtuous sustainable development styles and behaviour.

"Valori ritrovati" (Rediscovered values): a project of circular economy

In continuation of the agreements signed in 2018 with Caritas, and subsequently renewed in 2019 for an additional period of 5 years, the implementation of the initiative called "Rediscovered Values" continued during 2023, a circular economy project that has the aim of allocating the so-called "anonymous packages" or "abandoned packages" to needy families, through "Empori della Solidarietà", a circuit of supermarkets managed by Caritas that provides basic necessities free of charge. The aim of the collaboration is to restore abandoned parcels and allocate them to the neediest families. Poste Italiane promotes local development through initiatives of inclusion and social solidarity. Thanks to the support of its employees, who participate as volunteers, Poste Italiane recovered more than 25,000 items from abandoned parcels in 2023, which were redistributed through Caritas centres to needy individuals and families or resold at subsidised prices for a charitable purpose, specifically for projects for the employment inclusion of people in difficulty.

Poste Italiane recovered 150 tonnes of abandoned parcels thanks to the support of its employees, who participate as volunteers. This circular economy project has a total economic value of more than €600 thousand. Approximately 35,000 anonymous or abandoned parcels have been delivered to Caritas every year since 2019, thus fostering the culture of reuse.

Il Volontariato d'Impresa (Corporate volunteering)

Corporate volunteering represents an ethical choice of the Company and a concrete commitment for the sustainable development of the community, in line with the values and principles stated in the Code of Ethics and the Sustainability Policies. Through volunteering, the Poste Italiane Group encourages, supports and organises the active and concrete participation of all its staff in the life of local communities and non-profit and social enterprise organisations throughout the country. In 2023, with the "I do good" campaign, the Company inaugurated its corporate volunteering model, progressively launching the first initiatives starting in September. The programme is promoted in cooperation with accredited Third Sector Organisations (ETS), within the framework of the Memorandum of Understanding signed with the National Forum of the Third Sector, an association that brings together 92 national networks of ETSS, for more

than 150,000 territorial organisations operating throughout the country. Among the aims of the protocol is, in fact, the definition and development of activities and initiatives to support the creation of a corporate volunteering platform, through which Third Sector Organisations can submit projects in which Poste Italiane employees are invited to take part as volunteers, outside working hours. Thanks to the Forum network, meetings were organised at the beginning of 2023 between the Company and a number of Third Sector Organisations, aimed both at illustrating the characteristics of the chosen volunteering model, the requirements and the procedures for joining the programme, and at gathering suggestions and any useful information to ensure the best definition of the programme itself in line with the needs and peculiarities of the reference operating context. In addition, the modalities through which it is possible to submit proposals for voluntary initiatives to be developed in partnership with the Company have been published in the web section dedicated to Voluntary Associations on Poste Italiane's institutional website.

Since the launch in June 2023, there are about 40 Organisations with which the Company has entered into dialogue aimed at collaborations in the field of corporate volunteering. In assessing and, if necessary, launching and monitoring initiatives, the Company operates in compliance with the provisions set out in a dedicated internal procedure entitled "Definition, development and monitoring of corporate volunteering initiatives", which is consistent with the Poste Italiane Group's Sustainability Strategy. At 31 December 2023, about 300 employees have decided to join the corporate volunteering network by registering on the "Corporate Volunteering" web portal, choosing to apply for one or more thematic and territorial initiatives of interest among those published on the portal since June. As of September 2023, the first widespread initiatives in the area of social, cultural, human rights and environmental protection, both occasional and ongoing, were launched.

Poste Italiane's volunteering model intends to enhance its own people, who are already sensitive and active in the world of volunteering, involving them in the positive change that the Company wants to contribute to producing through this instrument, creating a network of solidarity in the area and strengthening the collaborative skills among people, so as to foster the development of social networks that can create long-term value for the Company and the area. The ultimate goal is, in fact, to make a significant impact on society by promoting virtuous volunteering.

The corporate volunteering model adopted therefore necessarily envisages active collaboration with Third Sector partners for the promotion and development of volunteering initiatives that can generate social and environmental impacts, thus contributing to the achievement of common sustainable development goals. To achieve this, constant listening and networking with Third Sector Organisations was crucial. To this end, the aforementioned protocol with the National Forum of the Third Sector provides for the support of a permanent discussion table, in line with the Group's stakeholder engagement policies.

World Cleanup Day

Poste Italiane in campo
per l'ambiente



On the occasion of World Cleanup Day, on 16 September 2023, Poste Italiane called on its colleagues to participate in the "clean up", a social initiative that tackles the global problem of pollution from abandoned or illegally disposed of solid waste through local clean-up actions in order to raise awareness among citizens and institutions and safeguard the health of the environment.

Streets, beaches, parks in Andria, Naples, Rome and Venice were involved in the cleaning, manual collection and sorting action.

The initiative was very well attended by employees, who are already very sensitive to environmental protection.

Close to young people

In continuity with previous years, Poste Italiane is supporting the digital transformation path in collaboration with the academic world. As part of the initiative promoted by the Data Science Industrial Liaison Programme (ILP), Poste Italiane continued its path of bringing together Italy's most important industrial companies and the students of the university's degree course. 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.

In 2023, the School4Life 2.0 project, aimed at combating high school drop-outs, continued. The initiative involved a total of 143 schools, approximately 14,500 students from different regions of Italy and 11 important companies, including Poste Italiane, with the coordination of Consel Consorzio ELIS, a non-profit organisation in the training sector that benefits from the support of over 100 large groups and SMEs. Social responsibility sees companies committed to supporting the younger generations, accompanying them towards a professional future that links school and business. For this reason, the aim of the School4Life 2.0 project is precisely to offer the new generations a direct insight into the world of work, as well as to make them aware of their own potential thanks to school and career guidance. The Company experts with their testimonies have trained over 660 young people belonging to 14 schools distributed throughout the national territory. Role models, mentors and trade masters are the roles that the company experts identified play to inspire young people and guide them in their study and work choices, promote the expression of their critical thinking, transfer trade-related skills and bring them closer to the world of work. The project was also an opportunity to promote a generational exchange between company testimonials and young people with benefits in terms of dialogue, listening and mutual enrichment. Issues related to the goals of the UN 2030 Agenda were also addressed, with a focus on promoting the approach of the student population to STEM subjects, giving students food for thought and contextualisation through workshops in which to realise their projects. Finally, together with the most motivated students who were engaged in a Creathon, some children and grandchildren of employees also participated in the role of Buddy, facilitating and supporting within the groups the implementation of the design thinking phases.

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: 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.

In continuity with previous years, with the aim of enhancing the synergies of tools, methodologies and skills aimed at fostering dialogue with citizens on issues of social and inclusive value, several initiatives were launched within the "Digital Education" and "Postal Education" programmes. In particular, within the programme dedicated to Digital Education, the following free webinars were realised for customers, users and citizens:

- 20 "basic" level webinars, targeting a regional scope;
- 11 thematic webinars, aimed at a national scope;
- 8 thematic webinars aimed at a national scope, included in the path dedicated to Freelancers and Small Business Operators;
- Macro Area perimeter webinars dedicated to basic digital literacy for Freelancers and Small Business Operators and with LIS (Italian Sign Language) interpretation service.

With regard to Postal Education activities, on the other hand, 20 “basic” level webinars addressed to a regional perimeter and 3 thematic webinars addressed to a national perimeter were carried out, free of charge and aimed at customers, users and citizens.

The web sections are constantly being updated with the publication of new multimedia content in different formats such as podcasts, games, video clips and infographics.

All initiatives are also supported by communication activities on social platforms, TGPoste services, press agencies, articles on the TGPoste portal and local press.

Hires

Poste Italiane supports young people and recent graduates

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.

In continuity with previous years, Poste Italiane promoted the employment of young people. In 2023, the Group continued its recruitment campaign aimed at young people and recent graduates, recruiting more than 6,700 people under the age of 30 over the three-year period 2021-2023.

MAIN RELATED
TYPES OF CAPITAL



NFS

Dialogue and transparency in relations with the authorities

In view of its capillary presence throughout Italy, as well as the varied context in which it operates, the Group collaborates with central and local institutions in order to represent corporate interests and promote socio-economic development projects, constantly implementing positive dialogue with public decision-makers, which enables it to generate benefits that are not only circumscribed to the corporate sphere but system-wide, thus extending to the community as well.

In particular, as part of its collaboration with central institutions, such as the Government and Parliament, Poste Italiane constantly monitors the political agenda and holds meetings with institutional subjects aimed at presenting the Group’s activities and projects, through continuous and constructive dialogue. This relationship is conducted in a logic of mutual benefit, as it implies a prior transparent discussion with the public decision-maker in which the Company’s position on certain issues of interest is represented. This not only prevents problems of interpretation and application, but often generates opportunities, as the decision-maker can assess the impact and possible consequences of a given policy choice or regulatory intervention with a wider range of elements.

Poste Italiane, in addition to ensuring a valid provision of services to citizens, the satisfaction of the social requirements of the community and, at the same time, the increase in competitiveness and business continuity, aims to maintain a constructive and persistent dialogue with the institutions in order to promote the sharing of territorial development initiatives.

The institutional activity carried out by Poste Italiane develops, in particular, along two lines:

- towards the Group: continuous dialogue with Institutions and the Public Administration enables the business structures to be supported in meetings to present their activities to institutional representatives, in order to facilitate dialogue, intercept the needs expressed by the Public Administration and synergically promote the services of the entire Group. More generally, the protection of corporate interests is guaranteed in support of business development through the monitoring of the institutional framework, the evaluation of the impact of regulations, the identification of risks and opportunities, the preparation of texts and positioning documents with the specialist functions and the representation of requests to institutions;
- towards institutions, actively contributing to the institutional dialogue through an ongoing debate on issues of relevance for the country system, including through meetings involving a study of the main topics of interest for institutional stakeholders, in order to intercept the needs expressed by political representatives that can be satisfied through Poste Italiane's services. Institutional activity also extends to consultation on the impacts of regulations in the relevant markets, the provision of supporting information and knowledge and the activation of partnerships for project development.

The promotion of dialogue with representatives of institutions is necessary for the Company in order to stimulate knowledge and sharing, but also to prevent possible critical issues in relation to the Group's activities. Through specific meetings and analyses, requests coming from the institutions are received and subsequently examined in depth with the company structures concerned in order to provide immediate and circumstantial answers. Furthermore, through the study of institutional scenarios, potentially relevant areas for the Group are identified in order to promote appropriate preventive actions.

The analysis of the impacts of the regulations can also generate the need for institutional dialogue aimed at clarifying in detail the application aspects of a regulatory provision, or to support the presentation of regulatory proposals aimed at supporting specific business needs, with the aim of mitigating or preventing specific risks. In this regard, during 2023, steps were taken to guarantee the protection of corporate and Group interests through the preparation and organisation of targeted meetings and the management of continuous discussions with institutional representatives, through an activity to monitor the provisions under examination and the regulatory provisions, which, if approved, would have been critical for the various business areas with loss of revenue or increase in operating costs for the company.

During 2023, company-initiated regulatory interventions mostly focused on:

- innovation and digitalisation, which are fundamental for the strategic progress of the country, for the accessibility and functionality of the services offered to citizens and the connection with the Public Administration (implementation of the Polis Project and of the "Carta dedicato a te", a reloadable card issued by Poste Italiane as the implementing party and intended for the purchase of goods and services for a specific group of beneficiaries);
- protection of the mobile telephony and energy business, through interventions aimed at ensuring rules oriented towards market competition and customer protection;
- measures to encourage households to save and invest in savings products backed by government guarantees;
- regulatory simplification measures aimed at easing the administrative, accounting and procedural burdens involved in accessing the business incentive system and related facilities by beneficiary companies.

Institutional interlocutions were also conducted with the Ministry of Economy and Finance aimed at protecting the Group's economic and financial interests, within the framework of credit/debit relations governed by numerous agreements, maintaining relations of mutual trust with the Ministry itself, which oversees numerous affairs of strategic interest to the Company.

During 2023, there was further impetus in the activities of discussion and collaboration with institutions in connection with the launch and implementation of the Polis project. At its presentation on 30 January 2023, in the presence of top state officials and an audience of 5,000 mayors, the

institutions recognised the strategic importance of the project, which brings the state closer to its citizens through its services. In view of this, said event was followed by specific meetings to present the Project to the main Ministries and public players involved.

In addition, specific technical working groups were set up to support the implementation of the project with the institutions involved - the Ministry of Enterprise and Made in Italy, the Ministry of the Interior, the Ministry of Justice, the Department of Public Function, the Department for Digital Transformation and INPS - in relation to the services identified and to be provided at the Post Offices involved, and constant dialogue was promoted with the Public Administration in order to accompany the definition of agreements, the resolution of regulatory issues and the overall support to the process of releasing the services within the timeframe set out in the plan. Each meeting was tracked in a special monitoring dashboard coordinated by the Corporate Affairs function, called "Polis Dashboard".

Activities oriented towards the management of institutional relations, in particular legislative activity and the representation of interests, are regulated through the procedure "Release of information and management of relations with institutional entities". This procedure is subject to periodic review and updating in line with the evolution of the system of relations and the company organisation. Planned interventions, whose impact is subsequently assessed by the proposing corporate and/or business functions, are supported by analyses of the expected benefits. These are subsequently presented in periodic reports in order to outline the extent of the initiatives undertaken in economic, commercial and governance terms. The priorities for action, consistent with the Company's Plan objectives, are identified in relation to the needs emerging from the business functions and the margins for action connected to the legislative activity of the Government and Parliament, as well as the administrative activity of the Public Administration.

Collaboration with local institutions is oriented towards facilitating the sharing of development projects in the area, and identifying shared solutions aimed at accompanying corporate reorganisation processes, with particular attention to the specificities of the different territories. This approach aims to promote more efficient service delivery to citizens, meet the social needs of the community, and simultaneously promote competitiveness and ensure business continuity¹⁵⁹. Promoting interactions with representatives of local institutions is essential for the Company in order to encourage knowledge and sharing, preventing potential critical issues related to the Group's activities. In particular, the onset of negative impacts can manifest through critical institutional demands or negative media returns. The management of these impacts takes place through territorial oversight and the appropriate central structures, through an internal analysis aimed at examining the characteristics of the various criticalities. To share the solution agreed internally between the heads of the Institutional Relations structures and those of the Business Units involved, this process is subject to reporting, and is supported by the implementation of an institutional Portal for the integrated management and archiving of requests, reporting and contacts. In order to evaluate and verify the actual quality of the actions undertaken, quality and quantity indicators are used on a monthly and quarterly basis inserted into global report analyses and managed with a comparative perspective between geographical areas and compared to previous years. This reporting is based on monothematic meetings and final analyses of the development of the commitments undertaken towards the institutions, on a weekly and monthly basis in relation to the requests received. During the reporting year, some 1,600 contacts with local administrators were organised remotely or by telephone, of which about 1,200 were related to the Polis Project.

Collaborative activities with local institutions during 2023 helped foster the implementation not only of the Polis project, but also of specific projects related to the Small Municipalities Project to support less densely populated realities, as well as the House of Digital Citizenship Service. This was made possible, specifically, through the management of relations with the administrations involved in the project, the selection and reporting of activities in the municipi-

¹⁵⁹ 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. For the association year 2023, the membership fee stands at €3.2 million.

palties concerned, the linking of institutional evidence, and the planning thereof on the basis of business needs.

According to the subject, the institutional evidence of 2023 can be broken down as follows:

- 674 for the functioning and operation of Post Offices;
- 423 for Postamat ATMs (installation/replacement requests);
- 381 for clarification regarding the Polis Project;
- 196 for the delivery service;
- 127 for real estate issues;
- 41 for Post Offices that have had their timetable rescheduled as a result of the Covid-19 health emergency.

The effective dialogue between Poste Italiane and the Consumer Associations started in 1999 and gradually evolved over the years until the first Framework Agreement was formalised in 2011. This agreement was subsequently renewed, in 2014 and again in 2018. The main objectives of this agreement are summarised in the following points:

- constant improvement of the quality of Poste Italiane's products and services;
- promotion of transparency and fairness of the Company's relations with consumers;
- improvement of consumer awareness of the products and services on offer;
- provision of information for the correct and conscious use of products and services, as well as for the dissemination of the instrument of joint conciliation.

The Framework Agreement also established the Consumer Workshop, a monthly periodic consultation table with representatives of the Associations, aimed at presenting a preview and detail of the products and services offered by Poste Italiane.

A further objective of the relationship with the associations is to follow the Conciliation procedures, as provided for in the Agreement itself, in order to peacefully resolve disputes relating to all areas of the Company's activity. Finally, in accordance with the principles established in the agreement, which promotes collaboration based on transparency and the sharing of information for the benefit of customers, the newsletter "Dialogue with consumers" was established.

Constant and transparent relations with consumer associations continued in 2023, therefore, on the basis of the Framework Agreement, the Consumer Forum and the newsletter "A dialogue with consumers". Among the topics covered are the Poste Italiane Group's new energy offer, the Polis Project, the Repricing of the BancoPosta Account, and the public consultation launched by Agcom on the subject of compensation in the postal sector. On the subject of training, two courses were organised for postal conciliators during the year, and a tour of 15 territorial meetings involving some 250 association representatives took place in November and December. The aforementioned activity is regulated and described in the company procedures laid down in Legislative Decree no. 231/2001, as well as in the procedures established on the basis of the Framework Agreement concluded between the Company and Consumer Associations. These procedures are referred to in the documents provided for by Legislative Decree no. 231/2001. The success of the adopted policies is being monitored and evaluated, with particular reference to the absence of critical interventions by consumer associations in national and local media.

Relations with consumer associations at central level are managed by the function "Relations with trade and consumer associations". This function consists of a manager, five resources in the Rome office and one in the Milan office. Relationships with consumer associations at territorial level, especially as regards post-retail conciliation procedures, are managed by the territorial offices of Institutional Relations and coordinated centrally in a functional manner by the office for Relations with Trade and Consumer Associations, with one resource assigned to each of the 6 macro-areas. The objectives of the function, included in the MBO of the responsible managers, are evaluated through the analysis of the requests for discussion, considering the percentage of questions reconciled, i.e. concluded with an agreement with the consumer associations, compared to the total questions discussed.

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), 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, in the context of relations with the MEF, the Convention was renewed, which has the objective of regulating treasury services and movement of funds on behalf of the State.

At a European and international level, Poste Italiane maintains relationships with the European Parliament, the European Commission, the Universal Postal Union (UPU), PostEurop, SGI Europe European Centre of Employers and Enterprises providing Public services (CEEP), International Post Corporation (IPC), and other institutions and associations in the Company's areas of expertise. The Group actively participates in initiatives of coordination, representation and monitoring of the political agenda, at both European and international level, within these organisations. Furthermore, the Group is committed to the dissemination of information for regulatory purposes at a national, European and international level, as well as contributing to the development of proposals for amendments and additions to the reference legislative and regulatory framework.

MAIN RELATED
TYPES OF CAPITAL



NFS

Financial inclusion

The Group confirmed its commitment to ensuring access to its products and services also for those who cannot easily access them. The capillary extension of its network has enabled the Group to remain close to the community even during 2023.

Poste Italiane supports promoting the protection of the rights of local communities with the aim of guaranteeing accessibility to its products and services in the territories and for categories of users who would otherwise be excluded, in accordance with the principles established in the company policy on safeguarding and protection of Human Rights. At the same time, the Company undertakes to promote initiatives aimed at disseminating and supporting the 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, in order to develop ways of providing products and services that meet the needs of the various categories of customers, in line with the Group's omnichannel strategy. Poste Italiane is committed to promoting the well-being and financial stability of the communities in which it operates, with particular reference to groups at risk of exclusion, by deploying various types of support initiatives aimed at raising awareness and increasing awareness among them.

Thanks to its widespread presence throughout Italy, Poste Italiane maintains a close connection with the communities in which it operates, ensuring accessibility to its products and services, with the aim of promoting social inclusion.

The Group monitors its initiatives and the offering of products and services through the implementation of continuous and structured dialogue initiatives, such as, for example, the discussion activity with the main internal and external stakeholders, organised on an annual basis. The primary objective is to monitor the needs of the community and the level of satisfaction in relation to the products and services offered, as well as to promote the comparison of best practices for the development of an inclusive financial market. Poste Italiane adopts principles of seriousness, reliability and flexibility in providing dedicated offers to all categories of customers to which it is addressed, also taking into account specific needs.

Poste Italiane's offering

The expansion of the Group's services in 2023

During the year 2023, Poste Italiane fulfilled its commitment to pursue a 360° sustainable future, expanding the range of services offered with the introduction of new services. Consistent with the previous year, the Group promoted the "risparmiosemplice" formula, an open-ended savings plan with a customer-defined periodicity, which can be subscribed to at any Post Office by holders of a BancoPosta current account or postal savings book. This plan is based on the 4-year Interest-bearing Postal Certificate 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 minimal ones, in order to build capital over time, with the possibility of making further subscriptions. The sums deriving from the maturity of Interest-bearing Postal Certificate, subscribed under the Plan itself, are automatically reinvested in the "risparmiosemplice" savings plan. These sums include the invested capital and accrued interest, net of tax charges. Furthermore, the agreement on postal savings with Cassa Depositi e Prestiti, renewed in 2021 and amended on 30 January 2024, guarantees the Group sustainable remuneration in the four-year period 2021-2024, with an annual commission for collection objectives of between €1.6 and €1.85 billion. Through this agreement, Poste Italiane reaffirms its strategic support role for the country.

At the end of July 2023, the Poste Italiane new offer dedicated to cancer prevention campaigns, organised by local health authorities and hospitals in order to increase their participation, was launched on an experimental basis. The initiative offers the possibility of home collection of diagnostic samples self-collected by citizens participating in screening campaigns and their return to the relevant ASL laboratory.

Starting from March 2023, the Quinto BancoPosta offer was extended to employees of state-owned companies, the loan dedicated to public employees, para-public employees and pensioners, which can be used to carry out new projects, but also to pay off other ongoing financing, with a monthly repayment equal to up to one-fifth of the net monthly salary or net monthly pension.

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 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 4-Year Plus Bond, with a term of 4 years, provides for the capital invested and interest to be recognised at the end of 4 years;
- the Ordinary Bond, whose interest is fixed and increasing and is recognised in the event of reimbursement after 1 year from subscription and, subsequently, every two months. 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 with 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 1 August 2023. It has a term of 6 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 Children's Bond is an investment option designed to support children's big projects.

The interest on this bond accrues with the children until they reach the age of majority. Characterised by a gross annual yield of up to 6.00%, this bond offers the opportunity to grow along with the child, with interest accruing steadily until the child turns 18, guaranteeing a fixed yield during this crucial period. Moreover, this investment offers financial security thanks to the 12.50% preferential taxation on interest and the exemption from inheritance tax;

- Soluzione Futuro Bond, which is a solid instrument to guarantee a stable income over the years. The annuity, consisting of 180 instalments, starts at age 65 and extends until the 80th birthday, offering continuous financial support during retirement. The bonds enjoy a preferential tax rate of 12.50% on interest and are exempt from inheritance tax, ensuring an investment experience free of additional financial burdens;
- 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.

To encourage the use of the digital channel by all citizens, also taking into account the experience gained during the emergency context, Poste Italiane also encouraged various communication campaigns during 2023 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.

Financial and digital inclusion of seniors and young people

Poste Italiane is constantly seeking innovative solutions aimed at reducing the digital divide and enhancing financial inclusion, with a particular focus on the most vulnerable and at-risk groups. The Company is committed to supporting and assisting the different segments of the population within the communities in which it operates, taking into consideration market research and feedback gathered from its customers.

On the subject of financial inclusion, the Group continued to promote information and disclosure initiatives, consistent with the activities of previous years. These initiatives aim to provide citizens with the opportunity to acquire knowledge and information in order to enable them to make informed choices in the financial sphere.

On the Financial Education side, in continuity with previous years, free and accessible content was produced for all citizens, through the holding of 24 events as follows:

- Online Events related to the Basic Course (repeated on various dates for a total of 73 Webinars);
- 6 Online Events related to the Basic Course with subtitles and LIS interpreter (repeated on various dates for a total of 21 Webinars);
- 9 Events - WEB Conferences;
- 1 in-person event held on Monday 4 December at the Rome VR Post Office in Piazza di San Silvestro entitled “The management of personal and family finances” for citizens invited by Rome branch staff.

In addition, the Financial Education section of the Poste Italiane website has been constantly updated with new multimedia content and different formats such as:

- the new “Events held” section: publication of the recordings of the 9 “Web Conferences” held in the year 2022 and the 9 “Web Conferences” held in the year 2023;
- the new “Podcast” section: publication of 7 episodes (and related cards) of the “Generation EF” series dedicated to young people.

Finally, it should be noted that Poste Italiane participated for the fifth consecutive year in the “Financial Education Month” and passed the surveillance audit on the compliance of Financial Education initiatives with the UNI 11402:2020 standard (Citizens’ Financial Education).

During 2023, Poste Italiane’s financial education initiatives involved around 12,000 citizens. All initiatives are also supported by communication activities on social platforms, TGPoste services, press agencies, articles on the TGPoste portal and local press.

“EduFin”: Poste Italiane promotes financial education



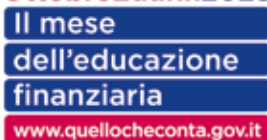
Poste Italiane introduced and continues to promote a specific Financial Education Programme, designed to enable the most fragile and at-risk individuals to make informed economic choices and understand financial issues in a simple way. This is an objective of significant social and institutional value as an enabling factor for the adoption of informed choices in a constantly evolving socio-economic context.

The initiatives are implemented through the provision of free and accessible content to all citizens, through three courses delivered in webinar or in-presence mode and a section of the website dedicated to Financial Education.

As part of its sustainability strategy, the Group has set specific objectives related to Financial Education activities in order to ensure increased inclusiveness, and publicly discloses them in its Financial Report. With reference to the year 2023, 24 financial education events took place in which approximately 12,000 citizens participated. These initiatives helped to improve and refine the financial literacy of participants at the events, contributing to the achievement of Poste Italiane’s goal.

Poste Italiane participates to “Mese dell’Educazione Finanziaria”

#OttobreEdufin2023



With the aim of strengthening interventions aimed at financial inclusion, Poste Italiane participated with numerous initiatives in the sixth edition of the “Financial Education Month” (#OttobreEdufin2023), the largest event in Italy on financial education, established and promoted by the Committee for the planning and coordination of financial education activities (Comitato Edufin) to promote the dissemination of financial, insurance and pension culture with free activities by banks, financial intermediaries, universities and cultural associations, both online and in-presence, and aimed at adults, young people and children.

The theme for 2023 was “IT’S TIME FOR FINANCIAL EDUCATION!”, with three important events taking place during the month of October: the first, World Investor Week, promoted by the International Organization of Securities Commissions, which took place from 2 to 8 October; the second, Pension Education Week, scheduled from 9 to 14 October; and the third, Insurance Education Day, which took place on 19 October. In conclusion, on 31 October, World Savings Day took place.

The Digital Education project



Poste Italiane is committed to promoting digital inclusion through specific pathways and dedicated events, with the aim of fostering the acquisition of skills useful to take advantage of the opportunities arising from current innovations in a conscious and safe manner. The Digital Education project addresses citizens, customers and businesses by offering webinars and multimedia content always available free of charge within the web section, such as infographics, podcasts, games and videos also integrated with LIS-Lingua Italiana dei Segni translation. The topics range from simple information search and evaluation, to the evolution of payment systems, to enertech, digital marketing and AI.

The podcasts feature experts in the Company who contribute to the technological innovation of both internal and end-user activities.

Among the thematic webinars was the meeting “Minors on the Net: from sharenting to digital awareness” with the collaboration of Cristina Bonucchi, State Police psychologist, Head of the Computer Crime Analysis Unit of the Postal and Communications Police, during which the opportunities and risks of being a parent in the age of digitalisation were illustrated.

Activities can be followed on LinkedIn, Facebook and X via #educazionedigitale and in the Instagram stories section.

In 2023, the Company proceeded with the expansion of its product range in the area of financial inclusion, with a focus on offering digital services. In this context, the Postepay Digital service, elected Product of the Year 2023, is the payment solution for everyone that allows transactions both in shops and online via smartphone. Totally digital, the service can be obtained in a few minutes online and from the Postepay app, also via SPID.

With particular reference to the financial inclusion of young people, the promotion “Apri il Conto BancoPosta opzione Start Giovani su poste.it o in App BancoPosta”, designed by Poste Italiane to encourage young people under 30 to open an account, continued. The account can be opened online or by going directly to a Post Office, the fee is free for the first 18 months, and it is also possible to apply for both a Postepay debit card and a credit card without paying an additional fee. The Group keeps track of the number of young people under 30 who, after being adequately informed about the advantages of opening a Banco Posta account, have signed up for the promotion. This allows Poste Italiane to measure the quantitative social impact generated on the target group through the incentives associated with opening an account. In 2023, 4,847 young people under 30 signed up - over 50% more than the previous year - demonstrating the Group’s ability to understand and meet the needs of young people and to actively contribute to the financial inclusion of one of the categories most at risk of exclusion.

As regards Payments and Mobile services, PostePay’s wide range of products and services is designed to guarantee inclusive access to all categories of users, such as new Italians, young people, students and seniors. In particular, the main products and services offered include:

- 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 Green, a prepaid card already elected Product of the Year in 2022, is dedicated to children aged 10 to 17, and is made with biodegradable materials, and composed of 82% polylactic acid of biological origin. Through the Postepay App it is possible to access an innovative payment system, with the possibility of sharing expenses with other Postepay Green holders, and purchasing tickets for transport.

Furthermore, PostePay is committed to enhancing awareness and use of its products through the constant dissemination of information through the available channels, with targeted interventions on the contents reported on the institutional website and FAQ.

Transfer of the tax credit

As of 3 October 2023, Poste Italiane has reactivated the platform for the purchase of tax credits, which had been temporarily suspended in order to adapt procedures to legislative provisions. The service is currently limited to the purchase of tax credits by individuals who have directly incurred the charges, with reference to first-time assignments. In particular, the transfer service is reserved for holders of a BancoPosta current account, which can only be accessed online using SPID credentials. In order to verify subjective and objective requirements for the assignment of the tax credit, specific checks are carried out on the documentary set. However, the customer may withdraw without penalty until acceptance by Poste Italiane on the Revenue Agency platform, using the online cancellation function.

The service is active for applications for assignment by the original beneficiaries of the tax credit and concerns annual instalments receivable from 2024 onwards, related to credits accrued in 2023 or residual instalments of expenses from previous years. As from 8 January 2024, it is also possible to apply for the assignment of annuities only as from 2025, for credits accrued in 2024 or residual instalments of expenses from previous years. The maximum amount assignable is €50 thousand per customer, with a total limit of €150 thousand for all credits assigned to the customer, including those prior to the reopening of the service.

Poste Italiane, Financial Education also in sign language

On the occasion of “International Sign Language Day”, 4 webinars were held with subtitles and a LIS interpreter.

This was a novelty in Poste Italiane’s Financial Education activities with a strong social and inclusive value. The events, broadcast online on 19 and 21 September 2023, covered the topic “Household accounts”, aimed at providing tools for managing and personalising the family budget to achieve life goals, the topic “Savings and investments” where useful tips were shared on how to better manage savings and investments and optimise one’s financial well-being, and finally, the topic “Retirement planning” aimed at providing useful tips for planning retirement paths and living serenely in retirement.

poste

is Green
Transition



Respecting the environment to
create sustainable value.

nibilità

-10% of the **Group's emissions** due to **energy efficiency** in buildings

99% of the **electricity** requirement of the Group
from **sources 100% renewable**

Poste Air Cargo received **CEIV Pharma certification** for excellence
in the transportation of pharmaceutical products

23.9 million euros invested in projects to **reduce emissions**

44.4% of **green vehicles** that make up the corporate fleet

MAIN RELATED
TYPES OF CAPITAL



7.13 Green transition



GREEN TRANSITION FOR US:
scan the QR code and watch the video.



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2023	
	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	-15%	
	Achieve Carbon Neutrality	• Net tCO ₂ e	• 0% tCO ₂ e by 2030	2020	0%	• "Green Challenge" framework currently being implemented
	Reduce Group Scope 1 and 2 emissions in line with science-based methodology	• tCO ₂ e	• -42% by 2030	2020	-19%	
	Establishment of a long-term rental company within the Group (captive) to support, among other things, the objectives of the green transition	• Establishment of a Benefit Company	• by 2024	2023	New	
	Reduce the Group's direct (Scope 1) GHG emissions from physical plant	• tCO ₂ e	• -7,000 by 2024	2020	-13,000 tCO ₂ e	
	Use of electricity from renewable sources	• % of electricity consumed	• ≥ 98% by 2024	2023	>98%	
	Make a large building Carbon Neutral	• Carbon Neutral Buildings	• 0 net tCO ₂ e of a CS by 2023	2020	0%	• PAS 2060 certification obtained for the Padua centre
	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	100%	• Total energy sold produced 100% from renewable sources, certified by the purchase of an equivalent volume of GO. Offsetting total CO ₂ emissions equivalent to gas consumption in 2023 of retail customers supplied.
	Reduce emissions from the postal delivery fleet	• % of emissions produced	• -40% by 2024	2019	-26%	
	Increase the share of environmentally friendly vehicles (electric, hybrid, low emission) of Nexive, SDA, Milkman	• tCO ₂ e	• -15% by 2025	2020	0%	• 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	0%	• Identification of activities instrumental to achieving the target
	Replace the company fleet with vehicles with reduced environmental impact	• No. of company vehicles with reduced environmental impact introduced	• 27,800 by 2024	2019	26,225	
	Introduce Smart Building solutions for the Group's entire physical plant	• GWh of energy consumed	• -8GWh by 2024	2020	-5.5	
	Increase the production of GWh of renewable energy that can be used for self-consumption	• GWh of renewable energy produced	• +20GWh by 2024 • +40GWh by 2026	2020	+12	
	Reduce the Group's direct (Scope 1) GHG emissions from physical plant	• tCO ₂ e	• - 3,700 by 2028	2023	New	
	Decrease the Group's indirect GHG emissions (Scope 2) from building structures considering the Group's scope of 2023	• tCO ₂ e	• - 1,300 by 2025	2023	New	
	Expanding the Group Carbon Inventory (Scope 3)	• tCO ₂ e	• Calculation of relevant Scope 3 emission categories by 2024	2023	New	
	Certify additional medium/large carbon neutral sites (PAS 2060)	• No. of certified sites	• 10 by 2028	2023	New	
	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 2024 • 100% offsetting of CO ₂ emissions related to gas sold to retail customers	2023	New	
	Green Index	• Certified measurement of emissions produced per shipment	• Green index release and certification by 2024	2024	New	
	Development of the proximity network alternative to home delivery efficient, extensive and close to the citizen	• % citizens with a distance of 2.5 km from a proximity point	• > 98% by 2028	2024	New	
	Paper reduction in logistics centres	• No. of sheets	• -39 million by 2024 • -40 million by 2025 • -50 million by 2028	2023	New	
	Promoting green behaviour in specific operational realities	• No. of cross-functional focus groups	• 3 focus groups by 2024	2023	New	



Objective achieved/Objective achieved and updated | Objective not achieved | Deadline for achieving the objective that has not yet expired

MAIN RELATED
TYPES OF CAPITAL



NFS

Environmental impacts of real estate facilities

For the Poste Italiane Group, environmental protection is an essential element in the creation of sustainable value for the community and the territory in which it operates. With this in mind, the Group is committed to using resources responsibly and implementing innovative solutions to minimise negative environmental impacts, in line with the provisions of the Code of Ethics.

Poste Italiane aims to generate a positive impact for the community in which it operates by adopting a more conscious behaviour regarding energy, water and waste management, aimed at the green transition of its activities.



Starting 2024, Poste Italiane is an Early Adopter of Nature Related Disclosure Task Force (TNFD)

Over the years, the Company reinforced its commitment to creating a more resilient financial system through climate-related disclosure by becoming an official supporter of the TCFD (Task Force on Climate Related Disclosures) in 2021 and TNFD (Task Force on Nature Related Disclosures) from January 2024. This initiative underscores Poste Italiane's willingness to operate in compliance with the laws and regulations in force¹⁶⁰, aligning itself with the objectives set at national, European and international level on environmental and energy issues.

In this regard, the management of the process of monitoring, measuring consumption and identifying sources of savings is entrusted to a single company function, which has the task of ensuring the compliance of the Group's activities with current regulations on energy use and oversees the areas of environmental responsibility related to Poste Italiane's real estate assets.

During 2023, in continuity with previous years, environmental protection was considered a priority by the Company, which implemented numerous initiatives aimed at reducing its environmental impact, in line with the Group's ESG objectives.

Among the significant actions implemented by the Group, mention is made of the management of utilities contracts with the purchase of commodities in wholesale markets starting from 2023, the progressive replacement of endothermic vehicles with electric vehicles and the installation of charging stations for electric vehicles. In addition, Poste Italiane is constantly renewing its adoption of data collection tools and management platforms to control consumption and utility bills, considering the monitoring of environmental impact as a key element for a green conduct of its business. Finally, the Group not only increased the production of renewable energy to promote energy efficiency, but also undertook planting initiatives, installed consumption data collection tools and encouraged internal team development dynamics and conscious energy use behaviours by employees.

Poste Italiane identifies the Principles and initiatives on environmental sustainability towards which to direct its commitment and action through the Policy on environmental sustainability, a tool adopted by the Group in 2019 useful to formally communicate to stakeholders the green approach of its business model related to business, logistics and transport activities and property management.

The document is divided into various Principles, which outline the ways in which Poste Italiane acts and intervenes in the field of environmental sustainability. In particular, this Policy deals with issues such as efficiency in the use of resources, innovation to support the transition towards a low-carbon economy, the reduction and prevention of the environmental footprint and the promotion of a culture attentive to the environment.

160. During the financial year 2023, the Company was not subject to any fines or penalties related to non-compliance with environmental regulations.

As confirmation of the willingness to reduce the environmental impact of its activities, over the years, 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.

With a view to improving and making its performance efficient, the Group has developed an Environmental Management System compliant with the ISO 14001 standard, which is fundamental for the systemic management of environmental aspects related to business processes and achieving Poste Italiane's sustainability objectives. In addition, in order to achieve continuous improvement in performance, the Company has implemented a series of initiatives focused on issues of environmental protection and respect in order to promote actions and interventions aimed at reducing the impacts related to the performance of its activities.

In particular, Poste Italiane identifies three areas of intervention necessary for the achievement of the objectives and Principles set out in the Policy on environmental sustainability, envisaging for each one several specific actions, described in detail 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, aimed at 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, aware that 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.

Poste Italiane's focus on environmental sustainability is evidenced by numerous initiatives implemented in this area, such as projects aimed at increasing the production of energy from renewable sources through the development of photovoltaic solutions and those aimed

at contributing to the absorption of CO₂ and other climate-changing emissions through the planting of green areas on Group land and buildings.

Procedures for identifying and assessing risks inside and outside the Group, dialogue activities with stakeholders and systems for reporting violations and sanctions make it possible to periodically monitor the effectiveness of the approach adopted by the Company.

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: through this Policy, Postel SpA 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, the Policy 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: the Policy establishes and presents the principles relating to the proper management of quality, environment and occupational health and safety issues. In particular, SDA SpA 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, the Company 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.

Poste Italiane's green strategy

PAS 2060 certification obtained for the Padua Sorting Centre



During 2023, Poste Italiane completed work on the Padua Sorting Centre, aimed at transforming the site into a carbon-neutral location.

Specifically, through strategic planning and the definition of intervention guidelines, the Padua Sorting Centre is able to achieve a balance between daily carbon dioxide emissions and those absorbed or not produced by it, in carrying out its various activities. To this end, through the installation of 90 probes with pipes that go into the ground for at least 130 metres, the Padua site is able to obtain energy from geological sources in the subsoil, capturing the natural heat of the ground. The aim is to replicate the model in all Poste Italiane's areas with suitable characteristics to that of the Veneto city.

The initiative, which is part of the Group's broader goal of achieving Carbon Neutrality in 2030, led to the achievement of PAS 2060 in 2023, certifying the site's neutrality of CO₂ emissions in accordance with the most stringent environmental requirements.

The Group is aware that energy efficiency is crucial to succeed in combining economic growth and sustainable development. For this reason, in adopting an exemplary environmental behaviour, Poste Italiane bases its strategy on the following areas of intervention:

99%

of the purchased Group's electricity comes from 100% renewable sources, certified by Guarantees of Origin

Renewable sources. Poste Italiane achieves the goal of making the impact of its business activities even more sustainable through the installation of photovoltaic panels in the buildings it owns, located throughout the country. In 2023, the implementation of the photovoltaic project continued with the installation of 39 systems for about 3,500 kWp. Administrative activities related to the connection of installed sites to the national grid also continued, significantly improving connection times - which were reduced to an average duration of about 3 months - through daily dialogue with local distributors and suppliers. The total number of completed plants, including installations from previous years, is 202, of which 35 installed up to 2021, 128 installed in 2022 and 39 installed during 2023, with a total capacity of about 13,953 kWp. Also including the plants built under the Polis Project, the total number is 308, of which 145

-10%

Scope 1 and Scope 2 emission reductions achieved through building energy efficiency initiatives

in 2023, with a total capacity of approximately 15,753 kWp. The self-consumed photovoltaic production in 2023 is thus increased by 2,772 MWh, corresponding to avoided climate-altering emissions of about 813 tCO₂e.

With this in mind, the Poste Italiane Group is pursuing a very broad sustainability path, aimed at the construction of 1,400 photovoltaic systems by 2026, which will cover 15% of the Company's energy needs. Of these, about 300 medium/large sized plants will be built by 2024 and will cover all regions, representing one of the most significant interventions on the Italian scene in recent years and certainly the most widespread initiative ever carried out in the country. Among the best practices with regard to this type of plant, in 2023, the Group inaugurated the largest photovoltaic plant in Sicily, the "Centro Meccanizzazione Postale" in Palermo, with a system that made the production cycle of the site totally self-sufficient thanks to a production of over one million kilowatts.

roughly **6,700**

Tonnes of saved carbon dioxide thanks to the energy efficiency initiatives implemented

Smart buildings. Confirming the Group's commitment to safeguarding the environment, in continuity with previous years, the Smart Building project was promoted for the creation 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. Financed by the European Investment Bank, the project plans to implement a Building and Energy Management System (BEMS) on 2,000 Poste Italiane buildings through a single platform for the integrated supervision, management and control of plants, optimising maintenance management and energy efficiency. Specifically, the intervention includes the installation of sensors and systems for controlling and monitoring systems in buildings, as well as the connection with a centralised platform that allows the progressive optimisation of the management of systems and environments. Poste Italiane fully represents the extreme diversity of climatic conditions that characterise the Italian territory, as it has in its assets thousands of buildings scattered in every climatic zone and at every latitude and altitude of the territory in which it operates. This diversity requires flexible technical solutions that are not only able to adapt to a variety of conditions and ensure optimal comfort of the environments for both staff and customers, but also to use as little energy as possible and maximise the efficiency of the systems in order to reduce breakdowns and prolong their service life. In 2023, the number of new installations amounted to about 379, including the 24 installations carried out within the Polis Project, plus those related to the so-called "improved offer" of the "Multiservice" contracts, bringing the total number of sites on the BEMS platform to about 2,000.

100

Group sites subject to the replacement of gas boilers with heat pumps

Energy optimisation. On the subject of energy efficiency, Poste Italiane has launched a decarbonisation project aimed at replacing gas boilers with heat pumps on about 100 sites, saving about 3,566 tCO₂e.

In addition, during the year, the Company implemented various measures aimed at reducing the consumption of resources and focused, specifically, on optimising the heating and cooling systems of some of the Group's sites. In this regard, multiple levers were used, including the renewal of systems that have reached the end of their life cycle with more efficient equipment, the renovation of buildings to improve thermal efficiency, the review of heating and cooling methods through the use of carriers such as diesel and natural gas and the use of heat pumps powered by electricity. These interventions were carried out according to the technical parameters, updated annually by the Energy Services Manager (GSE), which indicate the types of solutions suitable to benefit from incentives for the greater efficiency of the installed equipment.

Furthermore, the Company has maintained the energy efficiency project aimed at optimising the air conditioning and heating systems in some of the Group's structural sites, for a total budget of €8.5 million invested in 2023.

23.9
million

invested in projects
to reduce emissions

LED lighting. In 2023, Poste Italiane's commitment to the use of smart technologies continued. In fact, over the years, the Group has installed LED technology lighting systems, which reduce energy consumption by 50%. In this regard, 21,018 lamps were installed during 2023 reaching 433,337 at the end of the year since the start of the project.

Encouraging virtuous behaviour. The Poste Italiane Group is constantly striving to improve the efficiency and sustainability of its operational processes and, also in 2023, it launched and maintained several projects aimed at the "virtuous" reuse of assets and equipment/tools deemed obsolete but which can still have a "second life", confirming the importance for the Company of the issue of reducing the amount of waste produced. These initiatives, such as "Valori Ritrovati" promoted in cooperation with Caritas since 2019, consist in removing certain goods and equipment from the waste management cycle by handing them over to third parties for reuse. Poste Italiane also adheres to numerous initiatives aimed at raising awareness of the rational use of energy, such as "Earth Hour", a day on which the Company switches off or dims the lights in its offices, and "M'illumino di meno", promoted by the WWF in order to increase awareness of the value of nature and contribute to safeguarding the planet. 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.

Poste Italiane participates to "Earth Day"

"Investing" in the Planet



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. In 2023, the 53rd edition of the event focused on supporting events aimed at raising awareness of good practices with a view to environmental sustainability, with a spirit of collaboration between citizens and governments from all over the world. At the end of the day, a memorandum with 52 tips for reducing environmental impact was published.

In addition, Poste Italiane took part, for the fifth consecutive year, in Green Postal Day, an event promoted by the International Post Corporation in cooperation with PostEurop. This initiative aims to highlight the environmental and commercial successes achieved by the postal industry through collaboration within the sector to reduce CO₂ emissions. By participating in this event, the Company 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.

In addition, the Group promotes the consumption of certified and recyclable products with respect to internal and external printing and consumables, demonstrating a constant and growing concern for the environment. The supplies of consumables, such as original and regenerated consumables, reams of paper, packaging, the supply of labels, forms and cartons, in fact, implement, where applicable, the Minimum Environmental Criteria (CAM) established by the art. 34 of Legislative Decree no. 50/2016 and art. 57 of Legislative Decree no. 36/2023, as well as the use of specific product certificates/ecological quality labels compliant with ISO 14024.

Postepay Green

made of sustainable
material, 82%
polylactic acid of
organic origin

Poste Italiane's attention to environmental sustainability policies is also demonstrated by the use of FSC (Forest Stewardship Council) certified paper for the Group's mass printing plants, which guarantees the procurement of this material through a value chain that promotes environmentally friendly, socially useful and economically sustainable forest management. Furthermore, in line with the commitment to use recyclable materials, part of the traditional credit card requirement was replaced by cards of vegetable origin. Specifically, the Company maintained its plan to replace traditional payment cards with cards made of sustainable materials, renewable biomass and recycled plastic from the oceans, such as the new Postepay Green, which is made of environmentally sustainable material and 82% of which is composed of polylactic acid of organic origin.

Poste Italiane has always paid particular attention to the social and environmental aspects linked to the management of its supply chain, aware that developing transparent and lasting relationships with suppliers and paying the utmost attention to quality, respect for the environment, safety and the implications of a social nature in the procurement process allows both to pursue an objective of public interest for the entire country system and to constantly improve the service offered to its customers. The integration of sustainability issues in tender procedures and ESG criteria in the technical evaluation of offers allows the Group to pursue its goal of promoting sustainable change through projects with a significant impact, such as logistics, decarbonisation of buildings and consumables, while at the same time fostering a focus on the responsible use of resources, investment plans, technological development and the greening of more traditional requirements.

From this perspective, the Sustainable Procurement Model adopted by the Group for the planning and preparation phase of the tenders provides for differentiated control which, in addition to promoting sustainable innovation of materials and processes also with a view to the Circular Economy, verifies and proposes a possible alignment with the general framework of Green Public Procurement (GPP - Green Public Administration Procurement), 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 corporate sizing of the supplier. More specifically, KeyESG are non-financial criteria that make it possible to measure sustainability in environmental, social and governance terms, assessing a company's ESG performance and, therefore, the degree to which its business activities conform to principles that express – among others – respect for the environment, non-discrimination and inclusion in the work and social context, and the efficiency and adequacy of the organisational set-up adopted, also in terms of anti-corruption.

Within the framework of the 2020-2023 Sustainable Procurement Plan, the Poste Italiane Group has largely achieved its objectives, including the introduction of governance assessment requirements to complement the ESG model, the contextual coverage in 90% of tenders launched with OEPV of at least two of the ESG aspects, the increase of ESG weight in the technical offer, compliance with ISO 20400 certifying the integration of social responsibility in procurement activities, and the dissemination of the concepts of sustainable practices through internal newsletters and portals. Poste Italiane, in fact, aims to promote the adoption of ESG criteria in the selection, evaluation and monitoring of suppliers, mitigating any ESG risks in order to increase the effectiveness of company processes and the competitiveness of the supply chain.

Consistent with previous years, the Company has integrated the criteria envisaged by the GPP with the aim of combining sustainability in terms of reducing environmental impacts and rationalising costs, applying, where applicable, the indications on CAM, established through specific Ministerial Decrees. In fact, tender procedures with technical offer (OEPV) include, in almost all cases, ESG criteria.

The Poste Italiane Group promotes the supply of food with BIO, PGI, DOP, sustainable fishing etc. certifications, with quantities exceeding the minimums prescribed by the CAM. Consequently, local suppliers involved in the supply chain of food products intended for canteens and bars are also required to guarantee certified products.

In addition, since 2019, the Group has embarked on a deplasticisation of company canteens aimed at significantly reducing its environmental footprint. The supplier register is developed through a qualification system for regional and territorial areas, encouraging local labour and a zero-kilometre supply of materials. The use of this approach in the process of awarding works contracts, and in particular for those concerning construction-system interventions, allows Poste Italiane to maintain low procurement costs and simultaneously reduce its environmental impact.

Poste Italiane's entry in the market of selling energy to Italian households

Poste Italiane's entry into the electricity and gas sector was accompanied by the "Energia160" promotion, introduced in honour of the 160th anniversary of the Group, and offers a discount on electricity and gas supplies for its employees and pensioners. The "Poste Energia" promotion, aimed at the free market and available at all Post Offices, on poste.it and on the Postepay and BancoPosta apps, is based on the following pillars: transparency, predictability and sustainability.

As far as the operation of the offer is concerned, which is transparent and completely green, the price of the raw material for electricity and gas is locked in for a period of one or more years (2 years for the offer proposed until August 2023, 1 year for the offer proposed thereafter), and there are two payment options: the traditional one, with a variable amount based on monthly consumption, and the fixed instalment option, calculated on the basis of the previous year's consumption. This innovative solution allows the customer to pay the same monthly amount for 12 months, allowing energy expenses to be planned on the household budget, and at the end of the year, it is recalculated for the following year, up or down, based on the actual consumption recorded.

"Poste Energia" is a transparent, predictable, innovative and sustainable service that, in line with the Group's philosophy, strengthens the relationship of trust between citizens and the Company. This service contributes to the strategic objectives of a multi-platform company with a diversified business consisting of postal and logistics, financial, insurance, payment, telephony and energy services.

In addition, the "Poste Energia" offer stands out for its focus on environmental sustainability, promoting conscious consumption practices and offering electricity from 100% renewable sources produced in Italy, with carbon dioxide emissions from gas released for consumption fully offset. Finally, the promotion is easy to subscribe to and minimises paper consumption, as only a recent utility bill needs to be presented.

The supply of electricity and gas expands the multi-channel range of services offered by the Group, such as postal, financial, insurance, digital payments, telephone and Internet connection services via fibre. The Group uses an approach based on reliability and transparency, maximising the predictability of customer spending through "pull" commercial channels, i.e. activated by customers according to their will, as opposed to "push" channels, which push customers towards choices that are not always conscious or correct.

With this new service, Poste Italiane aims to play a key role in the country's energy transition, simultaneously developing an advanced digital customer experience and relying on the widespread network of Post Offices, close to the territories and people.

Waste Management

The progressive reduction of waste produced in all activities, the use of products with less impact on the consumption of raw materials and the growing attention to the life cycle of the materials used and the reduction of packaging are part of the environmental sustainability strategies of Poste Italiane. Although most of the waste generated by the Group's activities is non-hazardous waste, such as waste paper, cardboard and plastic packaging and wooden pallets, at some sites, to a residual extent, the production of special waste classifiable as special hazardous waste, such as containers of printing inks or ink waste, may occur. With this in mind, the Group is constantly striving to progressively eliminate from its purchasing cycle products and materials that, at the end of their life cycle, generate special hazardous waste, giving preference to similar but more environmentally friendly products, including through the adoption of CAM. Special waste

100%
green

Electricity and
gas offers

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 no. 152/2006 and the like (e.g. forms, loading/unloading register, MUD). The share of recyclable waste, on the other hand, is sent for recycling/recovery through active transfer contracts, and currently mainly concerns the recycling/recovery of paper and cardboard, plastic, wood and marginally ferrous materials.

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 no. 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 continuous assessment of impacts and the implementation of countermeasures through the precise definition and attribution of roles and responsibilities within its organisational structures. The responsibilities of the various company organisational units relating to the activities that influence waste management and, in general, to environmental issues, are documented in detail in the organisational structures and specified in the activity declarations contained therein. Verifying the conformity of processes related to proper waste management is a practice that is constantly carried out by checking the technical and professional suitability requirements of the collection and recovery and disposal service providers. This verification extends to the control of service levels and the supervision of operational processes within the sites. The plant-structural audit activity at the sites also includes verification of the conformity of the waste management processes produced, with particular attention to the correct management of collection points, temporary storage, separation by type and the processing and keeping of the required documentation (Forms, MUD, etc.). Furthermore, the Group has promoted initiatives to raise awareness on the topic of waste management, especially in sites where correct separation and disposal constitute an added value in terms of the possibility of recovery/recycling.

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, within the framework of the adopted Environmental Management Systems, risk and opportunity assessments are carried out in order to plan actions for continuous improvement in waste management. The criteria used are defined according to the peculiarities 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.

The monitoring of waste production data is conducted both in the context of the specific procedures/methods referred to in the Environmental Management System and in the context of periodic reporting, such as the preparation of annual activity reports. As for the actions implemented to mitigate risks and, where possible, seize opportunities, these are proportional to the impact of waste generation depending on the site and type.

As part of its environmental sustainability initiatives, in 2023, the Poste Italiane Group maintained its Environmental Management System, adopted and certified according to ISO 14001, extending it to all sites in Italy with an applied 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. The objectives identified and their achievement are verified and defined in the management systems review, as well as in periodic monitoring and control activities.

Water resource management

As regards the water supply in the sites owned by Poste Italiane, this occurs through withdrawal from the national water network, mainly intended for use for sanitary purposes, with the consequent discharge into the municipal sewer system. The Group's objective is to minimise the overall use of water resources, by monitoring consumption, and to minimise the volume of water to be disposed of as industrial waste, by monitoring production.

As regards the activities of Postel SpA, water is supplied through local aqueducts or from wells for which it has a concession, mainly for uses similar to domestic ones or for air conditioning systems. Only at the Melzo and Pomezia sites is the water used for industrial purposes, with waste from industrial activities directed to disposal plants. Water that can be assimilated to domestic water or water from precipitation, on the other hand, is disposed of in accordance with local regulations and the relevant concessions.

With reference to the activities of SDA SpA, the water supply of the sites comes mainly from municipal aqueducts and only in three 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.

As concerns water consumption monitoring, Poste Italiane adopts an integrated quality/environmental/safety management system certified according to ISO 14001:2015. At the SDA SpA offices, a meter reading register is compiled on a monthly basis, in which the water consumption readings are noted. These data are centralised to calculate the overall annual consumption and the average daily consumption. On the basis of consumption, through a specific indicator called "WCI" (Water Consumption Indicator), it is possible to relate consumption to productivity, i.e. "litres/shipping". Subsequently, a ranking is drawn up highlighting the locations with high consumption, in order to identify any anomalous situations. The objective of the SDA SpA offices is to maintain a level compliant with the average value of the WCI indicator, with the aim of reducing the WCI by 5%. The volumes of water resources used and discharged, in accordance with the provisions of the various concessions, are reported to the local authorities, who proceed with the prescribed analyses. Suppliers contracted to use water resources under Group agreements manage this resource in accordance with the contractual clauses and local concessions in force at the sites where they operate.

MAIN RELATED
TYPES OF CAPITAL



NFS

Environmental impacts of logistics

Aware of its widespread presence throughout Italy and aware of the potential contribution that can be made to mitigating environmental impacts, the Poste Italiane Group attaches primary importance to these issues in the course of its activities and in defining its Sustainability Strategy.

With the aim of generating a positive environmental impact in the context of logistics operations, the Group aims to support the green transition of its fleet.

In line with previous years, in 2023 Poste Italiane continued to implement sustainability initiatives, with particular attention to reducing the environmental impact deriving from the corporate fleet. In this regard, a fleet of 14,189 alternative fuel vehicles is already operational, including electric, methane and LPG.

The Fleet Renewal Plan, initially launched in 2019 with the aim of replacing the entire fleet of vehicles intended for the delivery of postal products with green vehicles, continued in 2023 through a series of measures aimed at reducing energy consumption, atmospheric emissions, improving safety and increasing carrying capacity for delivery. In parallel with the increase in safety levels through the replacement of two-wheeled vehicles with three- and four-wheeled vehicles, electrically powered vehicles have been strengthened in order to promote “ecological mobility”. To improve the organisation of delivery loads, Poste Italiane has introduced larger and more functional vehicles for parcel transport and delivery needs, implementing new equipment.

Improving the environmental performance of the Group’s fleet has a significant impact on reducing greenhouse gas emissions. By virtue of this, Poste Italiane has confirmed its commitment to pursuing the complete renewal of the vehicle fleet, increasing the green component of the fleet itself, through the introduction of electric and hybrid cars and motorcycles in line with the ESG objectives of reducing emissions by 40%. The results of this policy are evident, as the Company went from 11% of green vehicles in 2016 to 44.4% in 2023, increasing the number of these vehicles by 24% compared to 2022, in line with the goal of replacing the entire company fleet with low-emission vehicles by 2024.

-26%

PCL owned fleet
emissions compared
to 2019

In accordance with the Group’s objectives aimed at promoting the use of renewable sources and rationalising energy consumption deriving from fossil sources, since 2018, the Company has been promoting and supporting the new green evolution plan of the company fleet and the delivery plan “Joint Delivery”, two fundamental pillars in the company strategies for achieving predefined objectives regarding environmental sustainability. By implementing the “Joint Delivery” plan, Poste Italiane is adopting a model that allows a radical reorganisation of the delivery network and its operating model. This implies a transition from a single-network set-up to a two-network set-up, differentiating by mode, delivery frequency and type of product handled. This strategic approach is designed to optimise the efficiency of delivery operations. 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.

The Green Delivery Model

Benefits:

- about 11 million passages saved and about 2 million km avoided
- avoided emissions of 244 tonnes CO_{2eq} and 866 kg of air contaminants
- each parcel delivered avoided the emission of 15.5 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, on the one hand, guarantees greater flexibility for customers and on the other, generates environmental benefits.

Poste Italiane customers, in fact, can make use of both the PuntoPoste network (consisting of more than 15,700 pick-up points such as tobacconists, bars, stationers, newsagents, Kipoint shops, Carrefour and API service stations) 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 2023, through the PuntoPoste network and Post Offices, around 11 million parcel deliveries could be avoided, resulting in savings around 2 million kilometres by the Italian Post Office fleet.

The increase in the number of journeys avoided and the resulting kilometres saved compared to the previous year is the result of the significant growth in volumes handled through the PuntoPoste network and Post Offices, and thus the efficiency of the “Green Delivery” model. In fact, through the capillarity of its postal networks, the Group currently manages to cover 95% of the population within a 5-minute radius.

In addition, there was also a considerable increase in the number of electric vehicles in the Group’s fleet in 2023, enabling the “Green Delivery” model to achieve positive performance in terms of avoided emissions and air pollutants.

In fact, the journeys saved and kilometres avoided thanks to the Green Delivery model avoided the emission of 244 tonnes of CO_{2e} and 866 kg of air pollutants into the atmosphere (i.e. COVNM, NH₃, SO₂, NO_x, PM₁₀, PM_{2.5}).

In particular, each parcel delivered through the Green Delivery model resulted in a saving in CO_{2e} emissions and air contaminants of approximately 15.5 grams.

As regards the details of the green fleet transformation project, during the year, Poste Italiane completed the fleet of approximately 2,200 electric vehicles, approximately 800 hybrid electric or methane vehicles and approximately 700 low-emission vehicles.

44.4%

of the fleet consisting of green vehicles

The green fleet reached 44.4% of the total Poste Italiane fleet in 2023: there are over 8,000 bi-fuel vehicles including cars and vans and over 5,800 electric vehicles. The total number of vehicles with reduced environmental impact introduced starting from 2019 is equal to 26,225 vehicles, and by 2024, Poste Italiane expects to reach 27,800 vehicles by 2024.

Poste Air Cargo

CEIV Pharma certification obtained

Poste Air Cargo, Poste Italiane’s air fleet, has received CEIV Pharma certification, attesting excellence in the transport of pharmaceutical products with the highest safety standards. The certification enables compliance with the requirements of companies in the pharmaceutical sector, ensuring temperature-controlled transport in accordance with international standards.

The modern fleet of five Boeing 737, supports various sectors, including pharmaceuticals, agribusiness, automotive and e-commerce. The night network connects eight Italian airports and extends across Europe, the Mediterranean Basin and the Middle East, offering flexible solutions. Operating bases in Milan Malpensa and Rome Fiumicino facilitate national and international coverage.

Poste Air Cargo stands for high safety and quality standards, a member of IATA and IOSA certified. EASA Part 145 compliance for line maintenance and ATO for B737 training contribute to the company’s professional reputation.

Starting from January 2019, the Group has implemented the “Fleet Management” function, conceived with the aim of outlining, managing and organising company strategies in the vehicle sector. This function assumes the responsibility of defining and guaranteeing the governance, guidelines and tools adequate to ensure the best services relating to the entire vehicle fleet of Poste Italiane and the Group companies.

In addition to its established initiatives on sustainable mobility, Poste Italiane takes measures to positively influence people’s current and future behaviour. The aim is to integrate these behaviours into a new normality that favours environmental protection.

Sustainable mobility

Poste Italiane’s main initiatives

- Work from home for staff personnel;
- **subsidised purchase** of annual season tickets for Group employees and their families;
- **TPL** in 9 metropolitan cities, as well as in the Lombardy Region for regional rail transport and in the Tuscany Region and its provinces for extra-urban, urban and rail transport, for the 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;
- **eco-Drive in brief brochure**, available on the intranet, aims to illustrate what can be done in terms of urban mobility to reduce pollutant emissions and to convey a series of recommendations to encourage environmentally friendly, economical and safe driving, helping to raise the driver’s awareness of fuel economy and thus the reduction of CO₂ in the air;
- **Changing Room**, the changing rooms for cycling and running employees;
- **#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** and **#MyFiabFamilyCard campaign** to help spread the culture of sustainable mobility and encourage company employees and their families to rethink the range of available transport options and related benefits, with the awarding of FIAB cards for one year that include the use of a range of services, including H24/7 third-party liability insurance for bicycles in Italy and Europe;
- **awareness-raising campaigns** related to sustainable mobility issues to promote rethinking the way we move around the city;
- **#VideoTest**, multimedia video with self-assessment test, “Your low emission day. How to make your daily mobility more sustainable and safer”;
- **publication of** the e-Book “Smart City: a window to the future”;
- **News Magazine** bi-monthly dedicated to sustainable mobility and **Time & Money Saving section** within the PMO portal.

Home-Work Travel Plan 2023

Sustainable mobility

Poste Italiane believes that the management of systematic movements of its employees is a fundamental element capable of generating positive impacts, both direct and indirect, on the relationship with key stakeholders that can be enhanced.

The environmental impact deriving from home-work trips represents one of the main indicators of the effectiveness of the Home-Work Commute Plan (PSCL). Annual monitoring not only allows reporting on the current situation, but also allows estimating the emission trend caused by systematic corporate mobility.

The PSCL is aimed at reducing private vehicle traffic and identifying measures to guide the home-work journeys of employees towards sustainable forms of mobility alternative to the individual use of private motor vehicles. This direction is based on the 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.

The car fleet in circulation is surveyed through the aggregated results of the survey conducted in 2023, where specific information was requested regarding the private vehicle used for home-to-work travel. Detailed data on the composition of the workers' car fleet was 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.

The objectives relating to the reduction of CO₂ emissions form the core of the joint venture agreement signed between Poste Italiane and sennder, the European leader in the digitalisation of freight transport. Through the collaboration with sennder, the Group aims to enhance the efficiency of road transport over long distances, extending its coverage to all segments of full load transport and the movement of packages and letters between the sorting and distribution hubs of the entire Group.

Poste Italiane in Green Postal Day 2023

Together to combat climate change

Poste Italiane took part in the fifth edition of "Green Postal Day", this year coinciding with the international Zero Emissions Day. The initiative was organised in cooperation with PostEurop to highlight the contribution of postal operators to the reduction of CO₂ emissions and the global fight 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 year 2023 marked the Group's commitment to convert 50% of the company fleet currently in use to vehicles using fuels from sustainable sources by 2030. This initiative contributes to the achievement of the objectives of the 2024-2028 Strategic Plan.

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.

With regard to the supplier selection process, Poste Italiane implements specific criteria to monitor the indirect environmental impact. Specifically, the Company carries out a verification of the technical-professional suitability of its suppliers by requesting, for qualification, the satisfaction of specific requirements, including the composition and type of vehicles in their fleet. In particular, for vehicles used in services, the Group requires compliance with European standards on polluting emissions with a class no lower than EURO6 and that XL boxed or curtainsider semi-trailers equipped with TIR cable are equipped with a GPS system for transmission of all detections on the position of the vehicles.

In the context of purchasing logistics services, Poste Italiane maintains an approach in line with sustainability issues, selecting and rewarding suppliers who adopt practices aligned with the environmental, social and governance aspects promoted by the Group. For transport services, a score is assigned that enhances eco-sustainability for suppliers who use vehicles with lower CO₂ emission classes.

Compliance with the reference MEC is also required for footwear and Personal Protective Equipment (PPE). In addition, incentives are given, through the technical score awarded, to bidders who propose solutions aimed at the recyclability of packaging. In parallel with the services mentioned, when purchasing technological systems for sorting parcels and letters, offers characterised by low energy absorption during use are preferred.

Offsetting of aircraft fleet emissions

ETS quotas



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 2023, influenced by the current socio-economic context, are characterised by stable quotations, with an average CO₂e price of about €84, slightly higher than in 2022, which was about €81. 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.

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pooste

is Customer
experience



Service quality and accessibility,
attention to customers' needs.

nibilità



83.8% of customers are **satisfied** with the Group's services

44% of contacts handled by artificial intelligence

-42% IT security breaches/cybersecurity incidents

Obtained **Premio allo Smau (Award at Smau)** for innovation in **customer care service** systems

MAIN RELATED
TYPES OF CAPITAL



7.14 Customer experience



CUSTOMER EXPERIENCE FOR US:
scan the QR code and watch the video.



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2023	
	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	21.8%	
	Promote knowledge and skills development within the sales network	<ul style="list-style-type: none"> hours per capita for employees working in the sales network 	<ul style="list-style-type: none"> 90 by 2024 	2022	124.2 hours per capita per year delivered to the financial and insurance target of the sales network	
	Evolution of the Service Model through the specialisation of Financial Advisors based on the clientèle target into Personal, Dynamic and Premium	<ul style="list-style-type: none"> Number of specialised advisors 	<ul style="list-style-type: none"> 8,450 by 2024 	2020	8,303	
	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	8.4%	
	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	<ul style="list-style-type: none"> % number of transactions since solution release 	<ul style="list-style-type: none"> 30% by 2024 	2022	Preparation of activities for the initiative	
	Increase customer experience	<ul style="list-style-type: none"> Value of the Group's Customer experience 	<ul style="list-style-type: none"> +10pp Net Promoter Score by 2028 	2023	New	
	Raising awareness among the corporate population on procedures for secure access to corporate applications from external networks	<ul style="list-style-type: none"> No. of communication campaigns dedicated to MFA (Multifactor Authentication) Mail, communication on intranets, apps, coupon space and dedicated channels TG Poste service 	<ul style="list-style-type: none"> 1 campaign by 2024 	2023	New	
	Definition of Corporate Accelerator with "Hub&Spoke" model to support national entrepreneurship also from a D&I perspective (start-ups, female entrepreneurs, etc.)	<ul style="list-style-type: none"> No. of initiatives 	<ul style="list-style-type: none"> 4 by 2028 	2023	New	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

MAIN RELATED
TYPES OF CAPITAL



NFS

Quality and Customer experience

Customer satisfaction constitutes a central objective in the quality policies of the Poste Italiane Group, which is committed to pursuing it by actively promoting moments of listening, which are fundamental to ensuring constant improvement in the quality of the products and services provided. In a context characterised by rapid development and evolution, with the ever-increasing spread of mobile devices, social networks, e-commerce, multi-channel services and artificial intelligence, offering a unique and distinctive experience becomes particularly important. The correct approach within these channels allows to establish a solid relationship of trust and detect any changes in customer habits and behaviours.

Fundamental values such as courtesy, transparency, fairness and impartiality, which guide the Group's approach to its customers, are described in the Code of Ethics, ensuring that customer relations are managed on the basis of correct, healthy and profitable principles.

Poste Italiane places customer satisfaction at the centre of its priorities, offering a high level of experience and basing its service on understanding and active listening, capable of intercepting with quality and professionalism the different needs of customers.

In this context, the Company is committed to a monitoring process aimed at both the continuous improvement of the quality actually delivered of the services offered, and that perceived by the end user. Thanks to a system of KPIs and a regular reporting system covering the entire range of products and services offered, the Company ensures that management is constantly updated on the progress of the relevant trends, and is therefore able to offer a high level of quality delivered. The organisation has put in place a process of continuous improvement of the customer experience, starting with listening (internal and external) and AI-based process analysis. In continuity with previous years, Poste Italiane has pursued the development path of connected experiences with greater intensity, allowing the start of integration between customer assessments, operational performance and competitor results.

In the area of Mail, Communication and Logistics (PCL), a customer satisfaction survey was also conducted in 2023 to assess citizens' satisfaction with the parcel and postal delivery service. In addition, transactional surveys have been in place since March 2023 to assess recipients' satisfaction with the mail and parcel delivery service, the results of which are monitored using a "Perceived Quality Dashboard".

In the field of electricity and gas supplies and mobile and landline services, the customer experience is strongly influenced by regulatory aspects, particularly in the field of energy. This implies that the management of the issue includes close monitoring of regulatory developments and, where possible, dialogue with the Authorities in order to ensure compliance and at the same time, maintain an optimal customer experience that is harmonious with the rest of Poste Italiane's products and services. For this reason, following the market launch of the Poste Energia offer in February 2023, market research, surveys, Net Promoter Score (NPS) and CES analyses, usability tests and other research activities with users were conducted during the year to gather feedback aimed at constantly improving the products and services offered.

As far as Post Offices are concerned, the Post Office Network structure has maintained active 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.

With reference to the value the Company places on the quality perceived by customers, a customer experience target has been set for 2023 for recipients of the MBO (Management by Objectives) programme. Consequently, a dynamic model was developed that is able to set targets by considering the changing context through the analysis of internal and external signals. This model is also able 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 measuring the Customer experience, in order to cover all significant interactions with customers. The target components for the different business segments and channels were updated to facilitate a better comparison with external, internal and competitor signals. These also include the business areas measured in the previous year. 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.

PCL measures customer satisfaction with an innovative dashboard



During 2023, the PCL (Mail, Communication and Logistics) function was equipped with a Perceived Quality Dashboard, a tool that monitors the perception of the quality of delivery and postal products (registered mail and parcels), detected through a system of surveys sent to the receiving customers after the delivery service.

The dashboard measures the quality delivered by the network and its performance, makes it possible to target action plans and interventions on off-target quality KPIs (indicators) and to report annual company results. The system collects data and information from logistics nodes throughout the territory to provide a 360-degree view of the results achieved, by means of various channels and tracking systems, such as the PDA of post officers, the Sorting Centres tracking systems, the sorting and tracking systems of the SDA HUBs and Branches, and the Tracking System. It is a constantly evolving platform that adapts to changes in operational and logistical processes. The system now allows a daily view of the performance trend, giving an almost real-time snapshot of the network's performance.

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, i.e. spontaneous customer responses on critical areas encountered during the customer journey with Poste Italiane products and services, obtained by means of periodic surveys in relation to the Group's ESG objectives. These opinions are then translated into Net Promoter Score terms, which is a measure of customer satisfaction to the point of recommending products or services to others. Based on these assessments, the business units identify the critical issues on which to intervene and direct their improvement actions, which are communicated by each owner within the Company in order to be implemented.

83.8%

of customers say they are **satisfied** (engaged) with the **Group's services**

The continuous listening model is guaranteed through the Customer Feedback Management (CFM) service, a company service activated for conducting surveys on the quality perceived by customers in relation to the Group's products and services. This tool provides real-time survey results, exploiting a highly efficient semantic engine. Poste Italiane is actively working to consolidate itself as an ecosystem platform for the provision of innovative products and services following a customer-centric perspective, enabling operational and business models quickly and aligned with growing market and customer needs. In particular, during 2023, the realisation of the advanced reporting of all CX results through a Customer Intelligence module was completed, which is a fundamental tool to support the business units in direct improvement. Improvement measures also include the use of a Process Mining solution for analysing the processes acted upon in order to identify unknown "patterns" useful for improving the customer experience. Within the framework of the Customer Listening structure, several projects were carried out to create a solid base of skills, methodologies and

more
than 340

Resources
deployed in the
cross-functional
task Force in 2023

tools for the consolidation of a data-driven approach to process improvement. In 2023, the first projects on production data were also started: Health Claims settlements, Successions, Over-the-counter Savings Books, Poste Delivery Web. To support the improvement process and the Customer Experience Improvement Plan, a cross-functional Task Force is also active, mobilising more than 340 Group resources.

The impact of digital transformation is of significant importance in several sectors, with particular relevance in the postal context. Poste Italiane is therefore called upon to recognise these transformations and to take targeted action to offer customers new tools that are indispensable for meeting their needs. With an increasingly omnichannel focus, the Group has adopted an innovative approach in integrating traditional services usable through the physical network with new digital offerings accessible on the move.

The initiatives launched and pursued during 2023 cover most of Poste Italiane's business areas, such as the ongoing process of simplifying the activation of the home banking channel, the ongoing analysis and reorganisation of the content offered on the website, the release of the new online BancoPosta Loan subscription function, the launch of the new "Poste Italiane" app, and the opening up of digital channels (app and web) for the PostePay Evolution application using SPID identification. In addition, Poste Italiane implemented activities to improve the main processes of its physical channel. Among the most significant interventions, we can highlight the evolution of the access model in the Post Office, the simplification of identification in the Post Office and the introduction of identification via App (Postepass), the completion of the customer profile to allow to operate in multi-channel and the signing of the digital signature also from the Post Office.

Punto Poste Casa&Famiglia

The value of a dedicated
relationship



Punto Poste Casa&Famiglia is the space in Post Offices with a dedicated operator to find solutions among products and services suitable for families. A place designed to further enhance the relationship with the customer and develop a long-lasting relationship through a wide range of products, offers and services of the Poste Italiane Group.

Punto Poste Casa&Famiglia was created as a connection point to meet and support family needs, with a range of products and services designed and modulated for different needs. For example, PosteMobile telephone offers, Poste Guidare Sicuri car insurance policies, and Poste Energia electricity and gas offers are available.

At the Punto Poste Casa&Famiglia, it is also possible to request further products, starting with the simple form of savings typical of the Savings Book and the Interest-bearing Postal Certificate, and going on to the possibility of requesting, for example, the PostePay Evolution card.

It is precisely the presence of a dedicated relationship that is the cornerstone of this important dedicated space: the presence of an Operator who orients customers towards the solutions best suited to their needs, accompanying them through the stages of the sale, from the reception to the subscription of the chosen product or service.

Poste Italiane Group's customer care awards



Over the years, the Poste Italiane Group has placed an essential value on all activities related to customer satisfaction. Thanks to this continuous care for such issues, it has received several awards:

PostePay Digital wins Product of the Year 2023 award

The PostePay Digital Card, which has already won the "Elected Product of the Year 2023" award in the "Financial Services" category, was recognised for its ability to introduce innovation and satisfaction among customers by promoting an increasingly digital-oriented experience. The award was based on the vote of 12,000 consumers through Italy's leading research on innovation and customer satisfaction.

The distinctive features of PostePay Digital include direct use from a smartphone, enabling online, contactless and QR code payments via the PostePay app. It also offers the "P2P" service for transferring money in real time between PostePay cards, the purchase of public transport tickets, and the possibility of withdrawing cash at Postamat ATMs via the cardless withdrawal service from the App. PostePay Digital also allows users to associate an IBAN code to make transfers, credit salaries, pay utility bills and request the physical version of the card.

To further simplify the online shopping experience, PostePay has implemented an accelerated process for customers with SPID. These customers can apply for the PostePay Digital Card via the postepay.it website and the PostePay app, authenticating quickly via their SPID Digital Identity provider. This approach allows customers to activate the PostePay Digital within minutes and start using it immediately.

Award at Smau for innovation in customer care service systems:

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. The 2023 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.

PostePay among the winners of Italy's Best Customer

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 among the "top contact centres 2023-2024" for Postemobile customer care

For the second year in a row, PostePay was among the companies that excelled in customer support in Italy in the "Telecommunications" category. This is the result of a survey conducted by the German Institute for Quality and Finance (Itqf) and the newspaper "La Repubblica A&F" with the aim of giving consumers an assessment of excellence in this specific area. The study analysed the satisfaction expressed by over 122,000 consumers who used the three main contact channels of the companies surveyed - telephone, chat and e-mail - with reference to 200 major companies active in Italy in 31 different product sectors. PostePay SpA ranked among the best and was awarded the "Top Contact Centre 2023-2024" certificate for Postemobile customer care. The award recognises the strategy of the entire Poste Italiane Group based on the enhancement of the relationship with the customer during all its phases: from the purchase of a product/service, to its use, to customisation, to the request for assistance.

54 mln

Contacts managed
in 2023
(+31.1% vs 2022)

Dissatisfaction with customer needs is a risk element that is assessed by the Board of Directors, also with reference to customer experience indicators, such as the complaint rate. In 2023, this indicator was at a stable level, after a significant reduction of 25% in 2022 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 objectives.

In order to acquire and analyse data from designated 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. Real-time reporting on all relevant topics is generated through this service. The service is designed to meet the needs of various participating structures and integrates the services used by the various functions of Poste Italiane and the Group companies in a single solution.

At an organisational level, through the area dedicated to the management of the digital channel, activated in 2020 to allow the continuous improvement of the experience KPIs detected both by listening to customers and by the analysis of external sources (app stores, Google comments, etc.), interventions were implemented that had a positive impact on the CES KPIs and app ratings detected on the channels. The main releases include: the simplification of the online purchase of the main products (Postepay Digital Card, Current Account, Postal savings book under 18 "Libretto Minori", Loans), the evolution and innovation of the Home page of the Postepay and BancoPosta apps with engagement elements to stimulate sales and transactions, the possibility for customers to withdraw without using their card at ATM Postamat using the apps, the enabling of utility payments, the consultation of receipts of payments made online and in Post Offices directly on the notice board, the online request and consultation on the notice board of the ISEE (Equivalent Economic Situation Indicator) declaration also for minors, the reloading of the Postepay card during e-commerce purchases by supplementing the remaining balance to complete the purchase, the autonomous management of the request to replace an expired card, and simple activation via app.

In addition, the continuous improvement and simplification of key processes from an omnichannel perspective continued also in 2023. Among the most significant interventions, we can highlight the evolution of the access model in the Post Office, the simplification of identification in the Post Office and the introduction of identification via App (Postepass), the completion of the customer profile to allow to operate in multi-channel and the signing of the digital signature also from the Post Office. Furthermore, with the aim of simplifying and at the same time improving the customer experience, the new Ufficio Postale app, with a new design and customised user experience, has been available since June 2023. The new app was renamed Poste Italiane App as of October, and will be further enhanced with new financial functionalities, and improved on the basis of reports from customers themselves. The areas for improvement that emerge in relation to customer feedback constitute, in fact, an important stimulus for process assessment and revision activities, together with the support activities functional to maintaining quality certifications and those identified by the "cross-functional communities". In this regard, the use of a process mining platform, purchased in 2021 by the Group, continued in 2023, which enables more effective service quality improvement projects with a strongly data-driven approach.

As of 2021, Poste Italiane has held UNI ISO 22222 certification for financial advisers who assist savers in their investment choices. This demonstrates Poste Italiane's commitment to supporting the widest application of ethical and sustainability principles, enhancing the development of professional skills and offering services dedicated to customer needs. In this regard, Poste Italiane is the first of the large Italian companies to achieve UNI ISO 22222 and UNI TS 11348 certification for the consultancy service model on the subject of investments of financial promoters engaged in the role of personal financial planner. In addi-

44%

Contacts managed
by **Artificial
Intelligence**
(+5% compared
to 2022)

tion, 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.

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. In this regard, the complaints system implemented by the Group is streamlined and easily accessible to all, including the most disadvantaged groups and those at risk of exclusion for reasons of financial illiteracy, so that problems that arise can be immediately resolved. With the number of complaints received in line with the previous year, the year 2023 was characterised by excellent performance in terms of average complaint handling times (for the same number of resources deployed) in all service areas, in a context of relative volumes of work for all types of requests. Compared to last year, average waiting times dropped by 31% when considering all services, to 70% for financial services. 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, Poste Italiane managed to increase the number of managed contacts by 13% in 2023 compared to 2022, with AI accounting for 44% of managed contacts.

Poste Italiane has always given the utmost consideration to the needs of its customers, aiming to ensure their complete satisfaction by offering products and services tailored to their needs and preferences. In situations in which the customer's expectations are not met, the customer's collaboration plays a fundamental role for the Company in order to identify and resolve the causes that generated the inconvenience. This collaboration makes it possible, on the one hand, to satisfy the needs of the person concerned and, on the other hand, to implement the necessary corrections and activities aimed at improving business processes. To this end, Poste Vita has implemented a Complaints Policy, which specifies the principles for managing customer complaints, aimed at their correct and timely treatment. Furthermore, the drafting of a monthly complaints report allows the monitoring of the activities described above, highlighting the main causes of complaints and the corrective actions undertaken to resolve them.

The theme of quality, which is also strongly integrated in the corporate development strategy, plays a role of primary importance in the Poste Italiane Group Integrated Policy. The objective is to map, within the framework of quality management systems, all processes that contribute to the design, development and realisation of products or services.

In addition, Poste Italiane attaches particular importance to building relationships with customers based on maximum transparency and fairness. To this end, the Company demands from its employees a constant commitment to meeting customer expectations. The Integrated Policy, containing the fundamental principles, is expected to be implemented by Group Companies, adapting them to their autonomy and independence, taking into account their size, organisational and operational context, as well as any regulatory provisions, such as in the Financial and Insurance sectors.

In order to ensure the highest level of effectiveness and efficiency in processes, activities and resources, the Company has implemented an Integrated Management System. This allows the production of a report representing the trend of complaints and customer experience indicators. As far as quality is concerned, the Integrated Management System enables the Company to constantly promote initiatives to improve the regulatory system. While respecting the autonomy of individual business units in drafting content and procedures, sharing of formats and tools is favoured.

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, through its functions, ensures the satisfaction of customer expectations, allowing Poste Italiane to pursue continuous improvement in performance and the standard of competitiveness on the market. The System plays a fundamental role in defining the rules and limits applicable to quality control at all levels. Consequently, any anomalies found are regularly 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 has been done in recent years, the Group has further optimised customer listening initiatives through the multiple touchpoints relating to postal, financial and insurance services. In addition, the NPS is assessed annually, including against the main competitors operating in the Poste Italiane Group's key sectors.

In continuity with the previous year, continuous listening to the front line of the business commercial channels was also maintained. In this regard, Large Customer Accounts and SME/POE Accounts 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 a cross-functional team with the aim of structuring a follow-up, which is returned to each individual customer by the Account. In 2023, the realisation of advanced reporting of all customer experience results through a Customer Intelligence module was completed, providing increased support for all business units and directing their improvement.

Improvement measures also include the use of a Process Mining solution for analysing the processes acted upon in order to identify unknown "patterns" useful for improving the customer experience.

As regards interaction with the customer, the active management of recalls is configured as a crucial practice for the Poste Italiane Group, because it constitutes an instrumental indicator for defining the service level of the entire Group. This process also contributes to the assessment and management of operational and reputational risks, as well as risks related to non-compliance and inappropriate behaviour. In order to analyse the progress of complaints, specific reporting systems are used, reviewed weekly and monthly, with the results reported to management. Each company belonging to the Poste Italiane Group has adopted and implemented specific procedures, outlining the principles and methods for managing complaints, periodically submitted for approval by the respective Boards of Directors.

Poste Italiane

Close to customers' needs



During 2023, the range of financial services was expanded. In particular, the new version of the Prestito BancoPosta On Line was released, reserved for current account holders and totally available via internet banking. In addition, for the Quinto BancoPosta Pensionati (Pension-Backed Loan of one-fifth) there are promotional offers with interest rates on promotion, to encourage the financial inclusion of the specific target group. These initiatives were supported by commercial campaigns and communication activities on press and web channels.

Among the initiatives carried out in the area of current accounts, the new Poste Italiane APP was released, continuing the process of digitalising current account holders through the introduction of innovative transactional services in the App to improve the customer experience when using digital channels. The new "Poste Italiane App" for mobile devices includes all digital services with the aim of offering a single access point with an intuitive and simplified navigation model for order and informative operations from a mobile channel.

In the area of investments and savings, the methods of subscribing to investment funds remotely were extended through the release of the online fund management platform and, with the aim of facilitating the process of digitalisation of customers in a multi-channel perspective, the methods of subscribing to signature tools in Post Offices were revised. In particular, it was made possible to use the Advanced Electricity Signature (FEA), also in the physical channel, allowing the Postal Savings customer to sign with a single tool at different touch points, eliminating hard copies and streamlining the signature process at the Post Office.

In the area of insurance services, the Group planned the evolution of caring and loyalty actions towards customers, through the provision of outbound telephone campaigns and the sending of text messages integrated with BancoPosta's campaign with a view to increasing the redemption of initiatives (sending communications relating to the Poste Vita and Poste Assicura instalment skip and Poste Vita maturity dates). In the course of 2023, the customer journeys of the digital assistance of Poste Vita and Poste Assicura were refined with the aim of improving the tool on the voice and chat bot side. Poste Vita also planned to open a telephone and written assistance channel for life insurance policies in the BancoPosta APP, providing a new channel for customer support in a multi-channel approach. A multifunctional working table is being set up to streamline the claims assistance process at Poste Assicura.

In the area of telephony, in view of the major change in the process of mobile line portability, which had led to major difficulties for customers, process optimisation features were introduced over the past year, both customer- and service-side, in order to increase the success rate of the switch. The second half of the year also saw the completion of the release of the VoLTE service on all enabled terminals, which allows simultaneous voice and data traffic. Finally, with a view to supporting digitalisation, two important push notifications were released in March in the Postepay App, enabling customers to be informed in advance of the depletion of their residual credit and the renewal date of their tariff plan, so that they can load and give continuity to the service, reducing moments of fault.

Dialogue with consumer associations

Poste Italiane is actively engaged in a process of discussion, dialogue and cooperation with Consumer Associations, both on a small and large scale. An important step in this direction is the Framework Agreement concluded in 2011, subsequently renewed in 2018. This agreement gave rise to the “Consumer Workshop”, a permanent working and consultation group made up of a representative of each Association and members of the Poste Italiane Group. The main objective of the “Consumer Site” is to identify optimal solutions for harmonising the needs of the Company with those of its customers, focusing on company initiatives aimed at consumers. Thanks to this collaborative approach, the Company has been able to improve the quality of its products and services over time. The adoption of a constructive and transparent method of communication and cooperation between the parties played a key role in this process of continuous improvement.

In addition, the initiative relating to the newsletter “Dialogando con i Consumatori” (Dialoguing with Consumers) continued in 2023. This is an information tool intended for the territorial representatives of Consumer Associations, with the aim of informing stakeholders about the main news related to Poste Italiane’s activities. The newsletter is a useful tool to provide new insights and recommendations, further strengthening the bond of knowledge and cooperation that has always characterised the relationship between the Company and consumers.

In addition, in order to ensure the availability of all the information necessary for the efficient use of postal products and to describe the quality objectives to be achieved over time, Poste Italiane makes available the “Postal Service Charters”. They provide details on main products, targets and delivery times for Italy and abroad, as well as information on complaints and refunds. Specifically, the Universal Postal Service Charter includes products covered by the Universal Postal Service (Legislative Decree no. 261/99), while the Postal Services Charter includes products not covered by the Universal Postal Service.

MAIN RELATED TYPES OF CAPITAL



NFS

Cybersecurity, IT Security and Privacy

In a global landscape increasingly characterised by the pervasiveness of digital technology, which is an essential driver for the growth and continuity of any company’s business, Poste Italiane aims to deploy state-of-the-art cybersecurity systems to effectively defend the company information assets from attacks and data theft.

The Poste Italiane Group is primarily committed to protecting and safeguarding the information assets of customers and stakeholders through the use of technologically advanced systems and cybersecurity mechanisms and processes

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 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**, is 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 IT risks in the Company, Poste Italiane integrates precautionary measures with two other fundamental parameters: patching and hardening. These activities, combined, aim to resolve vulnerabilities by keeping the operating system, firmware and applications up-to-date. Only required ports and services are activated, while easily hackable system components are obfuscated.

The cyber risk assessment revolves around two main dimensions, Severity and Confidence. Severity identifies the level of severity of cyber vulnerabilities; while Confidence represents the degree of reliability of the cyber risk value. The latter depends on the degree of coverage of the checks carried out in terms of the number of analyses completed. After the entire analysis process, Recovery Plans are developed, which constitute the main corrective measures necessary to fill the security gaps identified during the various analyses, including technical ones. In the past, the management of recovery plans relating to the various security activities involved the contribution of various functions within the Poste Italiane Group.

The following are the main initiatives of the year:

- Expansion and improvement of methods for intercepting abnormal access by security guards;
- Raising the level of monitoring and alerting;
- Implementation of additional protection measures for traffic to Poste Italiane's data centres;
- Expansion of security measures;
- Incident management exercises;
- Staff training through phishing simulations and cybersecurity awareness initiatives;
- Installation of specific protection systems;
- Adoption of new security tools in the cloud.

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;
- to ensure better management of the topic, responsibility for the Group's IT security has been assigned to a Chief Information Security Officer (CISO).

In order to ensure the company's business continuity in the management of crisis situations arising from incidents of sector, corporate or widespread catastrophes that may affect the Group, Poste Italiane has drawn up and implemented a Group Business Continuity Plan. This plan is based on the appropriate identification of the systems considered most critical, the potential threats to which they might be exposed and the countermeasures to be taken. The purpose of the Plan is to describe the criteria, procedures, technical and organisational measures, as well as the tools adopted for emergency management (Contingency Plan) and for the restoration of operating conditions prior to the occurrence of a damaging event (Disaster Recovery), in accordance with the Service Level Agreements (SLAs) agreed with the internal customer. In order to ensure its effectiveness over time, the Business Continuity Plan is tested and updated annually, and in any case in response to significant organisational, technological and infrastructural innovations or, more generally, in all situations capable of generating new risks.

During 2023, the implementation of the new BCM (Business Continuity Management) model continued, which, after the consolidation of financial services, was extended to the perimeter of payment services with the definition of the related Business Continuity Plan. Organisational and technological solutions for continuity were tested and training events on business continuity were held.

The document framework of the new Group Crisis, Business Continuity and Incident Management (CM/BCM/IM) model includes, in addition to the Group Business Continuity Plan and the Sector Plans, the Crisis Management Plan, the ICT Disaster Recovery and Business Continuity Plan, Crisis and Business Continuity Communication Plans, Test Plans, procedures and operating instructions, which ensure effective management of the Group's business continuity, crises and incidents.

Already starting from 2022, in order to deal with the crisis that emerged due to the conflict in Ukraine, the levels of monitoring and attention of security events have been raised and cyber intelligence activities have been strengthened to prevent or promptly intercept potential cyber attacks on damage to the Poste Italiane Group. For the same reason, in 2023, in addition to continuing to monitor cyber phenomena related to the conflict in Ukraine, monitoring was also expanded to include cyber phenomena related to the conflict in Palestine. In addition, specific measures were put in place to minimise the attack surface and its impact on the Group's customer base.

The Operational Continuity Plan and the Crisis Management Plan, an integral part of a framework that also includes a Disaster Recovery Plan, a Communication Plan, a Test Plan, operational procedures and instructions, guarantee effective management of operational continuity and crisis. In particular, in 2023, Poste Italiane recorded a 42% reduction in cybersecurity breaches or incidents compared to 2022.

With the aim of minimising risks related to the human factor and related impacts, numerous initiatives were implemented at Group and individual business unit level in 2023. The Mail, Parcel and Distribution services were the subject of a specific security assessment with the definition of re-entry plans, including an expansion of cyber protection measures and an increase in the level of monitoring.

In the area of Financial and Payment Services, the Crisis, Business Continuity and Incident Management (CM/BCM/IM) model was implemented as a priority.

At Group level, in continuity with previous years, technical exercises were carried out for staff with the aim of strengthening the capabilities of detection, analysis and combating cyber threats or attacks, and Table Top Scenario exercises for managing cyber incidents and operational continuity aimed at testing company processes and procedures, as well as the correct interpretation and effectiveness of the procedures in real-life cases. The adoption of innovative tools and the transition to the "proactive" monitoring model have enabled the Group to increase the organisation's level of cybersecurity. The conduct of staff exercises showed a further improvement in the ability to analyse and detect oversights. Indeed, phishing simulations in 2023 showed the ability of employees to recognise suspicious e-mails.

-42%

IT security breaches/cybersecurity incidents compared to 2022

Masterminds

The Poste Italiane podcast on cybersecurity



During 2023, Poste Italiane published a podcast series on its corporate intranet entitled "Masterminds - Rise and Decline of America's Most Wanted Cyber criminals", dedicated to the vicissitudes of some of America's most notorious cyber criminals.

The podcast was developed with the aim of raising awareness of issues concerning the digital world, which are very often underestimated by most users. The podcast is supported by a cybersecurity section that employees can subscribe to, in order to receive all news and updates related to the cybersecurity sphere.

Computer Emergency Response Team (CERT)

The size and complexity of Poste Italiane's organisation means that a specific and targeted cybersecurity strategy needs to be outlined. For this reason, the Company set up the Computer Emergency Response Team (CERT) in 2013, which is made up of computer security experts who take care, 24 hours a day, every day of the year, of the protection of the company data through prevention, analysis and protection against cyber threats. CERT, whose services are certified to ISO/IEC 27001, ISO 9001 and ISO 37001, has implemented processes for the continuous monitoring and improvement of its services. Through internal audits, third-party audits, management reviews, KPI management, and regular reports to management, it ensures effective management and continuous improvement of its services and actions taken against defined lessons learned.

Numerous activities are provided by CERT:

- **Critical System Exposure:** ISO 27001:2013 certified, the Critical System Exposure service has as its main objective the early detection of vulnerabilities potentially affecting the delivery of Poste Italiane's services. Critical System Exposure Analysts constantly monitor endogenous and exogenous sources of information, collecting and analysing data from them, and then classifying them appropriately according to their reliability. In this way, it is possible to alert internal stakeholders (constituencies) in a really short time, providing the necessary details and suggestions for vulnerability mitigation. Vulnerabilities are analysed through an algorithm that assesses their dangerousness, considering the probability of exploitation and the importance of the technological asset on which it impacts. The Critical System Exposure service enables Poste Italiane to guarantee a prompt response to the risks that could threaten the company IT and information assets, and to provide continuous and constantly updated knowledge of the global IT security scenario.
- **Brand Protection:** ISO 27001:2013 certified, the main objective of the Brand Protection service is to constantly monitor the Social Networks and Market Stores where the Group's Mobile Apps are published in order to verify whether fraudulent use is being made of Poste Italiane's proprietary brands or whether confidential or false information is being disseminated. A Brand Protection service is a highly specialised and essential service for a company like Poste Italiane because controlling the use of a brand means ensuring that it is always legitimate, thereby increasing customer trust and loyalty.
- **Cyber Threat Intelligence:** the main purpose of Cyber Threat Intelligence activities is to monitor ongoing trends in cybercrime, cyber espionage and hacker activism. In this perspective, the Cyber Threat Intelligence service is aimed precisely at collecting and analysing potential existing threats that could materialise into attacks on Poste Italiane's systems, outlining scenarios of varying complexity. At the end of the analysis, the team shares any countermeasures identified with the system operators, so that they are always one step ahead of potential attackers, in order to prevent and counter the risks of aggression against Poste Italiane's IT resources.
- **Information Sharing:** the main objective of the Information Sharing service is the constant sharing of information on cyber attacks and threats that may affect corporate computer systems.
- **Cyber attacks require a prompt response and appropriate preventive actions,** which, thanks to the exchange of information, can shorten timeframes and put companies in a position to "play in advance": by focusing precisely on the fact that, individually, organisations cannot have a truly comprehensive picture of the potential risks they are exposed to and the damage that could result, by creating qualified exchange networks instead, it is possible to put up a united front against cyber crime. ISO 27001:2013 certified, the Information Sharing service aims to create this network with which to share a view of the cyber threat scenario and provide useful information on preventive or reactive actions to be taken.
- **Information security event and incident management:** this activity is developed in two main directions. On the one hand, there is security monitoring, i.e. the 24-hour monitoring of security events, analysis and prevention to prevent and detect attacks. On the other hand, the management of the incident itself in order to restore the normal provision of the impacted service.

- Infrastructure and application audits: activities to detect and remediate any vulnerabilities on the external perimeter and on specific applications in order to minimise the attack surface.
- Big Data Analytics: activities aimed at correlating and analysing information to identify and monitor alleged anomalous and/or atypical phenomena, in order to identify possible criticalities in the use of data and prioritise their management. These analyses are carried out in support of the activities of the CERT and the other security bodies.
- Cybersecurity awareness: activities aimed at raising awareness among employees, customers and external users on cybersecurity issues through exercises, phishing simulation campaigns, gaming, webinars, podcasts, videos, infotainment. The initiatives are implemented on an ongoing basis, exploiting all digital channels available to the Company, in order to reach as wide an audience as possible.
- Crisis and Business Continuity Management: activity that evolves the existing Business Continuity Management model and defines new Crisis Management and Incident Management models. All of this, of course, in a multi-business and multi-compliance perspective, precisely to fit into a fully integrated context, involving the entire Company, so as to guarantee effectiveness and protection in all the activities that operate so extensively in our Country

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

Poste Italiane's commitment between education and awareness



Despite the increasing use of the web, many Italian citizens still underestimate the risks associated with the digital world. Poste Italiane therefore dedicates particular attention to educating and raising awareness among citizens in order to promote a conscious and safe use of the Internet. Considering the current and priority relevance of this issue for the Company, specific actions were implemented, including an awareness campaign on the company intranet. A computer security portal is available within the intranet, where news and weekly lessons on how to keep data up-to-date and ensure security are regularly published. Poste Italiane is also extending its reach, trying to raise awareness among ordinary users through communication methods that can involve everyone, in order to increase the perception of danger in the digital world.

Poste Italiane is constantly striving to ensure the care and safety of its employees and customers.

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.

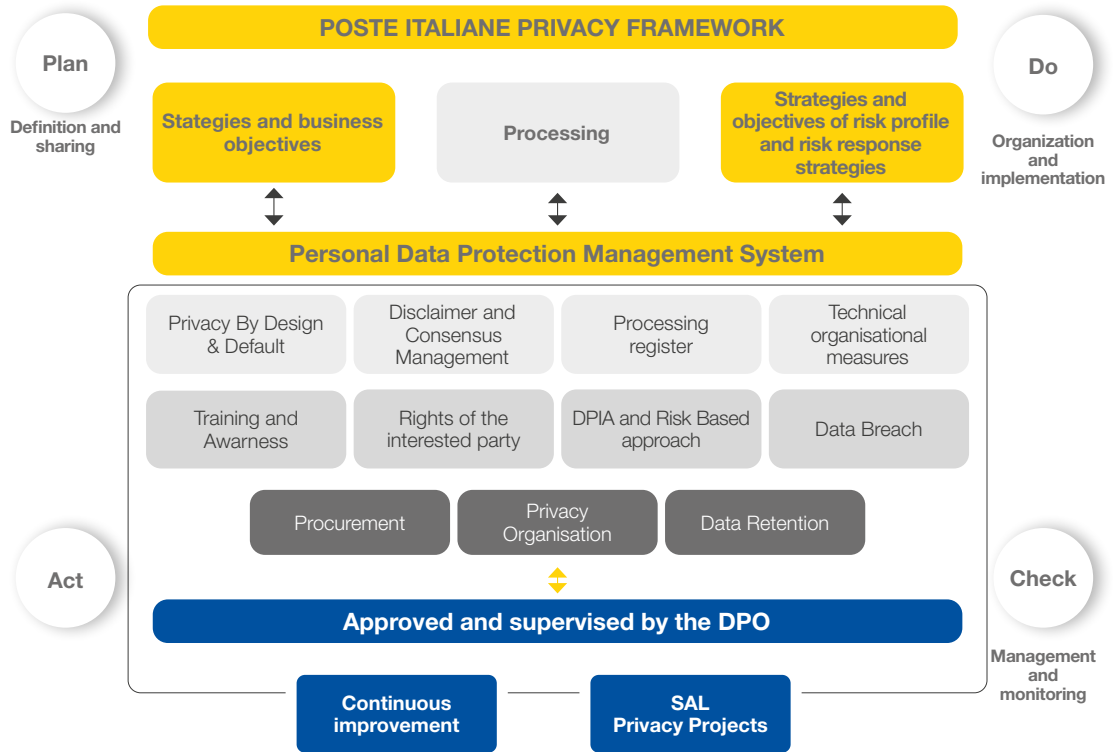
Poste Italiane maintains a solid collaborative relationship with the Postal and Communications Police. This collaboration includes activities aimed at preventing and combating offences related to the products and production processes of the services offered by the Poste Italiane Group. In addition, surveillance activities are carried out at Post Offices during scheduled payment periods. A task force was also set up with the task of analysing new cyber fraud methodologies, accompanied by the development of new cybersecurity tools. These measures were necessary in response to the 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. In these areas, it was necessary to intensify control activities and upgrade the physical and IT security structures.

Personal data protection

Over the years, the Group has attributed great importance to the issue of personal data protection, constantly strengthening its corporate regulatory system and to ensure full compliance with current provisions and what is regulated within the General Data Protection Regulation (GDPR). Poste Italiane manages the control of the management review process at Group level, as set out in Article 32. The regulatory system, made up of procedures, guidelines and policies, is applied in relationships with all partners and suppliers to ensure correct management of risks related to the topic of privacy in all of the Group's operations. Failure to comply with the standards defined by the system, which may lead to violations, may result in the application of disciplinary sanctions to employees, in accordance with the provisions of the Poste Italiane CCNL (National Collective Labor Agreement). These sanctions are gradually harsher according to the seriousness of the breach (written warning, fine, suspension from work with deprivation of pay, dismissal without notice, etc.). In this context, Poste Italiane has drawn up a Corporate Policy on Personal Data Protection and Privacy Guidelines and a Personal Data Protection Management System. The latter was introduced with the aim of ensuring uniform data management across the Group. The Guideline defines the corporate privacy model and implements the principles of Privacy by Design and Privacy by Default, underlining the Company's obligation to ensure adequate protection of personal data right from the design of products/services and IT systems, as well as ensuring compliance with privacy legislation in the predefined data collection and processing processes. Poste Italiane is also committed to ensuring proper management of data protection risks, by carrying out the periodic management review process at the Group level.

Through the adoption of policies and information campaigns aimed at raising awareness of data protection, 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 Group level for all responsibilities relating to personal data protection issues and coordinates the development of the aforementioned framework.

The Privacy Service Centre operates within this function and its task is to represent a single point of reference for customers 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 Centre, 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, through which Poste Italiane's Privacy function is able to demonstrate the compliance of certified services with the GDPR and other data privacy requirements.

p²oste

is Innovation



Transforming our services, products and processes for a simpler world, for everyone.

nibilità

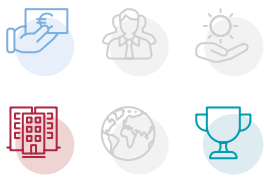
500 thousand subscriptions of “**Poste Energia**” offer

Signed **strategic agreement** with Deutsche Post **DHL Group** related to purchases from e-commerce

+15% downloads of the **PosteID** app compared to 2022

+16% downloads of the **Postepay** app compared to 2022

MAIN RELATED
TYPES OF CAPITAL



7.15 Innovation



INNOVATION FOR US:
scan the QR code and watch the video.



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2023	
	Increase digital transactions for the various products of the Poste Italiane Group	• Number of digital transactions in financial, insurance and payment services	• +50% by 2024	2020	+103%	
	Increase contactless transactions	• Number of transactions	• 1.2 billion by 2024	2022	1.3 billion	
	Full Digital POs	• No. pilot POs	• One pilot PO by 2023	2022	Inaugurated on 8 November the PO in Florence	
	Development and deployment of digital and paperless services in energy supply	• % of paperless contracts • % of customers acquired via digital channels • % of digital bills and/or digital payments	• > 95% by 2025 • 10% by 2025 • > 40% by 2025	2021	• 98% • 9% • 57%/52%	
	Install SMART mailboxes	• Number of SMART mailboxes	• 10,500 by 2026	2022	707	
	Increasing the number of cards made of environmentally sustainable material	• Number of environmentally sustainable cards	• 20 million by 2026	2020	10.6 million	
	Replacement of all PCL operating personnel uniforms	• Number of PCL operating personnel uniforms replaced	• 40,000 (all staff) by 2025	2021	6,400	
	Increase the level of automation of back office processes	• % of back office resources supported by automated digital processes	• 75% by 2024	2020	65%	
	Development of pre-sale and sale channels of products and services in multi-channel	• % of new funnels created in multi-channel	• 75% by 2024	2020	70%	
	RDS-Digital Service Request Project	• Preparation on digital channels of data for in-branch transactions	• Preparation on digital channels for data for in-branch transactions by 2024	2020	<ul style="list-style-type: none"> • Release on APP Poste Italiane for products • Realisation of training course with Corporate University, delivered to colleagues in the Territory • FAQ creation for Dynamic Assistance • Design porting solution Financial Products on Poste.it site 	
	Digitisation of Customer Receipt – Phase 1	• Digitisation customer receipt	• Digitisation paper receipt by 2024	2020	Issuing of dematerialised customer receipts to transactions related to Moneygram, Vaglia and Pago PA products	
	Increasing the level of automation of back office processes, with progressive introduction of advanced Artificial Intelligence solutions	• % of back office resources supported by automated digital processes	• 85% by 2026	2023	New	
	Increase digital transactions for the various products of the Poste Italiane Group	• % of digital transactions in financial, insurance and payment services compared to 2020	• +115% by 2024	2023	New	
	Increase contactless transactions	• Number of transactions	• 1.7 billion by 2026	2023	New	
	Development of an ethics-driven framework to support Artificial Intelligence	• N° survey on ethics perception • Company Policy and monitoring tools	• Implementation of the Policy and identification of tools for overseeing the ethics-driven approach in AI processes by 2026	2023	New	
	On-line current account openings	• % number of current accounts opened online out of total openings	• 8% by 2024	2023	New	
	Supporting the internal digitisation process through training for the adoption of new digital solutions	• No. of training initiatives to support Sales • No. of training initiatives to support post-Sales	• 1 training initiative by 2024 • 1 training initiative by 2024	2023	New	
	Experimenting with digital learning solutions to improve the learning experience and participant engagement	• No. immersive reality experiments • No. of microlearning experiments	• 1 immersive reality experimentation in the induction pathway of new hires by 2024 • 1 experimentation with text-based microlearning in the follow-up of training courses by 2024	2023	New	
	Generating a widespread culture of innovation through the understanding and dissemination of a common mindset, the acquisition of new skills related to the adoption of AI technologies	• No. of courses issued	• Release of two courses by 2024: 1. AI verticals course 2. AI Literacy course	2023	New	

Objective achieved/Objective achieved and updated
 Objective not achieved
 Deadline for achieving the objective that has not yet expired

MAIN RELATED
TYPES OF CAPITAL



Innovation and digitalisation of products, services and processes

NFS

In the context in which it operates, Poste Italiane is called upon to face challenges that require profound strategic changes. The Group's attention is focused on two important ongoing processes, which are closely interrelated: on the one hand, technological development to support new products and services, and on the other, a diversification of the offer, enabled by a new network infrastructure and articulated in financial services, insurance, digital payments and strengthening of the logistics network. Poste Italiane has rapidly evolved to become an 'ecosystem' platform capable of supporting, on the one hand, the daily needs of all customers and, on the other hand, guaranteeing a highly customised service for more sophisticated customers. 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, allow the Company the possibility to provide services in step with the changed needs of its customers.

+20.4%

Transactions carried
out on digital
channels
(web and App)
compared to 2022

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.

Poste Italiane contributes to the creation of value for society, through continuous technological evolution, capable of influencing the reduction of environmental impacts and promoting social inclusion, through products and services accessible to all customers.

The constant commitment to the search for innovative digital solutions and the ability to integrate new business models has enabled the Group to achieve important results for the development of its business and for the creation, through the review of its products and services, of shared value for society and the country. 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, which was significantly accelerated in 2021, in view of the effects of the health emergency, made the Group's products available to customers in conditions of absolute safety.

In particular, in 2023, the Group worked to strengthen the digital sales channel by expanding the available functions, extending the range of products and services that can be purchased directly through the Group's digital properties (Group's websites and APPs), optimising the PosteBusiness infrastructure, and investing across the board in cloud-driven technology infrastructure, data-driven companies and advanced AI-supported assistance.

Innovation and digitalisation of products and services

The Group's omnichannel strategy is aimed at creating an "ecosystem" and multichannel platform model which, thanks to cutting-edge physical and digital channels and simplified processes to serve its customers, aims to guarantee an excellent customer experience on all points of contact, through the proprietary physical network, the digital infrastructure and remote contact points and the physical network of third parties.

During 2023, 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 and on opening further communication channels with its customers.

Payments and current accounts

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:

- 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.

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.

The Group continued with the objective of implementing the digital payment services available, through an ecosystem of collection services available for consumer, business or PA customers, usable both with a physical network and through web channels or apps. Still considering digital payments, the Group in the field of acquiring continues the expansion of 'Soft POS' deployment on our proprietary networks and some large merchants.

In 2023, the 'Pay and Withdraw' service was launched on the Punto LIS affiliate network, which allows the withdrawal of small amounts of cash at the same time as a card purchase transaction.

A further service offered in the field of payments and current accounts is the Open Banking platform, through which customers have the possibility of managing accounts and cards, even if held at other banks or payment service providers, directly on the BancoPosta and Postepay app. Opening a BancoPosta current 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". 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. In particular, Premium consultants are carefully selected following continuous and

highly specialised training. In addition, BancoPosta also provides a Basic account for pensioners, aimed, therefore, at holders of pension payments up to a gross annual amount of €18,000, with a free annual fee, certain types of services and a fixed number of transactions. Such initiatives make Poste Italiane's infrastructure open and offer customers increasingly connected and comprehensive services.

Furthermore, as part of the PosteBusiness infrastructure optimisation process, the "My Business" service was integrated for users of the "BancoPosta Business Link" current account intended for Small Business customers, which allows to have a simple and intuitive view of the financial situation, monitoring income, expenditure, cash flows, including forecasts, and the achievement of personalised income and/or expenditure objectives. Furthermore, during 2023, the "Off-Site" Offer was launched, aimed at Small Economic Operators (POE) and Business customers, which involves sales through the presence of the seller at the customer's premises and the use of automated tools for signing of contracts.

In 2023, the digital payment functionalities in the business ecosystem of customers with Postepay Evolution Business and Postepay Debit Business cards were expanded, integrating the payment of slips (both web and app), Postepay top-ups (both web and app) and F24 forms (web). In addition, the promo providing for the refund of the first year's fee for the Postepay Evolution Business card in the event of a simultaneous request for the card and the 'Tandem Mobile POS' or 'Tandem Physical POS' acquiring service was renewed, remaining active for the duration of 2023.

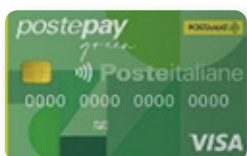
In 2023, collaboration continued between Poste Italiane and a number of institutions (Compass Banca, Deutsche Bank Findomestic Banca and Santander Consumer Bank) for the disbursement and placement of the BancoPosta loan, in all its distinct options, including those for home and car renovation.

In continuity with previous years, the Group has promoted the use of ATMs, digital channels and apps for carrying out transactions, as an alternative to the counter for cash withdrawal. Aware of the current context, aimed at digital progress, the Company is committed to guaranteeing its customers an offer that encourages the use of electronic money and, at the same time, discourages the use of cash. Postamat ATMs are available seven days a week and in operation 24 hours a day, and most are equipped with high-brightness digital monitors and banknote dispensers protected by modern video surveillance systems and innovative security devices, such as an anti-skimming solution to prevent card cloning and a banknote staining system in case of attempted theft. In addition, Postamat ATMs also allow transactions that are usually the responsibility of the counter (e.g. payment of utility bills).

The Group's research and commitment, as well as supporting government initiatives, have also enabled the development of a number of products and services, including:

- **Postepay Digital**, the first 100% digital and free Postepay prepaid card suitable for online payments, public transport payments, payments via QR code or Google Pay for owners of an Android-enabled smartphone. The Postepay Digital Card, was named 'Product of the Year 2023' in the 'Financial Services' category, due to its innovation and customer satisfaction. It is managed by the Postepay app and allows users to request association of an associated IBAN code to receive or make transfers, credit their salary and pay their utility bills. Starting in 2022, the possibility was introduced for customers to apply for Postepay Digital also through the web. Users who decide to receive the IBAN card version of the card have the opportunity to request delivery of the physical card at home, so that they can withdraw cash from any ATM and pay at establishments affiliated with the Mastercard circuit;
- **The Postepay Debit Card** is the payment card associated with the BancoPosta current account for everyday purchases and withdrawals, and also for online purchases. The card is environmentally friendly, produced with materials made by recovering marine plastic debris from the oceans, with material of biological origin (PLA) or with recycled PVC (rPVC). The Postepay Debit Card participates in the ScontiPoste programme that allows to receive cashback discounts directly on the current account;





- The **Postepay Evolution** card is a rechargeable card with IBAN code that guarantees the use of main banking transactions without requiring 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/postagirol, utility payments and the crediting of salary or pension. By adding the card to the Apple Pay and Google Pay wallets, it can be used in cardless mode via your smartphone or smartwatch, in contactless mode, simply by bringing it close to the POS. The Postepay Evolution also offers the possibility of sending money to wallets and accounts, 24 hours a day, via the Postepay app and website to more than 200 countries thanks to its partnership with Western Union. For the target group of freelancers with a VAT number and sole proprietorships, the 'business' version (Postepay Evolution Business) is available. In continuation of the previous year, the possibility of extending the digital functionalities of the Postepay Evolution to the digital channel of the Postepay Evolution Business (App PosteBusiness, business.poste.it) was confirmed, and the conversion of the card fleet to low environmental impact materials continued. From 2023 onwards, it is also possible, via the Postepay App, to request 'Postepay Connect', which includes a Postepay Evolution card and a PosteMobile SIM with a dedicated phone rate and allows access to exclusive services;
- **Postepay Impresa**, simplifies a company's management of payments for occasional services, salaries, contributions and various fees for its employees;
- **Postepay Green**, an **eco-sustainable prepaid card**, made with organic materials with low environmental impact (made up of 82% polylactic acid of biological origin), reserved for young people between 10 and 17 years old. 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;
- 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. Since September 2023, the Postepay Borsa di Studio Card has also been made available in cooperation with MIM (Ministry of Education and Merit), which enables the crediting of funds allocated by the Ministry for scholarships for secondary school students;
- The card **dedicata a Te**, promoted by the Ministry of Agriculture, Food Sovereignty and Forestry, is a prepaid payment card on which a 'one-off' contribution of €382.50 is pre-loaded, for the purchase of basic foodstuffs only, to which a further bonus of €77 is subsequently added, for the purchase of fuel or a season ticket for local public transport;
- The **app withdrawal service**, provided by LISPAY for all Poste Italiane Group cards, introduces the possibility of making a withdrawal using the Postepay app for customers with debit card relationships linked to a postal current account. These services are accessible from LIS network points of sale operating with Postepay acquiring, in line with the Poste Italiane Group omnichannel strategy.

MLK Deliveries enabled for temperature-controlled transport

Poste Italiane supports Italian food and wine SMEs

MLKFresh postegofresh

In March 2023, a partnership was finalised between MLK Deliveries S.p.A and the company Mazzocco Srl, in order to enable the logistics operator to perform temperature-controlled transport, i.e. A mode of transport that involves maintaining a constant temperature inside the vehicle – whether hot or cold – whatever the outside temperature. This partnership is aimed at building a unique offer dedicated mainly to Italian food and wine SMEs. The offer includes the combination of logistics assets, such as logistics distribution platforms and a temperature-controlled last mile fleet, with scheduled delivery solutions. The solution developed thanks to the collaboration between the two companies combines the technology of MLK Deliveries, which will receive customer bookings for scheduled deliveries, with the Mazzocco Srl cold logistics platform.

During 2023, a pilot delivery chain was launched in major Italian cities. Specifically, as of 31 December 2023, the provinces where the service is active are: Turin, Milan, Bergamo, Brescia, Pavia, Mantua, Cremona, Verona, Vicenza, Padua, Parma, Bologna, Modena, Reggio Emilia, Florence, Prato, Pistoia, Livorno, Rome, Empoli, Piacenza. At the beginning of 2024, the service was also extended to the cities of Genoa and Pisa.

Furthermore, in January 2024, the joint venture 'MLK Fresh' was established between the two companies and the new product 'Postegofresh' was launched.

Sourcesense acquires "Eco Mind"

Strengthening the digitalisation process

One of the objectives of the Group's strategy is to strive to strengthen its in-house development capabilities for applications based on cloud and open source technology, significantly increasing the level of internalisation of activities and evolving towards a 'product factory' model.

To support digitalisation, a technology engine, based on hybrid cloud, open APIs and exponential technologies (those technologies that rapidly accelerate and shape major industries and all aspects of daily life such as Artificial Intelligence and Data Science, the Internet of Things, Virtual & Augmented Reality) was implemented and applied to all Group activities and infrastructures.

In this sense, Sourcesense, on the strength of its expertise in Enterprise Open Source technologies and in the development of next-generation native cloud solutions, has joined the Poste Italiane Group to support business innovation in the Public Administration channel, and in particular in the Health sector. Sourcesense finalised, in the second half of 2023, the acquisition of Eco Mind Ingegneria Informatica Srl ("Eco Mind") 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.

Furthermore, during 2023, innovation-related projects focused on Data and Artificial Intelligence, Virtual Reality, Quantum Computing, Blockchain and IoT by supporting innovation in the following areas through use-cases: Data driven company; hyper customisation and inclusiveness of the customer experience and service model; new business models of digital platforms and services; evolution and innovation; operations; logistics; green transformation and innovation in education.

In the area of transport, the physical acquiring service was launched according to the Payment Facilitator model with FNMPay on Trenord merchants, which will continue with the expansion of the virtual service.



The payment solutions that were introduced in previous years and maintained in 2023 include:

- **Apple Pay**, enables contactless payments with Postepay debit or prepaid cards from enabled iOS devices;
- **Google Pay (Gpay)**, allows you to pay contactless and online directly from your Google Pay-enabled Android smartphone;

- **Codice Postepay**, through the Postepay app and the BancoPosta App you can pay, at Post Offices or in affiliated shops, by simply framing the QR code with the Postepay App, the BancoPosta app or from the camera of your smartphone and authorising the payment via PostelD;
- **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; Starting in September, the new cardless withdrawal service was introduced in the BancoPosta and Postepay apps, which will allow Postepay debit card holders to withdraw cash without using their physical card by going to one of the affiliated tobacconists in the PUNTOLIS network;
- **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).

Poste Italiane among the 10 companies with the highest transformation rate



Poste Italiane is a constantly evolving reality that shows a special regard for innovation, representing Italian excellence in this field. As proof of the Group's commitment in this regard, the University of Pavia, on the occasion of the presentation of a multidimensional survey carried out by the newly-established ITIR (Institute for Transformative Innovation Research), included Poste Italiane among the 10 Italian companies with the highest rate of transformative innovation, a concept that expresses the ability of companies to renew business models, initiate a digital transformation and pursue an ecological and social transition.

According to the report, the companies at the top of this ranking, which also include Poste Italiane along with important companies operating in the financial, insurance, food, but also banking, communication, construction, sustainable energy and fashion sectors, have shown greater agility in facing new global challenges, such as digitalisation and sustainability.

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).

In 2023, the development and deployment of payment solutions to the public administration continued, allowing for greater digitalisation of the process and a reduction in paper payment receipts. In the payment experience at physical channels, the offer includes the possibility of dematerialised (paperless) payments and in this direction, projects aimed at digitalised invoice alerts are also being implemented. The pilot project has already been launched within the Poste Italiane Group.

As early as 2020, PostePay SpA, in addition to BancoPosta, is also accredited as a payment service provider on the pagoPA system, allowing customers to carry out these operations on all digital channels, in post offices and through the portals of creditor bodies, also for payment notices from bank current accounts. In addition, in continuity with previous years, in compliance with the Ministerial Decree of the MEF of 30 April 2021, Poste Italiane has kept active the solution 'Incassi Piattaforma per le Amministrazioni dello Stato' (Collection Platform for State Administrations), which allows to manage payments related to the practices of State Public Administrations.

Since 2021, Poste Italiane customers have the option of using the SEPA Instant Credit Transfer (or SCT Instant) service on digital channels, through which they can arrange payments that are credited to the beneficiary in less than 10 seconds, and in 2023, activities to expand the offer and enable new use cases in digital and instant.

With reference to the insurance area, also in 2023, 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 about 5,000 authorised Post Offices, after booking an appointment via the BancoPosta app or online.

Also in the area of insurance, Poste Italiane continued with 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.

A further innovative solution active in the field of digital savings is represented by Poste Italiane’s Digital Money Box (Salvadanaio Digitale), 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.

Poste Italiane supports the Digithon digital marathon

DIGITHON 2023



A four-day full immersion in the digital world and an opportunity for innovative ideas and businesses to meet and connect. The inventors measured themselves against the brightest realities of the Italian digital scene, strengthened their network of contacts, multiplied synergies and opportunities for collaboration with companies, and discussed directly with major investors, including Poste Italiane. In addition to the competition, the event’s core event, there were also major events in the square open to the public: appointments to explore in-depth with the protagonists from the world of institutions, culture and Italian and international companies, the issues related to the digital world and their impact on society and the economy.

Telephony and Energy

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 2023, 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 for having confirmed and/or implemented initiatives for home and mobile telephony:

- **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 **PosteCasa Ultraveloce Start** product, which can be subscribed to at post offices and provides only a fibre data connection, leaving the customer the flexibility to choose a 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.

+16%

Downloads from
the Postepay app
compared to 2022

Through the expansion of PostePay's digital offering, the Poste Italiane Group positions itself as a reference institutional player for the digitalisation and development of the country, especially in the areas defined as "market failure areas". In 2023, in continuity with previous years, the trend in digital app downloads is positive, accompanied by a steady growth in transactions carried out via consumer digital channels (websites and apps).

The year 2023 was an important year for the 'Poste Energia' offer, which reached over 500,000 electricity and gas subscriptions.

+15%

Downloads from
the PostelD app
compared to 2022

Poste Energia is an electricity and gas offer, a pay-as-you-go offer, which can be activated for one or both supplies exclusively in all post offices, on the web channel and on the Postepay and BancoPosta apps, based on three pillars such as predictability (thanks to the Fixed Rate bill and the possibility of defining payment dates for all bills) transparency (there are no security deposits or exit penalties), and proximity to people and the environment, thanks to the approximately 12,000 Post Offices in the territory and to the supply of electricity from 100% Italian renewable sources (certified through GSE Guarantees of Origin). CO₂ emissions, related to the consumption of the gas sold, are offset through the purchase of carbon credits that finance international projects aimed at reducing greenhouse gases. In fact, Poste Italiane is committed to combating CO₂ emissions by supporting - with its partner Lifegate - international projects aimed at reducing greenhouse gases and improving people's lives in different areas of the planet.

The Energia offer was launched in the first quarter of 2023 on the mass market, and the first dedicated communication campaign was carried out. Communication activities continued in the third quarter with an "always on" presence on digital channels and in post offices. In September in particular, communication on the offer was relaunched with a significant increase on offline channels such as: TV, print and radio, as well as digital channels and in the post office.

500
thousand

Electricity and gas
subscriptions since
the launch of the
offer

During 2023, a number of promotions were launched to support the new offer:

- “EnergiaXNoi”, from July 2023 to January 2024;
- “Porta una casa”, from October and December 2023 dedicated respectively to all Poste Italiane Group employees and Poste Energia customers with dedicated discounts on the first year of supply;
- “Yellowfriday”, from 20th to 30th November 2023, which enhanced the “EnergiaXNoi” promotion with the possibility of an additional discount on the first year of supply.

Expanding the skills of the Poste Digital Assistant

With the entry into the energy market, the skills of Poste’s Digital Assistant, the artificial intelligence-based bot that manages and directs customer enquiries to customer service and supports operators, on almost all business areas, are growing further.

In addition to providing general information on the electricity and gas offer, the Poste Digital Assistant is able to check the activation status of the service, check bill payments and record gas self-readings. For more complex enquiries or in the event of difficulties in understanding customer needs, the Digital Assistant directs customers to the Customer Service operators, thus activating a rapid response, putting customer satisfaction at the centre. In the first months since launch, the Digital Assistant has already addressed more than 100,000 requests with a customer satisfaction rate of about 9 out of 10 on the voice channel and 4 out of 5 on the chat channel.

At a time when digitalisation is an increasingly integral part of the service experience delivery, a service model characterised also by the presence of artificial intelligence is intended to provide additional support to customers, faster and more effectively, so that they can independently solve simple needs and approach the use of new technological means such as interaction with AI in natural language.

The rewards of the Poste Energia offer



The Poste Energia offer was honoured at Utility Day, organised by IKN ITALY, as the New Incomer on the Italian energy market that is bringing the most technological innovation and new business models.

This recognition emphasises a welcoming and non-aggressive approach to customers and a sales model based on a multi-channel and integrated strategy. Further support for the result achieved is due to the planning of the advertising campaign on TV, web and also mobile, which was awarded at the NC Digital Awards 2023, in the category ‘Integrated Digital Campaigns - Services of Public Interest’, awarded by ADC Group for the communication of the offer.

Parcels and Distribution

The postal market is currently going through a phase of profound changes, largely attributable to digitalisation, which affects the volumes of letters and parcels in circulation in different ways. The continuing structural decline in traditional mail volumes, replaced by digital forms of communication (e-substitution), is accompanied by an increase in the volume of parcels sent.

Also in the first nine months of the year, 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.

Poste Italiane and Deutsche Post DHL Group

A strategic agreement in the international parcel market

In relation to the delivery area, the Group continued its growth strategy in the logistics sector relating to e-commerce purchases by signing a strategic agreement with Deutsche Post DHL Group.

Through this agreement, Poste Italiane and DHL will contribute their experience and strengths to the partnership. Thanks to Poste Italiane's extensive service access network, customers will be able to make urgent shipments through the global DHL Express network by delivering them to any of Poste Italiane's collection points.

In addition, DHL eCommerce, together with Poste Italiane, will install modern, sustainable and user-friendly automated lockers in strategic locations throughout Italy. Finally, DHL eCommerce will support Poste Italiane by delivering parcels through its European network and Poste Italiane will support DHL eCommerce by delivering international parcels in Italy.

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 about 12,800 Post Offices and consists of around 15,700 alternative collection points including tobacconists, bars, stationers, newsagents, shops and KiPoints, lockers and 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.

In addition, the agreement with DHL eCommerce will make it possible to increase the number of pick-up points dedicated to online purchases, the dispatch of pre-franked parcels and returns from the main e-commerce sites that adhere to the PuntoPoste Network thanks to the installation of automatic lockers available H24 7/7, nationwide.

Additionally, in 2023 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 reference, on the other hand, to the partnership with Amazon, renewed in 2021 for a further three years, Poste Italiane maintains the objective of satisfying the growing demand of customers throughout Italy through an offer of innovative services for deliveries and returns. In this regard, operators running an e-commerce site are enabled to 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 advantageous for the retailer as it allows them to increase their sales volume. The new box- and label-free return service (boxless) was also released in 2023, which represents a further evolution of the offer and improvement of the eshopper experience. In fact, the person making the return does not have to worry about anything: it is Poste Italiane that takes care of the preparation and printing of the waybill. The Service is currently available to Amazon customers, but will soon be released to all merchants through the Poste Delivery Business offer.

Fighting food waste

Poste Italiane collaborates with the Too Good to Go app in the Vidigulfo Logistics Centre (Pavia)

In 2023, the Too Good to Go app selected the Vidigulfo Logistics Centre of the Italian Postal Service's courier company, SDA, to manage and prepare its new pantry boxes. In compliance with the most modern environmental standards, the Logistics Centre in Vidigulfo, in the province of Pavia, is the place from where the app's pantry boxes leave to reach the homes of Italians. The pantry boxes are, in fact, purchased on the Too Good to Go app and then sent directly to the Centre's warehouse. Subsequently, the products are taken from the shelves and placed in the pantry boxes, which are delivered to the end consumers via the express courier service 'Poste Delivery Business'.

In the Logistics Centre itself there is a large product processing area, exclusively dedicated to Too Good to Go, which guarantees the safety of food products throughout the supply chain, with an average of around 1,000 pantry boxes handled every day, which are transferred to the new, highly automated hub in Landriano, where they are delivered nationwide in just 24 hours.

The Vidigulfo logistics hub

As of April 2023, the new Logistics Centre in Vidigulfo (Pavia) will be in operation. With an area of 62,000 square metres and 74,000 pallet spaces, it is the largest of Poste Italiane's warehousing facilities. The site handles the order of an important customer who has entrusted the Group with the entire activity of storage, order picking and distribution of its products for its shops located in Central-Northern Italy.

Too Good to Go

Founded in Denmark in 2015, today Too Good to Go is the leading anti-waste app in Europe, which in early 2020 also started expansion into the United States. More specifically, Too Good To Go is the innovative service through which it is possible to order unsold food that is still fresh and of high quality from affiliated shops and restaurants, allowing everyone to make a concrete contribution to the fight against food waste.

The Poste Italiane Group's unique assets for the development of Integrated Logistics Projects, managed by the dedicated team, confirm the Group's willingness to increasingly support the fight against food waste.

Sustainability of production processes

Padua sorting centre awarded in the Lean World Class

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.

As part of the offerings for consumer customers, in continuity with previous years, the company kept the following shipping services active:

- **Poste Delivery Web**, the service that allows to quickly and easily send online parcels of up to 30 kg in Italy and abroad using the 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). In addition, for direct mailings in Italy, the customer can avoid printing the shipping label, saving time and paper. With 'Paperless Collection', simply hand the parcel over to the courier or show the 2D code received by e-mail to the counter staff at the Post Office or the operator at the Punto Poste (network of affiliated tobacconists). They will be responsible for printing the waybill.

- **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. The service provides 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.
- **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.
- **Poste Delivery Express International**, the service that allows international shipments, available both at post offices and from the Post Office App or on the website, provides urgent shipments up to 30 Kg, two delivery attempts and with approximate times of two working days for shipments in the EU, 2-3 days in non-EU countries, 3-4 days for the rest of the world, plus the day of shipment and excluding customs time. The service is also available online via the Poste Delivery Web portal or via the Post Office App. After preparing the parcel with the waybill and customs documentation (for non-EU countries only), you can request free home collection of the consignment (only via Poste Delivery Web), or alternatively it can be delivered at authorised post offices. SDA Poste Italiane's 2ruotExpress service allows motorbikes and bicycles to be transported throughout Italy and to Barcelona in Spain, with special metal cages and dedicated packaging for bikes.

Innovation for workers in the delivery circuit

Poste Italiane renews the wardrobe of its approximately 29,000 letter carriers and provides new-generation PDA

During 2023, Poste Italiane renewed the company uniforms of approximately 29,000 employees working as letter carriers. Specifically, the garments are characterised by a new design that combines functionality and aesthetics, recycled fabrics and versatility, capable of protecting against the cold in winter and highly breathable for warmer periods, characterised by the classic colours of Poste Italiane, yellow and blue, to which grey is also added. In detail, the cargo-style trousers with side pockets are made of technical and breathable materials, lined with K-Flex fabric. The long and short-sleeved polo shirts are made from fibres that are highly protective against UV radiation. The new 3-in-1 winter jacket is equipped with a self-supporting jacket that can be adapted to any context, class 2 for high visibility in accordance with Uni En Iso 20471:2017, class 4 for waterproofness and breathability.

In addition, the new uniforms are complemented by other equipment, such as new-generation PDA that allow services such as paying bills or sending registered mail to the home. Through the use of such devices, the delivery of parcels is facilitated not only by the function of the recipient's electronic signature directly on the PDA, but also by the possibility of contacting the recipient of parcels by telephone during delivery, so that the delivery can be managed on time. The PDA also enables efficient value-added operations such as cash-on-delivery, delivery by appointment and home collection of registered mail.

In addition, the new devices are able to handle the payment of major bills and MAVs, cashless, via the PostePay 'Pay with code' functionality and with the new SoftPOS payment type in contactless mode. In addition, it is possible to manage telephone and PostePay top-ups exclusively through electronic payments in a safer and faster way.

Innovation and digitalisation of processes

roughly
2 billion

will be invested in
the Group's digital
transformation over
2021-2024

Poste Italiane has undertaken a digitalisation journey that has involved both the Group's offering and company processes, transforming the distribution model from an omnichannel perspective, in order to guarantee the provision of services in an agile manner and aligned with customer needs. The implementation of the omnichannel strategy involved all business levels and, through the extension of the physical footprint and the strengthening of digital channels, it was possible to invest in the Group's digital transformation. Through the use of digital platforms that provide new and personalised products and services by exploiting the opportunities deriving from technological innovation, Poste Italiane has opened new communication channels capable of offering its customers a seamless experience in line with their needs.

Inauguration of UP Full Digital in Florence



On 8 November 2023, the Florence Post Office was opened as a pilot project of UP Full Digital. In particular, the activities involved the definition of criteria, the analysis and identification of the post office, a communication campaign and the launch of the UP itself in an experimental phase.

The Florence Post Office is the first in Italy where citizens can make use of all Post Office services by booking access through the 'Search office and book' function, available on the poste.it website and on the Poste Italiane, BancoPosta and PostePay apps. In addition, the 'Booking Only' trial was launched, a new access model in post offices that aims to reduce waiting times and improve the efficiency of the service through booking via app or Poste's website.

The objective of ensuring better efficiency in customer management is flanked by that of contributing to digital education, thanks to the figure of a reception operator who, already since August in the Florence office, has been informing and supporting customers on the use of the Apps and the Poste Italiane website and for any specific needs. Furthermore, the focus on the most fragile groups is confirmed, for whom priority service is always guaranteed.

Finally, a further benefit of the 'Booking Only' project will be to significantly reduce the issuance of paper (physical tickets) in line with Poste Italiane's sustainability plan, which aims to reduce to zero the potential environmental impact generated by its activities

Digital innovation in the Company

Employee training



In the area of Information & Communication Technology, annual training plans were launched to develop, update and strengthen the skills required for the operation, management, development and security of ICT systems. An in-house catalogue of around 4,800 titles is available for this highly specialised context.

Continuing education plans continue as part of the partnerships with Microsoft Corporation on Azure topics (Cloud Computing, Data Analytics and Platforms) and with Amazon Web Services Inc. with the delivery of multiple specialised courses that delve into thematic areas such as: common AWS products, services and solutions, security engineering, advanced architecting, technical essentials.

At a transversal level, with the aim of automating and improving IT business processes, an IT Methodology training plan is in place, aimed at developing skills to support the adoption of Methodologies and Best Practices (e.g. Project Management, Lean Six Sigma, DevOps and Scrum and Design Thinking). Lastly, a specific initiative was launched dedicated to the resources operating in the newly established Data Office structure in the DTO area on Data Science & Analytics topics with the aim of exploring the essential elements of Data Literacy, raising awareness of the potential of introducing solutions that enhance Big Data & Analytics for business process innovation.

In the Customer Operations sector, particularly in the area of Customer Assistance, training initiatives were launched dedicated to specific targets such as Tutor Trainers, Operations Tutors and Financial Services Operators focused on the evolution of the assistance model towards a greater commercial proposition and an integrated and omnichannel customer experience. It is also worth mentioning the launch of a specific training project on Artificial Intelligence and Conversational Design dedicated to resources working in the Customer Service Models structure.

Poste Italiane consolidates its role as a platform company

The winning strategy of the Platform Company

The omnichannel strategy has transformed Poste Italiane into a Platform Company, already resilient to the pandemic and the financial upheavals produced by the war in Ukraine, and prepared to manage any new critical issues arising from the current context. In the fourth quarter of 2023, the Company achieved a 9.4% year-on-year increase in operating profit, reaching at 2.62 billion a level more than double that of 2017.

Important initiatives such as 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.

Poste Italiane considers human capital a resource of central importance for innovation. For this reason, in addition to continuing its policy of open innovation and inorganic growth with the acquisition or majority shareholding in some of the most innovative companies and start-ups, it also continues its "reshoring" policy, hiring young resources, emigrated abroad. 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.

In this scenario, by stimulating the growth of the productive fabric and favouring the simplification of the Public Administration, Poste Italiane has positioned itself as the Distribution Platform of Choice of the Italian System to support citizens in their daily life needs.

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.

OMNI-CHANNEL AND OMNI-COMMERCE

The Tech Ops Liquid Engine enables the evolution of CX in omni-channel and omni-commerce



DATA

by leveraging strategic, transparent and ethical use of data



CUSTOMER OPERATIONS

on valuable customer operations and with automated processes



TECH TRANSFORMATIONS

and on a cutting-edge technological framework and that requires an approach driven by automation, security and data protection

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.

In particular, the Customer Operations division, which deals with the processing of service activation files and their billing, was reorganised in 2023. In fact, 60 processes were mapped and digitalised to streamline and speed up back office activities and eliminate paper. The digitalisation of Poste Italiane's processes and the elimination of paper are the key factors for a transformation that can support a new digital economy.

To make a radical transformation possible in addition to strategic partnerships capable of accelerating the digitalisation of the country, the Company believes it is necessary to trigger a cultural change that involves all people in a series of aspects:

- **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;
- **skills:** 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.

In addition, from 2019 to 2023, the Poste Italiane Group has been attentive to more than 2,200 national and international start-ups, from scouting on the global market, interaction with supply chain operators such as Venture Capital Funds/accelerators/incubators, and participation in national and international Open Innovation Programmes with which Poste Italiane has signed collaboration agreements. Among the start-ups mentioned above, over 450 were deemed to be of potential interest for the Business Units and around 250 projects were evaluated for potential synergies/collaborations. More than 40 companies have emerged from this rigorous process and have been the subject of active collaboration, some with acquisitions and equity participation such as Scalapay, Sennder, Tink and Milkman.

roughly **2**
thousand
start-ups

from the **2019-2023**
scouting on the world
market were analysed
by the Group

Renewing with start-ups

Poste Italiane acts for innovation



Poste Italiane underlines its commitment to innovation by participating in the seventh 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. In particular, during the OPEN ITALY programme, Poste Italiane collaborated with Clearbox and B4Tech.

B4Tech

Innovative start-up of B4 Group recently completed the 'Parcel Mapping' project with Poste Italiane, as part of the OPEN ITALY programme of ELIS Innovation Hub.

The initiative represents a significant step in the supply chain world, responding to Poste Italiane's need to trace and map critical issues in the distribution process in detail. Thanks to the implementation of two innovative tracking devices, Smart Label and GPS Box, B4Tech's solution offers real-time position control of the shipment as it passes through the entire distribution chain. These IoT devices transmit signals at regular intervals during transport, providing crucial data to improve operational efficiency. The use of B4Tech's Augmented Analytics platform made it possible to further process and enrich the value of the data coming from these devices, generating a series of valuable insights that improve the traceability and transparency of the distribution process, optimising the management of anomalies in the entire logistics ecosystem.

Clearbox AI

The partnership between Poste Italiane and Clearbox AI, initiated as part of ELIS Innovation Hub's Open Italy programme, opened the door to innovation through the creation of a sandbox of high-quality synthetic data. Synthetic data are created by AI algorithms on the basis of real data, to enrich and protect them, thus enabling analysis and testing in a secure environment. The adoption of Clearbox AI's generative AI technology has enabled innovative processes to be set in motion, enhancing the company's information assets. Thanks to the 'Synthetic Data Sandbox' project, it was possible to understand and investigate the potential for using synthetic data in Poste Italiane, while guaranteeing data protection and privacy.

The ESG advisory model

A Guided Advisory Platform



Through the creation of an online platform, Poste Italiane offers an advisory model focused on sustainable investments. 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.

This model focuses on a specific product catalogue, including financial criteria and ESG preferences of the client, e.g. product and client knowledge, advice and suitability, and disclosure to the client. Each product in the catalogue is associated with an ESG score based on two levels, an overall pillar score and a category score, also providing 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.

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, advice is given in relation to financial drivers. The control is in addition to those of the current adequacy model. With reference, however, to disclosure to the customer, the recommendation report is enriched with indications on the consistency of the proposed products with respect to personal ESG preferences and with the changes in terms of the single pillar score, between the pre- and post-recommendation portfolio. Within the information sheet of each product, the Consulting Platform provides information in the ESG field, and in the "product sheet" item, the scores relating to each driver are broken down (E, S, G).

Also in 2023, 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 contributed to strengthening the Group's digital sales channel. In particular, the strengthening of digital channels continued in 2023 with a view to guaranteeing a fluid and omnichannel experience for its customers based on three main drivers of evolution: the introduction of new functionalities on digital channels, the enhancement of the catalogue of offerings on digital channels, and the optimisation of the PosteBusiness infrastructure.

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.

The Company aims to connect Italian SMEs, Public Administration and citizens also through the strengthening of partnerships in order to provide innovative digital services.

**Poste Italiane
with Microsoft**

Posteitaliane



Microsoft and Poste Italiane are Digital Partners to improve business productivity, simplify collaboration, reach recipients, protect and certify data and documents.

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 participates in EU-funded projects on digital identity and payments and eXtended Reality solutions



Poste Italiane participates in the **DC4EU** project which aims to create and test a scalable and interoperable system among Member States and Stakeholders for the use of the new European digital identity (EUropean Digital Identity Wallet, EUDIW). To this end, several use cases will be developed and tested, involving both the public and private sectors, in different contexts based on an architecture and framework that will have to be aligned with the ARF 2.0 (Architecture and Reference Framework for European Digital Identity) scheme that is currently being published. Poste Italiane is participating in the project by providing its technical and organisational expertise to contribute to the activities of adopting a digital identity solution, analysing and designing the ecosystem for the wallet that will contain the identities, verifying consistency and alignment with the ARF and all related issues emerging from the work of the EU Commissions.

Poste Italiane is actively involved in the **NOBID** project whose objective is to test one of the main use cases defined by the European Commission in the area of payments, which concerns the authorisation of payments for products and services by the user/wallet owner. To support the payment use case and the broader ambitions of cross-border participation of several member states, the consortium includes national agencies from Norway, Denmark, Italy, Latvia and Iceland, and also tests the payment use case in wallets from Germany. The NOBID project includes public and private parties, attribute/credential and attestation providers, as well as EU citizens and residents who will test the wallet functionalities. Poste Italiane participates in the project by providing its technical and organisational expertise to ensure the 'on-boarding' of users in the Digital Wallet system.

Poste Italiane participates in the **SERMAS** project, which focuses on the implementation and management of new eXtended Reality systems by providing its technical expertise in the development of methodologies, coordinating the implementation activities of case studies, and participating in the testing and validation of the implemented solutions. Two of the three case studies envisaged in the project will be implemented by Poste Italiane to test XR solutions in assistance services. Through tactile and vocal interactions, the Receptionist Agent will welcome visitors at Poste Italiane's premises with the aim of providing information and physical access services to the buildings. Instead, a Post Office Agent with user-friendly communication capabilities will be active in post offices to provide information and offer services to users. In this context, participation in the project is of interest to Poste Italiane to test new models of human-machine interaction.

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pooste

is Sustainable
finance



Responsible investments
for sustainable growth.

nibilità

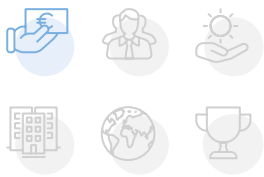
Half-yearly monitoring of the degree of **social responsibility** and **carbon footprint** of the portfolios of BancoPosta Fondi SGR and Poste Vita

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

Poste Italiane re-enters the **Brand Finance Global 500** among the brands with the highest financial value globally (+52 positions y/y)

MAIN RELATED
TYPES OF CAPITAL



7.16 Sustainable finance



SUSTAINABLE FINANCE FOR US:
scan the QR code and watch the video.



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2023	
	Reduce the Group's total portfolio emissions in line with the Paris Climate Agreement targets and contribute to limiting global warming to 1.5°C	• Net tCO ₂ e	• Net zero by 2050	2023	New	
	Development of sustainable finance initiatives dedicated to internal stakeholders	• No. of initiatives	• 4 by 2024	2021	5	
	Development of a dedicated offer for people who would have to disinvest part of their invested capital in the event of a serious illness	• Expansion of the offer on the main flagship products of both class I and multi-class	• Expansion of offerings by 2024	2022	Launched 4 products including Serious Illness cover	
	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	Start of production of the dedicated household insurance check-up	
	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: <ul style="list-style-type: none"> • 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) 	<ul style="list-style-type: none"> • Restyling of Persona line by Poste Vivere Protetti • New advisory and benefit management process 	<ul style="list-style-type: none"> • Restyling of Persona line by Poste Vivere Protetti by 2023 • New advisory and benefit management process by 2023 	2022	<ul style="list-style-type: none"> • Restyling of the Poste Vivere Protetti person line, simplifying the structure of the offer and orienting it towards a needs-based logic • New claims consultancy model launched in October 	
	Gradual inclusion of an ESG component in Poste Vita investment products	• % of Poste Vita products with ESG elements	• 100% by 2024	2020	79%	
	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	30%	
	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	30%	
	Development of a strategy concept integrating sustainability objectives (pursuant to Art. 9)	• No. of strategies with a sustainability objective	• 1 by 2024	2022	30%	
	Integration of Poste Vivere Protetti's Personal Line offer with coverage dedicated to specific targets e.g. caregivers	• Dedicated coverage for specific targets e.g. caregivers	• Coverage launch by 2024	2023	New	
	Carrying out a feasibility study on the possibility of extending the target group of insurable persons for health coverage to persons normally excluded, through greater sophistication of the health declaration required at the time of underwriting	• Carrying out a feasibility study to expand the target group of people insurable for health coverage	• Implementation of the study by 2024	2023	New	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

MAIN RELATED
TYPES OF CAPITAL



Integration of ESG factors into investment policies

NFS

The consideration of ESG factors and the dissemination of sustainable finance principles now represent a consolidated strategic axis for institutional investors, which they are called upon to embrace by weighing the social and environmental impact of their activities.

For several years now, the Poste Italiane Group has adopted a responsible investment approach that accompanies BancoPosta Fondi SGR and Poste Vita in their investment activities. In fact, the Group applies the principles of sustainability in all its areas of operation, including the financial sector, firmly believing that the asset management and insurance sectors, through the integration of ESG factors into investment decision-making processes, can contribute to the generation of long-term sustainable value, helping to protect society, foster 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.

Supervisory expectations on climate and environmental risks



The Bank of Italy, consistent with similar initiatives by the ECB and other national supervisory authorities, developed in 2022 a set of supervisory expectations on the incorporation of climate and environmental risks into business strategies, governance, control and risk management systems, and market disclosures by supervised intermediaries. The Bank of Italy followed this up with a thematic survey conducted on a sample of non-banking financial intermediaries. In view of the findings, all intermediaries were asked to prepare an 'Action Plan' by 31 March 2023, identifying the actions planned to address the gaps identified and ensure the alignment of business practices with supervisory expectations, specifying the priorities and timeframes required to complete the various initiatives.

In response to the expectations expressed by the Bank of Italy, BancoPosta Fondi SGR has therefore defined its Action Plan on the integration of climate and environmental risks into business processes. The Plan was developed on the basis of the AMC existing situation at the beginning of 2023 and a gap analysis with respect to evidence from the survey conducted by the Bank of Italy. This Plan, approved by the Board of Directors of BancoPosta Fondi SGR and subject to the assessment of the Board of Statutory Auditors, is divided into five main development drivers: governance and organisational structure, corporate strategy, risk management system, reporting model and information flows, and remuneration policy. The Plan has a three-year horizon 2023 - 2025. The individual elements of the Plan, contained in each driver, are indicated through three levels of priority and associated with an indicative time horizon, which will be reviewed periodically to assess the feasibility of the Action Plan, also in accordance with changes in the context and regulations.

The definition of a holistic approach for the integration of sustainability considerations into the Group's investment activities is part of a path started in 2019 through the development of the strategies and the general responsible investment approach adopted by the Group's financial companies, BancoPosta Fondi SGR and Poste Vita. The first step along this path was the signing of the Principles for Responsible Investment (PRI) by both companies. These are six principles, adhered to by an extensive international network of investors, which promote the integration of ESG issues and the dissemination of responsible investment practices within their investments and portfolio companies, proposing a long-term vision in the interests of the sig-

Salone del Risparmio (Savings Exhibition)

The CEO of BancoPosta Fondi SGR, Stefano Giuliani, participated in the Salone del Risparmio 2023, focusing on investors' green choices and the need to fully understand customers' expectations in order to guide them on sustainability issues

natories, the economy, the environment and society. Adherence to the PRI not only entails the integration of ESG criteria, but also results in a commitment by signatories to regularly report on their progress in implementing the responsible investment approach. 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. After a one-year suspension to allow for a review of its structure, the PRI questionnaire became active again in 2023 and both BancoPosta Fondi SGR and Poste Vita completed it in the planned reporting window.

Among the aforementioned PRI principles, one of them includes the commitment to incorporate ESG issues in shareholder policies and practices; Poste Italiane considers the action of dialogue with the issuers in which Group companies choose to invest, and their involvement in initiatives dedicated to the management of sustainability aspects, a fundamental tool for the dissemination of sustainable development models and the achievement of the sustainability goals that the Group considers a priority. In line with this belief, in 2023, BancoPosta Fondi SGR and Poste Vita renewed their commitment to engagement as a pillar of ESG integration strategies in investment processes, participating in collaborative initiatives and dialogue with the financial sector, institutions and associations category, consistently with the Guidelines that regulate the exercise of voting rights and engagement activities by the two Companies. These Guidelines set out the specific methods and timing for BancoPosta Fondi SGR and Poste Vita to consider engagement actions in the event of investments in companies operating in sectors deemed sensitive to environmental issues - such as climate change - or social issues - such as human rights - or governance issues; at the same time, following a logic of prioritisation of the most significant issuers, the Guidelines also define the level of engagement priority for specific issuers.

Poste Italiane believes that collaboration with other stakeholders is essential to foster the achievement of concrete results, in a stewardship logic. Pooling resources with other investors will allow for greater influence on the decision-making and actions of portfolio companies and will bring superior results in the progress towards sustainable development.

Engagement activities aim to encourage issuers to improve the way they integrate environmental and social dimensions into their business operations and increase levels of transparency in reporting. For these purposes, therefore, engagement activities are monitored and assessed periodically and, if these have not led to tangible improvements over time, BancoPosta Fondi SGR and Poste Vita consider resorting to further actions according to a logic of escalation, as governed by the Guidelines.

Specifically, Poste Vita and BancoPosta Fondi SGR continued to participate in social initiatives such as: Access to Medicine Initiative, committed to raising pharmaceutical industry awareness to expand access to essential health products in low- and middle-income countries, Access to Nutrition Initiative (ATNI), Workforce Disclosure Initiative (WDI). At the same time, collaborations were confirmed with the climate change networks Land Use & Climate, of the international Ceres network, and Climate Action 100+, the investor network that engages major carbon emitters globally to push them to implement concrete actions to reduce harmful emissions. BancoPosta Fondi SGR also adheres to the 'Science Based Target' and 'Non-Disclosure' campaigns promoted by CDP (Carbon Disclosure Project) and in 2023 began the process of joining IIGCC (Institutional Investors Group on Climate Change), finalised in early 2024.

Furthermore, as in past years, dialogue activities on ESG issues were carried out with listed companies as part of the "Engagement" Working Group coordinated by the Forum for Sustainable Finance on the occasion of the Euronext Sustainability Week of the Italian Stock Exchange. In particular, meetings were held with two Italian companies in the utility sector in which topics related to energy transition, such as the alignment of activities to the EU taxonomy and sustainable debt, and related social issues were discussed.

BancoPosta Fondi SGR has been publishing since 2022 an annual reporting on the application of the guideline on the exercise of voting rights and engagement activities, which, among other things, lists the portfolio companies for which voting rights were exercised during the previous year.

On the other hand, with regard to voting activities, BancoPosta Fondi SGR and Poste Vita¹⁶¹ take into account their own Guidelines aimed at describing the criteria and procedures for exercising voting rights, which also define the assessments carried out by the Companies in exercising their right to vote and in determining the same decisions.

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 processes, consisting of the Responsible Investment Policy, the Guideline for Investing in Sensitive Sectors and the Guideline on the exercise of voting rights and engagement activities. This system is subject to periodic updates (the last one took place in the last months of 2023) aimed at integrating internal growth elements in terms of sustainability governance, corporate strategy, investment strategy and product strategy. With regard to this last point, the SFDR encouraged new rules and criteria for assessing the sustainability of investments, with the aim of ensuring greater transparency and accountability in financial practices. The revision of the internal rules therefore entailed the need to take specific measures to monitor and assess compliance with these rules with respect to the qualification of the underlying investments in financial products. In addition, Poste Vita and BancoPosta Fondi SGR consider it essential to monitor the external environment, represented by regulations, the market and international standards, in order to intercept new market trends and requests from regulators, investors and standard-setters.

The Responsible Investment Policy is the document that describes and formalises the commitment to the integration of issues related to the individual ESG aspects (environmental, social and governance) into the investment processes on the basis of the reference principles and guidelines, activities, managed portfolios and asset classes, roles and instruments envisaged by the defined strategy, with the aim of making a positive contribution to the sustainability challenges. This strategy is based on taking into account the sustainability risks associated with investing and assessing issuers and financial instruments also according to environmental, social and governance criteria. 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 that violate fundamental humanitarian principles.

In addition to the definition of exclusion lists, the Group provides specific sector-specific approaches and guidelines for those activities or business conducts that present a significant inherent ESG risk. To this end, BancoPosta Fondi SGR and Poste Vita's Guideline for Investing in Sensitive Sectors has been adopted and updated, which defines the criteria and processes for identifying, assessing and monitoring exposure to issuers involved in fossil fuels, coal, animal testing and social and environmental controversies. Also in the area of sectoral assessments, Poste Vita recently introduced a watchlist to monitor the exposure of investments in issuers belonging to the tobacco, alcohol and gambling sectors.

BancoPosta Fondi SGR and Poste Vita consider the Principal Adverse Impacts (PAIs) on sustainability factors caused by investment decisions, adopting Regulation (EU) 2019/2088 and the subsequent Delegated Regulation (EU) 2022/1288 as the framework for identifying and measuring these impacts. During 2023, the companies developed and formalised an initial approach for monitoring and managing PAIs, both at the entity and individual investment product level, in accordance with regulatory requirements and existing internal regulations. This activity makes it possible to identify and measure the positive/negative impact

Net Insurance

Following the corporate transactions finalised in 2023, the update of Poste Vita's responsible investment policies and guidelines provided for the inclusion of Net Insurance SpA and Net Insurance Life SpA in the scope of application.

161. During the financial year, Poste Vita did not exercise its voting rights. Direct exposure to equities is residual, with equities in the company's financial statements representing about 0.3% of total assets.

on the sustainability challenges, enabling the identification of any negative impact mitigation actions to be implemented. In particular, for example, with reference to the challenges linked to climate change, Poste Italiane measures its possible positive contribution to sustainability challenges by monitoring the performance of PAI indicators through metrics such as 'Carbon footprint' and 'Investments made in companies that do not adopt initiatives to reduce carbon emissions'; with regard, on the other hand, to sustainability challenges linked to the social sphere (e.g. support for human rights), PAIs such as 'Violations of the principles of the UN Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises' and 'Gender Diversity in Council' are tracked. Information on the criteria for monitoring and managing PAIs is available in BancoPosta Fondi SGR's Responsible Investment Policy and Poste Vita's Guideline on PAIs, updated during 2023, as well as in the respective Statements on the Main Negative Effects of Investment Decisions, to which reference should be made for further references and details on the effects of these measurements and the actions implemented.

The correct implementation of the system of policies described above is guaranteed by their dissemination and communication within the organisation, in the belief that everyone's awareness is necessary to fully incorporate ESG considerations into business activities. At the same time, the clear allocation of roles and responsibilities enables the establishment of governance that favours smooth processes and the creation of focal points within companies for the management of ESG integration. In this way, with the support of central coordination, consistency of approaches is ensured with the broader sustainability strategy and objectives of the Poste Italiane Group. In order to strengthen the sharing of ESG integration in the investment area, as well as to bring to attention some general observations on regulatory and market developments, induction sessions were organised in 2023 with the Boards of Directors of Poste Vita and BancoPosta Fondi SGR.

BancoPosta Fondi SGR and Poste Vita promote the integration of ESG criteria within them, including through the adoption 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.

Principal Adverse Impacts (PAI)



BancoPosta Fondi SGR and Poste Vita published on 30 June 2023 their first 'Statement on the principal adverse impacts of investment decisions on sustainability factors'. Within this Statement, also known as the PAI Statement, evidence is provided of the performance of the PAI indicators, as identified by Delegated Regulation (EU) 2022/1288, on the companies' overall portfolios for the year 2022, as well as the main actions planned by each company to limit the negative impacts on sustainability challenges related to its investments.

While implementing a monitoring process for each PAI indicator, BancoPosta Fondi SGR and Poste Vita have identified certain impacts as priorities due to their interconnectedness with the principles set out in the Responsible Investment Policy and with the sectors identified in the Guidelines for investing in sensitive sectors. In particular, these are impacts resulting from the exposure of investment portfolios to the fossil fuel sector, to the controversial arms sector or to issuers that do not comply with the principles of the Global Compact or the OECD Guidelines for Multinational Enterprises.

ESG monitoring

Information flows

BancoPosta Fondi SGR and Poste Vita have integrated portfolio analysis tools into their information systems for the integration of ESG data and the continuous monitoring of ESG KPIs, including PAI indicators

In line with their Responsible Investment Policies, BancoPosta Fondi SGR and Poste Vita make use of a timely and structured process for monitoring the investments in the portfolio, aimed at respecting the strategies applied, containing the risks associated with sustainability issues and evaluating opportunities to carry out engagement initiatives with the issuers in the portfolio. Thus, monitoring activities include the verification of exclusion criteria and exposures to sensitive sectors, the analysis of ESG profiles of portfolios, and the assessment of negative impacts generated on sustainability factors. Through the principles and processes adopted, the two Group companies can therefore monitor both the overall ESG profile of their investments as well as specific sustainability issues of a systemic nature (such as climate change and human rights), using in both cases assessments prepared by specialised and internationally recognised info-providers. To this end, the portfolios of BancoPosta Fondi SGR and Poste Vita are periodically analysed on an ESG level through an external service provider specialised in social and environmental issues to evaluate the degree of social responsibility and the carbon footprint, with the aim of mitigating any emerging risks. The info-provider's evaluations are carried out in accordance with internationally recognised and disseminated standards, guidelines and norms by organisations such as the UN, ILO and OECD.

Monitoring the ESG profiles of the investment portfolio

Postevita
GruppoAssicurativoPostevita

BancoPostaFondi SGR

For the Poste Vita Group¹⁶², the weighted average ESG score for the investment portfolio in 2023 was 54/100 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 43/100 for corporate investments (equity and corporate bonds) and Xtrackers Global Government Bond equal to 65/100 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 7,342,187 tCO_{2eq}, with an Energy Transition score of 57/100 for corporate issuers. The comparison with the iShares MSCI World ETF benchmark is unfavourable in terms of carbon footprint (equal to 6,213,978 tCO_{2eq} for the ETF), while the Energy Transition of Poste Vita investments is higher than that of the index (score 47/100). Lastly, the Carbon Footprint of government investments was equal to 356,862,393 tCO_{2eq} and the Energy Transition score was 73/100.

With reference to BancoPosta Fondi SGR, the weighted average ESG score of the portfolios relating to the direct and indirect management of the AMC was found to be equal to 54/100 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 43/100 for corporate investments (equity + corporate bonds) and Xtrackers Global Government Bond at 65/100 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 direct and indirect investments in companies of the AMC was equal to 5,077,339 tCO_{2eq}, with an Energy Transition score of 57/100 for issuing companies. Both indicators performed better than the iShares MSCI World ETF benchmark (6,213,978 tCO_{2eq}, Energy Transition score 47/100). The Carbon Footprint of government investments, however, is equal to 504,143,360 tCO_{2eq} and the Energy Transition score is 72/100.

162. The Poste Vita Group refers to the portfolio under management delegation (separate management schemes and assets) of Poste Vita and Poste Assicura.

Poste Vita Valore Solidità Separately Managed Account

In 2023, Poste Vita launched a new Separately Managed Account, which was designed to be classified under Article 8 SFDR as a product that promotes environmental and/or social characteristics

Offering investment products with environmental and social benefit

The focus on sustainability, ESG risk management and reporting on the positive and negative impacts generated through investments is crucial in building portfolios sensitive to environmental and social issues. Today, the investment product catalogue of Group companies is based on the integration of ESG criteria into their strategy; the periodic review and updating of the system of policies and guidelines described above also allows additional strategies to be added to the integration approaches common to all portfolios established by the Group. During 2023, Poste Italiane therefore continued its efforts to expand its proposal of financial products that promote environmental and/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 interested in the creation of positive social-environmental value through the investment products they subscribe to. The offer of this type of investment solutions is based on the criteria for the classification of financial products as defined by Regulation (EU) 2019/2088 (SFDR Regulation), in particular with reference to so-called Article 8 SFDR products. The extension of this offer stems from both the launch of new products and the review of the investment strategies applied, with the introduction of additional ESG integration strategies, and represents a commitment shared by both BancoPosta Fondi SGR and Poste Vita.

Thematic Funds

Between 2021 and 2022, BancoPosta Fondi SGR offered thematic products focused on the environment for placement, with the launch of BancoPosta Focus Ambiente 2027, which was followed by BancoPosta Focus Ambiente March 2028. The funds, managed under delegation by Anima SGR, invest primarily in third-party funds classified as products that promote environmental and/or social characteristics or that 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.

In relation to the insurance sector, Poste Vita's portfolio includes investments in alternative asset classes characterised by a specific green component: for example, the Real Estate Diamond Eurozone Office (DEO) fund, which has obtained a high rating in terms of sustainability by the GRESB and which won the title of Green Fund, and the Diamond Core real estate investment fund whose underlying assets are WELL/LEED Gold certified properties 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 products consisting of fund of funds, BancoPosta Fondi SGR operates as an asset manager through flexible solutions based on the adoption of a specific proprietary model to support investment decisions. This product category includes the funds of BancoPosta Fondi SGR's Universo family. In 2023, BancoPosta Universo 40 and BancoPosta Universo 60 were joined by a third fund, Universo Tematico, which focuses its investments on three megatrends (planet, innovation, population) that are believed to be among the main drivers of future changes. In turn, Poste Vita offers insurance investment products containing investment options that promote environmental and/or social characteristics under Article 8 SFDR (managed under delegation by the Group's SGR) represented by the Company's internal funds: Poste Vita Valore Sostenibilità Dinamico, Poste Vita Valore Sostenibilità Equilibrato, Poste Vita Valore Sostenibilità Sviluppo and Poste Vita Obiettivo Sostenibilità.

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 by BancoPosta Fondi SGR that assigns an internal rating to investable UCITS based on an assessment of the degree of commitment and application of responsible investment strategies.

Best-in-class Funds

This category includes those investment products of BancoPosta Fondi SGR, managed under delegation by third parties, for which a strategy is adopted aimed at selecting only issuers that respect certain acceptability thresholds, defined according to an ESG rating scale that can be developed by the delegated manager or by the reference info-provider chosen by the latter.

The offer of this type of fund includes, as of 2021, the BancoPosta Selezione Attiva and BancoPosta Azionario Euro products, managed under delegation by Amundi, an operator with a strong vocation for responsible investment. They were joined in 2022 by the BancoPosta Azionario Internazionale, BancoPosta Orizzonte Reddito and BancoPosta Azionario Flessibile funds; these products select issuers with the aim of minimising exposure to certain business sectors (e.g. tobacco, coal) and maintaining an ESG rating level per individual issuer or average portfolio above a predetermined minimum threshold.

The transition of the three BancoPosta funds Mix 1, Mix 2 and Mix 3 from Article 6 to Article 8 SFDR was completed in the course of 2023. The AMC changed its investment policies, redefining its investment objective and management style in order to orient investments towards assets that meet certain ESG requirements. In particular, a strategy combining negative selection criteria, such as the exclusion of issuers operating in the coal, defence, tobacco and gambling sectors, with the implementation of a best-in-class strategy based on the ESG scores of the individual issuers in the portfolio, was also adopted here.

During the reporting year, Poste Vita also launched a product, Poste Prospettiva Valore Gold, whose underlying investment options, consisting of a new Separate Account and a specific portfolio of securities (so-called Specific Provision of Assets), are both classified under Article 8 SFDR on the basis of the implementation of a positive selection strategy dependent on the portfolio's ESG rating.

The Poste Investo Sostenibile product of BancoPosta Fondi SGR deserves separate consideration; this fund differs from the Best-in-Class product range in that it makes, with regard to a portion of its assets under management, sustainable investments, i.e. investments that contribute to at least one environmental or social objective without significantly damaging any other sustainability objective.

MAIN RELATED
TYPES OF CAPITAL



NFS

Integration of ESG factors into insurance policies

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 correct and effective implementation of risk management processes also by sector operators, the insurance industry can contribute to the mitigation of risks for 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”. 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.

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 insurance products with social and environmental impacts.

Brand Finance Global 500

In 2024, Poste Italiane ranks 231st in the ranking of the 500 brands with the highest financial value worldwide

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 highlighted 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 favouring widespread and cohesive action on ESG issues.

One area that has engaged Poste Vita and Poste Assicura companies, and which will continue to be developed with a view to ongoing evolution, concerned the integration of further considerations in relation to sustainability risks into the risk management framework and the Actuarial Function. The aim is to ensure alignment with national and EU regulatory requirements and market best practices, with a particular focus on climate change risks.

Insurance products with social and environmental benefit

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. 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.

Emilia-Romagna Emergency

The Poste Vita Group has activated a plan of initiatives to help and support its policyholders living in the flooded areas of Emilia-Romagna and in some municipalities of Marche and Tuscany

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 insurance 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 Advanced Electronic Signature (Firma Elettronica Avanzata, FEA). 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 the strategic objectives, during 2023, the Poste Vita Group continued the process of expanding the range of insurance investment products (IBIPs products) through the development of solutions that allow access to the opportunities offered by the financial markets, also seizing the return opportunities that arise from investments in securities characterised by positive ESG profiles. This marked a strong evolution of the process started in May 2022 with the placement of Poste Vita's first product classified as promoting ESG characteristics under the SFDR, namely 'Poste Progetto Valore 360'. In the second half of 2023, the company made five IBIPs products available to customers that promote environmental and/or social characteristics: these are the new products Progetto Integrazione Programmata, Poste Progetto Bonus 4in4 and Poste Prospettiva Valore Gold, and the existing and reclassified products Progetto Dinamico New and Soluzione Valore New. The rules for qualifying investment options under Article 8 SFDR were updated by Poste Vita during the year in order to homogenise the strategies applied across different products. Further developments in this direction are planned for 2024 with the launch of new products with environmental and social benefits.

In particular, in 2023, Poste Vita decided to extend the horizon of products with ESG characteristics to class I portfolios for the first time. In fact, the company's new segregated management scheme, Poste Vita Valore Solidità, has been classified under Article 8 SFDR.

Poste Prospettiva Valore Gold

Poste Prospettiva Valore Gold is a class I insurance solution with specific assets, the benefits of which are linked to a Specific Asset Pool for the first 5 years of the product's duration and to the Posta Vita Valore Solidità segregated fund for the following 5 years. Both product components apply ESG integration criteria based on achieving a weighted average portfolio ESG rating of at least 50/100, both for the component invested in corporate issuers and for the component invested in government issuers. In addition, issuers that are found to have significant involvement in coal mining or unconventional oil & gas activities and, at the same time, achieve an ESG score of less than 30/100 are to be excluded. These thresholds derive from the evaluation methodology adopted by the data provider, according to which a score of at least 50/100 represents a 'robust' level of performance by the rated issuer, while below 30/100 represents a 'weak' level of performance. The investment strategy of the Specific Asset Allocation and the Separate Account requires that at least 65% of the assets are invested in such a way as to meet the ESG criteria described above.

In addition to the sustainability considerations of the investment options in the product range, and thus to satisfying the needs of customers oriented towards more sustainable investment choices, the Poste Vita Group is committed to offering customers all-round advice, which responds in an integrated manner to their investment needs and life and non-life protection needs. For example, subscribing to Poste Progetto Valore 360 allows, among others, the possibility of accessing in a single simplified process also 'Poste Vivere Protetti', one of the insurance offers offered by Poste Assicura in the area of protection most widely 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.

MAIN RELATED
TYPES OF CAPITAL



NFS

7.17 Indicators tables

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	2021		2022		2023	
	Category	Personnel	Category	Personnel	Category	Personnel
Operating Area Managers	6	19	6	22	6	21
Branch offices	66	825	67	821	67	828
Total	72	844	73	843	73	849

* The figures refer to the Group company, SDA SpA.

[GRI 2-6] CAPILLARITY OF THE ORGANISATION*

Capillarity	2021		2022		2023	
	Category	Personnel	Category	Personnel	Category	Personnel
Local Operating Centres	9	485	9	467	9	411

* 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	2021	2022	2023
Total number of Group companies assessed for risks related to corruption	16	18	21
Total number of Group companies	24	33	32
Percentage of Group companies assessed for risks related to corruption	66	55	66
Percentage of operations audited for risk of corruption***			
High coverage	86	64	82
Medium coverage	14	32	18
Low coverage	0	4	0

* 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 HANDLED BY THE WHISTLEBLOWING COMMITTEE [GRI 205-3] ESTABLISHED INCIDENTS OF CORRUPTION AND ACTIONS TAKEN

Reports	2021	2022	2023
Reports handled	617	790	1.280
of which confirmed	28*	37**	83***
of which being evaluated	28	57	188
Total reports handled in the area of corruption	0	0	0
of which confirmed	0	0	0
of which being evaluated	0	0	0

* 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 any further critical situations in the work environment. The corrective actions included the resolution of the reported anomalies.

*** Of 83 reports found to be confirmed, 45 relate to Poste Italiane SpA. Of these 45 reports:

- 2 serious reports of violations of the Code of Ethics, one relating to harassment in the workplace and one relating to fraud by an employee; for these critical issues, management took appropriate disciplinary action;
- 4 critical level reports referred to a fraud by third parties in the franking of postal products, cash shortages, violations of UP security provisions and irregularities in the observance of working hours; for these critical issues the competent functions were informed for legal and disciplinary assessments;
- 24 material level reports attributable to negligent conduct on the part of persons with organisational and executive responsibilities, significant administrative, managerial or operational impacts;
- 12 insignificant reports;
- 3 reports were found to be of negligible level.

With regard to the follow-up checks, carried out to verify the absence of discriminatory actions or other forms of retaliation against whistleblowers, it was found that:

- for the harassment case the working conditions of the resource did not deteriorate and the centre is constantly monitored for the presence of resources with relational problems;
- for cases relating to incorrect operation in PO, the offices concerned are constantly monitored by the Branch and relations between the operators are strictly professional, with no further problems detected.

CASES OF BRIBERY AND CORRUPTION AND CORRECTIVE ACTIONS

Number of cases of bribery and corruption and corrective actions	2021	2022	2023
Cases of corruption and bribery	0	0	0

SPECIFIC TRAINING ON PROCEDURES AND POLICIES OF ANTI-CORRUPTION

Anti-corruption training	2021	2022	2023
Total workforce	92,661	100,829	85,279
of which:			
Executives	455	478	278
Middle managers	13,899	14,393	10,598
Operational staff	78,307	85,958	74,403

EXISTING TENDERS WHICH INCORPORATE SPECIFIC ENVIRONMENTAL CRITERIA*

Tender procedures with environmental criteria	2021	2022	2023**
Percentage of suppliers selected on the basis of environmental criteria (%)	83.4	84.8	90.5

* 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 2023, reference is made to tenders launched included in the current thresholds for special sectors, conventionally extended to non-code tenders, referring to Competitive Tenders/Competitions carried out by Poste for its own needs and in service for the Group Companies included in the centralised purchasing framework or Competitive Tenders/Competitions carried out directly and independently by the Group Companies themselves (subject to the economic thresholds): PostePay, Postel, PosteVita (Poste Assicura), BancoPosta Fondi, Egi, Poste Air Cargo, SDA, Nexive Network, PosteWelfare Servizi. 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 5.7 percentage points compared to the 2022 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	2021	2022	2023**
Percentage of suppliers selected on the basis of social criteria (%)	84.5	88.3	87.9

* The analysis pertains to tender procedures for amounts exceeding EU thresholds and is functional in identifying 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 2023, reference is made to tenders launched included in the current thresholds for special sectors, conventionally extended to non-code tenders, referring to Competitive Tenders/Competitions carried out by Poste for its own needs and in service for the Group Companies included in the centralised purchasing framework or Competitive Tenders/Competitions carried out directly and independently by the Group Companies themselves (subject to the economic thresholds): PostePay, Postel, PosteVita (Poste Assicura), BancoPosta Fondi, Egi, Poste Air Cargo, SDA, Nexive Network, PosteWelfare Servizi. The stabilisation of sustainability monitoring in purchasing procedures has guaranteed a relatively constant trend of the indicator, which records a slight decrease in social performance equal to -0.4 percentage points compared to the 2022 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	2023**
Percentage of suppliers selected on the basis of governance criteria (%)	33.1	52.3	78.9

* The analysis relates to tendering 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 2023, reference is made to tenders launched included in the current thresholds for special sectors, conventionally extended to non-code tenders, referring to Competitive Tenders/Competitions carried out by Poste for its own needs and in service for the Group Companies included in the centralised purchasing framework or Competitive Tenders/Competitions carried out directly and independently by the Group Companies themselves (subject to the economic thresholds): PostePay, Postel, PosteVita (Poste Assicura), BancoPosta Fondi, Egi, Poste Air Cargo, SDA, Nexive Network, PosteWelfare Servizi. The stabilisation of the sustainability compliance in procurement procedures ensured the continuation of the positive trend of the indicator, which recorded a significant increase in governance performance of 26.6 percentage points compared to the 2022 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 governance criteria (> 98%).

[GRI 301-1] MATERIALS USED BY WEIGHT OR VOLUME

Type of material/raw material (kg)	2021	2022*	2023
Renewables	34,675,462	35,710,037	32,630,107
Paper	18,775,259	19,333,096	15,358,637
Cardboard	6,115,574	7,026,213	8,921,461
Wood	9,784,629	9,350,728	8,350,009
Non-Renewables	3,538,701	3,208,353	3,573,122
Plastic	2,655,118	1,986,962	2,042,802
Ink/toner	80,003	71,084	51,260
Glues	6,552	8,485	10,262
Other**	797,028	1,141,822	1,468,798
Total	38,214,163	38,918,390	36,203,228

* The values relating to "Paper", "Cardboard" and "Wood" referring to 2022 have been updated following a refinement of the reporting system.

** "Other" includes materials belonging to the categories: Labels/Adhesives, Sacks, Seals, Twine, consistent with the process of updating the material clusters allocated to the reporting categories in the previous reporting year.

[GRI 301-2] MATERIALS USED THAT ORIGINATE FROM RECYCLING

Type of material/raw material from recycling (kg)	2021	2022*	2023
Paper	4,003,532.9	4,248,312.6	3,576,722.2
Cardboard	1,890,347.4	5,799,657	7,150,534.6
Wood	9,784,527.7	1,709,561.5	735,710
Plastic	205,653.4	109,955	366,492.1
Ink/toner	17,795.7	23,451.3	20,642
Total materials used	38,214,163	38,918,390	36,203,228.32
of which: from recycling	15,901,857.2	11,890,937.3	11,850,101
Percentage of materials used from recycling (%)	41.61	30.55	32.73

* The values relating to "Paper", "Cardboard" and "Wood" referring to 2022 have been updated following a refinement of the reporting system.

ANTI-COMPETITIVE PRACTICES

Total sanctions	2021	2022	2023
Sanctions for anti-competitive practices/antitrust infringements (€)	11,000,000	0	0
Number of sanctions for anti-competitive practices/antitrust infringements	1	0	0

SUPPLIERS WITH AN ISO 14001 OR EMAS CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM

Percentage of suppliers	2021	2022	2023
Percentage of qualified suppliers with an ISO 14001 or EMAS certified environmental management system (%)	83.4	84.8	90.5

[GRI 207-4] REPORTING OF INFORMATION OF A FISCAL NATURE*

Fiscal data (€m)	2021			2022				2023			
	Italy	Hong Kong	China	Italy	Hong Kong	China	United Kingdom	Italy**	Hong Kong***	China****	United Kingdom*****
Revenue from sales to third parties	31,633	77	0	31,761	115	0	2	19,990	145	0	5
Revenue from intra-group transactions with other tax jurisdictions	63	0	1	95	0	3	2	117	0	2	11
Profits/losses before tax	2,164	4	0	2,319	8	1	0	2,717	9	0	1
Tangible assets other than cash and cash equivalents	2,454	0	0	2,592	0	0	0	2,746	0	0	0
Income taxes paid on the basis of cash accounting principle*****	380	0	0	471.1	0	0	0	485	2.86	0	0.22
Corporate income taxes accrued on profits/losses	587	1	0	817	1	0	0	792	2	0	0
Revenues	32,065	77	1	32,024	116	3	4	20,288	145	2	15

* 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, ConsorzioServizi 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, Net Insurance SpA, Net Insurance Life SpA, LIS Holding, LIS Pay, Agile Lab Srl, Plurima SpA, Bridge Technologies Srl, Logos Srl, Sourcesense SpA, Sourcesense Digital Srl, Sourcesense Technology Srl, Sourcesense Platforms Srl.

Significant differences with respect to 2022, especially with regard to revenue, are due to the application of the accounting standard IFRS 17 in 2023. Below are the 2022 figures reclassified according to IFRS 17: Revenue from sales to third parties: 13,800; Pre-tax profit: 2,424; Corporate income taxes accrued on profits/losses: 849; Revenues: 14,063.

*** 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, two macro phenomena appear to have occurred in 2023, such as a credit of approximately €7 million deriving from the presentation of the Supplementary Declaration for the 2017 tax year, as well as the tax effect deriving from the allocation to the risk provision for the liability underlying the issue of tax credits prudentially considered non-deductible and subject to further assessments, the final effect on the tax rate appears to be substantially offset.



People development

[GRI 2-7] PERSONNEL BY CONTRACT TYPE, GENDER AND BUSINESS LINE*

Type of contract	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Contract Stable**	49,714	60,197	109,911	52,022	61,393	113,415	50,472	59,789	110,261
of which:									
Mail, Parcels and Distribution	49,112	59,557	108,668	51,250	60,664	111,914	49,600	58,937	108,537
Financial Services	249	217	466	252	229	481	260	249	509
Insurance Services	214	269	483	220	239	459	293	329	622
Payments and Mobile	140	154	294	300	261	561	319	275	594
Contract Flexible***	5,700	3,358	9,058	4,742	2,876	7,618	6,013	3,881	9,894
of which:									
Mail, Parcels & Distribution	5,697	3,353	9,050	4,738	2,863	7,602	6,006	3,871	9,877
Financial Services	0	0	0	0	0	0	0	0	0
Insurance Services	3	4	7	0	1	1	2	6	8
Payments and Mobile	0	1	1	4	12	16	5	4	9
Total	55,414	63,555	118,969	56,765	64,269	121,033	56,485	63,670	120,155

* 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	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	53,763	59,321	113,084	54,817	60,142	114,959	54,047	59,298	113,345
of which:									
Mail, Parcels & Distribution	53,159	58,695	111,854	54,043	59,425	113,468	53,171	58,463	111,634
Financial Services	248	209	457	251	222	473	259	241	500
Insurance Services	217	265	482	220	230	450	294	323	617
Payments and Mobile	139	152	291	303	265	568	323	271	594
Part-time	2,963	6,900	9,863	3,419	6,561	9,980	4,412	7,062	11,474
of which:									
Mail, Parcels and Distribution	2,961	6,875	9,836	3,416	6,529	9,945	4,408	7,027	11,435
Financial Services	1	11	12	2	9	11	1	10	11
Insurance Services	0	10	10	0	13	13	1	15	16
Payments and Mobile	1	4	5	1	10	11	2	10	12
Total	56,726	66,221	122,947	58,236	66,703	124,939	58,459	66,360	124,819

* Figures expressed as Headcount.

EMPLOYEES (FOREIGN)

Distribution by Country	2021	2022	2023
of which:			
China	24	32	36
Hong Kong	0	0	0
United Kingdom	0	2	6
Total	24	34	42

[GRI 2-8] NON-EMPLOYEES

Total number of trainees by age group and gender	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of worked hours*	92	55	147	90	67	157	75	72	147
of which:									
< 30 years old	92	55	147	90	67	157	75	72	147
30 – 50 years old	0	0	0	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	2021	2022	2023
University degree (%)	19.1	21.5	23.1
High School Diploma (%)	67.9	66.8	66.3
Middle School certificate (%)	12.9	11.6	10.6
Elementary School certificate (%)	0.1	0.1	0
Total (%)	100	100	100

* The percentages have been calculated for permanent personnel in Headcount.

NUMBER OF PARTICIPANTS IN DEVELOPMENT PROGRAMMES

Development programme	2021	2022	2023
Assessment of potential	1,162	2,069	1,891
Mentoring and coaching paths	562	867	1,186
Skills development and innovation	6,990	4,760	8,544
Total	8,714	7,696	11,621

[GRI 404-1] AVERAGE HOURS OF TRAINING FOR EMPLOYEES BY GENDER AND CATEGORY

Category	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	38	49	41	42	51	44	25	32	27
Middle managers	80	99	89	71	83	77	73	86	79
Operational staff	37	49	44	39	48	44	43	54	49
Total workforce	43	55	49	43	52	48	47	57	52

AVERAGE TRAINING DAYS PER EMPLOYEE

Days of training	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Average training days provided to employees	7.1	9.1	8.2	7.2	8.7	8	7.8	9.6	8.7

HOURS BY TYPE OF TRAINING*

Type of training	2021	2022	2023
Management	33,200	53,600	36,750
Technical – specialist	2,743,150	3,041,350	3,391,350
Compliance	3,266,800	2,893,800	3,110,000
Total	6,043,250	5,988,750	6,538,100

* 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	2022	2021	2023
Total expenditure on training and development programmes (€)	8,310,436	8,220,217	9,648,534

POSITIONS FILLED THROUGH INTERNAL HIRING

Percentage of positions filled through internal hiring	2021	2022	2023
Percentage of positions filled through internal hiring (%)*	57	25	39

* 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			2023		
	Men	Women	Total	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	48.58	59.96	54.61
of which:									
< 30 years old	46.95	65.90	54.17	67.24	100.74	80.40	63.54	96.32	76.18
30 – 50 years old	48.86	59.08	54.24	47.74	56.85	52.47	54.56	65.97	60.44
> 50 years old	37.32	54.64	47.18	33.19	44.65	39.76	35.23	48.00	42.65
Amount spent per employee on training and development**	59.34	77.60	69.10	61.46	75.02	68.66	72.5	87.2	80.30
of which:									
< 30 years old	63.55	89.20	73.31	93.07	139.43	111.28	88.4	134.0	105.96
30 – 50 years old	66.13	79.96	73.42	66.07	78.68	72.63	83.8	97.7	90.99
> 50 years old	50.51	73.96	63.86	45.94	61.79	55.03	51.5	68.9	61.64

* 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	2020			2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
New hires by gender	1,153	1,023	2,176	1,356	1,268	2,623	4,208	3,664	7,872	1,814	1,660	3,474
of which:												
< 30 years old	568	478	1,046	773	667	1,440	2,058	1,667	3,724	885	697	1,582
30 – 50 years old	540	519	1,059	532	570	1,102	2,017	1,936	3,953	850	918	1,769
> 50 years old	45	26	71	51	31	82	133	62	195	78	45	123
Percentage of new hires by gender (%)	53	47	100	52	48	100	53	47	100	52	48	100
Number of positions filled through internal hiring**	91	68	159	847	884	1,731	449	394	843	415	364	779
of which:												
< 30 years old	91	68	159	0	0	0	111	49	160	99	55	154
30 – 50 years old	0	0	0	0	0	0	325	309	634	295	272	567
> 50 years old	0	0	0	0	0	0	13	36	49	21	37	58

* The figures are shown in Full Time Equivalent (FTE) terms.

** Figures referring to the Parent Company Poste Italiane SpA and Poste Air Cargo.

TREND OF EMPLOYEE INVOLVEMENT BY GENDER*

Trend of employee involvement	2021			2022			2023		
	Men	Women	Total	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	23,439	26,008	49,446
Total number of Group employees	55,414	63,555	118,969	56,765	64,269	121,033	56,485	63,670	120,155
Percentage of employees involved in engagement activities (%)	26	25	26	18	18	18	41	41	41**

* Figures are expressed on the basis of the number of involvements/participants.

** The target set for 2023 is 35%.

TREND OF EMPLOYEE INVOLVEMENT BY GENDER AND AGE

Trend of employee involvement	2022			2023				
	Men	Women	Total	Men	Women	Total		
Number of employees involved in engagement activities by age group (No.)								
< 30 years old			952	1,043	1,995	2,014	2,058	4,072
30 – 50 years old			4,971	5,446	10,417	13,146	13,467	26,613
> 50 years old			4,422	4,845	9,268	8,278	10,483	18,761
Number of employees involved in engagement activities by age group (No.)								
< 30 years old			9	9	9	9	8	8
30 – 50 years old			48	48	48	56	52	54
> 50 years old			43	43	43	35	40	38

[401-2] BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES

Benefits for full-time employees	2021				2022				2023			
	Permanent contracts		Fixed-term contracts		Permanent contracts		Fixed-term contracts		Permanent contracts		Fixed-term 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
Financial benefits												
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 (%)	2021	2022	2023
Management by objectives*	96	96	97
Multidimensional performance assessment**	96.2	97.4	98.3
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 excluded from the calculation are the resources that cannot be assessed due to long absence (for 2023 with reference to the assessment year 2022 the number of N.A. is approximately 3,000 resources, while, for the 2022 evaluation year, 4 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 of those assessable (1,382 assessed by colleagues out of 1,406 assessable). Also for 2023 (performance 2022), the multidimensional assessment is not only made up of the 180° process (assessment of managers, colleagues) but for 205 managers, the overall assessment is given by the contribution of managers, colleagues and collaborators (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	2021	2022	2023
Total turnover rate (%)*	7.90	6.30	6.40
Voluntary turnover rate (%)*	7.20	5.50	5.50
Average cost of FTEs hired (€)	36,000**	35,700**	42,262***

* 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 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.

*** The average annual per capita cost of hiring concerns the following contract types (permanent contracts, apprenticeships, managers). The total annual cost incurred for newly recruited resources 2023 is identified through the ratio of the aforementioned total cost to the FTE sum (weighted by the number of months of impact) to obtain the average cost of newly recruited resources in the year 2023. For Executives, the average cost is used. The total number of new recruits for the year 2023 for the Parent Company is 2,973. Per capita labour costs only take into account ordinary salary items that take into account the following elements: fixed remuneration, accessory remuneration (e.g. performance bonus, various allowances, etc.) to which contributions/employee severance indemnity on the first two elements are mainly added, but do not consider: canteen ticket, travel costs and company car. The average cost for FTEs hired refers to the Parent Company.

TURNOVER RATE OF EMPLOYEES BY GENDER AND AGE

Turnover rate of employees	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total turnover rate (%)*	3.9	4.3	8.2	3.0	3.2	6.2	3.3	3.3	6.6
of which:									
< 30 years old	0.1	0.1	0.2	0.2	0.1	0.3	0.2	0.2	0.4
30 – 50 years old	0.2	0.2	0.4	0.3	0.2	0.5	0.4	0.3	0.7
> 50 years old	3.6	4.0	7.6	2.5	2.9	5.4	2.7	2.8	5.5
Voluntary turnover rate (%)*	3.6	3.9	7.5	2.5	2.9	5.4	2.8	2.9	5.7
of which:									
< 30 years old	0.1	0.1	0.2	0.2	0.1	0.3	0.2	0.1	0.3
30 – 50 years old	0.1	0.1	0.2	0.2	0.2	0.4	0.3	0.3	0.6
> 50 years old	3.4	3.7	7.1	2.1	2.6	4.7	2.3	2.5	4.8

* 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	2021	2022	2023
Disputes with employees	700	601	750*

* The periodic trends show an increase in the Group's disputes compared to the same period of the previous year, attributable almost exclusively to Poste Italiane. In fact, 750 new cases were counted in the reporting period compared to 601 cases in 2022, an increase of about 20%. On the "establishment of the employment relationship" front, there has been a slight increase. There are 148 new disputes (those in 2022 were 136) of which 13 CTD, 104 hirings in procurement matters and 31 temporary work. As regards the "conduct of the employment relationship", it is noted that the disputes arising in 2023 are 524 (those in 2022 were 390), recording an increase of approximately 26% determined largely by cases relating to conservative disciplinary sanctions and wages following a contract declared illegitimate. Finally, as far as 'termination of employment' is concerned, there were 78 new disputes, broadly in line with last year (75 in 2022).

[GRI 403-8] WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM*

Employees covered by the system**	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number employees covered by the system	56,303	66,076	122,379	57,257	66,352	123,609	57,677	66,023	123,700
% employees covered by the system	100	100	100	100	100	100	100	100	100

* Data do not include managerial staff due to the different configuration of the contractual employment relationship.

** Total number of employees covered by an occupational health and safety management system.

Employees covered by the system*	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number employees covered by the system	56,303	66,076	122,379	57,257	66,352	123,609	57,677	66,023	123,700
% employees covered by the system	100	100	100	100	100	100	100	100	100

* Total number of employees covered by an occupational health and safety management system that is internally audited.

Employees covered by the system*	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number employees covered by the system	56,207	65,989	122,196	57,167	66,276	123,443	57,620	65,993	123,613
% employees covered by the system	99	99	99	99	100	100	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).

Non-employees covered by the system*	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	3,021	831	3,852	3,465	256	3,721	4,263	2,469	6,732
% of non-employees covered by the system	100	100	100	100	90	99	99	99	99

* Total number of non-employees covered by an occupational health and safety management system.

Non-employees covered by the system*	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	1,797	336	2,133	3,011	242	3,253	3,139	952	4,091
% of non-employees covered by the system	59	40	55	87	85	87	73	38	60

* Total number of employees covered by an occupational health and safety management system that is internally audited.

Non-employees covered by the system*	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	2,094	533	2,627	2,936	212	3,148	2,543	870	3,413
% of non-employees covered by the system	69	64	68	85	74	84	59	35	50

* 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	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Rate of occupational Accidents recordable*	63.26	62.51	62.87	136.70	164.12	150.96	27.85	25.52	26.63
Rate of occupational accidents with severe consequences**	10.48	11.48	11.01	7.27	6.98	7.12	6.54	6.96	6.76
Rate of deaths resulting from accidents at work	0.07	0.02	0.04	0.07	0.01	0.04	0.01	0.01	0.01
Average mobile injuries at work***			8,109			14,663			14,013
Injuries	5,759	6,453	12,212	11,841	15,461	27,302	2,829	2,986	5,815
of which:									
at work	5,346	5,868	11,214	11,410	14,850	26,260	2,349	2,337	4,686
whilst travelling****	413	585	998	431	611	1,042	480	649	1,129
Fatalities	6	4	10	7	1	8	3	2	5
of which:									
at work	6	2	8	6	1	7	1	1	2
whilst travelling****	0	2	2	1	0	1	2	1	3
Occupational accidents with severe consequences	1,032	1,257	2,289	742	828	1,570	715	821	1,536
of which:									
at work	886	1,078	1,964	607	632	1,239	552	637	1,189
whilst travelling****	146	179	325	135	196	331	163	184	347
Total number of worked hours	84,510,522	93,871,311	178,381,833	83,468,272	90,480,504	173,948,776	84,358,494	91,575,804	175,934,298

* 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 2019 to 2023. 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 (2019 – 2023) and the average of three consecutive three-year periods (19-20-21/20-21-22, 21-22-23), comparing quarterly data and the cumulative since the beginning of the year. FY 2021, 2022 and 2023 are thus to be understood correspondingly as FY 19-20-21, FY 20-21-22 and FY 21-22-23.

**** 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	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Illness	731,341	1,032,274	1,763,615	739,850	1,056,700	1,796,550	580,693	842,346	1,423,039
Injury	159,888	187,179	347,067	181,770	232,840	414,610	84,282	98,430	182,712
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*	5.29	6.18	5.77	5.53	6.73	6.17	4.05	4.97	4.54**

* 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 2023 is 5%.

RATE OF OCCUPATIONAL ILLNESSES

Employees	2021	2022	2023
Number of recordable cases of occupational illnesses	8	5	12
Rate of recordable occupational illnesses (%)	0.04	0.03	0.07

OCCUPATIONAL ACCIDENTS NET OF COVID-19 CASES

Employees	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Rate of occupational Accidents recordable*	30.91	26.26	28.46	30.38	25.44	27.81	27.82	25.42	26.57
Rate of occupational accidents with severe consequences**	7.56	7.29	7.42	7.01	6.71	6.85	6.54	6.96	6.76
Rate of deaths resulting from accidents at work	0.04	0.00	0.02	0.07	0.01	0.04	0	0	0
Average mobile injuries at work***			5,351			4,753			4,812
Injuries	3,025	3,050	6,075	2,967	2,913	5,880	2,827	2,977	5,804
of which:									
at work	2,612	2,465	5,077	2,536	2,302	4,838	2,347	2,328	4,675
whilst travelling****	413	585	998	431	611	1,042	480	649	1,129
Fatalities	3	2	5	7	1	8	3	2	5
of which:									
at work	3	0	3	6	1	7	1	1	2
whilst travelling****	0	2	2	1	0	1	2	1	3
Occupational accidents with severe consequences	785	863	1,648	720	803	1,523	715	821	1,536
of which:									
at work	639	684	1,323	585	607	1,192	552	637	1,189
whilst travelling****	146	179	325	135	196	331	163	184	347
Total number of worked hours	84,510,522	93,871,311	178,381,833	83,468,272	90,480,504	173,948,776	84,358,494	91,575,804	175,934,298

* 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 2019 to 2023. 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 (2019 – 2023) and the average of three consecutive three-year periods (19-20-21/20-21-22, 21-22-23), comparing quarterly data and the cumulative since the beginning of the year. FY 2021, 2022 and 2023 are thus to be understood correspondingly as FY 19-20-21, FY 20-21-22 and FY 21-22-23.

**** 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 NET OF COVID-19 CASES

NUMBER OF EMPLOYEE ABSENCES BY TYPE

Employees	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Illness	618,268	878,353	1,496,621	587,940	846,066	1,434,006	571,198	826,307	1,397,505
Injury	93,717	101,377	195,094	87,689	93,592	181,281	84,270	98,348	182,618
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*	4.23	4.97	4.63	4.05	4.90	4.51	3.99	4.89	4.47

* 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	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Rate of occupational accidents recordable	19.89	26.91	21.25	13.14	10.26	12.77	13.91	26.44	15.39
Rate of occupational accidents with severe consequences	0.88	2.45	1.18	0.61	0.00	0.53	1.05	1.96	1.16
Rate of deaths resulting from accidents at work	0	0	0	0	0	0	0	0	0
Injuries	78	34	112	93	12	105	128	34	162
of which:									
at work	68	22	90	86	10	96	106	27	133
whilst travelling	10	12	22	7	2	9	22	7	29
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	5	2	7	5	0	5	13	2	15
of which:									
at work	3	2	5	4	0	4	8	2	10
whilst travelling	2	0	2	1	0	1	5	0	5
Total number of worked hours	3,418,572	817,660	4,236,232	6,545,201	974,791	7,519,992	7,619,476	1,021,231	8,640,707

ACCIDENT SEVERITY RATE INCLUDING COVID-19 CASES

Non-employees	2021	2022	2023
Number of days lost due to injuries	3,068	3,267	3,442
Total hours worked	4,236,233	7,519,992	8,640,707
Accident severity rate (%)	0.001	0	0

ACCIDENTS BY TYPE INCLUDING COVID-19 CASES

Employees Accident by type	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Fall from a motorcycle	804	411	1,215	851	405	1,256	680	331	1,011
Accident with company vehicle	481	349	830	351	243	594	379	301	680
Hit by a car	14	18	32	8	10	18	9	8	17
Accident with company vehicle	11	28	39	24	34	58	40	43	83
Fall and/or awkward movement	620	1,001	1,621	617	913	1,530	597	981	1,578
Physical attacks	207	240	447	200	222	422	187	221	408
Handling manual load	107	70	177	111	78	189	125	95	220
Robbery	28	49	77	28	49	77	36	61	97
Crushing contusion	279	254	533	300	304	604	244	234	478
Other causes	2,795	3,448	6,243	8,920	12,592	21,512	52	62	114
Total	5,346	5,868	11,214	11,410	14,850	26,260	2,349	2,337	4,686

ACCIDENTS BY TYPE NET OF COVID-19 CASES

Employees Accident by type	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Fall from a motorcycle	804	411	1,215	851	405	1,256	680	331	1,011
Accident with company vehicle	481	349	830	351	243	594	379	301	680
Hit by a car	14	18	32	8	10	18	9	8	17
Accident with company vehicle	11	28	39	24	34	58	40	43	83
Fall and/or awkward movement	620	1,001	1,621	617	913	1,530	597	981	1,578
Physical attacks	207	240	447	200	222	422	187	221	408
Handling manual load	107	70	177	111	78	189	125	95	220
Robbery	28	49	77	28	49	77	36	61	97
Crushing contusion	279	254	533	300	304	604	244	234	478
Other causes	61	45	106	46	44	90	50	53	103
Total	2,612	2,465	5,077	2,536	2,302	4,838	2,347	2,328	4,675

Non-employees Accident by type	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Fall from a motorcycle	13	6	19	4	1	5	1	1	2
Accident with company vehicle	19	2	21	6	0	6	25	4	29
Hit by a car	1	1	2	0	0	0	1	0	1
Accident with company vehicle	4	1	5	4	1	5	2	1	3
Fall and/or awkward movement	12	3	15	39	5	44	34	17	51
Physical attacks	0	0	0	6	1	7	3	0	3
Handling manual load	7	7	14	10	1	11	28	1	29
Robbery	0	0	0	0	0	0	0	0	0
Crushing contusion	4	1	5	3	1	4	8	2	10
Other causes	4	0	4	14	0	14	4	1	5
Total	64	21	85	86	10	96	106	27	133

EMPLOYEES TRAINED ON HEALTH AND SAFETY ISSUES

	2021	2022	2023
Total employees trained on Health and Safety issues	49,632	68,930	84,602

NUMBER OF CASES OF NON-COMPLIANCE WITH LABOUR STANDARDS

	2021	2022	2023
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	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members bodies of Governance	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	0	0	0	0	0	1	0	1
> 50 years old	5	4	9	5	4	9	4	4	8
Members bodies of Governance (%)	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	0	0	0	0	0	20	0	11
> 50 years old	100	100	100	100	100	100	80	100	89

* Figures expressed as Headcount.

[GRI 405-1] CLASSIFICATION OF EMPLOYEE BY CATEGORY, GENDER AND AGE GROUP*

Level of professionalism of employees	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	481	146	627	512	167	679	514	174	688
< 30 years old (%)	0	0	0	0	0	0	0	0	0
30 – 50 years old (%)	36	42	38	35	43	37	30	39	32
> 50 years old (%)	64	58	62	65	57	63	70	61	68
Middle managers	7,822	7,034	14,856	8,040	7,132	15,171	8,079	7,212	15,291
< 30 years old (%)	0.3	0.2	0.2	0.4	0.2	0.3	0.4	0.4	0.4
30 – 50 years old (%)	49	47	48	51	49	50	53	51	52
> 50 years old (%)	51	53	52	49	50	50	46	49	47
Operational staff	47,111	56,375	103,486	48,213	56,970	105,183	47,892	56,284	104,176
< 30 years old (%)	12	6	9	14	8	11	15	8	11
30 – 50 years old (%)	48	46	47	49	47	48	50	47	49
> 50 years old (%)	40	47	44	37	46	42	35	45	40
Total	55,414	63,555	118,969	56,765	64,269	121,033	56,485	63,670	120,155

* 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	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Employees with disabilities	3,123	2,171	5,294	2,934	2,239	5,173	2,728	2,308	5,036

WORKFORCE DIVERSITY BY GENDER

Women in the workforce by category (%)*	2021	2022	2023
Management positions	31.5	32.4	32.2
Top management**	17.9	16.3	16.4
Junior management***	33.4	34.3	34.1
Revenue-generating functions****	31.3	29.4	28.6
STEM positions*****	21	20.8	20.7

* 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. The target set for 2023 is 16%.

*** Includes managers other than Top Management.

**** 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. The survey for STEM positions is carried out, in continuity with previous analyses, on the basis of the 'STEM' degree.

WORKFORCE DIVERSITY BY COUNTRY OF ORIGIN*

Workforce diversity by country of origin	2021						2022						2023					
	Italian	Switzerland	German	French	Libyan	Venezuelan	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	117.247	561	278	147	89	116
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	97,6	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	1.434	4	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	98,5	0,27	0,07	0,14	0	0

* Figures expressed in full-time equivalent (FTE). The survey mainly refers to the country of birth.

** 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 (%)	2021			2022			2023		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	92	97	94	100	100	100	94	100	96
Middle managers	96	98	97	98	99	98	97	98	98
Operational staff	81	86	84	80	87	84	81	87	84
Total	83	88	86	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 2023 figures also do not include approximately 3,000 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	2021	2022	2023
CEO/Employee remuneration ratio*	75	77	80**

* It is specified that: (i) The calculation was made by taking the average value of the employees' remuneration as a reference. The figure calculated using the median will be supplemented as of next year; (ii) the remuneration for the numerator and denominator includes the annual total remuneration (for the CEO-GM the fixed remuneration, the monetary portion of the up-front and deferred variable short-term incentive (MBO) scheme and the fair value of equity compensation, for employees the fixed and variable compensation).

** With respect to point b, the ratio of the percentage increase in the annual total remuneration of the CEO-GM to the average percentage increase in the annual total remuneration of all employees is 1.48.

GENDER PAY GAP

Gender pay gap	2021	2022	2023
Gender pay gap (RAL) (%)	-0.7	-0.7	-0.8

OPERATIONS THAT HAVE BEEN SUBJECT TO HUMAN RIGHTS ASSESSMENTS*

Group companies**	2021	2022	2023
Number of Group companies subject to assessment of respect of human rights	29	39	40
Total number of Group companies	29	39	40
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 2023 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	2023
Number of incidents	0	0	0



Creating value for the Country

[GRI 201-1] ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED

Economic value generated (€m)	2021	2022	2023
Economic value generated by the Group	11,619	11,985	12,334

Economic value distributed (€m)	2021	2022	2023
Economic value distributed to stakeholders	9,917	10,109	10,382
- Suppliers	3,117	3,024	3,315
- Personnel	5,303	5,221	5,044
- Lenders	55	102	85
- Public Administration	671	916	898
- Community	4	2	4
- Shareholders	768	844	1,036

Economic value retained (€m)	2021	2022	2023
Economic value retained within the Group	1,702	1,876	1,953

[GRI 203-1] CORPORATE GIVING AND/OR CORPORATE CITIZENSHIP INITIATIVES*¹⁶³

Type of service (€000)	2021	%	2022	%	2023	%
Donations**	274	6	351	18	399	10
Investments in communities***	954.9	23	1,547.5	79	1,206.3	30
Commercial initiatives****	2,994.5	71	55.5	3	2,370.3	60
Total	4,223.5	100	1,954	100	3,975.8	100
Breakdown by purpose (€000)						
Sales initiatives	2,994.5	71	55.5	3	2,370.3	60
Social-cultural initiatives	1,229	29	1,898.5	97	1,605.5	40
of which:						
Art, culture and education	271.7	6	597.5	31	544.4	14
Well-being and social inclusion	537.9	13	818.1	42	531.3	13
Knowledge training and development	419.4	10	482.9	26	529.8	13

* With reference to voluntary activities during paid working hours, the item is zero because all the initiatives organised by Poste Italiane in this sense 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).

163. Expenditure on corporate giving and corporate citizenship in 2023 amounted to €447,880.

CONTRIBUTIONS AND OTHER EXPENSES TO ORGANISATIONS/INDIVIDUALS ABLE TO INFLUENCE POLITICAL CAMPAIGNS AND LEGISLATIVE ACTIVITIES*

Contributions by category (€)	2020	2021	2022	2023
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.)	3,263,286	3,263,286	3,263,286	3,263,286
Other	0	0	0	0
Total contributions and other expenses	3,263,286	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 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 Confindustria membership fee, which stands at €3,263,286 for 2023, is the only contribution made by the Group in 2023.

SETTLEMENTS

Settlements	2021	2022	2023*
Settlements discussed regarding retail postal products	1,476	983	946
of which settled (%)	90.11	87.18	85.10
Settlements discussed regarding business postal products	925	1,148	1,206
of which settled (%)	92.54	90.24	92.04
Settlements discussed regarding BancoPosta products	250	280	237
of which settled (%)	69.2	65.71	71.31
Settlements discussed regarding PosteMobile products	63	39	38
of which settled (%)	88.89	97.44	89.47
Settlements Discussed regarding PostePay cards	400	355	335
of which settled (%)	79	76.1	77.31
Settlements discussed regarding IRS real estate fund (no. of applications)	0	0	0
of which settled (%)	0	0	0
Total settlements discussed	3,114	2,805	2,762
of which settled (%)	87.70	85.03	86.06

* In 2023, overall, there was a decrease in applications for conciliation. Compared to the 2022 figure, there was a decrease in requests in almost all procedures; only the Business procedure had an increase (+5%). The most popular procedures, in any case, remain the postal procedures for both Retail and Business, as a result of the growth in parcel volumes. For financial procedures, the payments market is constantly changing driven by new technologies and new security measures on payment services introduced with the amendment to the PSD2 regulation; there has, in fact, been a reduction in applications. The procedure that recorded the largest decrease was the BancoPosta procedure (-15%).

[FS14] ATMS FOR INCLUSION

ATM	2021	2022	2023
ATMs equipped with touchpads for the visually impaired and the blind	8,107	8,118	8,132
of which:			
ATM with voice guidance	7,691	7,809	7,925
Total	8,107	8,118	8,132

[FS14] POST OFFICES FOR CULTURAL INTEGRATION

Post offices	2021	2022	2023
Mono-ethnic	2	4	4
Multi-ethnic	30	31	31
Number of customers served	2,449,059	2,379,475	2,620,461
Total transactions carried out	4,102,071	4,073,335	4,436,489

NEW CUSTOMERS IN THE CATEGORIES MOST AT RISK OF FINANCIAL EXCLUSION AS A PERCENTAGE OF TOTAL NEW ACQUISITIONS

New retail current accounts openings	2021	2022	2023
Percentage of young current account holders (under 35)	25.2	26	28.5
Percentage of senior current account holders (over 65)	23.8	23.4	24
Percentage of current account holders who are "new Italians"	12.2	15	17
New standard Postepay cards*			
Percentage of young current account holders (under 35)	27.4	26.7	36.6
Percentage of senior current account holders (over 65)	13.4	15.7	12.7
Percentage of current account holders who are "new Italians"	11.9	12.4	10.6
New Postepay Evolution cards*			
Percentage of young current account holders (under 35)	40.2	41	39.7
Percentage of senior current account holders (over 65)	10.5	11.5	10.9
Percentage of current account holders who are "new Italians"	22.2	25.3	26.9

* For Postepay Standard and Evolution cards, renewals during the year are excluded.

CONTRIBUTIONS TO PHILANTHROPIC AND/OR CORPORATE CITIZENSHIP ACTIVITIES

Type of contribution (thousands €)	2021	2022	2023
Cash contributions	4,223.54	1,953.95	3,975.84
Total amount of donations of products or services, projects/partnerships	0	0	0
General operating expenses	319	376.8	447.9
Total	4,542.54	2,330.75	4,423.74



Green transition

[GRI 302-1] INTERNAL GROUP ENERGY CONSUMPTION*

Internal energy consumption	2021	2022	2023**
Consumption of fuel from non-renewable sources (GJ)	2,516,482	2,314,922	2,002,884
of which:			
LPG	29,264	13,692	7,275
Diesel	720,765	450,907	297,584
Natural gas	831,068	723,860	617,866
Jet fuel	664,375	682,129	546,389
Petrol (GJ)	271,011	444,335	533,770
Consumption of energy from non-renewable sources (GJ)	53,140	30,037	46,623
of which:			
Thermal energy (district heating)	25,677	23,308	26,071
Electricity supplied by the National Grid	27,464	6,729	20,552
Consumption of energy from renewable sources (GJ)	1,588,317	1,570,291	1,485,592
of which:			
Self-produced photovoltaic electricity	7,145	9,032	22,554
Certified guarantee of origin electricity	1,581,172	1,561,258	1,463,038
Total energy consumption (GJ)	4,157,939	3,915,250	3,535,100
of which:			
from renewable sources	1,588,317	1,570,291	1,485,592
from non-renewable sources	2,569,623	2,344,959	2,049,507

* 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 2023 Guidelines.

[GRI 302-2] EXTERNAL GROUP ENERGY CONSUMPTION*

External energy consumption	2021	2022	2023**
Total external Group energy consumption (GJ)	2,548,699	3,616,077	3,316,286
of which:			
Diesel	2,323,096	3,347,986	3,065,778
Petrol (GJ)	0	0	31,763
Natural gas	70	718	803
LPG	127	161	166
Jet fuel	225,406	267,213	217,777

* The 2023 reporting boundary includes the Parent Company and Group companies.

** The target set for 2023 is 1,500,000 GJ (416,667 MWh) for total energy from renewable sources (internal and external) and 5,800,000 GJ (1,487,764 MWh) for total energy from non-renewable sources (internal and external).

[GRI 302-3] ENERGY INTENSITY

Energy intensity	2021	2022	2023
Consumption of fuel from non-renewable sources (GJ)	2,516,482	2,314,922	2,002,884
Consumption of energy from non-renewable sources (GJ)	53,140	30,037	46,623
Consumption of energy from renewable sources (GJ)	1,588,317	1,570,291	1,485,592
Total energy consumption (GJ)	4,157,939	3,915,250	3,535,100
Total number of employees	118,969	121,033	120,155
Energy intensity (GJ/P)*	34.9	32.3	29.4

* P = amount of personnel employed on site.

[GRI 303-3] WATER WITHDRAWAL*

Water withdrawal	2021	2022	2023**
Total water withdrawals (MI)	1,756,076	1,585,905	1,876,399
of which:			
Surface water	0	0	0
Groundwater	3,934	3,821	3,716
Sea water	0	0	0
Produced water	0	0	0
Third-party water resources	1,752,142	1,582,084	1,872,683

* 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 2023 is 1,900 mega litres.

Water withdrawal	2021		2022		2023	
	Freshwater (≤1,000 mg/l total dissolved solids)	Other water types (>1,000 mg/l total dissolved solids)	Freshwater (≤1,000 mg/l total dissolved solids)	Other water types (>1,000 mg/l total dissolved solids)	Freshwater (≤1,000 mg/l total dissolved solids)	Other water types (>1,000 mg/l total dissolved solids)
Total water withdrawals (MI)	1,756,076	0	1,585,905	0	1,876,399	0
of which:						
Surface water	0	0	0	0		
Groundwater	3,934	0	3,821	0	3,7	0
Sea water	0	0		0	0	0
Produced water	0	0		0	0	0
Third-party water resources	1,752,142	0	1,582,084	0	1,872,683	0

WASTEWATER REPORTING

Water discharges (m³)	2021	2022	2023
Total wastewater	1,756,076	1,585,905	1,876,399

[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)*

	2021	2022	2023
Direct emissions – Scope 1 (tCO₂e)**	165,508	152,703	130,592
of which:			
LPG	1,872	876	464
Diesel	50,384	32,102	21,006
Natural gas	46,872	40,661	34,801
Jet fuel	48,142	49,489	39,630
Petrol (GJ)	18,238	29,575	34,690
Indirect emissions – Scope 2 (tCO₂e)***	5,709	2,860	4,972
of which:			
Thermal energy	2,211	2,007	2,362
Electricity	3,498	853	2,610
Indirect emissions – Scope 3 (tCO₂e)****	178,737	257,796	234,326
of which:			
Diesel	162,392	238,359	216,411
Natural gas	4	40	45
Petrol (GJ)	0	0	2,064
LPG	8.1	10.3	10.6
Jet fuel	16,333	19,387	15,796

* The 2023 reporting boundary includes the Parent Company and Group companies.

** Emission factors used for conversion of fuels to CO₂e: LPG for 2021 1.56 kg CO₂e/l (source DEFRA 2021), for 2022 1.56 kg CO₂e/l (source DEFRA 2022) and for 2023 1.56 kg CO₂e/l (source DEFRA 2023). Diesel for 2021 2.51 kg CO₂e/l (source DEFRA 2021), for 2022 2.56 kg CO₂e/l (source DEFRA 2022) and for 2023 2.51 kg CO₂e/l (source DEFRA 2023). Natural Gas for 2021 2.02 kg CO₂e/m³ (source DEFRA 2021), for 2022 2.02 kg CO₂e/m³ (source DEFRA 2022) and for 2023 2.04 kg CO₂e/m³ (source DEFRA 2023). Petrol for 2021 2.19 kg CO₂e/l (source DEFRA 2021), for 2022 2.16 kg CO₂e/l (source DEFRA 2022) and for 2023 2.1 kg CO₂e/l (source DEFRA 2023). The target set for 2023 is 135,000 tCO₂e.

*** 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: 2023 0.457 kg CO₂e/kWh, source European Residual Mixes 2022, for 2022 0.457 kg CO₂e/kWh, source European Residual Mixes 2021, for 2021 0.459 kg CO₂e/kWh, source European Residual Mixes 2020). Conversion factors used to convert thermal energy into CO₂e: for 2021, 0.17 kg CO₂e/kWh, for 2022, 0.17 kg CO₂e/kWh and for 2023, 0.18 kg CO₂e/kWh. The target set for 2023 is 5,000 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 the total Group emissions of Scope 2 in 2021 117,630 tCO₂e and in 2022 109,022 tCO₂e and in 2023 123,233 tCO₂e. Emission factors used for Location-based method calculation: for 2021 0.258 kg CO₂e/kWh (source: Emission factor of electric consumption processed by ISPRA 2021, referred to year 2020), for 2022 0.246 kg CO₂e/kWh (source: Electricity consumption emission factor processed by ISPRA 2022, referred to year 2021), for 2023 0.293 kg CO₂e/kWh (source: Electricity consumption emission factor processed by ISPRA 2023, referred to year 2022). Values for 2021-2022 have been updated following a refinement of the reporting system.

**** Emission factors used for conversion of fuels to CO₂e: Jet fuel for 2021 2.55 kg CO₂e/l (source DEFRA 2021), for 2022 2.55 kg CO₂e/l (source DEFRA 2022) and for 2023 2.54 kg CO₂e/l (source DEFRA 2023). The target set for 2023 is 250,000 tCO₂e. The table considers categories related to material issues relevant to the Group under the Green Transition Pillar strategy, specifically category 9 "Downstream transportation and distribution" and category 13 "Downstream leased assets." Category 6 "Business travel," category 7 "Employee commuting" and category 15 "Investments" are monitored and reported in separate tables.

[GRI 306-3] WASTE GENERATED; [GRI 306-4] WASTE RECOVERED; [GRI 306-5] WASTE DISPOSED OF*

Waste by type (t)	2021			2022**			2023		
	Waste generated	Waste recovered	Waste disposed of	Waste generated	Waste recovered	Waste disposed of	Waste generated	Waste recovered***	Waste disposed of****
Total waste	34,471.7	33,202.5	1,269.2	37,245.3	36,443.2	802.1	38,904.5	38,533.1	371.4
of which:									
Paper/cardboard	13,584.9	13,539.2	45.8	15,588.5	15,467.8	125.2	17,171.5	17,171.5	0
Plastic	1,359.3	1,359.3	0	1,282.4	1,282.4	0	1,365.5	1,365.5	0
Wood	10,481.8	10,478.2	3.6	10,097.9	10,097.9	0	10,537.3	10,537.3	0
Other	9,045.8	7,825.9	1,219.8	10,276.5	9,595.2	676.9	9,830.2	9,458.8	371.4

* The figures for the quantity of waste produced are provided by the companies that provide waste management services.

** The 2022 values have been updated following a refinement of the reporting system.

*** The target expected for 2023 with respect to recovered waste is 36,000 tonnes.

**** The target set for 2023 in relation to waste sent to disposal (landfill, incinerated and other types of disposal) is 500 tonnes.

Total weight of hazardous waste recovered (t)	2021		2022*		2023	
	On site	Off site	On site	Off site	On site	Off site
Preparation for reuse	0	0	0	0	0	0
Recycling	0	364.4	0	247.8	0	150.5
Other operations of recovery	0	0	0	0	0	0
Total	0	364.4	0	247.8	0	150.5
Total hazardous waste recovered	364.4		247.8		150.5	

* The 2022 values have been updated following a refinement of the reporting system.

Total weight of non-hazardous waste recovered (t)	2021		2022*		2023	
	On site	Off site	On site	Off site	On site	Off site
Preparation for reuse	0	0	0	0	0	0
Recycling	0	32,838.2	0	36,195.35	0	38,382.61
Other operations of recovery	0	0	0	0	0	0
Total	0	32,838.2	0	36,195.35	0	38,382.61
Total non-hazardous waste recovered	32,838.2		36,195.35		38,382.61	

* The 2022 values have been updated following a refinement of the reporting system.

Total weight of hazardous waste disposed (t)	2021		2022****		2023	
	On site	Off site	On site	Off site	On site	Off site
Disposal in landfill*	0	99.3	0	3.0	0	7.4
Incinerated**	0	0.3	0	0	0	0
Other type of disposal***	0	36.1	0	41.3	0	22.9
Total	0	135.8	0	44.3	0	30.3
Total hazardous waste disposed	135.8		44.3		30.31	

Total weight of non-hazardous waste disposed (t)	2021		2022****		2023	
	On site	Off site	On site	Off site	On site	Off site
Disposal in landfill*	0	616.6	0	358.6	0	214.1
Incinerated**	0	0.01	0	0	0	0
Other type of disposal***	0	516.8	0	399.2	0	127
Total	0	1,133.4	0	757.8	0	341
Total non-hazardous waste disposed	1,133.4		757.8		341.1	

* The target expected for 2023 with respect to the total amount of waste for disposal (hazardous and non-hazardous) is 300 tonnes.

** The target expected for 2023 with respect to the total amount of waste for disposal by incineration (hazardous and non-hazardous) is 0.1 tonnes.

*** The target expected for 2023 with respect to the total amount of waste for disposal through forms other than landfilling and incineration (hazardous and non-hazardous) is 200 tonnes.

**** The 2022 values have been updated following a refinement of the reporting system.

WASTE DISPOSAL

Waste disposal (t)	2021	2022	2023
Total recycled/reused waste	33,202.54	36,443.16	38,533.11
Total waste disposed	1,269.20	802.11	371.40
of which:			
in landfill	715.94	361.65	221.49
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	552.91	440.46	149.91

[GRI 302-1] INTERNAL ENERGY CONSUMPTION RELATING TO REAL ESTATE FACILITIES BY SOURCE

Internal energy consumption	2021	2022	2023
Consumption of fuel from non-renewable sources (GJ)	897,844	765,154	650,328
of which:			
LPG	13,234	8,482	6,580
Diesel	78,654	48,046	37,795
Natural gas	805,955	708,626	605,953
Consumption of energy from non-renewable sources (GJ)	53,140	30,037	46,623
of which:			
Thermal energy (district heating)	25,677	23,308	26,071
Electricity supplied by the National Grid	27,464	6,729	20,552
Consumption of energy from renewable sources (GJ)	1,586,985	1,563,952	1,468,182
of which:			
Self-produced photovoltaic electricity	7,145	9,032	22,554
Certified guarantee of origin electricity	1,579,840	1,554,920	1,445,627
Total energy consumption (GJ)	2,537,969	2,359,143	2,165,133
of which:			
from renewable sources	1,586,985	1,563,952	1,468,182
from non-renewable sources	950,984	795,191	696,951

[GRI 305-1; GRI 305-2] DIRECT AND INDIRECT CO₂e EMISSIONS RELATING TO REAL ESTATE FACILITIES

Emissions	2021	2022	2023
Direct emissions – Scope 1 (tCO₂e)	51,800	43,769	37,218
of which:			
LPG	847	543	420
Diesel	5,498	3,421	2,668
Natural gas	45,455	39,805	34,130
Indirect emissions – Scope 2 (market-based) (tCO₂e)*	5,709	2,860	4,972
of which:			
Electricity	3,498	853	2,610
Thermal energy	2,211	2,007	2,362

* Applying the Location-based method, the total emissions attributable to the Scope 2 in 2021 117,535 tCO₂e and in 2022 108,589 tCO₂e and in 2023 121,815 tCO₂e. Values for 2021-2022 have been updated following a refinement of the reporting system.

[GRI 302-2; GRI 305-3] EXTERNAL ENERGY CONSUMPTION AND CO₂e EMISSIONS RELATING TO REAL ESTATE FACILITIES

External energy consumption and emissions	2021	2022	2023
Total external Group energy consumption (GJ)	127	161	166
Indirect emissions – Scope 2 (tCO₂e)	8.1	10.3	10.6

[GRI 305-4] INTENSITY OF GHG EMISSIONS RELATED TO REAL ESTATE FACILITIES

Emission intensity	2021	2022	2023
Total GHG emissions Scope 1 (Kg CO ₂ e)	51,800,253	43,768,581	37,217,848
Total GHG emissions Scope 2 (Kg CO ₂ e)	5,709,145	2,860,232	4,971,802
Total GHG emissions Scope 3 (Kg CO ₂ e)	8,130	10,274	10,606
Square metres of the Group's properties (m ²)	5,583,325	5,580,793	5,725,736
Intensity of direct and indirect emissions GHG Scope 1 and Scope 2	10.300	8.355	7.368
Intensity of other indirect GHG emissions (Scope 3)	0.001	0.002	0.002

[GRI 302-4; GRI 305-5] REDUCTION IN ENERGY CONSUMPTION AND CO₂e EMISSIONS RELATING TO REAL ESTATE FACILITIES

Initiatives implemented	2023				
	Initiative 1*	Initiative 2**	Initiative 3***	Initiative 4****	Initiative 5*****
tCO₂ equivalent saved	891	3,566	1,065	813	376
Reducing the consumption of energy (GJ)	7,017	28,082	8,387	6,402	2,958

* LED project.

** Decarbonisation project.

*** Carbon Neutral Project on the CS in Padua.

**** Photovoltaic project.

***** Smart Building Project.

WEIGHT OF ELECTRICITY CONSUMPTION RELATING TO REAL ESTATE FACILITIES BY TYPE OF BUSINESS

Electricity consumption	2021	2022	2023
Post offices (%)	47	55	55
Head offices (%)	16	15	15
Operational sites (sorting centres) (%)	14	14	14
Delivery logistics centres (%)	12	7	7
Data Centres (%)	11	9	9

TOTAL COST OF ENERGY PURCHASED FOR REAL ESTATE FACILITIES

Total costs of purchased energy	2021	2022	2023*
Total expenditure on energy (€)	83,196,736	62,155,518	97,692,824

* The target set for 2023 is 100,000,000 euros.

TOTAL SAVINGS OR OVERALL PROFITS FROM ENERGY SAVING PROGRAMMES

Programmes that generated savings (€)	2021	2022	2023
LED project	1,739,793	640,000	840,000
Decarbonisation project	-	-	1,734,447
Carbon Neutral Project on the CS in Padua	-	-	600,000
Energy efficiency programme	735,273	600,000	-
Smart Building Project	124,547	340,000	242,057
Programmes that generated a profit (€)	2021	2022	2023
Photovoltaic plants	170,000	1,200,000	522,982

[GRI 302-2; GRI 305-3; GRI 305-5] EXTERNAL ENERGY CONSUMPTION AND CO₂e EMISSIONS RELATING TO THE ENERGY SECTOR

External energy consumption and emissions	2023
Total external Group energy consumption (GJ)	1,856,635
Indirect emissions – Scope 3 (tCO₂e)	56,189.9
Offset indirect emissions – Scope 3 (tCO₂e)*	56,189.9

* Carbon dioxide emissions of gas released for consumption are fully offset through the purchase of carbon credits that attest to the Group's support for international projects aimed at reducing greenhouse gases and improving people's lives.

CORPORATE FLEET DATA

Corporate fleet data	2021	2022	2023
Total km travelled	321,599,897	320,472,162	1,177,526,577
Total vehicles (no.)	31,645	30,850	31,963
of which:			
traditional vehicles	26,747	19,441	17,774
alternative vehicles	4,898	11,409	14,189
of which:			
bicycles	324	333	333
electric vehicles	1,805	3,654	5,822
hybrid motor vehicles	79	5,782	6,546
petrol-natural gas fuelled vehicles	1,615	1,410	1,363
petrol-LPG fuelled vehicles	1,075	230	125
diesel-natural gas fuelled vehicles	0	0	0
LPG fuelled vehicles	0	0	0
Percentage of alternative vehicles (%)	15.5	37	44.4

[GRI 302-1; GRI 305-1; GRI 305-2] ENERGY CONSUMPTION AND CO₂e EMISSIONS TO THE COMPANY ROAD FLEET

Energy consumption and emissions	2021	2022	2023
Total energy consumed (GJ)	955,596	873,978	823,578
of which:			
Diesel	642,111	402,861	259,789
Natural gas	25,112	15,234	11,913
LPG	16,029	5,210	695
Petrol (GJ)	271,011	444,335	533,770
Certified guarantee of origin electricity	1,332	6,338	17,411
Direct emissions – Scope 1 (tCO₂e)	65,566	59,445	53,744
Indirect emissions – Scope 2 (tCO₂e)*	0	0	0

* Applying the Location-based method, the total emissions attributable to the corporate road fleet of Scope 2 in 2021 96 tCO₂e and in 2022 433 tCO₂e and in 2023 it is 1,419 tCO₂e. Values for 2021-2022 have been updated following a refinement of the reporting system.

[GRI 302-2; GRI 305-3] ENERGY CONSUMPTION AND EMISSIONS BY MAIL AND CHARTER TRANSPORT*

Energy consumption and emissions	2021	2022	2023
Total external Group energy consumption (GJ)	2,323,166	3,348,703	3,284,357
Indirect emissions – Scope 3 (tCO₂e)	162,396	238,399	218,520

* The 2023 reporting boundary includes the Parent Company and Group companies.

AIR TRANSPORT FLEET DATA

Air transport data	2021	2022	2023
Number of aircraft	16	16	16
AirMail (hours)	8,386	8,635	5,774
Charter (hours)	87	193	129

[GRI 302-1; GRI 305-1] ENERGY CONSUMPTION AND EMISSIONS BY THE MAIL AND CHARTER FLEET

Energy consumption and emissions	2021	2022	2023
Total internal Group energy consumption (GJ)	664,375	682,129	546,389
Direct emissions – Scope 1 (tCO₂e)	48,142	49,489	39,630

[GRI 302-2; GRI 305-3] ENERGY CONSUMPTION AND EMISSIONS BY MAIL AND CHARTER TRANSPORT

Energy consumption and emissions	2021	2022	2023
Total external Group energy consumption (GJ)	225,406	267,213	217,777
Indirect emissions – Scope 3 (tCO₂e)	16,333	19,387	15,796

OTHER DIRECT EMISSIONS FROM LOGISTICS ACTIVITIES

Direct emissions	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 1 (tNO_x)*	175.33	120.55	87.66
Natural gas	0.66	0.24	0.19
LPG	0.44	0.14	0.02
Diesel	157.27	93.79	60.61
Petrol (GJ)	16.96	26.38	26.85

* The emission factors used to convert fuels into NO_x are as follows: natural gas 0.0155 tNO_x/TJ. LPG 0.0254 tNO_x/TJ. Diesel for cars 0.2099 tNO_x/TJ, for light commercial vehicles 0.28 tNO_x/TJ, for heavy trucks 0.2721 tNO_x/TJ. Petrol for cars 0.0487 tNO_x/TJ, for light commercial vehicles 0.04 tNO_x/TJ, for motorcycles 0.0628 tNO_x/TJ. Source: ISPRA, database of average emission factors of road transport in Italy.

Direct emissions	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 1 (tSO₂)*	0.25	0.23	0.20
Diesel	0.18	0.13	0.08
Petrol (GJ)	0.07	0.10	0.12

* 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	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 1 (VOC)*	100.70	147.85	132.44
Natural gas	1.44	0.37	0.27
LPG	0.64	0.19	0.02
Diesel	3.61	1.96	0.93
Petrol (GJ)	95.01	145.33	131.22

* The emission factors used to convert fuels into VOC are as follows: natural gas 0.0225 tVOC/TJ. LPG 0.0288 tVOC/TJ. Diesel for cars 0.0030 tVOC/TJ, for light commercial vehicles 0.0047 tVOC/TJ, for heavy trucks 0.0099 tVOC/TJ. Petrol for cars 0.1998 tVOC/TJ, for light commercial vehicles 0.1071 tVOC/TJ, for motorcycles 0.6083 tVOC/TJ. Source: ISPRA, database of average emission factors of road transport in Italy.

Direct emissions	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 1 (PM10)*	18.46	14.40	11.23
Natural gas	0.24	0.16	0.12
LPG	0.24	2.95	0.01
Diesel	7.40	6.07	4.22
Petrol (GJ)	10.58	5.21	6.88

* The emission factors used to convert fuels into PM10 are as follows: natural gas 0.0103 tPM10/TJ. LPG 0.0115 tPM10/TJ. Diesel for cars 0.0164 tPM10/TJ, for light commercial vehicles 0.0159 tPM10/TJ, for heavy trucks 0.0150 tPM10/TJ. Petrol for cars 0.0123 tPM10/TJ, for light commercial vehicles 0.0110 tPM10/TJ, for motorcycles 0.0171 tPM10/TJ. Source: ISPRA, database of average emission factors of road transport in Italy.

OTHER INDIRECT EMISSIONS FROM LOGISTICS ACTIVITIES

Indirect emissions	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 3 (tNO_x)	708.75	949.12	831.14
Diesel	708.75	949.12	829.62
Natural gas	≈0*	0.01	0.01
LPG	0	0	0
Petrol (GJ)	0	0	1.51

* The figure is close to 0, but still contributes to the total.

Indirect emissions	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 3 (tSO₂)	0.66	1.12	1.00
Diesel	0.66	1.12	1.00
Petrol (GJ)	0	0	≈0*

* The figure is close to 0, but still contributes to the total.

Indirect emissions	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 3 (VOC)	21.55	29.25	31.09
Diesel	21.55	29.24	25.61
Natural gas	≈0*	0.02	0.02
LPG	0	0	0
Petrol (GJ)	0	0	5.46

* The figure is close to 0, but still contributes to the total.

Indirect emissions	2021	2022	2023
Total Fuel emissions from non-renewable sources – Scope 3 (PM10)	26.52	51.16	47.12
Diesel	0.07	51.15	46.73
Natural gas	0	0.01	0.01
LPG	26.45	0	0
Petrol (GJ)	0	0	0.38

BUSINESS TRAVEL

Business Travel	2021	2022	2023*
Total emissions tCO₂e	8,700	10,446	10,484
Automotive	8,036	9,205	8,466
Petrol (GJ)	3,350	5,998	6,428
Diesel	4,686	3,207	2,038
Train	96	157	262
Plane	568	1,084	1,756
International - short haul	79	124	211
International - long haul	27	91	208
National (domestic)	462	869	1,337

* The target set for 2023 is 11,500 tCO₂e. In this regard, in 2023, in line with previous years, the Group's priority was to contain the natural increase in emissions due to business travel, dictated by the regular resumption of activities following the lifting of restrictions related to the pandemic from Covid-19, which in previous years had limited travel related to business trips.

EMPLOYEE COMMUTING

Employee commuting	2021	2022	2023
Total emissions tCO₂e	32,940*	28,370**	29,329***

* 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 employees of Poste Italiane and all 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.

*** 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 Poste offices subject to the home-work commute analysis in 2023 (offices > 100 employees located in municipalities with a population over 50,000 inhabitants) which, at present, amount to 135 located in 75 municipalities of the national territory, for a sample of 39,097 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. The Poste Italiane Group regulates the performance of services in agile mode in accordance with the provisions of Articles 18 et seq. of Law no. 81/2017, the National Collective Labour Agreement and the trade union agreements signed on the matter, which currently provide that this mode will remain in place until 31/12/2024. According to the current individual agreements between the company and the employee, Smart Working can be carried out up to a maximum of 2 days/week and 9 days/month (14% of the company population: approx. 121,000 employees - Source: RUO as of 01/03/2023 excluding employees working in the Customer Service and Back Office of DTO). It should be noted that the methodology applied is the one indicated by the MITE-MIMS Guidelines.

EMISSIONS FINANCED SCOPE 3*

Emissions financed Scope 3	2021	2022	2023
Total absolute issues financed Scope 3 (tCO₂e)**	6,641,823.42	8,541,519.64	9,489,429.95
Weighted Average Carbon Intensity (WACI) (tCO₂e/€ million in revenues)***	153.41	155.53	119.58

* 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 2023 considered an amount of Assets under Management (AuM - corporate issuers) amounting to €69,898,814,477.30 corresponding to 89.87% 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		2023	
	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)	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	194,184.63	4.82
Europe	4,671,440.57	81.99	6,045,701.57	95.81	6,379,366.06	58.75
Middle East Africa	111.58	0.10	37,248.02	0.38	12,409.58	0.10
North America	1,025,890.23	30.46	1,243,038.83	31.10	1,411,819.95	34.85
Rest of the world	692,299.25	27.89	1,154,887.37	23.02	1,491,649.72	21.07
Total	6,641,823.42	153.41	8,541,519.64	155.53	9,489,429.95	119.58

SCOPE 3 FINANCED ISSUES BY ASSET CLASS

Emissions financed Scope 3	2021		2022		2023	
	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)	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	8,160,909.76	102.84
Equity	996,273.51	23.01	1,281,277.95	23.33	1,328,520.19	16.74
Total	6,641,823.42	153.41	8,541,519.64	155.53	9,489,429.95	119.58

SCOPE 3 FINANCED EMISSIONS BY SECTOR/INDUSTRY

Emissions financed Scope 3	2021		2022		2023	
	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)	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	3,828.96	0.05
Vehicles	149,376.92	1.36	148,764.63	1.26	318,438.41	1.30
Drinks	18,442.14	1.00	30,608.39	1.07	27,846.37	0.82
Broadcasting and advertising	7,783.35	0.08	6,624.62	0.26	1,757.74	0.05
Building materials	382,375.95	9.63	1,402,793.80	20.46	1,274,645.35	17.42
Business support services	13,252.31	0.24	10,888.61	0.42	19,602.86	0.43
Chemicals	153,463.03	7.22	308,910.19	7.64	477,957.50	7.89
Banks for development	0*	0.03	0*	0.07	0*	0.10
Diversified banks	65,109.01	3.15	40,505.42	2.51	41,483.04	1.36
Electricity and gas companies	2,748,944.62	59.37	3,208,045.28	58.42	3,484,026.56	39.20
Components and electrical equipment	3,905.16	0.16	2,488.58	0.15	4,461.10	0.18
Energy	1,729,556.19	27.84	1,672,150.10	22.45	1,675,507.67	14.30
Financial Services - General	63,989.05	0.46	12,389.75	0.64	56,313.74	1.57
Financial Services - Real Estate	17,057.29	3.67	21,899.28	3.55	29,108.96	2.60
Food products	25,405.53	0.56	27,654.61	1.26	37,395.57	0.86
Forest products and paper	55,153.93	1.25	48,998.53	1.09	39,239.30	0.85
Sanitary equipment and services	7,453.21	0.32	9,099.46	0.31	11,785.83	0.33
Heavy construction	12,989.40	0.18	16,049.10	0.19	36,979.33	0.21
Home construction	476.76	0.01	33.72	0.00	424.62	0.01
Hotels, goods and services for leisure time	19,183.07	1.76	64,624.04	3.34	118,762.24	2.86
Industrial goods and services	48,126.29	0.58	41,952.74	0.70	35,048.44	0.49
Insurance	23,818.20	0.06	24,565.34	0.97	7,274.05	0.14
Local authorities	0*	3.97	0*	4.26	0*	2.28
Luxury goods and cosmetics	3,808.25	0.17	3,081.19	0.24	5,269.08	0.21
Components and mechanical equipment	3,363.71	0.48	95,378.57	0.68	55,683.50	0.54
Mining and metals	362,885.73	13.58	326,478.03	7.23	509,181.26	5.28
Oil equipment and services	64,448.87	2.23	110,190.18	2.73	101,296.08	3.42
Pharmaceuticals and biotechnology	13,045.37	0.75	21,179.70	0.74	19,825.46	0.61
Publishing	84.72	0.01	84.59	0.00	159.20	0.01
Retail and specialised banks	2,946.01	0.55	9,140.55	0.62	15,513.01	0.39
Software and IT services	5,659.01	0.55	1,946.88	0.49	8,432.62	0.79
Specialised retail trade	9,610.11	0.23	3,759.29	0.20	18,152.76	0.27
Banks and agencies for specific purposes	0.04	0.07	0.60	0.07	92.64	0.02
Supermarkets	28,856.52	0.13	4,335.08	0.14	23,801.07	2.23
Technology-Hardware	26,502.77	1.58	10,218.49	1.06	27,984.25	1.12
Telecommunications	99,666.46	1.48	116,766.88	1.94	149,060.76	2.03
Tobacco	6,138.19	0.21	6,339.14	0.30	4,962.21	0.23
Transport and logistics	48,245.96	3.35	17,278.18	2.52	59,103.96	2.17
Travel and tourism	175,989.23	2.64	543,356.50	3.12	515,991.19	2.72
Waste and water	241,556.26	2.43	170,565.29	2.38	273,033.23	2.26
Total	6,641,823.42	153.41	8,541,519.64	155.53	9,489,429.95	119.58

* 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	2021	2022	2023
Average waiting time in Post Offices (minutes)	9.20	10.20	9.80
Customer served within 15 minutes (%)	81.27	78.30	79.10
Customer satisfaction with waiting times (1-10)	7.7	7.8	8.0
Customer satisfaction with overall post office experience	8	8.2	8.3

CUSTOMER COMPLAINTS BY TYPE*

Post Offices	2021	2022	2023
Complaints received	6,476	10,336	9,103
Average response time (days)	16	40	26
Mail			
Complaints received	46,054	36,042	28,708
Average response time (days)	17	29	15
Parcels			
Complaints received	102,630	64,217	58,570
Average response time (days)	16	15	14
Financial Services			
Complaints received	198,878	154,310	166,718
Average response time (days)	8	11	3
Insurance Services			
Complaints received	5,102	5,065	9,097
Average response time (days)	30	23	28
Investigations initiated by the Insurance Regulator	307	293	532
PosteMobile			
Mobile telephone complaints received	5,922	1,934	851
Average response time (days)	2	3	2
Fixed line complaints received	1,767	515	425
Average response time (days)	4	5	2

* The figures on complaints relate to open cases requiring back-office intervention.

NUMBER OF CONTACTS HANDLED*

Contact Centre	2021	2022	2023
Number of contacts handled (mln)	37	41	54

* The increase compared to the previous year is due to the AI component, which has an impact of 44% of the total managed (vs 39% in 2022). In 2023, the AI component includes calls handled through the IVR self-service system for SPID credential retrieval (9 mln).

CUSTOMER SATISFACTION*

Satisfied customers (%)	2021	2022	2023**
Satisfied customers following Customer Experience surveys***	82.2	83	83.8
Data coverage	100	100	100

* The customer experience of the business units is measured twice a year (May and October) through Net Promoter Score surveys, which measure the recommendability of Poste Italiane's products and services. 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;
In terms of channels, the indicator used is the Customer Effort Score (CES), which records the ease of access. These are CATI (Computer-Assisted Telephone Interviewing) measurements for customer service and CAPI (Computer-Assisted Personal Interviewing) for post offices; The samples of customers that the external institute contacts are representative of the reference universe.

** The target set for 2023 is 83.5%.

*** Percentage of Group customers who returned a vote greater than/equal to 7.

MONTHLY COMPLAINTS

Complaints	2021	2022	2023
Monthly complaints received	30,568	23,035	23,268

BUSINESS CONTINUITY PLAN RESOURCES*

Business continuity plan resources	2021	2022	2023
Investments (€mln)	1.3	1.6	4.3
Drills	4	4	8
People involved	240	269	318
Mainframe services (open services being processed) covered by plans of disaster recovery (%)	100	100	100

* The figures refer to Poste Italiane SpA, PostePay SpA and BancoPosta Fondi SpA SGR, Poste Vita SpA, Postel SpA.

[GRI 418-1] PRIVACY VIOLATIONS AND DATA LEAKS

Violations and data leaks	2021	2022	2023*
Complaints received regarding violations of privacy	41	29	46
of which:			
complaints received from third parties and recognised by the organisation	41	29	46
complaints received from regulatory bodies	0	0	0
Breaches, data theft and leaks of customer data identified	304	371	294

* In 2023, with respect to detected incidents of violation of privacy, in 29 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	2021	2022	2023*
Total number of IT security breaches/cyber security incidents	195	83	48
Total number of IT security breaches involving the security of consumers	3	1	2
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. The causes of IT security incidents are mainly related to the increase in external attacks, in particular aimed at company employees with the aim of carrying out identity theft and consequently accessing company systems. An increase in stolen laptops, with company data, was also revealed, probably attributable to increased mobility. There was an increase in DDOS-type attacks by pro-Russian groups, which did not lead to significant customer disruptions. This was made possible by strengthening the perimeter posture through the activation of the Microsoft Front Door service for the publication of certain services on the Internet. However, the Group launched a number of initiatives during the year 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 (%)	2021	2022	2023
Percentage of customers whose data were used for secondary purposes (%)	0	0	0

NUMBER OF CUSTOMERS INVOLVED IN IT SECURITY BREACHES

Customers involved in IT security breaches	2021	2022	2023
Number of customers involved in IT security breaches	175	17	94,726*

* With regard to the number of incidents, although these are lower in 2023 than in previous years, the number of customers involved in IT security breaches is higher. This followed two specific incidents that occurred in 2023 in two Group companies. For each breach, the Personal Data Protection Authority was notified in accordance with current legislation, and the most appropriate security measures were identified and put in place to prevent similar incidents from reoccurring.



Innovation

NUMBER OF DIGITAL SERVICES OFFERED (FIGURES IN MILLIONS)

Digital offer	2021	2022	2023
Customers registered on Poste Italiane's digital channels (websites and apps)	33.8	36.8	39.0
Digital identities issued	21.2	23.8	24.0
Postepay apps downloaded	18.4	21.7	25.1
BancoPosta apps downloaded	10.8	13.2	15.6
Post Office apps downloaded	12.2	14.7	16.7
PostelD apps downloaded	24.1	30.2	34.7
Transactions carried out via consumer digital channels (websites and apps)	124.7	152.6	183.7

DEMATERIALISATION OF PROCEDURES AND CORRESPONDING TRANSACTIONS

Type of procedures*	2021		2022		2023	
	No. Procedures	% dematerialisation	No. Procedures	% dematerialisation	No. Procedures	% dematerialisation
Certificates	1,584	94	1,811	97	2,456	100
Current accounts	586	96	535	96	424	96
Savings Books	746	92	687	96	1,902	98
Postepay Evolution	2,137	98	1,749	99	1,265	98
Full Acquiring	11	9	14	100	11	91
Life insurance policies	520	97	726	67	756	97
Non-life policies	250	93	256	96	238	100
MiFID	2,175	94	1,803	96	1,587	95
PosteMobile	832	87	764	95	583	89
Guided consultation	1,512	94	1,388	89	1,585	97
Loans	417	91	460	96	512	99
Provisions	262	94	144	96	350	98
Total procedures	11,030	94	10,336	96	11,670	97

* Figures in thousands.

Corresponding transactions	2021	2022	2023
Total transactions (€m)	27.7	26.9	30.4
Total electronic transactions (€m)	26.9	25.8	29.3
Dematerialised transactions (%)	96.9	95.9	96.3



Sustainable finance

SUSTAINABLE FINANCE ESG PRODUCTS AND SERVICES RELATED TO ASSET MANAGEMENT*

Categories of environmental, social and governance investment products and services offered (€)	2022	2023
Investment products/options include the integration of ESG criteria**	244,029,168.87	3,473,925,974.74
Investment products/options applying best-in-class criteria***	6,704,015,404.05	9,811,967,295.69
Products/Investment options with thematic investments****	118,464,735.57	118,465,514.19
Investment products/options linked to impact investing activities*****	0	0
Other*****	0	1,002,485,000.48
Total AuM of environmental, social and governance investment products	7,066,509,308.49	14,406,843,785.10
Total AuM in the asset management segment*****	100,621,409,143.26	117,381,041,341.00
Percentage of environmental, social and governance investment products out of total AuM in the asset management segment (%)	7.0	12.3

- * It is specified that with regard to the custody of sustainable investment products and services BancoPosta Fondi SGR does not offer its clients products not owned by the organisation and managed by third-party managers. In this regard, the breakdown and classification of these in terms of Assets under Custody (AuC) is not reported.
- ** The category includes products for which ESG factors are systematically included in analyses and investment decisions. In 2023, the category included the products "BP UNIVERSO 60", "BP UNIVERSO 40", "BP Universo Tematico", "PV Valore Sostenibilità Equilibrato", "PV Valore Sostenibilità Dinamico", "PV Valore Sostenibilità Sviluppo" and "PV Obiettivo Sostenibilità". With reference to 2023, the investment options referred to Poste Vita and belonging to this category amount to €3,344,193,236.48.
- *** The category includes products invested in sectors, companies or specific projects, selected for their positive ESG performance within their respective sectors of operation (so-called positive screening). In 2023, the following products were included in the category: "BP Orizzonte Reddito", "BP Azionario Flessibile", "BP Azionario Internazionale", "BP Azionario Euro", "BP Selezione Attiva", "BP Mix 1", "BP Mix 2", "BP Mix 3", "GS Poste Vita Valore Solidità" and "Riserva Attivi Specifici". With reference to 2023, the investment options referred to Poste Vita and belonging to this category amount to €3,472,510,110.
- **** The category includes products whose investments are focused on issues or economic activities that contribute positively to certain environmental or social outcomes (e.g. clean energy, energy efficiency, etc.). In 2023, the following products were included in the category: "BP Focus Ambiente 2027" and "BP Focus Ambiente Marzo 2028".
- ***** The category includes products whose investments are made with the intention of generating a positive social and environmental impact, as well as a quantifiable financial return, in both emerging and developed markets.
- ***** The "Other" category includes products classified as Articles 8 and 9 in line with the requirements of EU Regulation 2019/2088 (so-called EU SFDR Regulation). In 2023, the following product was included in the category: "Poste Investo Sostenibile".
- ***** The value reported is the sum of the NAVs of the managed funds.

8. Proposed Shareholder resolutions and other information

IN THIS CHAPTER:



- 8.1 Proposed resolutions
- 8.2 Other information

8.1 Proposed resolutions

The Board of Directors proposes that the Shareholders' Meeting approve the 2023 draft financial statements of Poste Italiane SpA (including BancoPosta RFC's Separate Report), accompanied by the Directors' Report on Operations.

In view of the current dividend distribution policy and as announced to the public in the press release of 29.02.2024, it is proposed to the Board of Directors to propose to the Ordinary Shareholders' Meeting:

- to appropriate BancoPosta RFC's profit for the year of €600,344,459 as follows:
 - to "Profit reserve" for €60,000,000;
 - available to Poste Italiane for possible distribution for €540,344,459;
- to appropriate Poste Italiane SpA's profit for 2023, amounting to €1,389,505,408, as follows:
 - to "Profit reserves" of BancoPosta RFC for €60,000,000;
 - to reserve called "Retained earnings", share not available for distribution for €5,610,306¹⁶⁴;
 - to the distribution to the Shareholders, as a dividend, the amount of €0.800 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 €0.800 per share as follows:
 - the amount of €0.237 for each of the ordinary shares outstanding on the ex-dividend date, excluding treasury shares in portfolio, as interim dividend, already paid from 22 November 2023 for a total amount of €307,017,906;
 - the amount of €0.563 for each of the ordinary shares outstanding on 24 June 2024, 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

Significant events after 31 December 2023

Events after the end of the reporting period to which the 2023 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 2023.

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 2023.

164. The amount of €5,610,306 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.

Significant transactions

At its meeting of 14 December 2022, Poste Italiane SpA's Board of Directors, having obtained the favourable opinion of the Related and Connected Parties 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, the BancoPosta 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. No transactions were carried out in 2023 to implement the Framework Resolution.

At its meeting of 14 December 2022, Poste Italiane SpA's Board of Directors, having obtained the favourable opinion of the Related and Connected Parties Committee issued on 13 December 2022, passed the Framework Resolution authorising financial transactions with the counterparty MPS Capital Services Banca per le Imprese SpA (now Banca Monte dei Paschi di Siena 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. In 2023, three interest rate swap transactions were carried out to hedge interest rate risk, and two transactions to buy and sell government bonds for a total amount of €327.3 million in implementation of the Framework Resolution. The transactions were concluded at market conditions.

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 billion 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.

Poste Italiane SpA's Board of Directors, in its meeting of 29 March 2023, having obtained the favourable opinion of the Related and Connected Parties Committee issued on 28 March 2023, approved the proposed Agreement between Poste Italiane SPA - BancoPosta RFC and the Ministry of Economy and Finance, which regulates the remuneration of the use by the MEF of deposits on postal current accounts in the name of persons other than private customers. The Agreement, the value of which was estimated at €990 million over the reference time horizon (2 years), was finalised on 25 May 2023. On 1 June 2023, 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".

The Board of Directors of Poste Italiane SpA, in the meeting of 3 May 2023, having acquired the favourable opinion of the Related Parties and Connected Persons Committee issued on 2 May 2023, approved the operation concerning the amendment, for the years 2023 and 2024, of the Agreement between Poste Italiane SpA - BancoPosta RFC and Cassa Depositi e Prestiti SpA governing the postal savings collection service. The parties subsequently consolidated the terms of the amendment to the Agreement with reference to the terms applicable to the year 2023 only, and the Amendment Deed was finalised on 30 January 2024. The value of the Amended Agreement for the year 2023 is between €1.55 billion and €1.85 billion in total, while the total value of the Agreement for the period 2021 - 2024, as amended, is between €6.50 billion and €7.05 billion. On 6 February 2024, the Information Document relative to the transaction 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 its meeting of 28 June 2023, Poste Italiane SpA's Board of Directors, having obtained the favourable opinion of the Related and Connected Parties Committee issued on 27 June 2023, approved the Renewal of the Ancillary Own Fund transaction in favour of Poste Vita SpA for a maximum amount of €1,750 million. On 5 July 2023, 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". The contract was signed on 9 November 2023 with effect from 15 November 2023.

On 19 June 2023, the subsidiary SDA Express Courier SpA signed a new Master Commercial Agreement - a framework agreement for the provision of Full Truck Load (FTL) transport services - with sender Italia Srl, with a duration of 5 years starting from 1 July 2023 and an estimated value of €1.053 billion. 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. On 1 July 2023, as a result of the overall renegotiation of the partnership with sender Tech, approved by Poste Italiane SpA's Board of Directors on 30 May 2023, Poste Italiane SpA's stake in sender Italia Srl decreased from 60% to 25%.

At its meeting of 13 December 2023, Poste Italiane SpA's Board of Directors, having obtained the favourable opinion of the Related and Connected Parties Committee issued on 12 December 2023, 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 2024. 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, the BancoPosta 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 13 December 2023, the Board of Directors of Poste Italiane SpA, having obtained the favourable opinion of the Related Parties and Connected Persons Committee issued on 12 December 2023, passed the Framework Resolution authorising financial transactions with the counterparty Banca Monte dei Paschi di Siena SpA up to a maximum total amount of €4 billion and for a duration of one year starting from 1 January 2024. 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.

The Board of Directors of Poste Italiane SpA, in the meeting of 13 December 2023, having acquired the favourable opinion of the Related Parties and Connected Parties Committee issued on 12 December 2023, authorised the stipulation of the distribution agreement, for a three-year duration, between Poste Italiane SpA - BancoPosta RFC and Poste Vita SpA for the placement of insurance products. The Distribution Agreement, which qualifies as a Transaction of Greater Importance in the ordinary course of business and on market- or standard-equivalent terms, has an estimated value of approximately €2,277 million for the total term of the agreement (1 January 2024 - 31 December 2026). The agreement was finalised on 30 January 2024.

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 2023, compared with the statement at 31 December 2022, is included in Poste Italiane Financial Statements for the year ended 31 December 2023 (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 transactions¹⁶⁵ in 2023.

165. 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.

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.

The following alternative performance indicators are used:

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 severance pay.

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: coefficient that expresses the adequacy of the primary tier 1 capital with respect to the weighted exposure to Pillar 1 risks (operational, credit, counterparty, exchange rate). It is the ratio of CET1 Capital to total Risk Weighted Assets (RWA).

COMBINED RATIO PROTECTION (net reinsurance): technical indicator of the Non-Life business, determined as the ratio between the overall amount of costs incurred (claims and settlement expenses, net reinsurance expenses, attributable/non-attributable management expenses and other technical expenses and income) and gross insurance revenues.

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

FUND FROM OPERATIONS (FFO): financial indicator represented by the Group's net result, adjusted for non-monetary costs and revenue (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 redemptions during the period as a percentage of average mathematical provisions of the period.

It is calculated as a percentage of redemptions/Average mathematical provisions (linearised over 12 months in the intermediate periodic situations).

LEVERAGE RATIO: this is the ratio between Total Capital (Own Funds) and total assets, the latter including adjustments for derivatives and off-balance sheet exposures.

TOTAL FINANCIAL ASSETS: they represent the amount of assets/liabilities managed or administered by the Group and are obtained from the sum of Postal Savings collected by the Parent Company in the name and on behalf of Cassa Depositi e Prestiti, deposits on postal current accounts, and assets managed by the subsidiary BancoPosta Fondi SpA SGR, as well as the investments made on behalf of customers in investment products other than the above (equities, bonds, Moneyfarm products, etc.) and the Insurance Technical Provisions of the Life insurance business, which represent the obligations taken on vis-à-vis policyholders and tariff premiums net of loadings. The presence within this indicator of Insurance Technical Provisions, calculated analytically contract by contract, in accordance with the application rules set out in Annex 14 of ISVAP Regulation no. 22 of 4 April 2008 (Mathematical Provisions¹⁶⁶), i.e., in accordance with the principles for preparing the statutory financial statements of Poste Vita SpA, does not make it possible to perform a reconciliation with the insurance obligations presented in the financial information for the period.

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, liabilities under insurance contracts, assets for outward reinsurance 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).

PAYMENTS AND MOBILE STRATEGIC BUSINESS UNIT REVENUE NET OF ENERGY COSTS: this is an indicator of the operating performance of the Payments and Mobile Strategic Business Unit, within which the new business involving the sale of electricity and natural gas is represented. This indicator is calculated by subtracting the costs associated with the purchase of raw materials and the transport of electricity and gas from the revenue of the entire SBU.

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.

RWA (Risk Weighted Assets): this indicator measures the risk exposure of assets in accordance with Basel III 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.

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: calculated by dividing the Group's profit for the year by the weighted average number of Poste Italiane SpA's ordinary shares in issue during the period.

¹⁶⁶ In addition to the Mathematical Provisions, the Insurance Provisions also include provisions for future expenses, supplementary insurance premium provisions, profit-sharing provisions and reversals.

Appendix

RECLASSIFIED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Revenues	11,989	11,374	+615	+5.4%	3,186	3,060	+126	+4.1%
<i>of which:</i>								
Mail, Parcels and Distribution	3,746	3,651	+95	+2.6%	991	1,003	(12)	-1.2%
Financial Services	5,229	4,939	+290	+5.9%	1,371	1,194	+178	+14.9%
<i>of which pro-active management of the securities portfolio</i>	158	335	(177)	-52.9%	(10)	(0)	(10)	n/s
Insurance Services	1,567	1,650	(83)	-5.0%	425	506	(82)	-16.1%
Payments and Mobile	1,447	1,134	+312	+27.5%	399	357	+42	+11.6%
Costs	8,558	8,209	+349	+4.2%	2,478	2,538	(60)	-2.4%
<i>of which:</i>								
Total personnel expenses	5,170	4,823	+347	+7.2%	1,476	1,281	+195	+15.2%
<i>of which ordinary personnel expenses</i>	4,859	4,754	+105	+2.2%	1,262	1,222	+40	+3.3%
<i>of which early retirement incentives</i>	171	77	+94	+123.0%	165	60	+105	n/s
<i>of which disputes and other extraordinary items</i>	140	(7)	+147	n/s	48	(1)	+49	n/s
Other operating expenses	3,388	3,386	+2	+0.1%	1,002	1,257	(255)	-20.3%
EBITDA	3,431	3,164	+266	+8.4%	708	522	+186	+35.7%
Depreciation, amortisation and impairments	811	769	+42	+5.4%	193	200	(7)	-3.4%
EBIT	2,620	2,396	+225	+9.4%	515	322	+193	+59.9%
EBIT margin %	21.9%	21.1%			16.2%	10.5%		
Finance income/(costs)	107	37	+70	n/s	31	26	+5	19.9%
Gross profit	2,727	2,433	+295	+12.1%	546	348	+198	+57.0%
Taxes	794	850	(56)	-6.5%	135	204	(69)	-33.7%
Net profit	1,933	1,583	+350	+22.1%	411	144	+267	n/s
Net earnings per share (€)	1.48	1.21	+0.27	+22.2%	0.31	0.11	+0.21	188.1%

n/s: not significant.

RECONCILIATION OF MANAGEMENT REVENUES WITH FINANCIAL REVENUES

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Group operating revenues	11,989	11,374	+615	+5.4%	3,186	3,060	+126	+4.1%
Costs for raw materials, system charges and electricity and gas transport of the energy business for third-party customers	140	12	+127	n/s	65	11	+54	n/s
Group Accounting Revenues	12,128	11,386	+742	+6.5%	3,251	3,071	+180	+5.9%

n/s: not significant.

RECONCILIATION OF MANAGEMENT OPERATING COSTS WITH FINANCIAL OPERATING COSTS

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Group operating expenses	9,369	8,978	+390	+4.3%	2,671	+2,738	(67)	-2.5%
Costs for raw materials, system charges and electricity and gas transport of the energy business for third-party customers	140	12	+127	n/s	65	11	+54	n/s
Group accounting operating expenses	9,508	8,991	+518	+5.8%	2,736	2,749	(13)	-0.5%

n/s: not significant.

CONTRIBUTION OF STRATEGIC BUSINESS UNITS TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

31 december 2023 (€m)	Mail, Parcels & Distribution	Financial Services	Insurance Services	Payments and Mobile	Adjustments and eliminations	Total
Total revenue	8,991	6,095	1,419	1,710	(6,227)	11,989
Revenue from third parties	3,746	5,229	1,567	1,447	-	11,989
Intersegment revenue	5,244	866	(148)	264	(6,227)	(0)
Total costs	9,033	5,232	59	1,271	(6,227)	9,369
Total personnel expenses	5,494	45	9	53	(431)	5,170
<i>of which ordinary personnel expenses</i>	5,184	45	9	53	(431)	4,859
<i>of which early retirement incentives</i>	171	0	0	0	-	171
<i>of which disputes and other extraordinary items</i>	139	0	0	0	-	140
Other operating expenses	2,649	106	20	663	(51)	3,388
Depreciation, amortisation and impairments	844	0	2	36	(71)	811
Intersegment costs	46	5,081	28	518	(5,674)	(0)
EBIT	(43)	863	1,360	440	-	2,620
EBIT MARGIN %	-0.5%	14.2%	96%	25.7%	-	21.9%
Finance income/(costs)	(5)	30	50	32	0	107
Gross profit	(48)	893	1,410	471	0.4	2,727
Taxes	(2)	246	417	134	-	794
Net profit	(46)	647	994	338	0	1,933

STATEMENTS OF PROFIT OR LOSS BY STRATEGIC BUSINESS UNIT

MAIL, PARCELS AND DISTRIBUTION STRATEGIC BUSINESS UNIT

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Revenue	8,991	8,512	+478	+5.6%	2,365	2,189	+176	+8.0%
Mail	2,070	2,066	+4	+0.2%	551	556	(6)	-1.0%
Parcels	1,395	1,395	+0	+0.0%	403	404	(1)	-0.3%
Other revenue	281	190	+91	+47.9%	38	43	(5)	-11.6%
Intersegment revenue	5,244	4,862	+383	+7.9%	1,374	1,187	+188	+15.8%
Costs	8,190	8,033	+157	+2.0%	2,360	2,464	(104)	-4.2%
<i>of which:</i>								
Total personnel expenses	5,494	5,114	+380	+7.4%	1,545	1,351	+194	+14.4%
<i>of which ordinary personnel expenses</i>	5,184	5,046	+139	+2.7%	1,332	1,292	+40	+3.1%
<i>of which early retirement incentives</i>	171	76	+95	+125.1%	165	59	+106	n/s
<i>of which disputes and other extraordinary items</i>	139	(7)	+147	n/s	48	(0)	+48	n/s
Other operating expenses	2,649	2,880	(231)	-8.0%	795	1,104	(309)	-28.0%
Intersegment costs	46	39	+8	+19.8%	20	9	+11	+115.1%
EBITDA	801	480	+321	+67.0%	5	(275)	+280	+101.8%
Depreciation, amortisation and impairments	844	805	+38	+4.8%	202	206	(4)	-2.0%
EBIT	(43)	(326)	+283	+86.9%	(197)	(481)	+284	+59.1%
EBIT margin %	-0.5%	-3.8%			-8.3%	-22.0%		
Finance income/(costs)	(5)	17	(22)	-131.1%	(10)	19	(29)	n/s
Gross profit	(48)	(309)	+261	+84.5%	(207)	(462)	+255	+55.3%
Taxes	(2)	52	(53)	-103.7%	(38)	(17)	(21)	-123.8%
Net profit	(46)	(361)	+315	+87.3%	(169)	(445)	+276	+62.1%

n/s: not significant.

FINANCIAL SERVICES STRATEGIC BUSINESS UNIT

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Revenue	6,095	5,759	+336	+5.8%	1,576	1,411	+165	+11.7%
Pro-active management of the securities portfolio	158	335	(177)	-52.9%	(10)	(0)	(10)	n/s
Net interest income	2,244	1,910	+334	+17.5%	569	528	+40	+7.7%
Postal savings deposits	1,740	1,600	+140	+8.7%	538	400	+138	+34.5%
Collection and payment services	764	763	+1	+0.1%	190	209	(18)	-8.8%
Distribution of loans and other third-party products	180	213	(33)	-15.4%	47	27	+20	+72.8%
Asset management	144	119	+25	+21.2%	37	29	+8	+26.6%
Intersegment revenue	866	820	+46	+5.6%	205	218	(13)	-5.9%
Costs	5,232	4,872	+361	+7.4%	1,362	1,173	+189	+16.1%
of which:								
Total personnel expenses	45	41	+4	+10.6%	10	10	+0	+0.6%
<i>of which ordinary personnel expenses</i>	45	40	+4	+10.1%	10	10	+0	+0.6%
Other operating expenses	106	73	+33	+45.5%	23	7	+16	n/s
Intersegment costs	5,081	4,757	+323	+6.8%	1,329	1,156	+173	+15.0%
EBITDA	863	887	(25)	-2.8%	214	239	(24)	-10.1%
Depreciation, amortisation and impairments	0.4	0.4	-0.1	-12.8%	0.1	(0)	+0.2	n/s
EBIT	863	887	(25)	-2.8%	214	239	(24)	-10.2%
EBIT margin %	14.2%	15.4%			13.6%	16.9%		
Finance income/(costs)	30	(22)	+52	n/s	13	0	+12	n/s
Gross profit	893	865	+27	+3.2%	227	239	(12)	-5.1%
Taxes	246	243	+3	+1.1%	62	63	(1)	-1.5%
Net profit	647	622	+25	+4.0%	165	176	(11)	-6.4%

n/s: not significant.

INSURANCE SERVICES STRATEGIC BUSINESS UNIT

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Revenue	1,419	1,502	(83)	-5.5%	393	468	(75)	-16.0%
Insurance revenues from insurance contracts issued	2,040	2,116	(76)	-3.6%	537	622	(86)	-13.8%
Costs for insurance services arising from insurance contracts issued	(632)	(528)	(103)	-19.6%	(175)	(149)	(26)	-17.4%
Insurance revenues/costs from reinsurance transfers	(5)	1	(6)	n/s	(2)	2	(3)	n/s
Income and expenses from financial and other operations	6,436	(1,545)	+7,981	n/s	3,022	1,580	+1,442	n/s
Net financial expenses/income related to insurance contracts issued	(6,367)	1,538	(7,905)	n/s	(2,990)	(1,560)	(1,430)	n/s
Net financial income/expenses related to reinsurance transferred	2	-	+2	-	1	-	+1	-
Net Life revenue	1,475	1,582	(106)	-6.7%	391	494	(103)	-20.8%
Insurance revenues from insurance contracts issued	510	340	+170	+50.0%	142	90	+51	+56.6%
Costs for insurance services arising from insurance contracts issued	(426)	(277)	(149)	-54.0%	142	90	+51	+56.6%
Insurance revenues/costs from reinsurance transfers	(10)	(9)	(1)	-15.9%	(112)	(82)	(30)	-36.9%
Income and expenses from financial and other operations	20	12	+8	+68.4%	(2)	(1)	(2)	n/s
Net financial expenses/income related to insurance contracts issued	(6)	1	(7)	n/s	7	4	+3	+85.3%
Net financial income/expenses related to reinsurance transferred	3	-	+3	-	(2)	0	(2)	n/s
Non-Life net revenue	90	67	+23	+34.1%	33	12	+21	n/s
Other operating income	2	1	+1	+81.3%	0	0	+0	+77.6%
Intersegment revenue	(148)	(148)	(0)	-0.1%	(32)	(39)	+7	+17.6%
Costs	59	48	+11	+23.9%	18	13	+6	+43.4%
<i>of which:</i>								
Total personnel expenses	9	9	+0	+4.5%	1	3	(2)	-61.6%
<i>of which ordinary personnel expenses</i>	9	9	+0	+5.1%	1	3	(2)	-61.0%
Other operating expenses	20	7	+13	n/s	11	2	+9	n/s
Intersegment costs	28	29	(0)	-1.5%	6	7	(1)	-15.8%
EBITDA	1,362	1,458	(96)	-6.6%	375	455	(80)	-17.6%
Depreciation, amortisation and impairments	2	3	(2)	-45.9%	0	0	+0	+20.9%
EBIT	1,360	1,455	(94)	-6.5%	375	455	(80)	-17.7%
EBIT margin %	95.8%	96.8%			95.3%	97.3%		
Finance income/(costs)	50	41	+9	+21.4%	18	5	+13	n/s
Gross profit	1,410	1,496	(86)	-5.7%	393	460	(67)	-14.7%
Taxes	417	445	(28)	-6.3%	84	124	(40)	-32.6%
Net profit	994	1,051	(57)	-5.5%	309	336	(27)	-8.0%

n/s: not significant.

PAYMENTS AND MOBILE STRATEGIC BUSINESS UNIT

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Revenue	1,710	1,398	+313	+22.4%	467	420	+47	+11.2%
Electronic money	717	582	+135	+23.2%	198	178	+20	+11.3%
Other payments	381	233	+147	+63.2%	107	99	+8	+8.2%
TLC	331	319	+12	+3.8%	84	82	+1	+1.8%
Energy	17	(0)	+18	n/s	10	(2)	+12	n/s
Intersegment revenue	264	264	+0	+0.1%	68	62	+6	+8.9%
Costs	1,235	996	+239	+24.0%	336	300	+36	+12.0%
<i>of which:</i>								
Total personnel expenses	53	35	+19	+53.7%	15	12	+3	+21.4%
<i>of which ordinary personnel expenses</i>	53	34	+18	+53.7%	14	12	+3	+22.4%
Other operating expenses	663	479	+184	+38.4%	179	158	+21	+13.2%
Intersegment costs	518	482	+36	+7.5%	142	129	+13	+9.7%
EBITDA	476	402	+74	+18.3%	131	120	+11	+9.2%
Depreciation, amortisation and impairments	36	23	+13	+58.8%	9	10	(2)	-17.9%
EBIT	440	379	+60	+15.9%	122	109	+13	+11.8%
EBIT margin %	25.7%	27.1%			26.2%	26.1%		
Finance income/(costs)	32	1	+31	n/s	10	1	+9	n/s
Gross profit	471	380	+91	+23.9%	132	111	+22	+19.5%
Taxes	134	110	+23	+21.1%	27	33	(6)	-18.9%
Net profit	338	270	+68	+25.1%	105	77	+28	+36.1%

n/s: not significant.

RECONCILIATION OF MANAGEMENT REVENUES WITH FINANCIAL REVENUES

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Operating revenues from third parties Payments and Mobile	1,447	1,134	+312	+27.5%	399	357	+42	+11.6%
Costs for raw materials, system charges and electricity and gas transport of the energy business for third-party customers	140	12	+127	n/s	65	11	+54	n/s
Accounting revenues from third parties Payments and Mobile	1,586	1,147	+440	+38.4%	464	368	+96	+26.1%
Operating revenues from other Payments and Mobile sectors	264	264	+0	+0.1%	68	62	+6	+8.9%
Costs for raw materials, system charges and electricity and gas transport of the energy business for Group consumption	11	0	+11	n/s	10	0	+10	n/s
Accounting revenues from other Payments and Mobile sectors	275	264	+11	+4.2%	78	62	+16	+25.1%
Total Management Revenues Payments and Mobile*	1,710	1,398	+313	+22.4%	467	420	+47	+11.2%
Costs for raw materials, system charges and electricity and gas transport of the energy business (for third-party customers and Group consumption)	150	12	+138	n/s	75	11	+64	n/s
Total Accounting revenues Payments and Mobile	1,861	1,410	+451	+32.0%	542	430	+112	+25.9%

n/s: not significant.

* This item represents the alternative performance indicator "SBU Revenues Payments and Mobile net of energy costs" mentioned in section 8.2 Other Information.

RECONCILIATION OF MANAGEMENT COSTS WITH FINANCIAL COSTS

(€m)	2023	2022	Changes		4Q 2023	4Q 2022	Changes	
Total Operating Expenses Payments and Mobile	1,271	1,019	+252	+24.8%	344	310	+34	+11.0%
Costs for raw materials, system charges and electricity and gas transport of the energy business (for third-party customers and Group consumption)	150	12	+138	n/s	75	11	+64	n/s
Total Accounting Operating Expenses in Payments and Mobile	1,421	1,031	+390	+37.9%	419	321	+99	+30.7%

n/s: not significant.

Financial position

NET INVESTED CAPITAL AND RELATED FUNDING

(€m)	31 December 2023	31 December 2022	Changes	
Tangible fixed assets	2,574	2,434	140	5.7%
Intangible fixed assets	2,062	1,817	245	13.5%
Right-of-use assets	1,265	1,334	(69)	-5.2%
Investments	294	267	27	10.2%
Non-current assets	6,195	5,852	343	5.9%
Trade receivables, Other receivables and assets and Inventories	7,714	7,444	270	3.6%
Trade payables and Other liabilities	(6,595)	(6,236)	(359)	-5.8%
Current tax assets/(liabilities)	(23)	80	(103)	n/s
Net working capital	1,096	1,288	(192)	-14.9%
Gross invested capital	7,291	7,140	152	2.1%
Provisions for risks and charges	(1,336)	(1,355)	19	1.4%
Employee termination benefits	(637)	(705)	68	9.7%
Prepaid/deferred tax assets/(liabilities)	1,208	1,787	(579)	-32.4%
Net invested capital	6,578	6,866	(288)	-4.2%
Equity	10,439	7,878	2,560	32.5%
<i>of which profit for the period</i>	1,933	1,583	350	22.1%
<i>of which fair value reserve*</i>	(960)	(2,716)	1,756	64.6%
Financial liabilities	95,393	103,644	(8,251)	-8.0%
Insurance contracts payable net of reinsurance	155,105	141,336	13,769	9.7%
Financial assets	(237,159)	(226,141)	(11,019)	-4.9%
Tax credits Law no. 77/2020	(8,318)	(9,021)	703	7.8%
Cash and deposits attributable to BancoPosta	(4,671)	(5,848)	1,177	20.1%
Cash and cash equivalents	(4,211)	(4,983)	772	15.5%
Net debt/(funds)	(3,861)	(1,012)	(2,849)	n/s

n/s: not significant.

* Including the reserve for insurance contracts issued and reinsurance ceded.

31 December 2023 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Eliminations and adjustments	Consolidated
Tangible fixed assets	2,515	1	16	42	0	2,574
Intangible fixed assets	1,268	-	145	649	(0)	2,062
Right-of-use assets	1,257	2	10	13	(17)	1,265
Investments	3,009	267	157	-	(3,138)	294
Non-current assets	8,049	269	328	704	(3,155)	6,195
Trade receivables, Other receivables and assets and Inventories	2,483	3,380	2,421	322	(892)	7,714
Trade payables and Other liabilities	(3,327)	(2,131)	(1,321)	(703)	887	(6,595)
Current tax assets/(liabilities)	(77)	(0)	(33)	87	-	(23)
Net working capital	(922)	1,249	1,067	(293)	(5)	1,096
Gross invested capital	7,127	1,518	1,396	412	(3,160)	7,291
Provisions for risks and charges	(1,130)	(164)	(17)	(25)	(0)	(1,336)
Employee termination benefits	(629)	(2)	(1)	(4)	-	(637)
Prepaid/deferred tax assets/(liabilities)	272	377	593	(33)	-	1,208
Non-current assets and disposal groups held for sale and liabilities related to assets held for sale	-	-	50	-	-	50
Net invested capital	5,639	1,728	2,020	350	(3,158)	6,578
Equity	2,883	2,811	6,439	1,443	(3,138)	10,439
<i>of which profit for the period</i>	(46)	647	994	338	0	1,933
<i>of which fair value reserve*</i>	(281)	(544)	(136)	2	-	(960)
Financial liabilities	5,017	93,076	429	10,478	(13,606)	95,393
Insurance contracts payable net of reinsurance	-	-	155,106	-	(1)	155,105
Financial assets	(1,205)	(80,636)	(156,394)	(11,507)	12,582	(237,159)
Tax credits Law no. 77/2020	(407)	(7,912)	-	-	-	(8,318)
Cash and deposits attributable to BancoPosta	-	(4,671)	-	-	-	(4,671)
Cash and cash equivalents	(650)	(940)	(3,561)	(65)	1,004	(4,211)
Net debt/(funds)	2,755	(1,082)	(4,420)	(1,093)	(21)	(3,861)

* Including the reserve for insurance contracts issued and reinsurance ceded.

31 December 2022 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Eliminations and adjustments	Consolidated
Non-current assets						
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	2,561	291	(1,048)	7,444
Trade payables and Other liabilities	(3,513)	(2,048)	(1,033)	(686)	1,045	(6,236)
Current tax assets/(liabilities)	58	0	30	(9)	-	80
Net working capital	(969)	1,105	1,558	(404)	(3)	1,288
Gross invested capital	6,893	1,370	1,726	311	(3,159)	7,140
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	610	(41)	-	1,787
Net invested capital	5,349	2,112	2,315	251	(3,159)	6,866
Equity	2,510	1,338	5,757	1,412	(3,138)	7,878
<i>of which profit for the period</i>	(361)	622	1,051,370	270	-	1,583
<i>of which fair value reserve*</i>	(282)	(2,094)	(343)	3	-	(2,716)
Financial liabilities	4,918	100,941	303	9,557	(12,074)	103,644
Insurance contracts payable net of reinsurance	-	-	141,337	-	(1)	141,336
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	(3,442)	(1,161)	(22)	(1,012)

* Including the reserve for insurance contracts issued and reinsurance ceded.

Changes 31.12.2023 vs 31.12.2022 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Eliminations and adjustments	Consolidated
Non-current assets						
Tangible fixed assets	123	(0)	16	1	0	140
Intangible fixed assets	111	-	145	(10)	(0)	245
Right-of-use assets	(69)	0	(1)	(1)	2	(69)
Investments	23	5	-	-	(0)	27
Non-current assets	187	5	160	(10)	1	343
Trade receivables, Other receivables and assets and Inventories	(4)	226	(139)	31	156	270
Trade payables and Other liabilities	186	(83)	(288)	(16)	(158)	(359)
Current tax assets/(liabilities)	(136)	(0)	(63)	96	-	(103)
Net working capital	47	144	(491)	111	(2)	(192)
Gross invested capital	234	148	(330)	101	(1)	152
Provisions for risks and charges	0	25	4	(10)	(0)	19
Employee termination benefits	69	(0)	(1)	(0)	-	68
Prepaid/deferred tax assets/(liabilities)	(13)	(556)	(18)	8	-	(579)
Non-current assets and disposal groups held for sale and Liabilities related to assets held for sale	-	-	50	-	-	50
Net invested capital	290	(383)	(295)	99	1	(288)
Equity	374	1,472	683	31	0	2,560
<i>of which profit for the period</i>	315	25	(57)	68	0	350
<i>of which fair value reserve*</i>	1	1,550	207	(1)	-	1,756
Financial liabilities	99	(7,865)	125	922	(1,532)	(8,251)
Insurance contracts payable net of reinsurance	-	-	13,769	-	0	13,769
Financial assets	(122)	3,064	(14,043)	(962)	1,044	(11,019)
Tax credits Law no. 77/2020	14	689	-	-	-	703
Cash and deposits attributable to BancoPosta	-	1,177	-	-	-	1,177
Cash and cash equivalents	(74)	1,078	(829)	108	489	772
Net debt/(funds)	(84)	(1,856)	(978)	68	1	(2,849)

* Including the reserve for insurance contracts issued and reinsurance ceded.

KEY PERFORMANCE INDICATORS FOR PRINCIPAL POSTE ITALIANE GROUP COMPANIES

POSTE ITALIANE SPA

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	11,154,721	10,052,886	1,101,835	+11.0
Operating profit	1,528,465	1,076,180	452,285	+42.0
Net result	1,389,507	847,113	542,394	+64.0
Capital expenditure	780,444	750,722	29,722	+4.0
Equity	5,652,905	3,807,509	1,845,396	+48.5
Permanent workforce - average	108,135	108,405	(270)	-0.2
Flexible workforce - average	6,478	7,403	(925)	-12.5

POSTEL SPA

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	200,719	186,299	14,420	+7.7
Operating profit	(2,508)	(4,389)	1,881	+42.9
Net result	(3,270)	(3,810)	540	+14.2
Capital expenditure	3,273	2,181	1,092	+50.1
Equity	78,286	81,640	(3,354)	-4.1
Permanent workforce - average	664	721	(57)	-7.9
Flexible workforce - average	42	64	(22)	-34.4

SDA EXPRESS COURIER SPA

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	1,107,221	1,072,384	34,837	+3.2
Operating profit	34,672	52,285	(17,613)	-33.7
Net result	18,701	34,963	(16,262)	-46.5
Capital expenditure	23,047	30,262	(7,215)	-23.8
Equity	42,614	59,556	(16,942)	-28.4
Permanent workforce - average	1,148	1,113	35	+3.1
Flexible workforce - average	39	63	(24)	-38.1

At 31 December 2023, the company declared dividends totalling €35 million.

EUROPA GESTIONI IMMOBILIARI SPA

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	14,468	33,228	(18,760)	-56.5
Operating profit	2,347	7,244	(4,897)	-67.6
Net result	1,097	4,315	(3,218)	-74.6
Capital expenditure	342	882	(540)	-61.2
Equity	239,800	243,014	(3,214)	-1.3
Permanent workforce - average	23	24	(1)	-4.2
Flexible workforce - average	1	-	1	n/s

n/s: not significant.

At 31 December 2023, the company declared dividends totalling €4 million.

POSTE AIR CARGO SRL

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	69,760	80,867	(11,107)	-13.7
Operating profit	1,791	4,671	(2,880)	-61.7
Net result	554	2,244	(1,690)	-75.3
Capital expenditure	-	-	-	-
Equity	6,527	7,040	(513)	-7.3
Permanent workforce - average	89	93	(4)	-4.3
Flexible workforce - average	1	4	(3)	-75.0

At 31 December 2023, the company declared dividends totalling €1 million.

BANCOPOSTA FONDI SPA SGR

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Fee and commission income	173,427	144,415	29,012	+20.1
Net fee and commission income	68,021	64,102	3,919	+6.1
Net result	28,650	26,884	1,766	+6.6
Financial investments	73,700	68,949	4,751	+6.9
Equity	58,721	55,816	2,905	+5.2
Permanent workforce - average	85	77	8	+10.9
Flexible workforce - average	-	-	-	-

At 31 December 2023, the company declared dividends totalling €27 million.

POSTE VITA SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Insurance premium revenue	17,889,174	17,179,478	709,696	+4.8%
Net result	942,592	1,022,341	(79,749)	-7.8
Financial assets	155,366,569	141,776,300	13,590,269	+9.6
Liabilities under insurance contracts	154,156,806	140,712,594	13,444,212	+9.6
Equity	6,413,350	5,762,676	650,674	+11.3
Permanent workforce - average	369	350	19	+5.4
Flexible workforce - average	-	3	(3)	n/s

n/s: not significant.

* The figures shown have been prepared in accordance with IFRS and therefore may not coincide with those in the Annual Report prepared in accordance with the Italian Civil Code and under Italian GAAP.

At 31 December 2023, the company declared dividends totalling €450 million.

POSTE ASSICURA SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Insurance premium revenue	496,034	392,125	103,908	+48.2
Net result	54,178	41,745	12,433	+29.8
Financial assets	741,838	572,627	169,211	+29.5
Liabilities under insurance contracts	353,891	265,083	88,808	+33.5
Equity	341,313	282,609	58,704	+20.8
Permanent workforce - average	108	91	17	+18.7
Flexible workforce - average	1	-	1	n/s

n/s: not significant.

* The figures shown have been prepared in accordance with IFRS and therefore may not coincide with those in the Annual Report prepared in accordance with the Italian Civil Code and under Italian GAAP.

POSTEPAY SPA

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	1,601,982	1,315,962	286,020	+21.7
Operating profit	418,670	366,502	52,168	+14.2
Net result	328,796	261,220	67,576	+25.9
Capital expenditure	15,284	20,181	(4,897)	-24.3
Equity	1,426,293	1,403,594	22,699	+1.6
Permanent workforce - average	358	315	43	+13.7
Flexible workforce - average	-	2	(2)	n/s

n/s: not significant.

At 31 December 2023, the company declared dividends totalling €305 million.

MLK DELIVERIES SPA

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	41,159	43,771	(2,612)	-6.0
Operating profit	1,320	975	345	+35.4
Net result	894	663	231	+34.8
Capital expenditure	63	334	(271)	-81.1
Equity	14,456	13,308	1,148	+8.6
Permanent workforce - average	31	34	(3)	-8.8
Flexible workforce - average	-	-	-	-

PLURIMA SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	55,048	40,598	14,450	+35.6
Operating profit	2,742	4,086	(1,344)	(32.9)
Net result	(1,302)	1,735	(3,037)	n/s
Capital expenditure	2,897	1,728	1,169	+67.7
Equity	87,734	19,664	68,070	n/s
Permanent workforce - average	583	425	158	+37.2
Flexible workforce - average	222	153	69	+45.1%

n/s: not significant.

* The figures shown for 2022 refer to the period of consolidation of the company within the Poste Italiane Group (01/04/2022 - 31/12/2022).

At 31 December 2023, the company declared dividends totalling €3 million.

NET INSURANCE SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Insurance premium revenue	85,032	-	n/s	n/s
Operating profit	6,483	-	n/s	n/s
Net result	13,286	-	n/s	n/s
Liabilities under insurance contracts	132,544	-	n/s	n/s
Equity	58,908	-	n/s	n/s
Permanent workforce - average	75	-	n/s	n/s
Flexible workforce - average	3	-	n/s	n/s

n/s: not significant.

* The figures indicated refer to the period of consolidation of the company within the Poste Italiane Group (01/04/2023 - 31/12/2023) and are prepared in accordance with IFRS international accounting standards. Therefore, they may not coincide with those contained in the Annual Report prepared in accordance with the Italian Civil Code and Italian accounting standards.

NET INSURANCE LIFE SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Insurance premium revenue	106,409		n/s	n/s
Operating profit	12,744	-	n/s	n/s
Net result	9,111	-	n/s	n/s
Liabilities under insurance contracts	278,982	-	n/s	n/s
Equity	9,343	-	n/s	n/s
Permanent workforce - average	22	-	n/s	n/s
Flexible workforce - average	-	-	n/s	n/s

n/s: not significant.

* The figures indicated refer to the period of consolidation of the company within the Poste Italiane Group (01/04/2023 - 31/12/2023) and are prepared in accordance with IFRS international accounting standards. Therefore, they may not coincide with those contained in the Annual Report prepared in accordance with the Italian Civil Code and Italian accounting standards.

NEXIVE NETWORK SRL

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	124,703	80,016	44,687	+55.8
Operating profit	5,237	1,134	4,103	n/s
Net result	2,965	225	2,740	n/s
Capital expenditure	-	-	-	-
Equity	10,994	8,242	2,752	+33.4
Permanent workforce - average	84	84	0	n/s
Flexible workforce - average	2	-	2	n/s

n/s: not significant.

LIS HOLDING SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	67,965	21,852	46,113	+2.1
Operating profit	17,827	4,229	13,598	+3.2
Net result	14,540	15,600	(1,060)	-0.1
Capital expenditure	9,762	4,936	4,826	+1.0
Equity	66,550	163,388	(96,838)	-0.6
Permanent workforce - average	142	47	95	+2.0
Flexible workforce - average	5	2	3	+1.5

n/s: not significant.

* The figures shown for 2022 refer to the period of consolidation of the company within the Poste Italiane Group (01/09/2022 - 31/12/2022).
At 31 December 2023, the company declared dividends totalling €27 million.

LIS PAY SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	231,591	76,205	155,386	+2.0
Operating profit	38,340	12,453	25,887	+2.1
Net result	26,710	7,791	18,919	+2.4
Capital expenditure	1,770	345	1,425	+4.1
Equity	111,233	104,695	6,538	+0.1
Permanent workforce - average	77	27	50	+1.9
Flexible workforce - average	6	2	4	+2.0

n/s: not significant.

* The figures shown for 2022 refer to the period of consolidation of the company within the Poste Italiane Group (01/09/2022 - 31/12/2022).
At 31 December 2023, the company declared dividends totalling €20 million.

SOURCESENSE SPA*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	23,118	6,347	16,771	+2.6
Operating profit	528	297	231	+0.8
Net result	316	112	204	+1.8
Capital expenditure	1,700	244	1,456	+6.0
Equity	7,310	7,010	300	+0.0
Permanent workforce - average	55	14	42	+3.1
Flexible workforce - average	-	-	-	-

* The figures shown for 2022 refer to the period of consolidation of the company within the Poste Italiane Group (01/10/2022 - 31/12/2022).

SENGI EXPRESS LIMITED

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	144,500	115,175	29,325	+25.5
Operating profit	9,556	6,933	2,623	+37.8
Net result	7,923	6,987	936	+13.4
Capital expenditure	-	-	-	-
Equity	8,863	6,256	2,607	+41.7
Permanent workforce - average	-	-	-	-
Flexible workforce - average	1	-	1	n/s

n/s: not significant.

At 31 December 2023, the company declared dividends totalling €5 million.

AGILE LAB SRL*

(€k)	FY 2023	FY 2022	Changes	
			Values	%
Revenue from sales and services	13,774	1,613	12,161	+7.5
Operating profit	116	(1,589)	1,705	+1.1
Net result	73	(1,189)	1,262	+1.1
Capital expenditure	1,560	700	860	+1.2
Equity	4,496	4,355	141	+0.0
Permanent workforce - average	111	18	93	+5.2
Flexible workforce - average	-	-	-	-

n/s: not significant.

* The figures shown for 2022 refer to the period of consolidation of the company within the Poste Italiane Group (01/10/2022 - 31/12/2022).

9. Consolidated non-financial statement

IN THIS CHAPTER:



- 9.1 Reporting standards and policies
- 9.2 The European Taxonomy Regulation
- 9.3 GRI-Standards content index

MAIN RELATED
TYPES OF CAPITAL



NFS

Introduction

Poste Italiane's Consolidated Non-Financial Statement (NFS or "Statement") for 2023 has been drafted in line with the Group's ESG Strategic Plan which is based on 8 fundamental sustainability pillars attributable to environment, social and governance issues (ESG) 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 "Poste Italiane Group and its 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-depth and 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" and set out the general principles and 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

MAIN RELATED TYPES OF CAPITAL



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 2023 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 537-538 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 is not established.

The Statement is included in the Report on Operations, which in turn is contained in the 2023 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 19 March 2024, 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 disclosures relating 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 aim of carrying out an exercise to apply the concept of dual materiality (as defined in Chapter 5 "Strategy"), was subjected to a "limited assurance engagement" conformity assessment according to 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 by means of the "Report of the Independent Auditors" reproduced below 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 continued with the approach started in 2021 and subsequently refined in 2022, aimed at anticipating the exercise of the principle of double relevance envisaged by the Corporate Sustainability Reporting Directive (CSRD) before its entry into force, set for FY 2024. 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 2023, and where available to the 2021-2023 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.

In addition, it should be noted that Poste Italiane will have to apply the new Corporate Sustainability Reporting Directive (CSRD) from the financial year beginning on January 1st, 2024. In this regard, in 2023 the Group launched a mapping of the information requirements provided by the CSRD and the European Sustainability Reporting Standard (ESRS) in order to identify the information to be supplemented by the Group with regard to the financial year 2024 and to define an action plan to ensure compliance with the new legislation.

All GRI Standards indicators reported are shown in the GRI Content Index of this section starting on page 526.

All the data refer only to the companies consolidated using the line-by-line method for financial reporting, as indicated in the table "Consolidation scope and key data of equity investments" (Note 13 - pages 860-861). 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**

9.2 The european Taxonomy regulation

With the aim of consolidating the European Union's commitment to the issues of environmental and social sustainability, in June 2020, in the Official Journal of the European Union the EU Regulation no. 2020/852 (so-called Taxonomy Regulation) was published, which establishes the criteria through which it is possible to determine whether an economic activity can be considered environmentally sustainable. The Taxonomy Regulation was introduced with the aim of establishing a unified classification system for sustainable activities and to establish through a common language a clear definition of what can be considered 'green'. In this sense, the European Commission reinforces its commitment to a rapid transition to a modern and competitive economy that is resilient to climate change, resource efficient and in line with the UN Sustainable Development Goals (SDGs) and the European Green Deal. Therefore, the identification of a unified classification system based on harmonised criteria at EU level is the most significant action taken by the Commission in the context of the sustainable growth strategy and aimed, among other objectives, at boosting the contribution of the financial sector in supporting the EU's climate and sustainable development agenda.

The EU Regulation no. 2020/852, therefore, establishes the basis of the Taxonomy, the environmental objectives and the ways in which an economic activity can be defined as eco-sustainable, and identifies itself at a European level as a tool able to support, on the one hand, companies in the assessment of their activities, in the adoption of environmental sustainability policies and more complete and comparable reporting methods, and on the other, investors in the integration of sustainability issues within investment policies and public institutions in the definition and improvement of their own policies of ecological transition.

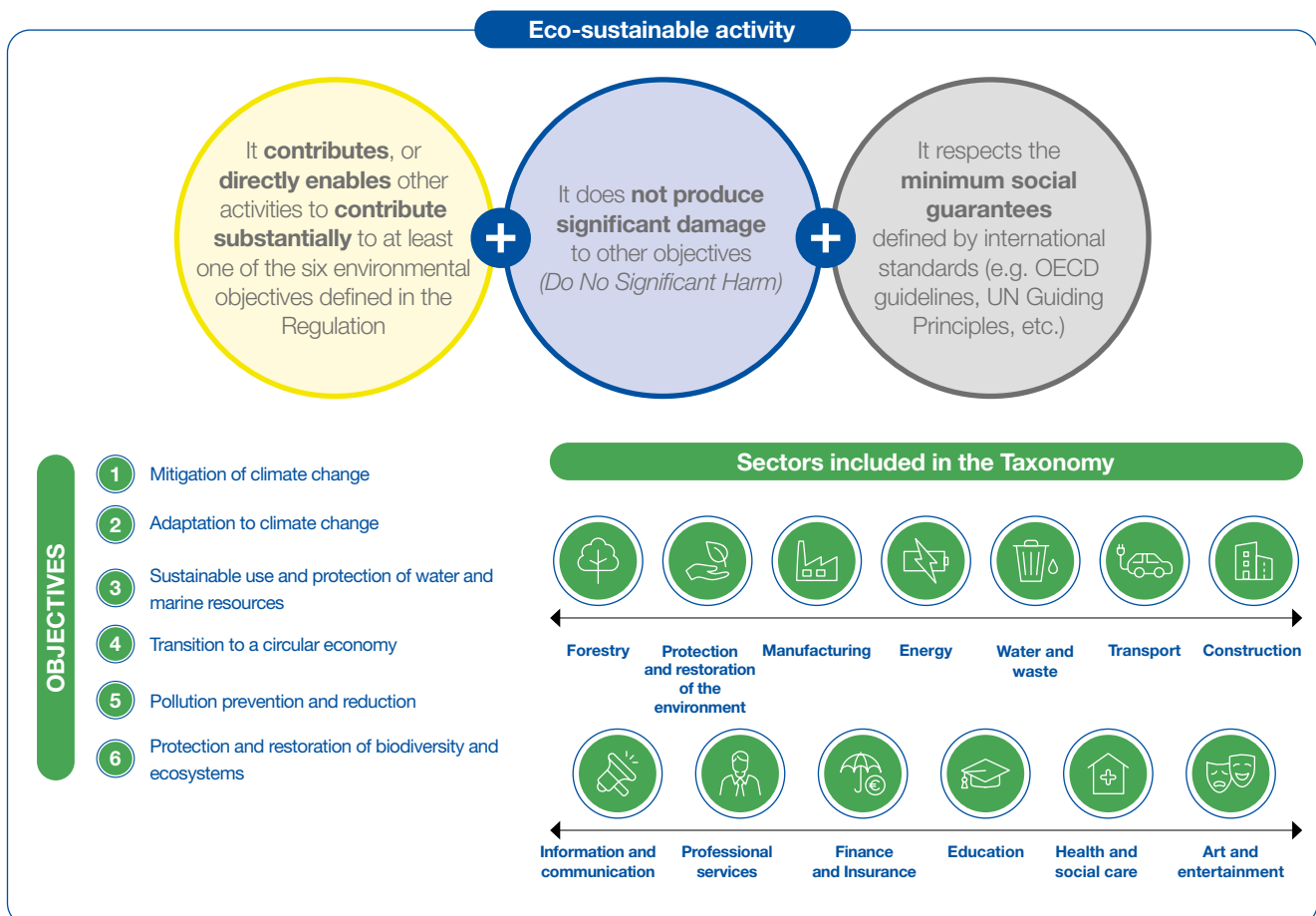
Furthermore, the Taxonomy Regulation provides market participants with an unambiguous definition of sustainable assets to use in their decision-making processes favouring at the same time the transparency of financial markets with respect to sustainability issues in terms of investment choices and providing 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'.

Pursuant to art.3 of EU Regulation no. 2020/852, an economic activity is defined as eco-sustainable, and therefore aligned with the EU Taxonomy, if it complies with 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;
- complies with the technical screening criteria set by the European Commission in relation to the defined environmental objectives.

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 Taxonomy objectives. Indeed, with reference to each of the following environmental objectives, the Commission has issued a technical annex to identify the economic activities that are potentially able to contribute to the reference objective, as well as to determine the conditions for substantial contribution and compliance with the DNSH principle.



In the course of 2023, the European Commission published the EU Delegated Regulation No. 2023/2486 (Taxonomy Environmental Delegated Act), which complements the Taxonomy Regulation by setting technical screening criteria to determine under which conditions an economic activity can be considered to contribute substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to the prevention and reduction of pollution, or to the protection and restoration of biodiversity and ecosystems, and if it does not cause significant harm to any other environmental objective. This delegated act also amends the EU Delegated Regulation No. 2021/2178 (Taxonomy Disclosure Delegated Act), in particular with respect to the correction of certain inaccuracies in the text, as well as the updating of the templates provided for the reporting of financial and non-financial companies.

Furthermore, in the same year, as part of the climate change mitigation and adaptation objectives, the European Commission published EU Delegated Regulation No. 2023/2485, supplementing EU Delegated Regulation No. 2021/2139 (Taxonomy Climate Delegated Act), which identifies the technical screening criteria in relation to the first two climate objectives. In particular, Annex I (climate change mitigation objective) was supplemented with new economic activities related to the manufacturing and aviation sectors, while Annex II (climate change adaptation objective) was supplemented with new economic activities within the civil engineering and disaster risk management sectors. Also, changes and additions were made to the criteria for technical screening and DNSH of certain economic activities already present in both Annexes.

Pursuant to the amendments introduced to Section 10 of the Taxonomy Disclosure Delegated Act, for the current financial year, in relation to both the economic activities associated with the last four environmental objectives and the new economic activities introduced in Annexes I and II by the amendment to the Taxonomy Climate Delegated Act, companies are only required to perform the eligibility analysis.

Therefore, in compliance with the provisions of the aforementioned Delegated Regulation, which describes the content, methodology and manner of presentation of the so-called 'key performance indicators' or 'KPIs' to be reported and the qualitative information that must accompany them:

- for the current reporting year, Non Financial Undertakings are required to report the percentage of their Turnover, Capital Expenditure (CapEx) and Operating Expenditure (OpEx) associated with economic activities eligible for the six targets, as well as aligned for the first two climate targets - excluding only for this year, the new economic activities introduced in 2023 - and as of Fiscal Year 2024 also for the remaining environmental targets;
- for the current reporting year, Financial Undertakings are required to report the share of investments/financing associated with economic activities eligible for the six targets, as well as aligned for the first two climate targets - excluding only for this year, new economic activities introduced in 2023 - and as of Fiscal Year 2025, also for the remaining environmental targets.

European taxonomy: methodological approach to the reporting process

In order to provide a clear and representative disclosure of the Group's business profile, actively contributing to the achievement of the European Union's sustainable development objectives, Poste Italiane has adopted a transparent methodological approach, which includes a careful analysis of the Group's economic activities, as well as the regulatory framework of reference.

For this reason, Poste Italiane has provided for a reporting method that allows providing evidence of both industrial operations (Non Financial Undertakings) and financial operations (Financial Undertakings). In particular, pursuant to the regulations in force on the reporting methods of mixed groups, Poste Italiane has deemed it appropriate to pursue a dual reporting method: within this document, in fact, disclosure is provided on a consolidated basis of the KPIs envisaged for the Non Financial Undertakings, and 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 reporting method allows the Group to contribute to completing the information framework both for investors and, more generally, for Poste Italiane's stakeholders, allowing them to have disclosures consistent with the regulatory provisions in force.

Following the analysis of the regulations and related developments, the process of reporting on the disclosure requirements of the Taxonomy Regulation involved the identification, assessment and consolidation of the qualitative and management and/or accounting information necessary for the related calculation of the indicators representing alignment and eligibility.

In particular, with reference to industrial operations and in compliance with the reporting obligations arising from the most recent regulatory developments, a primary qualitative analysis was conducted with reference to the eligibility of potential economic activ-

ities associated with the environmental objectives of sustainable use and protection of water and marine resources, transition to a circular economy, prevention and reduction of pollution, and protection and restoration of biodiversity and ecosystems, as well as new economic activities associated with the objectives of mitigation and adaptation to climate change, introduced in 2023. Following this, it was possible to identify the set of economic activities eligible for the Taxonomy and, on the basis of the analyses of their substantial contribution to the respective objective and the reference DNSH, the activities contributing to the definition of the aligned KPIs were identified.

This process involved numerous functions of the Group that owns the data, requiring the participation of the main corporate business structures for the identification of the eligible activities aligned with the Taxonomy, in compliance with the eco-sustainability criteria associated with the individual economic activities being evaluated, as well as the connected management of the data collection process.

With regard to the performance indicators representative of the Group's financial and insurance operations, it was deemed appropriate to request the support of an external provider for the purpose of obtaining certain data necessary for the calculation of the KPIs of the Financial Undertakings. In this regard, with the aim of guaranteeing a correct reconciliation between the results obtained and the economic and financial figures described within the financial reporting and in order to carry out the due admissibility and alignment analyses following the receipt of the data instrumental to the calculation of the performance indicators by the external provider, the analysis and data collection process was accompanied by the constant supervision of the Administration, Finance and Control function.

Furthermore, in relation to the Taxonomy alignment analyses carried out for this financial year, pursuant to art. 3 letter c) of EU Regulation no. 2020/852, the Group carried out its economic activities in compliance with the minimum safeguard guarantees (so-called social minimum safeguards) outlined by the Art. 18 paragraph 1 of the Regulation itself, thus adopting procedures compliant with the guidelines of the Organisation for Economic Co-operation and Development (OECD) intended for multinational companies and with the United Nations guiding principles on business and human rights, with reference to the principles and rights set out in eight of the ten fundamental conventions identified in the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and in the International Bill of Human Rights.

In particular, for the verification of compliance with the minimum safeguards, the Poste Italiane Group took into consideration the four areas of application identified by the Platform on Sustainable Finance¹⁶⁷, namely: Human Rights; Corruption; Taxation; Competition. In this regard, for more information with respect to the due diligence and remedial procedures implemented by the Group in the performance of its business activities with reference to Human Rights, please refer to the following in-depth sections of this document:

- "Strategy - The Group's sustainability policies";
- "Poste Italiane's commitment to managing human rights risks";
- "Integrity and transparency - Legality and incorporation of ESG criteria within the procurement process";
- "Diversity and inclusion - Protection of human rights at the Company".

With regard to the other three areas of application - Corruption, Taxation and Competition - please refer to the following in-depth sections: "Strategy - The Group's Sustainability Policies"; "Integrity and Transparency - Working with Transparency and Integrity".

Furthermore, with reference to Art. 18 para. 2, the Regulation stipulates that, in addition to disclosing whether the sustainable investment is aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles, account must be taken of the indicators of the main negative effects set out in the SFDR (so-called Principle Adverse Impact - PAI) related to social and personnel issues, respect for human rights and issues related to the fight against active and passive corruption. In this regard, also in line with regulatory developments, Poste Italiane considers these indicators as part of its investments at the overall portfolio level, as reported in the PAI Statement, to which reference should be made for further details.

167. "Final Report on Minimum Safeguards", published by the Platform on Sustainable Finance in October 2022.

Eco-sustainable business activities of Poste Italiane

The indicators required by the regulations for Non-Financial Undertakings are shown below, which, 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.

Furthermore, it is specified that, with reference to the information pursuant to art. 8, paragraphs 6 and 7 of the EU Delegated Regulation no. 2022/1214, which provides for the use of the templates provided in Annex XII for the communication of activities related to nuclear power and fossil gases (connected to activities from 4.26 to 4.31), the template is shown below¹⁶⁸ referred to in Model 1.

MODEL 1 - NUCLEAR AND FOSSIL GAS ACTIVITIES

ROW	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Row	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Turnover KPIs

With reference to the present year, the share of Turnover derived from economic activities that are aligned, eligible but not aligned, and ineligible for the Taxonomy was identified, 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 2023.

The share of turnover associated with economic activities aligned with the taxonomy is 1.1%, while the share of eligible but non-aligned economic activities is 9.9%; thus, the share of non-eligible turnover is equivalent to 89%.

168. It should be noted that, with regard to the Financial Undertakings indicators, for this financial year, as no precise information was available on exposures related to the nuclear and fossil gas sectors, it was not possible to compile the templates provided in Annex XII.

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 by vehicles, air transport of goods, and premiums on non-life policies for the underwriting of climate-related perils were taken into account, respectively.

In particular, in light of regulatory developments and the inclusion among the economic activities envisaged by the Taxonomy of those relating to the air transport of passengers and goods, with particular reference to the activities "6.18 Leasing of aircraft", "6.19 Passenger and freight air transport" and "6.20 Air transport ground handling operations", these economic activities have been analysed in order to trace back to them the revenues generated by Poste Air Cargo's air transport service, which fall within the scope of the Group's overall turnover. On the basis of the specific characteristics of the revenues associated with Poste Air Cargo, it was therefore possible to attribute them exclusively to the economic activity "6.18 Leasing of aircraft". Therefore, only with reference to the calculation of the share of Eligible Turnover, as provided for in the Regulation for this reporting year, were the revenues determined as generated by the transport of goods by aircraft operated through leasing and chartering contracts.

In this regard, the numerator value of this KPI mainly refers to:

- revenues associated with "6.6 Freight transport services by road" that contribute to the environmental objective of climate change mitigation;
- revenues associated with "6.18 Leasing of aircraft", which contribute to the environmental objective of climate change mitigation;
- revenues associated with "10.1 Non-life insurance: underwriting of climate-related perils", which contribute to the environmental objective of adapting to climate change.

The economic activities assessed against the eco-sustainability criteria of the Taxonomy Regulation and the associated technical screening criteria were found compliant with the alignment analyses. In particular, with reference to the revenues associated with "6.6 Freight transport services by road", the Turnover was assessed as generated by the Group's fleet¹⁶⁹, whose conformity assessment found a substantial contribution to the climate change mitigation objective compared to N1 category vehicles, which have zero direct (tailpipe) CO₂ emissions. In this regard, in line with previous years, in order to relate the Group's revenues to the Turnover category subject to the eligibility and alignment analyses of road haulage services, a weighting driver was adopted based on the number of green vehicles compared to the Group's total fleet, taking into account the industrial cost associated with them. Therefore, on the basis of these variables, which contribute, therefore, to the formation of the revenues of the 'Mail, Parcels and Distribution' SBU, it was possible to determine the portion of Turnover attributable to the admissible revenues and aligned to the Taxonomy. In the course of 2023, the number of such vehicles within the eligible and non environmentally sustainable, as well as aligned¹⁷⁰, increased significantly, leading to a corresponding increase in the eligible and aligned Turnover. Specifically, in 2023, the eligible but not environmentally sustainable share increased to €1,179 million, while the aligned share increased to €136 million. In addition, the assessment of compliance with Art. 3 of the Taxonomy Regulation and the technical screening criteria verified that these activities do not significantly harm the objectives of climate change adaptation, transition to a circular economy and pollution prevention and reduction.

With regard to Turnover associated with "10.1 Non-life insurance: underwriting of climate-related perils", the compliance analysis looked at revenues related to insurance business, considering premiums related to fire and other property damage policies. The conformity assessment failed to verify compliance with the substantial contribution to the climate change adaptation objective, a condition that confirms, in line with the evidence from the previous year, that the Turnover associated with this economic activity is only eligible for non environmentally sustainable eligibility. In particular, during the year, these revenues generated by the insurance business saw a negative change; in fact, as a result of the major catastrophic events recorded during the year, revenues from underwriting climate-related perils through non-life and other property policies amounted to €0 in 2023.

With reference to the valuations carried out under "6.18 Leasing of aircraft", the revenues¹⁷¹ strictly related to the transport of goods by aircraft were considered, which contribute through Poste Air Cargo to the formation of the revenues belonging to the "Mail, Parcels and Distribution" SBU, whose eligible but non environmentally sustainable share in 2023 is around €5 million.

Instead, with reference to the total Turnover at the consolidated level, the total "Net revenues from ordinary operations" for the year 2023 (€11,989 million) 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).

169. See Note C1 'Revenue from mail, parcels and other' in the Consolidated Financial Statements.

170. In particular, with reference to vehicles in the N1 category that have zero direct (tailpipe) CO₂ emissions, the increase recorded made it possible to consider around 2,800 vehicles belonging to the Group's fleet.

171. See Note C1 'Revenue from mail, parcels and other' in the Consolidated Financial Statements.

TABLE 1: SHARE OF TURNOVER DERIVED FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - DISCLOSURE FOR THE YEAR 2023¹⁷²

Financial year 2023	2023		Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")							Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
	Code (2)	Turnover (3)	Proportion of Turnover, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)					
Economic Activities (1)	€ mln	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	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	CCM 6.6	136	1.1%	Y	N						Y	Y	Y				0.7%			
Leasing of aircraft	CCM 6.18	0	0.0%	Y	N															
Non-life insurance: underwriting of climate-related perils	CCA 10.1	0	0.0%	N	Y												0.0%			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		136	1.1%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%								0.7%			
Of which enabling		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%			
Of which transitional		-	0.0%	0.0%													0.0%			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Freight transport services by road	CCM 6.6	1,179	9.8%	EL													8.8%			
Leasing of aircraft	CCM 6.18	5	0.1%	EL													0.0%			
Non-life insurance: underwriting of climate-related perils	CCA 10.1	0	0.0%		EL												0.1%			
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,184	9.9%	9.9%	0.0%	0.0%	0.0%	0.0%	0.0%								8.9%			
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		1,320	11.0%	11.0%	0.0%	0.0%	0.0%	0.0%	0.0%								9.6%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		10,669	89.0%																	
Total		11,989	100.0%																	

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1.1%	11.0%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

172. The figures shown have been rounded for ease of reference. For this reason, the sums may differ slightly from the reported figures.

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 (CapEx) from products or services associated with economic activities aligned with the taxonomy - Disclosure for the year 2023). With regard, on the other hand, to the share of CapEx associated with eligible but non-aligned economic activities, 1.3% was achieved in this year, thus, the share of non-eligible capital expenditure is 93.6%.

The indicators reported refer to the capital expenditure associated with the investments made in the Group's corporate fleet, directly related to the revenues of the "Mail, Parcels and Distribution" Strategic Business Unit, and to the investments made on the Group's properties in terms of energy efficiency, which refer respectively to the installation of energy efficiency devices, charging stations for electric vehicles, intelligent tools for measuring, regulating and controlling 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 Freight transport services by road" that contribute to the environmental objective of climate change mitigation;
- investments associated with sector "7. Construction and real estate" - climate change mitigation objective, with a focus on enabling activities under "7.3 Installation, maintenance and repair of energy efficiency equipment", "7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)", "7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings" and "7.6 Installation, maintenance and repair of renewable energy technologies".

The alignment analyses underlined the conformity of the assessed economic activities to the eco-sustainability criteria of the Taxonomy Regulation and the associated technical screening criteria, as described below.

With respect to the investments associated with "6.6 Freight transport services by road", activities were assessed as part of the investments related to the Group's fleet, whose conformity assessment recorded the substantial contribution to the climate change mitigation objective with reference to N1 category vehicles, which have zero direct (tailpipe) CO₂ emissions. In particular, the expenses for the purchase of these vehicles, aimed at achieving the objective of replacing the company fleet with vehicles with a reduced environmental impact by 2024, were incurred mainly during 2022. Therefore, during the year there was a significant decrease in the portion of CapEx eligible but not aligned (€14 million in 2023) referring to investments in road haulage services, against a slight reduction in the aligned portion (€25 million in 2023).

On the other hand, with reference to the Group's real estate investments, associated with "7.3 Installation, maintenance and repair of energy efficiency equipment", during 2023, energy efficiency works were carried out on owned buildings that involved the replacement of LED lighting fixtures and heating systems. In addition, these investments also include expenses incurred for the carbon neutrality efficiency of the Padua sorting centre. With reference to the investments associated with "7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)", expenses incurred for the implementation of eco-sustainable mobility solutions and charging stations for electric vehicles were taken into account. For investments associated, on the other hand, with '7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings', activities related to environmental monitoring and the implementation of Smart Building solutions were assessed. Finally, with regard to investments associated with "7.6 Installation, maintenance and repair of renewable energy technologies", the conformity assessment covered investments in photovoltaic systems. Notwithstanding the fact that, with reference to the Group's real estate investments just described, the portion of CapEx eligible but not aligned remained unchanged compared to 2022, there was a slight increase in the aligned portion associated with the assets of:

- energy efficiency in owned buildings (€14 million in 2023), due to higher investments in heating systems and planned activities in the Padua sorting centre;
- regulation and control of the energy performance of buildings (€3 million in 2023), due to the higher investments made during the year for environmental monitoring, which also include the buildings included in the Polis Project;
- renewable energies (€12 million in 2023), due to increased investments in photovoltaic solar systems, which also include the buildings included in the Polis Project.

There was also a slight decrease in the CapEx aligned share associated with the installation, maintenance and repair of charging stations for electric vehicles in buildings (€3 million in 2023), due to the fact that the investment in charging stations in 2023 was less significant than in the previous reporting year.

The changes described are therefore reflected in the total amounts of the numerator of the KPIs of the CapEx eligible (€70 million in 2023) and aligned (€56 million in 2023) to the Taxonomy, referred to the current financial year, whose eligibility and alignment percentages are shown in Table 2.

The assessments, in addition to verifying conformity with Art. 3 of the Taxonomy Regulation and the substantial contribution to the climate change mitigation objective with reference to activities 6.6, 7.3, 7.4, 7.5 and 7.6, also verified that the Group's activities within the perimeter of the numerator of the KPI do not significantly harm the other environmental objectives.

With reference, instead, to the denominator of the Capex KPI (€1,093 million in 2023), 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 (CAPEX) FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - DISCLOSURE FOR THE YEAR 2023¹⁷³

Financial year 2023	2023			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)	
	Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)				Biodiversity (16)
	€ mln		%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	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	CCM 6.6	25	2.3%	Y	N						Y		Y	Y		Y	2.3%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	14	1.3%	Y	N						Y		Y			Y	0.8%	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	3	0.2%	Y	N						Y					Y	0.9%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	3	0.3%	Y	N						Y					Y	0.2%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	12	1.1%	Y	N						Y					Y	0.9%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		56	5.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								5.1%		
Of which enabling		31	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								2.8%		
Of which transitional		-	0.0%	0.0%													0.0%		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL										
Freight transport services by road	CCM 6.6	14	1.3%	EL													17.8%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	0.0%	EL													0.0%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0.0%	EL													0.0%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0	0.0%	EL													0.0%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0.0%	EL													0.0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		14	1.3%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%								17.8%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		70	6.4%	6.4%	0.0%	0.0%	0.0%	0.0%	0.0%								22.9%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		1,023	93.6%																
Total		1,093	100.0%																

173. The figures shown have been rounded for ease of reference. For this reason, the sums may differ slightly from the reported figures.

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	5.1%	6.4%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

KPIs of Operational Expenditure

In accordance with EU Delegated Regulation No. 2178/2021, the Group has identified, with reference to this financial year, the share of operating expenses associated with aligned, eligible but non-aligned and non-taxonomy eligible economic activities, shown in Table 3: Share of operating expenses arising from products or services associated with economic activities aligned with the taxonomy - Year 2023 disclosure.

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 4.1%, while the non-eligible share is equivalent to 95.8%.

These KPIs refer to direct costs associated with delivery and transport activities using vehicles belonging to the Group's corporate fleet and air freight, which fall under the Strategic Business Unit 'Mail, Parcels and Distribution'. In particular, in line with what has been described in relation to the calculation of the KPI Turnover, by virtue of regulatory developments and the inclusion among the economic activities envisaged by the Taxonomy of those relating to the air transport of passengers and goods, downstream of the analysis of these economic activities, the eligible operating expenses related to Poste Air Cargo's air transport service were also considered.

Therefore, with reference to the present financial year, the eligibility and alignment analyses were conducted in relation to the economic activity "6.6 Freight transport services by road", as well as the due eligibility analyses in relation to the activity "6.18 Leasing of aircraft", which correspond to the climate change mitigation objective.

With regard to the alignment analyses, these revealed the compliance of the economic activities related to "6.6 Freight transport services by road". In this respect, as explained in the section on the Turnover KPI, a weighting driver was adopted to identify the share of aligned operating expenses. Therefore, operational expenditure related to vehicles of category N1 with zero direct (tailpipe) CO₂ emissions, which, 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, count towards the OpEx aligned quota.

Compared to the previous year, there is a positive change in the total operating expenses eligible for the Taxonomy; this increase is due to the effect of both the increase in maintenance expenses associated with vehicles falling within the scope of eligibility ("6.6 Freight transport services by road"), whose operating expenses amount to approximately €11 million in 2023, and the inclusion of expenses associated with "6.18 Leasing of aircraft", which amount to approximately €6 million in 2023. On the other hand, with regard to the share of aligned operating expenses, this value increased slightly to €0.4 million in 2023, although it did not have a significant impact in percentage terms.

Regarding the denominator of the KPI (€411 million) of operating expenses, pursuant to Annex I of Delegated Regulation no. 2178/2021, this was defined on the basis of non-capitalised direct costs relating to research and development, building renovation, rent, maintenance, repairs and other direct expenses related to the day-to-day operation of the assets incurred in this financial year.

TABLE 3: SHARE OF OPERATING EXPENSES (OPEX) ARISING FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - DISCLOSURE FOR THE YEAR 2023¹⁷⁴

Financial year 2023	2023		Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)	
	Code (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)				
Economic Activities (1)	€ mln	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	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	CCM 6.6	0.4	0.1%	Y	N						Y		Y	Y		Y			0.1%	
Leasing of aircraft	CCM 6.18	0	0.0%	Y	N											Y				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.4	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%										0.1%	
Of which enabling		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%											
Of which transitional		-	0.0%	0.0%																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Freight transport services by road	CCM 6.6	11	2.6%	EL															2.3%	
Leasing of aircraft	CCM 6.18	6	1.4%	EL																
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		17	4.1%	4.1%	0.0%	0.0%	0.0%	0.0%	0.0%										2.3%	
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		17	4.2%	4.2%	0.0%	0.0%	0.0%	0.0%	0.0%										2.4%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities		394	95.8%																	
Total		411	100.0%																	
Proportion of OpEx / Total OpEx																				
				Taxonomy-aligned per objective							Taxonomy-eligible per objective									
CCM				0.1%							4.2%									
CCA				0.0%							0.0%									
WTR				0.0%							0.0%									
CE				0.0%							0.0%									
PPC				0.0%							0.0%									
BIO				0.0%							0.0%									

174. The figures shown have been rounded for ease of reference. For this reason, the sums may differ slightly from the reported figures.

Eco-sustainable investments by the Poste Italiane Group

To ensure full transparency towards the market, the Group has also disclosed the KPIs envisaged by the Taxonomy Regulation for Financial Undertakings. For this purpose, therefore, the performance indicators relating to the financial Asset Management and Insurance operations carried out by BancoPosta Fondi SGR and Poste Vita, respectively, are set out below.

As of this financial year, financial firms, in addition to disclosing their share of eligible (relative to the six regulated objectives) and non-taxonomy-eligible exposures, must also report aligned exposures that contribute substantially to the first two objectives: climate change mitigation and adaptation.

In this regard, for the current year, it was possible to provide disclosure of KPIs on the share of aligned, eligible and non-eligible exposures performed on the basis of actual/reported percentages in terms of Turnover and CapEx, thus providing point data instead of estimates or proxies.

Indeed, to ensure greater data reliability and a robust methodology, the Group engaged an external provider. The provider's use of the consolidated database allowed the data owner functions of BancoPosta Fondi SGR and Poste Vita to analyse their assets that contribute to determining the share of eligibility for the six objectives and alignment to the first two, as well as to use timely data to calculate the Turnover and CapEx-based KPIs¹⁷⁵. In this regard, it should be noted that the methodology used provided for a look-through approach with respect to the funds in the portfolios under management, which therefore ensured a greater level of detail in the analyses performed by BancoPosta Fondi SGR and Poste Vita regarding eligibility and alignment.

In line with the relevant regulations, the numerator

- financial entities subject to non-financial reporting requirements, whether operating in EU or non-EU countries;
- financial entities not subject to non-financial reporting requirements, whether operating in EU or non-EU countries;
- non-financial entities subject to non-financial reporting requirements, whether operating in EU or non-EU countries;
- non-financial entities not subject to non-financial reporting requirements, whether operating in EU or non-EU countries;
- derivatives¹⁷⁶ and other exposures.

In this regard, it should be noted that, due to the limited availability of useful information and precise data referring to the specific exposures held towards companies operating in the gas and nuclear sectors, it was not possible to consider, within the scope of the calculations performed, the economic activities governed by EU Delegated Regulation no. 2022/1214 and the relative disclosure models provided for by the regulations.

With reference to the denominator, the latter was determined on the basis of the assets under management for BancoPosta Fondi SGR and Poste Vita, whose monetary values were reduced by the portion in exposures to central governments, central banks and supranational issuers.

Therefore, with respect to this denominator, the data coverage guaranteed by the provider in processing the data, and finalised to the analyses carried out by BancoPosta Fondi SGR and Poste Vita for the definition of the indicators, recorded a coverage percentage of 82.2% and 82.8% respectively.

Accordingly, pursuant to the regulatory requirements of Article 10.5 of EU Delegated Regulation 2021/2178, the performance indicators of BancoPosta Fondi SGR and Poste Vita and their respective templates are presented below.

175. In accordance with regulatory guidelines, BancoPosta Fondi SGR has only taken into consideration the assets referring to the portfolios set up by the same; therefore, with reference to the Poste Vita portfolios delegated to the AMC, it should be noted that the latter have not been included in the calculation of the KPIs governed for financial managers, but rather those referring to PosteVita (Investment KPI), in order to avoid double counting.

176. In continuity with what was reported in the previous year, the absolute values of derivatives at mark-to-market as at 31.12.23 were considered for BancoPosta Fondi SGR.

Asset management KPIs

As shown in Table 4, the share of investments aligned to the Turnover-based and CapEx-based taxonomy accounts for 2.16% and 5.23% respectively. With regard, on the other hand, to the share of eligible and non-eligible exposures, during the year, these accounted for 3.94% in terms of Turnover and 4.09% in terms of CapEx; thus, the share of non-eligible exposures was 93.9% (Turnover-based) and 90.68% (CapEx-based).

Furthermore, in line with the disclosure provided within the template, it appears that exposures to companies not subject to non-financial reporting requirements amount to 42.07%, while the share in exposures to central governments, central banks and supranational issuers accounts for 43.40%.

It should be noted that these calculated alignment percentages are closely related to the exposures contributing to climate change mitigation and adaptation targets, which are respectively 2.15% and 0.002% (Turnover-based) and 4.69% and 0.54% (CapEx-based).

TABLE 4: STANDARD REPORTING TEMPLATE PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (FINANCIAL ASSET MANAGERS)¹⁷⁷

TEMPLATES FOR KEY PERFORMANCE INDICATORS (KPIs) OF FINANCIAL ASSET MANAGERS	
Template - Standard template for the disclosure required under Article 8 of Regulation (EU) 2020/852 (asset managers)	
€mln	
The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities relative to the value of total assets covered by the KPI , with following weights for investments in undertakings per below: Turnover-based: 2.16% CapEx-based: 5.23%	The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below: Turnover-based: 190.7 CapEx-based: 462.3
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities. Coverage ratio: 56.60%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage: 8,843.2
Additional, complementary disclosures: breakdown of denominator of the KPI	
The percentage of derivatives relative to total assets covered by the KPI: 14.95%	The value in monetary amounts of derivatives: 1,322.5
The proportion of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 1.23% For financial undertakings: 0.31%	Value of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: 108.9 For financial undertakings: 27.4
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 33.18% For financial undertakings: 7.35%	Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: 2,934.5 For financial undertakings: 649.6
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 20.21% For financial undertakings: 19.08%	Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: 1,786.9 For financial undertakings: 1,687.7
The proportion of exposures to other counterparties and assets over total assets covered by the KPI: 1.55%	Value of exposures to other counterparties and assets : 137.5
The value of all the investments that are funding economic activities that are not taxonomy-eligible relative to the value of total assets covered by the KPI: Turnover-based: 93.90% CapEx-based: 90.68%	Value of all the investments that are funding economic activities that are not taxonomy-eligible : Turnover-based: 8,303.7 CapEx-based: 8,018.8

177. The figures shown have been rounded for ease of reference. For this reason, the sums may differ slightly from the reported figures. Furthermore, it should be noted that the summation of the denominator components shows a value of less than 100% due to limitations in the coverage of the data provided by the info-provider.

The value of all the investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned** relative to the value of total assets covered by the KPI:
Turnover-based: **3.94%**
CapEx-based: **4.09%**

Value of all the investments that are funding Taxonomy eligible economic activities, **but not taxonomy aligned**:
Turnover-based: **348.8**
CapEx-based: **362.0**

Additional, complementary disclosures: breakdown of **numerator** of the KPI

The proportion of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:
For non-financial undertakings:
Turnover-based: **2.16%**
CapEx-based: **5.22%**
For financial undertakings:
Turnover-based: **0.001%**
CapEx-based: **0.005%**

Value of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**:
For non-financial undertakings:
Turnover-based: **190.7**
CapEx-based: **461.9**
For financial undertakings:
Turnover-based: **0.1**
CapEx-based: **0.4**

The proportion of **Taxonomy-aligned exposures to other counterparties and assets** over total assets covered by the KPI:
Turnover-based: **0.00%**
CapEx-based: **0.00%**

Value of **Taxonomy-aligned exposures to other counterparties and assets**:
Turnover-based: **0.0**
CapEx-based: **0.0**

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities:

1) Climate change mitigation	Turnover: 2.15% CapEx: 4.69%	Enabling activities: NA (Turnover; CapEx)
2) Climate change adaptation	Turnover: 0.002% CapEx: 0.54%	Enabling activities: NA (Turnover; CapEx)
(3) The sustainable use and protection of water and marine resources	Turnover: NA CapEx: NA	Enabling activities: NA (Turnover; CapEx)
(4) The transition to a circular economy	Turnover: NA CapEx: NA	Enabling activities: NA (Turnover; CapEx)
(5) Pollution prevention and control	Turnover: NA CapEx: NA	Enabling activities: NA (Turnover; CapEx)
(6) The protection and restoration of biodiversity and ecosystems	Turnover: NA CapEx: NA	Enabling activities: NA (Turnover; CapEx)

Insurance KPIs

With regard to the insurance business carried out by Poste Vita, in continuity with previous years, disclosure is provided on the Investment KPI and the Underwriting KPI.

In line with what was previously reported for the KPI referring to the Asset Management operations of BancoPosta Fondi SGR, also with regard to the share of investments - Investment KPI - of the Poste Vita Group in aligned economic activities, eligible and non-eligible, used as the basis of the data instrumental to the calculation of the performance indicators was the information obtained from the external provider. In this regard, it was possible to determine the share of aligned and eligible exposures based on Turnover and CapEx; these, for the current financial year, represent 2.22% and 4.83% of alignment and 6.24% and 5.15% of eligibility respectively.

With regard to the share of exposures to non-financial reporting companies, as shown in Table 5, the KPI is 43.85%, while the share in exposures to central administrations, central banks and supranational issuers is 67.7%.

Finally, in accordance with recent regulatory developments, the analyses conducted by Poste Vita distinguished the percentages of alignment to the Taxonomy referring to climate change mitigation and adaptation objectives, respectively 2.22% and 0.01% (Turnover-based) and 4.83% and 0.01% (CapEx-based).

TABLE 5: SHARE OF THE INSURANCE OR REINSURANCE UNDERTAKING'S INVESTMENTS DIRECTED TO FINANCE OR ASSOCIATED WITH ACTIVITIES ALIGNED WITH THE TAXONOMY IN RELATION TO TOTAL INVESTMENTS¹⁷⁸

TEMPLATES FOR KEY PERFORMANCE INDICATORS (KPIs) OF INSURANCE AND REINSURANCE COMPANIES	
Template - The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments	
€mln	
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI , with following weights for investments in undertakings per below: Turnover-based: 2.22% Capital expenditures-based: 4.83%	The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below: Turnover-based: 1,071.0 Capital expenditures-based: 2,328.4
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities. Coverage ratio: 32.3%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage:
Additional, complementary disclosures: breakdown of denominator of the KPI	
The percentage of derivatives relative to total assets covered by the KPI: 0.00%	The value in monetary amounts of derivatives: 0.0
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 29.70% For financial undertakings: 14.15%	Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: 14,310.7 For financial undertakings: 6,819.3
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 27.81% For financial undertakings: 12.97%	Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: 13,403.7 For financial undertakings: 6,249.2
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 20.99% For financial undertakings: 17.32%	Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: 10,112.7 For financial undertakings: 8,345.6

178. The figures shown have been rounded for ease of reference. For this reason, the sums may differ slightly from the reported figures. Furthermore, it should be noted that the summation of the denominator components shows a value of less than 100% due to limitations in the coverage of the data provided by the info-provider.

The proportion of exposures to other counterparties and assets over total assets covered by the KPI: 7.25%	Value of exposures to other counterparties and assets: 3,492.0
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: 82.07%	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: 39,548.4
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI: Turnover-based: 91.54% Capital expenditures-based: 90.01%	Value of all the investments that are funding economic activities that are not Taxonomy-eligible: Turnover-based: 44,111.2 Capital expenditures-based: 43,377.3
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI: Turnover-based: 6.24% Capital expenditures-based: 5.15%	Value of Taxonomy-aligned exposures to other counterparties and assets, but not Taxonomy-aligned: Turnover-based: 3,007.7 Capital expenditures-based: 2,484.1
Additional, complementary disclosures: breakdown of numerator of the KPI	
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: Turnover-based: 2.22% Capital expenditures-based: 4.82% For financial undertakings: Turnover-based: 0.01% Capital expenditures-based: 0.02%	Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU: For non-financial undertakings: Turnover-based: 1,070.5 Capital expenditures-based: 2,320.7 For financial undertakings: Turnover-based: 0.4 Capital expenditures-based: 7.8
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned: Turnover-based: 2.01% Capital expenditures-based: 4.40%	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned: Turnover-based: 966.4 Capital expenditures-based: 2,121.7
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI: Turnover-based: 0.00% Capital expenditures-based: 0.00%	Value of Taxonomy-aligned exposures to other counterparties and assets , but not Taxonomy aligned: Turnover-based: 0.0 Capital expenditures-based: 0.0
Breakdown of the numerator of the KPI per environmental objective	
Taxonomy-aligned activities:	
1) Climate change mitigation	Turnover: 2.22% Enabling activities: NA (Turnover; CapEx) CapEx: 4.83%
2) Climate change adaptation	Turnover: 0.01% Enabling activities: NA (Turnover; CapEx) CapEx: 0.01%
(3) The sustainable use and protection of water and marine resources	Turnover: NA Enabling activities: NA (Turnover; CapEx) Capital expenditure: NA
(4) The transition to a circular economy	Turnover: NA Enabling activities: NA (Turnover; CapEx) Capital expenditure: NA
(5) Pollution prevention and control	Turnover: NA Enabling activities: NA (Turnover; CapEx) Capital expenditure: NA
(6) The protection and restoration of biodiversity and ecosystems	Turnover: NA Enabling activities: NA (Turnover; CapEx) Capital expenditure: NA

In the context of Poste Vita's insurance business, the Underwriting indicator, which reflects the underwriting of climate-related perils through non-life and other property policies, was assessed. The contextual analyses allowed to identify the economic activity "10.1 Non-life insurance: underwriting of climate-related perils", which is compliant with Annex II of the Climate Act, and to assess its respective share of eligible and taxonomy-aligned revenues.

Thus, the share of non-life revenues associated with underwriting climate-related hazards through non-life and other property policies was taken into account in the numerator, and total non-life insurance revenues in the denominator. Following the eligibility and alignment analyses, as also reported in the section on Turnover KPIs, both the eligibility and alignment rate for this year was 0%. In particular, with reference to taxonomy-eligible revenues, no eligible revenues were generated in 2023 as a result of major catastrophic events during the financial year. On the contrary, for the aligned share, the contextual analyses conducted did not allow verification of compliance with the substantial contribution to the respective climate change adaptation target.

The above findings are presented below in tabular format, in line with the provisions of Annex X of EU Delegated Regulation No. 2021/2178.

TABLE 6: UNDERWRITING KPI FOR NON-LIFE INSURANCE AND REINSURANCE COMPANIES

Economic activities (1)	Substantial contribution to climate change adaptation			DNSH (Do No Significant Harm)					
	Absolute premiums, year 2023 (2)	Proportion of premiums, year 2023 (3)	Proportion of premiums, year 2022 (4)	Climate Change Mitigation (5)	Water and marine resources (6)	Circular economy (7)	Pollution (8)	Biodiversity and ecosystems (9)	Minimum safeguards (10)
	€mln	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1. Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	0	0.0%		N					Y
A.1.1 Of which reinsured	0	0.0%		N					Y
A.1.2 Of which stemming from reinsurance activity	0	0.0%		N					Y
A.1.2.1 Of which reinsured (retrocession)	0	0.0%		N					Y
A.2. Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	0	0.0%							
Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	90	100.0%							
Total (A.1 + A.2 +B)	90	100.0%							

TABLE LINKING THE AREAS OF LEGISLATIVE DECREE 245/2016 AND ITS POSITIONING IN THE NFS

SCOPES OF LEGISLATIVE DECREE NO. 254/2016	CHAPTERS/PARAGRAPHS INCLUDED IN THE NFS	TOPICS AND ADDITIONAL INFORMATION INCLUDED IN OTHER 2023 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 	<p>Report on Corporate Governance</p> <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 • 2023 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 	<p>Report on Corporate Governance</p> <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 	<p>Report on Corporate Governance</p> <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 process • 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 process • 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'S 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 at the Company	<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

Scopes of legislative decree 254/2016	Material topics	GRI Standards	Internal scope	External scope	Type of impact
Environment	Legality and incorporation of ESG criteria within the procurement process	<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 	Generated by the Group and to which the Group contributes
	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)

Declaration of Use	Poste Italiane has prepared this Non-Financial Statement in accordance with GRI Standards for the period from January 1st, 2023 to December 31, 2023
GRI 1 used	GRI 1 - Fundamental Principles - version 2021
Applicable Sector GRI Standards	N/A

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION
GENERAL DISCLOSURES			
The organisation and its reporting practices			
GRI 2 - General Disclosures - Version 2021	2-1 Organisational details	Report on Operations: Statement from the Chairwoman and the Chief Executive Officer (p.8-13) Annual Report: Introduction (p.554-555) Report on Operations: Omnichannel strategy (p.66-80) Report on Operations: Poste Italiane Group and its business model (p.35-116)	
	2-2 Entities included in the organisation's sustainability reporting	Report on Operations: Chapter 9. Consolidated non-financial statement (p.503-541)	
	2-3 Reporting period, frequency and point of contact	Report on Operations: Chapter 9. Consolidated non-financial statement (p.503-541) For further information and details regarding the topics and indicators covered in this Report, contact: Poste Italiane SpA Corporate Affairs/Sustainable Development, Risk and Group Compliance function Viale Europa, 190 00144 Rome – Italy	
	2-4 Review of information	Report on Operations: Chapter 9. Consolidated Non-Financial Statement (p.503-541); Indicators tables (p.445-483). 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.503-541)	
Activities and workers			
GRI 2 - General Disclosures - Version 2021	2-6 Activities, value chain and other business relations	Report on Operations: Omnichannel and business sectors (p.66-116); Omnichannel strategy (p.66-80) Report on Operations: Performance of Poste Italiane SpA and BancoPosta RFC Report on Operations (p.255-267); Indicators tables (p.445) - Report on Corporate Governance and Ownership Structure: Section I: Governance and ownership structures (p.23-35) Report on Operations: Legality and incorporation of ESG criteria within the procurement process (p.282-290) Report on Operations: Main corporate transactions undertaken (p.62-65); Shareholding and organisational structure of Poste Italiane (p.35-39) - Report on Corporate Governance and Ownership Structure: Section I: Governance and ownership structures (p.23-35)	
	2-7 Employees	Report on Operations: Performance of Poste Italiane SpA and BancoPosta RFC Report on Operations (p.255-267); Indicators tables (p.445-483); Report on Corporate Governance and Ownership Structure: Section I: Governance and ownership structures (p.23-35) Chapter 7. Value Creation - Indicators tables (p.450)	
	2-8 Non-employees	Chapter 7. Value Creation - Indicators tables (p.450)	

GRI STANDARD	DISCLOSURE	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 Audit and risk committee (p.56-60); 7.3 Sustainability Committee (p.61-62) Report on Operations: The Corporate Governance of Poste Italiane (p.40-45); Report on Operations: Managing climate change risks and opportunities (p.162-170); Chapter 7. Indicators tables (p.445-483); Links: https://www.posteitaliane.it/en/board-of-directors.html	
	2-10 Appointment and selection of the highest governing body	Report on Corporate Governance and the Ownership Structure: 6. Board of Directors (p.42-54); 6.1 current composition and term of office (pursuant to art. 123-bis, para. 2.d), Consolidated Law on Finance) (p.42); 6.8 Independent Directors (p.50-51); 6.10 Assessment of workings of the Board of Directors and Board Committees (p.52) 6.11 Diversity policies (pursuant to art. 123-bis, paragraph 2.d-bis), Consolidated Law on Finance) (p.53-54)	
	2-11 Chair of the highest governance body	Report on Corporate Governance and the Ownership Structure: 6.6 Chief Executive Officer (p.48-49)	
	2-12 Role of the highest governing body in impact management control	Report on Operations: The Multistakeholder Forum 2023 (p.122-123); Poste Italiane's Corporate Governance (p.40-45); Poste Italiane's Integrated Internal Control and Risk Management System (p.144-150); Risk Management and Risk Assessment Model (p.147-150); The management of risks and opportunities related to climate change (p.162-170); Report on Corporate Governance and the Ownership Structure: 6.3 Role and functions (ex art. 123-bis, paragraph 2, letter d), TUF) (p.45-46); 6.6 Chief Executive Officer (p.48-49); 7.2 Control and risk committee (p.56-60); 7.3 Sustainability Committee (p.61-62); 14. Other corporate governance procedures (pursuant to art. 123-bis, paragraph 2.a), TUF (p.86-90)	
	2-13 Delegation of responsibility for impact management	Report on Operations: Poste Italiane's Corporate Governance (p.40-45); Risk Management and Risk Assessment Model (p.147-150); The Multistakeholder Forum 2023 (p.122-123) Report on Corporate Governance and the Ownership Structure: 7.3 Sustainability Committee (p.61-62)	
	2-14 Role of the highest governance body in sustainability reporting	Report on Corporate Governance and the Ownership Structure: 6.3 Role and functions (pursuant to Art. 123-bis(2)(d) of the Consolidated Law on Finance) (p.45-46); 6.4 Board meetings and operating procedures (p.47); 7.3 Sustainability Committee (p.61-62)	
	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), TUF (p.86-90)	
	2-16 Communication of critical issues	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p.144-150) - Report on Corporate Governance and Ownership Structure: 5.5 Equity participation by employees: rights mechanisms (pursuant to art. 123-bis, paragraph 1.e), Consolidated Law on Finance) (p.32); 7.2 Audit and Risk Committee (p.56-60); 7.3 Sustainability Committee (p.61-62)	
	2-17 Collective knowledge of the highest governance body	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p.144-150) - Report on Corporate Governance and Ownership Structure: 6.3 Role and functions (pursuant to art. 123-bis, paragraph 2.d), TUF) (p.45-46); 6.8 Independent Directors (p.50-51); 6.10 Assessment of workings of the Board of Directors and Board Committees (p.52)	
	2-18 Performance evaluation of the highest governing body	Report on Corporate Governance and the Ownership Structure: 6.10 Assessment of workings of the Board of Directors and Board Committees (p.52)	
	2-19 Remuneration Rules	Report on the remuneration policy: 1st Section (p.20-70)	
	2-20 Procedure for determining remuneration	Report on Corporate Governance and the Ownership Structure: 6.12 Remuneration (p.54)	
	2-21 Annual total remuneration ratio	Report on Operations: Indicators tables (p.462)	

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION
Strategy, policies and practice			
GRI 2 - General Disclosures - Version 2021	2-22 Statement on the sustainable development strategy	Report on Operations: Statement from the Chairwoman and the Chief Executive Officer (p.8-13)	
	2-23 Commitment in terms of policy	The cautionary approach required by principle 15 of the United Nations Rio Declaration is applied by Poste Italiane to protect the environment in the development and 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.133-135); Risk Management and Risk Assessment Model (p.147-150); Managing climate change risks and opportunities (p.162-170); Poste Italiane's commitment to managing human rights risks (p.158-161); Work with transparency and integrity (p.273-281)	
	2-24 Integration of commitments in terms of policies	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; LGBTQ+ Inclusion Policy. Report on Operations: Poste Italiane's Corporate Governance (p.40-45); Chapter 7 (p.272; 294; 334; 354; 376; 394; 412; 434); Staff Training and Development (p.295-312)	
	2-25 Processes to remedy negative impacts	Report on Operations: Chapter 6. Risks and Opportunities (p.144-195)	
	2-26 Mechanisms for requesting clarification and raising concerns	Whistleblowing Guidelines Report on Operations: Stakeholder engagement (p.121-122); The Multistakeholder Forum 2023 (p.122-123)	
	2-27 Compliance with laws and regulations	Report on Operations: Chapter 7. Environmental impacts of real estate facilities (p.377); Indicators tables (p.448; 454; 462)	
	2-28 Membership of associations	Report on Operations: The Group Environmental Social and Governance (ESG) Strategic Plan- (p.133-135); Dialogue and transparency in relations with the authorities (p.365-369)	
	Stakeholder Engagement		
GRI 2: General Disclosures - Version 2021	2-29 Approach to stakeholder engagement	Report on Operations: Stakeholder engagement (p.121-122)	
	2-30 Collective contracts	Report on Operations: Relations with social partners (p.321-326)	

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION
MATERIAL TOPICS			
GRI 3 - Material topics - Version 2021	3-1 Process of determining material topics	Report on Operations: Poste Italiane's sustainability strategy (p.119-137)	
	3-2 List of material topics	Report on Operations: Poste Italiane's sustainability strategy (p.120-121; 124-127)	
Work with transparency and integrity			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Work with transparency and integrity (p.273-281); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 205: Anti-corruption	205-1 Transactions assessed for corruption risks	Chapter 7. Indicators tables (p.446)	
	205-3 Established incidents of corruption and action taken	Chapter 7. Indicators tables (p.446)	
GRI 207 (2019): Taxes	207-1 Approach to tax		
	207-2 Fiscal governance, control and risk management	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Fiscal transparency policies (p.278-281); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
	207-3 Stakeholder engagement and management of concerns related to tax		
	207-4 Country-by-Country Reporting	Chapter 7. Indicators tables (p.449)	
GRI 415: Public policy	415-1 Political Contributions	In line with the provisions of the Group's Integrated Policy, in 2023, 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 the procurement process			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Legality and ESG integration in the procurement process (p.282-290); Correlation table between areas of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 301: Materials	301-1 Materials used by weight or volume	Chapter 7. Indicators tables (p.448)	
	301-2 Materials used that originate from recycling	Chapter 7. Indicators tables (p.448)	
Staff training and development			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Staff training and development (p.295-312); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 404: Training and education	404-1 Average hours of annual training per employee	Chapter 7. Indicators tables (p.451)	
Staff welfare and well-being			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Staff welfare and well-being (p.313-320); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 401: Employment	401-2 Benefits provided for full-time employees, but not for part-time or fixed-term employees	Chapter 7. Indicators tables (p.453)	

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION
Relations with social partners			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Relations with the social partners (p.321-326); Correlation table between the areas of the Decree, Poste Italiane material sustainability issues and GRI Standards (p.524-525)	
GRI 402: Relations between employees and management	402-1 Minimum notice periods for operational changes	<p>For Poste Italiane and Group companies signatories of the 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.</p> <p>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 229 December 1990 no. 428 raising the deadline for communication to the trade unions to 40 days if the transfer of business concerns more than 60 employees.</p>	
Occupational health and safety			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics		
GRI 403 (2018): Occupational health and safety	403-1 Occupational health and safety management system	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Occupational health and safety (p.326-331); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
	403-2 Hazard identification, risk assessment and accident investigation		
	403-3 Occupational health services		
	403-4 Worker participation and 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 commercial relationships		
	403-8 Workers covered by an occupational health and safety management system		Chapter 7. Indicators tables (p.455)
	403-9 Work-related injuries		Chapter 7. Indicators tables (p.456-459)

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION
Protection of human rights at the Company			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Protection of Human Rights in the Company (p.335-344); Correlation Table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 405: Diversity and equal opportunity	405-1 Diversity in governance bodies and among employees	Chapter 7. Indicators tables (p.460-461)	
Equal career development opportunities			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Equal career development opportunities (p.344-351); Correlation table between areas of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 404: Training and education	404-3 Percentage of employees receiving periodic performance and professional development assessments	Chapter 7. Indicators tables (p.462)	
Support for the socio-economic development of local communities			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Support for the socio-economic development of local communities (p.355-365); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	Report on Operations: Highlights (p.17-19); Indicators tables (p.463)	
GRI 203: Indirect economic impacts	203-1 Infrastructure investments and services financed	Chapter 7. Indicators tables (p.463)	
Dialogue and transparency in relations with the authorities			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Dialogue and transparency in relations with the authorities (p.365-369); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
Financial inclusion			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Financial inclusion (p.369-373); Correlation table between the areas of the Decree, Poste Italiane material sustainability issues and GRI Standards (p.524-525)	
	FS14 Initiatives to improve access to financial services for disadvantaged people	Chapter 7. Indicators tables (p.464-465)	

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION
Environmental impacts of real estate facilities			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Environmental Impacts of real estate facilities (p.377-385); Correlation table between the areas of the Decree, Poste Italiane material sustainability issues and GRI Standards (p.524-525)	
GRI 302: Energy	302-1 Energy consumption within the organisation	Chapter 7. Indicators tables (p.466; 470)	
	302-2 Energy consumption outside the organisation	Chapter 7. Indicators tables (p.466; 471; 472)	
	302-3 Energy intensity	Chapter 7. Indicators tables (p.466)	
	302-4 Reducing energy consumption	Chapter 7. Indicators tables (p.471)	
GRI 303 (2018): Water and Water discharges	303-1 Interaction with water as a shared resource	Report on Operations: Environmental Impacts of real estate facilities (p.377-385); Table showing the link with the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
	303-2 Management of water discharge-related impacts	Chapter 7. Indicators tables (p.467)	
	303-3 Water withdrawal	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 GHG emissions (Scope 1)	Chapter 7. Indicators tables (p.468; 470)	
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	Chapter 7. Indicators tables (p.468; 470)	
	305-3 Other indirect GHG emissions (Scope 3)	Chapter 7. Indicators tables (p.468; 471; 472)	
	305-4 Emission intensity GHG	Chapter 7. Indicators tables (p.471)	
	305-5 Reducing GHG emissions	Chapter 7. Indicators tables (p.471; 472)	
	306-1 Waste generation and significant waste-related impacts	Report on Operations: Environmental Impacts of real estate facilities (p.377-385); Table showing the link with the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
	306-2 Management of significant waste-related impacts	Chapter 7. Indicators tables (p.469-470)	
	306-3 Waste generated		
	306-4 Waste diverted from disposal		
	306-5 Waste directed to disposal		
Environmental impacts of logistics			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Environmental Impacts of logistics (p.386-390); Correlation table between the areas of the Decree, Poste Italiane material sustainability issues and GRI Standards (p.524-525)	
GRI 302: Energy	302-1 Energy consumption within the organisation	Chapter 7. Indicators tables (p.466; 473)	
	302-2 Energy consumption outside the organisation	Chapter 7. Indicators tables (p.466; 473)	
	302-3 Energy intensity	Chapter 7. Indicators tables (p.466)	
GRI 305: Emissions	305-1 Direct GHG emissions (Scope 1)	Chapter 7. Indicators tables (p.468; 473; 474)	
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	Chapter 7. Indicators tables (p.468; 473)	
	305-3 Other indirect GHG emissions (Scope 3)	Chapter 7. Indicators tables (p.468; 473; 475)	





GRI STANDARD	DISCLOSURE	LOCATION	OMISSION
Quality and customer experience			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Quality and customer experience (p.395-403); Correlation table between the areas of the Decree, Poste Italiane material sustainability issues and GRI Standards (p.524-525)	
Cyber Security, IT Security and Privacy			
GRI 3 (2021): Material topics	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Cyber security, IT security and Privacy (p.403-409); Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
GRI 418: Customer privacy	418-1 Proven complaints regarding violations of customer privacy and loss of customer data	Chapter 7. Indicators tables (p.480)	
Innovation and digitisation of products, services and processes			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Innovation and digitalisation of products (p.413-430), services and processes; Correlation table between the scope of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
Integration of ESG factors into investment policies			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); Integration of ESG factors into investment policies (p.435-441); Correlation table between areas of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
	FS11 Percentage of assets subject to positive and negative environmental or social screening	In 2023, 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 94.8% of BancoPosta Fondi SGR's corporate AuM and 100% of BancoPosta Fondi SGR's AuM in government bonds.	
Integration of ESG factors into insurance policies			
GRI 3 - Material topics - Version 2021	3-3 Managing Material Topics	Report on Operations: The Materiality Matrix (p.124-125); Poste Italiane's Sustainability Strategy (p.119-137); ESG integration into insurance policies (p.442-444); Correlation table between areas of the Decree, Poste Italiane material sustainability topics and GRI Standards (p.524-525)	
	FS11 Percentage of assets subject to positive and negative environmental or social screening	In 2023, 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 95% of Poste Vita's total AuM	

MAIN RELATED
TYPES OF CAPITAL



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.

RECOMMENDATIONS	REFERENCES
 Governance	
Organisational Governance Disclosure	
Board oversight of climate-related risks and opportunities	
The role of management in assessing and managing climate-related risks and opportunities	The Corporate Governance of Poste Italiane (p.40-45); Managing climate change risks and opportunities (p.162-170)
 Strategy	
Disclosure of the impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning	
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.505-522); Managing climate change risks and opportunities (p.162-170); Managing emerging risks and related opportunities (p.171-195); Green transition (p.377-390)
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	
 Risk management	
Disclosure of how the organisation identifies, assesses and manages climate-related risks	
Describe the organisation's processes for identifying and assessing climate-related risks	The Materiality Matrix (p.124-125); The Group's Sustainability Policies (p.130-132); The Group's Environmental, Social and Governance (ESG) Strategic Plan (p.133-135); Managing Climate Change Risks and Opportunities (p.162-170); Managing Emerging Risks and Related Opportunities (p.171-195)
Describe the organisation's processes for managing climate-related risks	
Climate-related risks and opportunities are integrated into current decision-making and strategy formulation	
 Metrics and targets	
Disclosure of metrics and targets used to manage climate-related risks and opportunities	
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.505-522); Poste Italiane's Integrated Internal Control and Risk Management System (p.144-150); Risks associated with material issues and how to manage them (p.151-157); Managing climate change risks and opportunities (p.162-170); The management of emerging risks and related opportunities (p.171-195); Green transition (p.377-390); Tables of indicators (p.445-483)
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	

MAIN RELATED
TYPES OF CAPITAL



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”).

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>	Composition of the Board	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 behaviour</i>	Anti-corruption Public Policy	GRI 205-3 GRI 415-1
	<i>Risk and opportunity oversight</i>	Integrating risks and opportunities into the business	GRI 3-3
Expanded metrics and disclosures			
	<i>Quality and Governing Body</i>	Remuneration	GRI 2-19 GRI 2-21
	<i>Stakeholders Engagement</i>	Stakeholder engagement process	GRI 3-1
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
Expanded metrics and disclosures			
	<i>Dignity and Equality</i>	Freedom of association and collective bargaining	GRI 2-30
Prosperity	<i>Employment and wealth generation</i>	Net number of jobs created Economic contribution	GRI 401-1 GRI 201-1 GRI 203-1
	<i>Community and social vitality</i>	Total fees paid	GRI 201-1 GRI 207-4

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 2023 Integrated Report.





SASB		2023 INTEGRATED REPORT
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 Behaviour</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

SASB		2023 INTEGRATED REPORT
Topic	Indicator	REFERENCE TO PARAGRAPHS/INDICATORS
<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
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






MAIN RELATED
TYPES OF CAPITAL



Correlation table between the SDGS and the GRI Standards Indicators

SDG	TOPIC	GRI INDICATOR
 <p>Goal 1 – No poverty</p> <p>End poverty in all its forms everywhere.</p>	• Access to financial services	• FS14
	• Taxation	• 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 – Quality education</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
	• Waste management	• 306-1 • 306-2 • 306-3 • 306-4 • 306-5
 <p>Goal 7 – Affordable and clean energy</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	• Energy efficiency	• 302-1 • 302-2
	• Renewable energy	• 302-1 • 302-2

SDG	TOPIC	GRI INDICATOR
 <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>	• Access to financial services	• FS14
	• Information on employees and non-employees	• 2-7 • 2-8
	• Collective bargaining agreements	• 2-30
	• Infrastructure investment	• 201-1
	• Efficiency in materials used	• 301-1
	• Energy efficiency	• 302-1 • 302-2
	• Waste management	• 306-2
	• Earnings, wages and benefits	• 401-2
	• Relations between employees and management	• 402-1
	• Occupational health and safety	• 403-1 • 403-2 • 403-3 • 403-4 • 403-5 • 403-7 • 403-8 • 403-9
	• Employee training and education	• 404-1 • 404-3
	• Diversity and equal opportunity	• 405-1
	• Infrastructure investment	• 201-1 • 203-1
	 <p>Goal 9 – Industry, innovation and infrastructure</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	• Information on employees and non-employees
• Taxation		• 207-1 • 207-2 • 207-3 • 207-4
 <p>Goal 10 – Reduced inequalities</p> <p>Reduce inequalities within and among countries.</p>	• Fair training of employees	• 404-1 • 404-3
	• Infrastructure investment	• 203-1
 <p>Goal 11 – Sustainable cities and communities</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	• Waste management	• 306-1 • 306-2 • 306-3 • 306-4 • 306-5
	• Materials efficiency/recycling	• 301-1
	• Energy efficiency	• 302-1 • 302-2
	• Water withdrawals by source	• 303-1 • 303-3
 <p>Goal 12 – Responsible consumption and production</p> <p>Ensure sustainable consumption and production patterns.</p>	• Air quality	• 305-1 • 305-2 • 305-3
	• Waste management	• 306-1 • 306-2 • 306-3 • 306-4 • 306-5

SDG	TOPIC	GRI INDICATOR
 <p>Goal 13 – Climate action</p> <p>Take urgent action to combat climate change and its impacts.</p>	• Energy efficiency	<ul style="list-style-type: none"> • 302-1 • 302-2
	• GHG emissions	<ul style="list-style-type: none"> • 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>	• Ocean acidification	<ul style="list-style-type: none"> • 305-1 • 305-2 • 305-3 • 305-4
 <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>	• Forest degradation	<ul style="list-style-type: none"> • 305-1 • 305-2 • 305-3 • 305-4
	• Waste management	<ul style="list-style-type: none"> • 306-3 • 306-5
 <p>Goal 16 – Peace, justice and strong institutions</p> <p>Promoting peaceful and inclusive societies geared towards sustainable development, ensuring access for all to justice and building institutions effective , accountable and inclusive at all levels.</p>	• Ethics and Integrity	<ul style="list-style-type: none"> • 2-10 • 2-23
	• Gender equality in governing bodies	<ul style="list-style-type: none"> • 2-9 • 2-10 • 2-11 • 2-12 • 2-15
	• Anti-corruption	<ul style="list-style-type: none"> • 205-1 • 205-3
	• Occupational health and safety	<ul style="list-style-type: none"> • 403-9 • 403-4
	• Public policy	<ul style="list-style-type: none"> • 415-1
	• Protection of privacy	<ul style="list-style-type: none"> • 418-1
 <p>Goal 17 - Partnership for the goals</p> <p>Strengthen the means of implementation and revitalize the global partnership for sustainable development.</p>	• Taxation	<ul style="list-style-type: none"> • 207-1 • 207-2 • 207-3 • 207-4

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.

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).

B2X

Market segment involving the exchange of products or services between a company as sender and companies or individuals as recipients.

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.

CAPITALIZATON

With reference to a company, it represents the product of the number of outstanding shares and their unit price; with reference 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.

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.

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.

CONTAINERIZATION

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.

CONTRACTUAL SERVICE MARGIN (CSM)

It represents for the Company the expected and unrealised profit that it must represent in the statement of profit or loss, over the life of the contract.

COVERAGE UNIT

The Contractual Service Margin (CSM) is the quantity through which the pattern is defined and represents the amount of insurance services rendered during the year (e.g. the volume of mathematical provisions for the period compared to the total volume projected over the duration of the insurance contracts).

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).

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.

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, Ufficio Postale 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)

These 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 *durations*  of the securities within the portfolio.

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.

GENERAL MODEL (GM) OR BUILDING BLOCK APPROACH (BBA)

The General Model is a methodology for the valuation of insurance contracts based on the discounting of expected cash flows, on the explication of the Risk Adjustment cash flow adjuster for non-financial variables) and a Contractual Service Margin (present value of expected profit).

GROSS PREMIUMS

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

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.

HOME BANKING (INTERNET BANKING)

This is an online service that allows current account holders to carry out various information and order operations on their current account via the Internet (checking account statements, making online credit transfers, post transfers, online payments, etc.), without having to physically go to their bank or post office.

HYBRID - MULTI-CLASS POLICY

In multi-class products, a part of the premium is invested in separately managed accounts 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.

INFORMATION SECURITY(CYBER SECURITY)

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.

INSURANCE CLASS

An insurance class 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:

- P&C insurance: covers policies that intervene to compensate the client in the event of material and physical damage, relating to personal property, assets, person;

P&C 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. Health: 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. Financial 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 financial losses; other financial 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.

INVESTMENT 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).

INVESTMENT GRADE

Definition referring to securities issued by companies with regular financial statements, well managed and favourable business prospects. In the case of investment grade securities, the rating is high and in any case higher than triple B. Below that level, instead, there is the world of high-yield instruments, i.e. high-risk instruments, characterised by low ratings that reflect the danger of default or insolvency.

LIABILITY FOR INCURRED CLAIM (LIC)

It is the liability that quantifies the issuer's obligation to compensate for insured events that have already occurred (incurred claims).

LIABILITY FOR REMAINING COVERAGE (LRC)

It is the liability that quantifies the issuer's obligation to provide cover for insured events that have not yet occurred.

MERCHANT

Person carrying out a commercial activity.


OPEN APIs (APPLICATION PROGRAM 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 fintech 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.

OTP (ONE TIME PASSWORD)

A one-time password or one-time code is a security alphanumeric code generated by an algorithm, at the user's request, to gain access to a system or to authorise specific transactions, e.g. in [home banking](#)  operations. It is a very secure authentication system since the code is sent directly to a device in the holder's possession (SMS on mobile phone, token, etc.) and once used is no longer valid.

PAD

A device equipped with a screen that can electronically capture graphometric signatures (also recording non-visible biometric data, such as pressure, movement and speed) and display QR codes.

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.

PISP (PAYMENT INITIATION SERVICE PROVIDERS)

Subjects who, with the express authorisation of the customer, provide the service of arrangement of payment orders in favour of the customer; they act as intermediaries between the Bank and the holder of the payment account - accessible online - they initiate the payment in favour of a third party, the beneficiary of the order.

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.

PREMIUM ALLOCATION APPROACH (PAA)

The PAA is an insurance contract valuation methodology used to simplify the measurement of certain types of contracts, compared to the General Model. This model is used by the Company, in particular, for the following types of contracts:

- Short-term P&C insurance (not exceeding one year);
- Some multi-year contracts as long as they give the same result as the General Model.

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.

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.

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.

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).

RISK ADJUSTMENT

This refers to the adjustment of cash flows related to insurance contracts, reflecting uncertainty due to non-financial risks (e.g. mortality risk, longevity risk, early termination risk, assumption risk, catastrophe risk).

SALARY-BACKED LOANS (“CESSIONE DEL QUINTO”)

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.

SEPARATELY MANAGED ACCOUNTS

In life insurance, a fund specifically created by the insurance undertaking and managed separately from the overall business of the undertaking. Separately managed accounts are used in Class I contracts and are characterised by a typically conservative investment composition. The return obtained by the separately managed account and relegated to the members is used to revalue the benefits under the contract.


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).

UNIT-LINKED 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.

VARIABLE FEE APPROACH (VFA)

The Variable Fee Approach (VFA) is a valuation methodology that applies to insurance contracts with direct profit-sharing features, such as insurance pension funds, separately managed accounts and unit-linked insurance policies.



