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Reports  
and Attestations



# 03 Reports and Attestations

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Reports and Attestations

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## **Attestation of the Consolidated Financial Statements of the Poste Italiane Group at 31 December 2023 pursuant to art. 154-bis, paragraph 5, of Legislative Decree 58/1998 and art. 81-ter of CONSOB Regulation no. 11971 of 14 May 1999**

1. The undersigned Matteo Del Fante, as Chief Executive Officer, and Alessandro Del Gobbo, as Manager Responsible for Financial Reporting of Poste Italiane S.p.A., also taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, attest to:

- the adequacy, in relation to the characteristics of the Poste Italiane Group, and
- the effective application of the administrative and accounting procedures for the formation of the Consolidated Financial Statements of the Poste Italiane Group in the period between 1 January 2023 and 31 December 2023.

2. In this regard, please note that:

- the adequacy of the administrative and accounting procedures for the formation of the Consolidated Financial Statements of the Poste Italiane Group was verified by evaluating the internal control system on financial reporting. This evaluation was performed by taking as a reference the criteria laid out in the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
- no significant aspects emerged from the evaluation of the internal control system on financial reporting.

3. It is also attested that:

3.1 The Consolidated Financial Statements of the Poste Italiane Group for the year ended 31 December 2023:

- have been prepared in compliance with the International Financial Reporting Standards endorsed by the European Union through EC Regulation 1606/2002, issued by the European Parliament and by the Council on 19 July 2002;
- are consistent with the underlying accounting books and records;
- give a true and fair view of the financial position and results of operations of the issuer and the companies included in the scope of consolidation.

3.2 The report on operations includes a reliable analysis of the operating and financial performance and the situation of the issuer and the companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Rome, 19 March 2024

Chief Executive Officer

Matteo Del Fante  
(original signed)

Manager Responsible for Financial Reporting

Alessandro Del Gobbo  
(original signed)

*(This report has been translated from the original issued in accordance with Italian legislation)*

## Attestation of the Financial Statements at 31 December 2023 pursuant to art. 154-bis, paragraph 5, of Legislative Decree 58/1998 and art. 81-ter of CONSOB Regulation no. 11971 of 14 May 1999

1. The undersigned Matteo Del Fante, as Chief Executive Officer, and Alessandro Del Gobbo, as Manager Responsible for Financial Reporting of Poste Italiane S.p.A., also taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, attest to:

- the adequacy, in relation to the characteristics of the company, and
- the effective application of the administrative and accounting procedures for the formation of the Financial Statements in the period between 1 January 2023 and 31 December 2023.

2. In this regard, please note that:

- the adequacy of the administrative and accounting procedures for the formation of the Financial Statements of Poste Italiane S.p.A. was verified by evaluating the internal control system on financial reporting. This evaluation was performed by taking as a reference the criteria laid out in the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
- no significant aspects emerged from the evaluation of the internal control system on financial reporting.

3. It is also attested that:

3.1 The Financial Statements for the year ended 31 December 2023:

- a) have been prepared in compliance with the International Financial Reporting Standards endorsed by the European Union through EC Regulation 1606/2002, issued by the European Parliament and by the Council on 19 July 2002;
- b) are consistent with the underlying accounting books and records;
- c) give a true and fair view of the financial position and results of operations of the issuer.

3.2 The report on operations includes a reliable analysis of the operating and financial performance and the situation of the issuer, together with a description of the main risks and uncertainties.

Rome, 19 March 2024

Chief Executive Officer

Matteo Del Fante

(original signed)

Manager Responsible for Financial Reporting

Alessandro Del Gobbo

(original signed)

*(This report has been translated from the original issued in accordance with Italian legislation)*

**REPORT BY THE BOARD OF STATUTORY AUDITORS OF POSTE  
ITALIANE S.P.A.  
TO THE SHAREHOLDERS  
pursuant to art. 153 of Legislative Decree 58/1998**

Dear Shareholders,

During the year ended 31 December 2023, the Board of Statutory Auditors of Poste Italiane S.p.A. (“Company”, “Poste” or “Parent Company”) fulfilled its statutory duties in accordance with the Italian Civil Code and Legislative Decree 39/2010, Legislative Decree 58/1998 (Testo Unico della Finanza, the “Consolidated Law on Finance”), pursuant to Presidential Decree 144/2001 “Regulations governing the services provided by BancoPosta”, and in accordance with the provisions applied to BancoPosta by the relevant authorities. In conducting its duties, the Board of Statutory Auditors also took into account the indications contained in the Corporate Governance Code for listed Companies, which the Company formally adopted with the Board of Directors’ (“BoD”) resolution of 17 December 2020. The oversight activities required by law were also conducted in accordance with the Code of conduct for Boards of Statutory Auditors of listed Companies, drawn up by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (National Institute of Chartered Accountants and Accounting Experts) in April 2018 (“Code of Conduct”), whose latest version was published on 21 December 2023.

**Election and activities of the Board of Statutory Auditors**

The undersigned members of the Company’s Board of Statutory Auditors, elected by the Annual General Meeting of shareholders held on 27 May 2022, are Mauro Lonardo, Chairman, and Serena Gatteschi and Gianluigi Fiorendi, standing Auditors. Considering the applicability to the Company of the Regulation on the requirements and criteria of eligibility for the office of corporate officers of banks and financial intermediaries set forth in the Decree of the Ministry of Economy and Finance no. 169 of 23 November 2020, (“Ministerial Decree 169/2020”), following appointment, the

Board of Statutory Auditors assessed the suitability of the Standing and Alternate Auditors, in accordance with the current regulatory provisions and, in particular, the aforementioned decree, ascertaining that they meet the requirements of the current regulations and also providing for corrective measures for Alternate Auditors in the event of their taking over as Standing Auditors and the outcome of the audit - in compliance with the provisions of Ministerial Decree 169/2020 and subsequent Measure of the Bank of Italy of 5 May 2021 - was sent to the Supervisory Authority which had provided a positive response.

During the year, the Board of Statutory Auditors proceeded to verify (i) the existence of compliance with the accumulation of offices, noting that all Statutory Auditors complied with the limit set forth in Article 17 of Italian Ministerial Decree 169/2020 (4 non-executive offices) and (ii) the *time commitment* - the assessment of which was updated by each Statutory Auditor as their offices changed. As a result of the audit, it was ascertained that each Auditor devoted adequate time to the performance of the task, in accordance with Article 16 of Ministerial Decree No. 169/2020.

The Board of Statutory Auditors (“Board”) obtained the information needed in order to carry out its assigned duties by attending all the Board of Directors’ and Board Committee meetings, by taking part in the induction sessions organised by the Company, by holding focus meetings with the Company’s principal functions, in particular with the control functions, with the BancoPosta function, the Supervisory Board and with the Company’s management, as well as through ongoing contact with the Manager responsible for financial reporting and with the Statutory external auditors Deloitte & Touche S.p.A. (“Deloitte” or the “Independent Auditor”) appointed to audit the annual and consolidated financial statements for the nine-year period 2020-2028.

During the course of 2023, the meetings of the internal board Committees and of the Board of Statutory Auditors, given the large number of meetings, the need to ensure attendance in the event of consecutive meetings and the complexity of bringing together participating members and corporate functions located in different areas of the country, for reasons of efficiency and effectiveness of the proceedings, were held with all participants connected by audio/video link, except for a few meetings held in person to fulfil certain formalities, while all Board meetings, or some strategic



induction meetings, were held in person in order to improve engagement and interpersonal relations.

During the year 2023, the world economy continued to be characterised by uncertainty, affected by geopolitical tensions and ongoing conflicts. In this regard, the Board noted that the Poste Group's sphere of operations is mainly domestic and that it has limited business relations with the countries involved in the ongoing conflict.

During 2023, the Board updated the "Regulations governing the functioning of the Board of Statutory Auditors of Poste Italiane S.p.A.", adopted on 30 January 2020, that regulates the procedures for functioning of the Board of Statutory Auditors in compliance with the law, the By-laws and the provisions of Bank of Italy Circular 285 of 17 December 2013 and subsequent amendments and additions, as well as the principles enshrined in the Corporate Governance Code for listed Companies and the Code of Conduct of the Board of Statutory Auditors of listed Companies.

The Board of Statutory Auditors also continued its supervision of the events occurring after the close of the 2023 financial year, constantly discussing them with the corporate functions and the Statutory Auditor in order to assess their relevance.

On the above basis, the following information is provided in accordance with the provisions of Consob announcement DEM/1025564/2001, following the numerical order established thereby, as amended by announcement DEM/3021582 of 4 April 2003 and then by announcement DEM/6031329 of 7 April 2006.

**A) Oversight of compliance with the law and the Company's By-laws and with correct corporate governance principles, the adequacy of the organisational structure and the administrative and accounting systems adopted by the Company, and with Legislative Decree 39/2010, as amended.**

*1. Most significant transactions having an impact on the results of operations and financial position and their compliance with the law and the By-laws.*

The Board of Statutory Auditors verified compliance with the law and the Articles of Association, receiving information from the Directors during meetings and from the responsible functions, on the overall operating performance, the outlook for the



Company and on the most significant transactions having an impact on the results of operations and financial position decided on and carried out by the Company and by Companies of the Group during the year, also verifying that the latter were carried out according to a process inspired by principles of correct administration.

On the basis of the information made available, the Board has come to the reasonable conclusion that these transactions are to be considered compliant with the law, the Articles of Association, the regulations and the principles of proper administration, and that they do not appear to be manifestly imprudent, nor risky or in conflict with the resolutions passed by the Shareholders' Meeting, nor such as to compromise the integrity of the company's assets.

These transactions are illustrated in the Report on Operations to which reference should be made, mentioning herein, due to their significance, the transactions indicated below, i.e. (i) the acquisition by Net Holding S.p.A. (60% owned by Poste Vita) of the controlling stake of 97.84% in Net Insurance (which in turn owns 100% of Net Insurance Life S.p.A.), (ii) the acquisition of the shares in Address Software S.r.l. held by third parties, enabling Postel to fully control it; (iii) the acquisition of the stake in MLK Deliveries S.p.A. (MLK) from Milkman S.p.A. (Milkman), which gives Poste Italiane full control. The shares sold constituted approximately 30% of the share capital and the transaction, which was already envisaged as an option under the contractual agreements signed in 2020, was completed in July 2023, (iv) the transaction to reorganise the investment in the sender Group, under which Poste increased its stake in sender Technologies from 1.7% to 10.2% (by transferring 35% of the shares held in sender Italia) and maintained a 25% equity investment in sender Italia.

The Board of Statutory Auditors monitored that the meetings were conducted in accordance with the By-laws and the laws and regulations that govern the operation of meetings; based on the information provided during the meetings of the Board of Directors ("BoD"), there is no evidence that the Directors engaged in transactions involving potential conflicts of interest with the Company.

*2. and 3. Exceptional or unusual transactions, including those with Group companies or related and connected parties.*

In this regard, the Board declares that:

- ✓ based on the assessments conducted, we are not aware of exceptional or unusual transactions with Group Companies, third parties or other related and connected parties;
- ✓ the procedures applied by the Company in conducting related party transactions comply with the principles contained in Consob Regulation 17221 of 12 March 2010, as amended by Consob Resolution 22144 of 22 December 2021, in force from 31 December 2021 and by the provisions of Bank of Italy Circular 285/2013 (Part III, Chapter 11), with reference to transactions between BancoPosta and Poste Italiane's related parties;
- ✓ infra-group or related party transactions did not give rise to critical issues;
- ✓ with regard to transactions carried out by relevant persons and by persons closely associated with them (provisions relating to "Internal Dealing"), the Board verified that the Company has adopted specific internal regulations and procedures for such disclosures following the revised interpretation provided by ESMA and the changes introduced by Consob Resolution 19925 of 22 March 2017.

The Board oversaw effective implementation of the rules governing related and connected party transactions, by attending all meetings of the Related and Connected Parties Committee ("CP Committee"). Moreover, the Directors have provided disclosure on intra-group and related and connected party transactions in the Report on Operations and the notes to the separate and consolidated financial statements, reporting the economic-equity effects of the transactions with related parties.

The current Guideline 'Management of Transactions with Related Parties and Connected Persons' was last approved in 2021.

In view also of the provisions of the Consob Regulation, in 2022 the Board of Statutory Auditors monitored the improvement of the documentation supporting the occurrence of the conditions for exclusion in the case of "excluded transactions". Therefore, also for the disclosures on transactions with related and connected parties concluded in 2023, pursuant to paragraph 4.6.1 of the Guideline, members of the Related and Connected Parties Committee and the Board were provided with additional documentation, signed by the Head of the Proposing function, in which both the reference parameters for the ordinary nature of the transaction (within the scope of the

types envisaged by the Consob Regulation and the Bank of Italy provisions) and the existence of market or standard equivalent conditions are certified.

*4. Oversight of the financial reporting process. Observations and proposals regarding any qualifications or emphases of matter contained in the Independent Auditor's report.*

The Board of Statutory Auditors, identified by art. 19, paragraph 2 of the Consolidated Law as the “Committee responsible for internal and statutory auditing”, oversaw the financial reporting process.

The Board of Statutory Auditors has verified the existence of adequate regulations and processes relating to the financial reporting process, examining the process that enables the “Manager responsible for financial reporting” (“Manager responsible for financial reporting” or “DP”), appointed pursuant to Law 262/2005, and the Company’s Chief Executive Officer to issue the attestations required by art. 154-bis of the Consolidated Law on Finance.

On 18 March 2024, the Board of Statutory Auditors held a specific meeting with the Manager responsible for financial reporting to examine the Group’s Internal Control System on Financial Reporting (“SCIIF”), during which the Manager responsible for financial reporting stated that the results showed the system to be effective allowing significant weaknesses to be ruled out. In addition, the Manager responsible for financial reporting represented that the activities for the certification of the Annual Report 2023 were carried out in accordance with the methodology provided for by the SCIIF Guideline and covered all the significant processes of the Companies, which constitute the perimeter of reference (so-called Large Portion): Poste Italiane, Poste Vita, Poste Assicura, SDA Express Courier, PostePay, BancoPosta Fondi SGR, Postel, Nexive Network and from this year LIS Holding and LIS Pay.

The Report by the Manager responsible for financial reporting shows that the audits performed on a systematic and continuous basis (audits and the self-assessment process), the methodological evolutions introduced and the progressive extension of the scope of analysis have contributed to maintaining a high level of supervision by the Manager responsible for financial reporting on processes relevant to financial reporting. The audits carried out showed a residual number of exceptions, confirming that a consolidated level of maturity of the internal control system had been reached.

The phases of the attestation process (Perimeter Identification, Risk and Control Assessment, Control Assessment, Deficiencies and Remediation Plans) are fully supported by the GRC-Archer Group IT Platform, in order to facilitate the coordination and integration between the activities of the Manager responsible for financial reporting and those of the other Compliance Specialists.

In addition, in order to comply with the provisions of the Business Crisis and Insolvency Code ('Crisis Code'), the Manager responsible for financial reporting continued to carry out activities, at Group level, to consolidate the process and information flows for the purpose of pinpointing possible signs of crisis or insolvency and loss of business continuity. The results of the monitoring conducted at Group level did not show any situations of crisis, insolvency or loss of business continuity.

The evaluation of the SCIIF was carried out on the basis of the following verification activities: (i) Self Assessment: process of self-certification of the controls performed by the Control Owners; (ii) Independent Monitoring: checks on the key controls performed by Internal Control; (iii) IT General Control: checks on the integrity of IT systems performed by DTO/Information Systems, with the support of external consultants; (iv) Segregation of Duties (SOD): assessment on the level of segregation on accounting systems, performed by the DP and (v) Letters of Attestation received from Management (First Levels of Poste and CEO of Subsidiaries), supplemented with selected disclosures and indicators for the purposes of the new Business Crisis and Insolvency Code.

The various project initiatives completed during 2023 include:

- with reference to the provisions of the Business Crisis and Insolvency Code, for the Parent Company, a process and information flows envisaged by the current risk management model for the verification of possible signs of crisis or insolvency and loss of business continuity have been consolidated and formalised through a process of progressive application; the information flows governed by Model 262 have been supplemented, making provision for the preparation of specific information on the matter of business continuity issued by the Group Companies to the Manager responsible for financial reporting through the Letter of Attestation; the information has also been reported to the respective administrative and control bodies. Indicators useful for monitoring and detecting possible signs of business crisis were identified and shared, consistent with the

provisions of the regulations, including: (i) indicators of financial indebtedness (e.g. overdue trade payables, payables to personnel); (ii) the ‘*Debt Service Coverage Ratio*’ indicator on projected cash flows from operations; (iii) *ad hoc* indicators constructed by taking into account the specific risks of the business and the characteristics of the companies. Finally, the operating procedure to formalise and regulate the process of corporate crisis management at Group level was published;

- the extension of the process of assessing the control system to the companies LIS Holding and LIS Pay was completed, consisting of mapping and assessment activities required by Model 262, formalisation of the administrative-accounting procedures relating to the relevant processes of LIS Pay (Commission and Fee Management, Reporting Package and Supervisory Reporting) and LIS Holding (Commission and Fee Management, Asset Management, Reporting Package): the checks carried out to assess the internal control system of the companies (Independent Monitoring, Self Assessment, IT General Controls) showed no significant aspects;
- with reference to the Polis Project, the “Polis Project Reporting” procedure has been formalised and published, which regulates the activities and controls implemented necessary to ensure the reliability and trustworthiness of the accounting reporting of expenses incurred by Poste for the implementation of project activities and the adequacy and effective operation of the SCIIF. Independent audits were carried out by a consultancy firm of high standing, which did not bring to light any major issues.

In terms of the 2024 activity planning of the Manager responsible for financial reporting, current project initiatives include: (i) the introduction of cross-company controls to assess the structural elements of the control system (e.g., control environment, risk assessment, etc.), aimed at ensuring a general context in which processes are executed and monitored in accordance with Group guidelines; (ii) the formalisation of the monitoring process of users with high privileges (SAP All, SAP New and Debug) and the correct assignment of the relative roles; the evolution of the Integrated Framework related to the Internal Control System on Sustainability Reporting.

The Board of Statutory Auditors analysed the methodological framework and the audit plan adopted by the Independent Auditor and acquired the necessary information during the course of its work, with information on the audit approach used for the various significant reporting areas, as well as receiving updates on the progress of the audit assignment and on the main aspects for the attention of the Independent Auditor. The Independent Auditor, with which we also periodically met in compliance with the provisions of art. 150, paragraph 3, of the CLF, for the mutual exchange of information, has not informed the Board of Statutory Auditors of any actions or events deemed to be censurable or of an irregular nature requiring specific reporting pursuant to art. 155, paragraph 2, of the CLF.

The administrative and accounting procedures adopted in preparation of the separate and consolidated financial statements, and of any other financial communication, have been drawn up under the responsibility of the Manager responsible for financial reporting who, together with the Chief Executive Officer, has attested to their adequacy with regard to the nature of Poste Italiane and to their effective application. The Board of Statutory Auditors has also examined the reports prepared by the Independent Auditor, appointed by Annual General Meeting of Poste shareholders to audit the separate and consolidated financial statements for the financial years from 2020 to 2028.

On 4 April 2024, the Independent Auditor issued its reports on the separate and consolidated financial statements for the year ended 31 December 2023, prepared pursuant to art. 14 of Legislative Decree 39/2010 and art. 10 of Regulation (EU) 537/2014. The Board of Statutory Auditors has noted that the Auditor has not pointed out any remarks or requests for information in its Reports and refers to the Reports issued by the Auditing Firm for the Auditor's opinions and statements.

The Board also noted that in the Additional Report prepared pursuant to Article 11 of EU Regulation No. 537/2014, the Auditor confirmed that the audit activities did not reveal any significant deficiencies in the internal control system in relation to the financial reporting process.

The Independent Auditor's Reports, issued in compliance with art. 10 of Regulation (EU) 537/2014, include information on key matters covered by the audit and the related audit procedures applied. These key aspects, as indicated in the Reports on the annual and consolidated financial statements (Estimate of the recoverable amount of

the “Mail, Parcels and Distribution” business segment for the annual financial statements and (i) Impairment test of goodwill on the “Mail, Parcels and Distribution” CGU and on the “Payments and Mobile” CGU solely for the consolidated financial statements and (ii) First-time application of IFRS 17 - Insurance contracts and (iii) Assessment of liabilities for Insurance Contracts), as well as the opinions on the annual and consolidated financial statements, are in line with as indicated in the Additional Report intended for the Board of Statutory Auditors, in its role as Internal Control and Audit Committee, prepared pursuant to art. 11 of the aforementioned Regulation.

The above key aspects were the subject of detailed analysis and updating during the periodic meetings that the Board of Statutory Auditors held with the Independent Auditor, including that of the investee Poste Vita S.p.A. and the Administration, Finance and Control function (“AFC”).

In addition to the above-mentioned issues, the Board of Statutory Auditors requested further clarifications from the AFC function, the Manager responsible for financial reporting, the Legal Affairs function and the Auditor, concerning (i) Evaluation of legal risks (Tax Credits), (ii) Provision for staff redundancy incentives, (iii) Estimates on provisions for risks and charges, as well as the nature and risks related to contingent liabilities with reference to legal disputes, (iv) Financial assets and liabilities, (v) LIS impairment test, (vi) Net Insurance impairment test, (vii) Impairment test on the equity investment held in Anima Holding S.p.A., (viii) Financial reporting and ESMA non-financial statement of 25 October 2023; (ix) Purchase Price Allocation processes for LIS, Plurima, Sourcesense and Agile, (x) European Single Electronic Format (ESEF) tagging.

The AFC Function and the Manager responsible for financial reporting outlined the assessment logic adopted, as well as the support provided in terms of the accounting principles applied to the case. The line identified by management for the accounting treatment of the cases above has been analysed in detail and fully shared by the Independent Auditor.

The Board also held a specific meeting with the Auditor, in order to get an update on the progress of the activities carried out by the Company aimed at implementing “areas for improvement” suggested by the Auditor in the Additional Report pursuant to Article 11 of Legislative Decree No. 39/2010 of the year 2022. At the end of the meeting, the Board ascertained that the ideas had been taken on board by the Company



and the Company had started the relevant activities, which were largely completed, as also indicated in the Additional Report pursuant to Article 11 of Legislative Decree No. 39/2010 for the year 2023. The Board of Statutory Auditors has verified that, with reference to the *Impairment test*, the methodology for determining the discount rate of annual cash flows has been updated, in order to reflect the scenarios characterising the current macroeconomic context, in the determination of the WACC, and the reference procedural framework has been updated in order to incorporate the implementation of specific controls within the valuation process. With regard to the issue of the purchase of tax credits by Poste Italiane, a subject characterised by continuous changes by the legislator and the publication of various Circulars issued by the Revenue Agency - Agenzia delle Entrate (“ADE”) aimed at clarifying the interpretation of the regulations, as part of its supervisory activities, the Board of Statutory Auditors has held various meetings, attended by the heads of the functions BancoPosta, Legal Affairs, Administration, Finance and Control (“AFC”), AFC/Fiscal, Group Anti-Money Laundering and the Independent Auditors, in order to monitor the activities carried out by the Company and conduct an in-depth examination of the impacts of the regulations enacted from time to time on the activities carried out by Poste Italiane, including through the BancoPosta function, paying particular attention to the fiscal/tax, legal and accounting profiles, as well as aspects related to the risk and liability of assignees.

As part of this activity, the Board of Statutory Auditors, during 2023, continued to monitor the status of the seizure orders of the tax credits assigned in its tax coffers, notified to Poste Italiane in its capacity as purchaser of the tax receivables, even if a bona fide third party.

During the course of the various meetings held, the Board took note of the losses recorded on tax credits and positively assessed the methodological framework used to determine the Provision for Risks and Charges, also in consultation with the Statutory Auditor, noting that the 2023 methodological approach was based on an update of the approach used for the financial statements for the year ended 31 December 2022, taking into account the facts and circumstances known up to the date of preparation of the financial statements.

In particular, the Board of Statutory Auditors examined in detail and endorsed the approach used to define the provision for risks and charges, which was based on a

legal and accounting analysis performed by the Company, also with the support of external consultants, aimed at assessing overall the potential risks to which Poste Italiane might be exposed in the event that the tax credits acquired over time by the Company were to derive from fraudulent conduct.

The determination of the aforesaid provision necessarily entailed the use of a significant degree of professional judgment considering the current situation of significant uncertainty regarding the possible outcome of the proceedings and initiatives under way by the Judicial Authorities and the Revenue Agency and the actions undertaken by the Company to see its interests protected,

The Board of Statutory Auditors also noted that the Company, considering the continuing situation of interpretative uncertainty, prudently did not consider both credit losses and provisions for risks and charges to be tax deductible.

During 2023, the Board of Statutory Auditors monitored the administrative and accounting structure put in place by the Company to comply with “IFRS 17 - Insurance Contracts” - which came into force on 1 January 2023. This standard has brought a major change to the methodologies for measuring, evaluating and representing insurance contracts, in the presentation of the profitability of the insurance business and, more generally, at the level of the entire company’s operations, thus representing the most significant change in the last 20 years; its implementation project, carried out with the help of a leading advisory firm, has required huge investments, also from a technological perspective. In fact, the application of IFRS 17, whose objective is to make the results of insurance companies harmonised and comparable throughout Europe, has led to extremely significant changes in the representation of the insurance sector’s results, moving from a presentation of results by volume (premiums written and claims expenses) to a representation more focused on contract margins.

Lastly, the Board of Statutory Auditors monitored the adequacy of the information provided in the Financial Report with regard to detailed information on insurance risks and financial risks related to contracts falling within the scope of IFRS 17 as required by ESMA for listed companies (Public Statement ESMA 32-193237008-1793 “*European common enforcement priorities for 2023 annual financial reports*” of 25 October 2023).

The Board of Statutory Auditors, which already in 2022 had monitored the project and the main actions identified by the Company to implement the provisions of the Crisis

Code, in order to consolidate and formalise, through a path of progressive application, a process and information flows set out in the current risk management model for the detection of possible signs of crisis or insolvency and loss of business continuity, continued to monitor the initiatives put in place over the course of 2023, both through a specific meeting with the Manager responsible for financial reporting aimed at receiving an update on the initiatives undertaken by the AFC function to comply with the Crisis Code of Group Companies, but also in the context of the exchange of information with the Control Bodies of the main Subsidiaries. The Board noted that the entire process for compliance with the Crisis Code was included in the SCIIF from scratch. The Board also took positive note of the publication of the operating procedure ‘Preventive Management of Business Crisis and Insolvency’, whereby roles, responsibilities, operating model, information flows and indicator monitoring reporting were formalised.

The Board of Statutory Auditors, while considering that the Poste Group, as a listed company, already has a structured control system for Group risks, and noting that the Parent Company has properly overseen its guidance and coordination activities, felt that in order to make the process effective it was essential for each subsidiary to identify its specific sector and/or business risks in order to define indicators modelled on the company’s situation, augmenting the warning indicators already defined by the Parent Company: therefore, during the course of the information exchanges with the Control Bodies of the Subsidiaries, the Board has always suggested identifying “customised” indicators that could enable the identification of specific sector and/or business risks.

The financial statements also contain information on any liabilities and costs that may arise from pending legal proceedings. The Board of Statutory Auditors, together with the relevant Company functions, examined in detail the methodology and process adopted in the analysis of litigation and in the analysis and evaluation of provisions for risks and charges for major disputes, and it requested to be periodically and promptly updated on the evolution thereof.

In line with the recommendations contained in the joint Bank of Italy/Consob/ISVAP document No. 4 of 3 March 2010 and Consob Communication No. 0003907 of 19 January 2015, the goodwill impairment test procedure applied by the Group, in compliance with international accounting standard IAS 36 and the recommendations

contained in the Organismo Italiano di Contabilità (Italian Accounting Standards Setter) document “Impairment and Goodwill” of May 2011, is submitted annually to the advisory opinion of the CCR and, subsequently, to the prior approval of the Company’s Board of Directors.

The explanatory notes to the half-yearly report as of 30 June 2023 and to the financial statements as of 31 December 2023 provide information and the results of the valuation process carried out by the Company: the Board of Statutory Auditors, through discussions with the Manager in charge of preparing the Company’s financial reports and with the independent auditors, during the meetings periodically scheduled as part of the scheduled exchanges of information for the performance of their respective duties, monitored said process and has no observations in this regard. In detail, following the identification of groups of assets able to generate cash inflows largely independent of those deriving from other assets or groups of assets, in addition to the Mail, Parcel & Distribution (“MP&D”) Cash Generating Units (“CGU”), the Payments & Mobile (“P&M”) and Net Insurance (sub-consolidated Net Insurance - Net Insurance Life) CGUs were identified, on which the Impairment test as of 31 December 2023 was performed consistently with: (i) the accounting standard IAS 36 ‘Impairment of Assets’; (ii) the indications of the relevant institutional bodies (ESMA, Consob); (iii) the Impairment Test Implementation Guidelines approved by the Board of Directors of Poste Italiane in 2016 and updated in 2023; and (iv) the organisational model of the Poste Group. The Board of Statutory Auditors verified that the Weighted Average Cost of Capital (WACC) and the Cost of Equity (Ke) used for the Impairment tests as at 31 December 2023 were determined using the method developed internally and revised with some methodological refinements compared to previous years. The Board noted that the refinements resulted in more conservative WACC and Ke values, which led to greater prudence in the impairment test exercise. The growth rate (‘g-rate’) was determined consistently with previous years (source: International Monetary Fund) and reference was made to the Strategic Plan 2024-2028 (approved by the Board of Directors on 19 March 2024) to estimate the value in use of the three CGUs. The discounting of the period’s operating flows was carried out for the MP&D and P&M CGUs using the Discounted Cash Flow (“DCF”) method, which provides for the discounting of annual operating cash flows at a rate representative of the weighted average cost of capital, while for the Net CGU, in order to take into account the specific characteristics of the insurance sector in which it operates, the valuation

method used was the Dividend Discount Model, which foresees the discounting of expected dividend flows, consistent with the maintenance of the capital requirements requested by the Supervisory Authorities, at a rate representative of the cost of capital. The scope of the MP&D CGU included Postel, Nexive, Sengi, MLK, SDA, Consorzio Logistica Pacchi, Poste Air Cargo, Patenti Via Poste, EGI, Poste Welfare Servizi, Consorzio Poste Motori, Plurima, Agile Lab and Sourcesense, and the terminal value was estimated by projecting in “perpetuity” the cash flows of the last year of the explicit period (2028), adjusted for components that cannot be projected beyond the Plan period. The normalisations applied, determined through the continued use of the method used in the previous impairment tests, relate to personnel expenses (mainly redundancy incentives, alignment of labour costs to the exact headcount at the end of 2028), adjustment of amortisation and sterilisation of Polis project deferral.

The companies Poste Pay, LIS Holding and LIS Pay have been included within the scope of the P&M CGU, given that, following the completion of the integration and reorganisation processes of LIS Holding and LIS Pay, and taking into account the strong business and infrastructure interests established, their cash flows are closely interrelated within the sector.

The Board of Statutory Auditors, having also consulted with the Statutory Auditor, positively assessed the methodological framework underlying the impairment tests performed on the MP&D, P&M and NET Insurance CGUs and took note of the test results on the basis of which the appropriateness of the balance sheet values was confirmed (also following sensitivity analyses on WACC and  $g$ ). The Board of Statutory Auditors acknowledged that the Administrative Body carried out the periodic monitoring of the Impairment *test* referring to the MP&D CGU and approved the Impairment tests of the Mail Parcel & Distribution, Payments & Mobile and Net Insurance CGUs in March 2024.

The impairment test on the investment in Anima Holding S.p.A. - performed by taking into account that the future cash flows used in determining the value in use are those observable as consensus for the main balance sheet indicators (Revenues, Pre-tax Result and Net Profit) estimated by analysts for the next three years and available periodically on the Company’s website - did not show the need to make further write-downs at year-end after the one already made at 30 June 2022.

The Independent Auditor confirmed to the Board of Statutory Auditors its agreement with the overall impairment procedure, as well as the detailed application profiles. The impairment tests showed that the Enterprise Value was higher than the carrying amount, making impairment unnecessary.

The Independent Auditor has not reported any events or circumstances identified during the audit that might cast significant doubt on the entity's ability to continue as a going concern, nor has it reported any significant deficiencies in the internal control system on financial reporting and/or in the accounting system, or any significant instances of non-compliance, whether effective or assumed, with laws and regulations or the By-laws, that have come to light during its audit.

The Independent Auditor also issued on 4 April 2024 the Report on the consolidated non-financial statement pursuant to article 3, paragraph 10, Legislative Decree no. 254/2016 and article 5 Consob Regulation no. 20267 ("NFS"). Based on the work performed, the Independent Auditor stated that nothing has come to its attention that would cause it to believe that the Poste Italiane Group's Non-financial Statement for the year ended 31 December 2023 has not been prepared, in all material respects, in compliance with articles 3 and 4 of the Decree and with the GRI Standards.

The Board of Statutory Auditors, having taken note of Legislative Decree 254/2016 on the disclosure of non-financial information, supervised, in the exercise of its function, compliance with the provisions contained therein with regard to the preparation of the NFS as part of the 2023 Integrated Report, approved by the BoD on 19 March 2024. As provided for in Article 3(7) of Legislative Decree No. 254/2016, the Board of Statutory Auditors, in line with its functions and duties assigned to it by law, monitored compliance with the rules governing the preparation and publication of the NFS within the scope of the integrated report. In particular, the Board of Statutory Auditors monitored the adequacy of the organisational structures adopted by the Group in relation to the strategic objectives pursued in the socio-environmental field and the existence of adequate rules and processes to safeguard the process of collecting, forming and representing results and non-financial information and, with reference to the latter aspect, also the compliance with the EU Taxonomy Regulation.

Through a specific meeting with the Independent Auditor, the Board of Statutory Auditors has overseen compliance with the provisions of Legislative Decree 254/2016, within the scope of the responsibilities assigned to us by law.

With regard to ESG, while also participating in the Sustainability Committee meetings, the Board of Statutory Auditors had the opportunity to continuously monitor the progress of the ESG plan, as well as the measures implemented by the Group and aimed at achieving the defined targets.

The Board of Statutory Auditors has verified that the disclosure required by ESMA in terms of reporting on climate-related issues has been provided in the 2023 Integrated Report and, in 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") and that Poste Italiane was one of 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 issues related to nature (biodiversity, waste and water management, climate-altering 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 again this year carried out a review of climate scenarios using as a reference the documents drawn up by the main organisations working in this field.

In line with previous years, the indicators used for the preparation of the 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. During 2023, the European Commission published EU Delegated Act No. 2023/2486 (*Taxonomy Environmental Delegated Act*), which supplements the Taxonomy Regulation (Regulation (EU) No. 852/2020) by setting additional technical screening criteria for determining 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.



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 both industrial operations (*Non-Financial Undertakings*) and financial operations (*Financial Undertakings*) to be disclosed.

In 2023, Poste Italiane continued its evolutionary path towards acquiring and consolidating its awareness of sustainability issues, developing a materiality analysis process aimed at identifying priority issues, based on the significance of the related impacts, to be included in the Group's Sustainability Strategy and to be formalised in terms of policies and targets. On the basis of the findings of the materiality analyses and, therefore, the priority areas and themes for action, Poste Italiane has outlined its ESG strategic plan, also taking into account the evolution of international sustainability principles. The update of the Guideline "The ESG Process in the Poste Italiane Group", in 2022, is part of the important path undertaken over the years by Poste Italiane to develop its business strategy, structurally integrating it with Environmental, Social and Governance (ESG) Principles and orienting the Group's efforts towards the creation of shared value for stakeholders and the consolidation of its reputation.

With a view to continuous improvement, in 2023 Poste Italiane continued with the approach initiated in 2021 - and subsequently refined in the following years - aimed at anticipating the exercise of the principle of double materiality envisaged by the *Corporate Sustainability Reporting Directive* (CSRD) before its entry into force, set for FY 2024. Therefore, the Group maintained the alignment of its materiality analysis methodology to the provisions relating to the 2021 update of the GRI standards for impact materiality (inside-out perspective), taking into account the provisions of EFRAG. In this respect, the Company has already started to apply the outside-in perspective on a voluntary basis.

According to the impact materiality perspective, the Company has examined the current or potential significant impacts on people and the environment directly related to its activities, products and services, including upstream and downstream activities in its value chain. Furthermore, from the perspective of financial materiality, it

considered sustainability risks and opportunities that may positively or negatively affect future cash flows, thus determining the creation or erosion of corporate value in the short, medium or long term, influencing its development, performance and positioning. In order to identify current and potential positive and negative impacts, an in-depth scenario analysis was performed on the Group's activities, its business relations, the sustainability context in which it operates and the expectations of its stakeholders.

Finally, as part of the Strategic Risk Assessment, which is conducted annually by the Group Sustainable Development, Risk and Compliance function with the aim of identifying and assessing risks from an integrated perspective that may undermine the full achievement of the strategic objectives defined in the Poste Italiane Strategic Plan, emerging risks have been broken down in line with the common metrics defined by the WEF in relation to the achievement of the SDGs, and for each emerging risk, sustainability pillars and potentially impacted capital resources have been associated. During 2023, the Poste Italiane Group confirmed its position as one of the leading companies in Environment, Social and Governance issues at national and international level, obtaining multiple ESG awards.

During the year, and even before the regulatory framework was defined, the Board of Statutory Auditors held a specific meeting with the Statutory Auditor to discuss the CSRD, which Poste - as a PIE with more than 500 employees - will have to comply with starting with the financial statements as at 31 December 2024, even though some indicators will not yet be legally binding at that date. The CSRD has, in particular, introduced the obligation for companies with similar characteristics to those already subject to the Non-Financial Reporting Directive to report sustainability information by including it in the management report. This obligation will apply as of the financial year beginning 1 January 2024; consequently, the figures for the financial year 2024 will be included in the management report prepared in 2025. The sustainability information required by CSRD is to be reported using the European Sustainability Reporting Standards (ESRS), developed by EFRAG, with the aim of creating a single, mandatory reporting standard at EU level and, at present, will be subject to limited assurance by an Auditor. During the meeting with the Statutory Auditor, the Board was informed of the main aims of the CSRD - whose general objective is to contribute to the transition towards a fully sustainable and inclusive economic and social system

- and of the specific innovations and requirements that will be introduced to meet the expectations introduced by the CSRD; the changes that will be made to the Report that the Auditor will issue downstream of his work were also examined, which will in any case remain within the scope of Negative Assurance, since it is expected that the assurance standard will be adopted in a Reasonable form by 1 October 2028. The Board of Statutory Auditors, in noting that Poste, also with the support of a leading consulting firm, has launched a project to change to the new regulations, extended to all Group companies, aimed at issuing an attestation on the integrated report and thus on what will be the sustainability report, will continue to monitor the progress of the project activities. In addition, a specific induction session was held on this topic for Directors and Auditors.

The Board of Statutory Auditors held a specific meeting with the Poste Italiane Group's Data Protection Officer ('DPO'), during which it was informed that the Group has adopted a document framework on the protection of personal data available to all Poste Group employees in the 'Privacy' section of the corporate intranet, consisting of a series of Guidelines and Procedures, divided by area, based on the specific type of compliance required by the GDPR. These safeguards, with a view to uniform management of personal data, compliance and continuous improvement, guarantee the compliance with the GDPR provisions, ensuring respect for the principles enshrined therein.

*5. and 6. Information on any complaints presented pursuant to art. 2408 of the Italian Civil Code and petitions*

During the 2023 financial year, no statements were received pursuant to Article 2408 of the Italian Civil Code, but only one notification, sent by a shareholder to report a press release concerning the start of the investigation against Poste Italiane S.p.A. by the Antitrust Authority, a matter that the Board of Statutory Auditors is monitoring.

In this regard, it should be noted that the commencement of the investigation against Poste Italiane S.p.A. by the Antitrust Authority had already been communicated to the Board of Statutory Auditors on 8 February 2024, in compliance with the information flows provided for by the Poste Italiane Internal Control and Risk Management System (SCIGR).

Furthermore, during the year and up to today's date, the Board of Statutory Auditors has received various reports of disservices from customers/third parties, which cannot

be configured as complaints pursuant to art. 2408 of the Italian Civil Code, following which it asked the Company to carry out the necessary investigations with the competent functions aimed at obtaining clarifications on the events subject to reporting. On the basis of the checks carried out on the reported facts, which the Company took prompt action to manage and resolve, the Board did not find any irregularities to be reported to the Shareholders' Meeting.

*7. and 8. Oversight of the independence of the Independent Auditor. Disclosure of any additional non-audit engagements or ongoing relations with associates of the Independent Auditor and the related costs.*

The Board of Statutory Auditors has received the Independent Auditor's annual declaration verifying its independence, drawn up pursuant to art. 6, paragraph 2, letter a) of Regulation (EU) 537/2014 and paragraph 17, letter a) of ISA Italia 260, which confirms compliance with the ethical principles required by articles 9 and 9-bis of Legislative Decree 39/2010, not having identified situations that could compromise the Independent Auditor's independence in the period from 1 January 2023 until the date of issue of the declaration (4 April 2024).

Annexed to the notes to the Company's separate financial statements is a section entitled "Disclosure of fees paid to the Independent Auditor in accordance with art. 149-*duodecies* of the Consob Regulations for Issuers", which includes a table showing the fees payable to the Independent Auditor, Deloitte, and companies within its network for the year under review.

In view of:

- ✓ the independence declaration issued by Deloitte pursuant to art. 6, paragraph 2, letter a) of Regulation (EU) 537/2014 and paragraph 17 of ISA Italia 260 and the transparency Report prepared by it and published on its website pursuant to art. 13 of the above Regulation;
- ✓ the engagements assigned to the Independent Auditor and companies within its network by Poste Italiane and Group Companies;

the Board is not aware of any situations in which the Independent Auditor's independence has been compromised.

In line with Regulation (EU) no. 537/2014 and pursuant to the Group's "Guidelines for the assignment of engagements to the Independent Auditors" most recently

updated on 11 May 2022, the Board of Statutory Auditors, during the 2023 financial year and until the issue of this Report, issued a favourable opinion on the following additional tasks entrusted by the Group to companies belonging to the network of the Independent Auditors:

<b>Engagement</b>	<b>Amount</b>	<b>Company</b>
Extension of the activities entrusted to Deloitte Consulting under the scope of the “Sector actions in the field of multi-bank counting rooms” Project	€ 40,000 (plus VAT)	Deloitte Consulting S.r.l.
Engagement of auditing the Solvency Financial Statements and limited audit of the Solvency Capital Requirement (‘SCR’) and Minimum Capital Requirement (‘MCR’) with reference to Net Insurance S.p.A.	€ 48,000 (plus VAT and out-of-pocket expenses up to a maximum of 5% of the fees)	Deloitte & Touche S.p.A.
Engagement of auditing the Solvency Financial Statements and limited audit of the Solvency Capital Requirement (‘SCR’) and Minimum Capital Requirement (‘MCR’) with reference to Net Insurance Life S.p.A.	€ 22,000 (plus VAT and out-of-pocket expenses up to a maximum of 5% of the fees)	Deloitte & Touche S.p.A.

In addition, the Board received information on the appointment of Deloitte as Independent Auditor for the three-year period 2023-2025 for the following newly acquired companies:

<b>Engagement</b>	<b>Amount</b>
Net Insurance S.p.A. (Audit of annual financial statements, review of reporting package and review of half-year report for the nine-year period 2023-2031)	€ 96,000

Net Insurance Life S.p.A. (Audit of annual financial statements, review of reporting package and review of half-year report for the nine-year period 2023-2031)	€ 64,000
Sourcesense Platforms S.r.l. (Statutory audit of the annual accounts for the three-year period 2023-2025 )	€ 11,000

The assignment of engagements to the Independent Auditors is governed by the “Guideline for the assignment of engagements to the Independent Auditing Firm” (“Guideline”) issued in 2017 in order to ensure the transposition of the European regulatory evolution, aimed at safeguarding the independence requirement of the entity entrusted with the statutory audit of the accounts and to provide guidance on the assessment process when Poste and its subsidiaries confer engagements to the Independent Auditors, its network or related entities, subsequently updated on 11 May 2022. The Board also examined the additions (for both the statutory audit engagement and the ‘non-audit services’) that determined the change in the Auditor’s fee as at 31 December 2023 compared to the fees paid at the beginning of the mandate in 2020.

The Board of Statutory Auditors, with the support of the AFC function, has periodically monitored compliance with the quantitative limits for assignments to the Independent Auditor and its network for services other than auditing - which, as established by art. 4 paragraph 2 of Regulation (EU) no. 537/2014, must be capped at 70% of the average fees paid in the previous consecutive three years for the audit of the accounts of the audited entity.

In any case, based on the Guideline “Assignment of engagements to the Poste Italiane Group’s Independent Auditors - Poste Italiane Group”, except for reasons of opportunity related to the specific professional content and where the effectiveness requirements of the assignment to be assigned require it, it is not normally permitted to assign professional engagements classifiable as “Other services” to the Principal Auditor or to entities belonging to the Network of said Auditor.

*9. Disclosure of opinions issued pursuant to the law during the year.*

The Board of Statutory Auditors issued: (i) the opinion on the proposal formulated by the Remuneration Committee to determine the remuneration of the Chairman of the Board of Directors pursuant to Article 2389, paragraph 3, of the Italian Civil Code on 27 June 2023; (ii) the opinion on the proposal formulated by the Remuneration Committee for the determination of the remuneration to be paid to the members of the Internal Board Committees on 28 June 2023; (iii) the opinion on the economic and regulatory treatment of the Chief Executive Officer, pursuant to Article 2389, paragraph 3, of the Italian Civil Code on 27 September 2023. In addition, during the current year, on 27 February 2024, the Board of Statutory Auditors issued two further opinions on the contractual determination proposal concerning the new economic and regulatory compensation of the Chief Executive Officer, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, and on the proposal, to be brought to the attention of the Shareholders' Meeting on a voluntary basis, to update the compensation to be paid to the members of the Internal Board Committees, pursuant to Article 2389, paragraph 3, of the Italian Civil Code.

*10. Disclosure of the frequency and number of meetings of the Board of Directors, the Executive Committee and the Board of Statutory Auditors.*

During the year, the Board of Statutory Auditors took part in a total of 79 meetings, meeting 37 times in the Board of Statutory Auditors (of which 10 meetings held jointly with the Control and Risk Committee), with an average duration of the meetings of around 3 hours and 30 minutes, participating in all the meetings of the Board and those of the internal Board Committees; more specifically, the Board attended 12 meetings of the Board of Directors, 10 meetings of the Control and Risk Committee (held jointly with the Board of Statutory Auditors), 6 meetings of the Sustainability Committee, 6 meetings of the Nominations and Corporate Governance Committee, 10 meetings of the Related and Connected Parties Committee, 7 meetings of the Remuneration Committee, as well as 1 Ordinary General Meeting.

Lastly, the Magistrate appointed by the Italian Court of Auditors to oversee Poste Italiane's financial management pursuant to Law no. 259/1958, art. 12 has been invited to attend meetings of the Board of Statutory Auditors with external relevance.



*11. and 12. Observations on compliance with correct corporate governance principles and the adequacy of the organisational structure.*

The Board of Statutory Auditors oversaw, within the scope of our responsibilities, the adequacy of the Company's organisational structure and, more generally, that of the Group as a whole, based on the information and constant updates provided by the Company on its organisational arrangements, as well as by dedicating a specific meeting to this issue with the Head of the Human Resources and Organisation function ("RUO"). The Board was fully informed of the main organisational changes that had taken place, most recently those affecting the first quarter of the year, which resulted in a new structure of responsibilities at the top management level, concluding a transformation project that had been under way for some time. In fact, starting from the 2017 financial year, the Group was characterised by an omni-channel transformation with precise growth guidelines in the main business segments, which saw the establishment of the Corporate Affairs function with the role of guiding, controlling and coordinating the corporate structure, based on coordination and integration of competences; thereafter, in a highly competitive market context such as the current one, it became appropriate to adjust the Company's organisational structure through a redistribution of responsibilities and competences among the top corporate governance functions in order to make it even more responsive to current operations, and therefore the Board of Directors' meeting of 28 February 2024 approved the new organisational model that sees (i) strategic development and the preparation of corporate strategies concentrated, with particular reference to the "supervised" businesses, on the Chief Executive Officer and (ii) the management of the Group's industrial businesses on the figure of the General Manager, appointed to report directly to the CEO, with the simultaneous elimination of the role of Co-General Manager as well as the Corporate Affairs function.

Furthermore, the Board took note of the main organisational operations that concerned: (i) the Postal, Communication and Logistics area, in which a matrix-based organisational model was introduced, with the identification of Business and Process Managers, and the tools available to the PCL function were further strengthened; (ii) the establishment of the new Group Logistics Strategy function, in consideration of the important role played by the logistics business in the overall strategy and transformation required to cope with the continuous, major developments of the

relevant market; (iii) the strengthening of the Business and Public Administration Market function; (iv) the strengthening of anti-money laundering and anti-terrorism supervision, in line with the evolution of the regulatory framework of reference, through the redefinition of the perimeter of responsibility and the related structure of the Group Anti-Money Laundering function; (v) the establishment of the Premium and Private Marketing function responsible, inter alia, for activities relating to the analysis of characteristics and needs, the identification of the target market as well as opportunities for the evolution of the offer and service models for Private and Premium customers; (vi) the organisational strengthening of the ICT and Third Party risk areas for the recent changes in the supervisory regulations (40th update of Circular no. 285 of the Bank of Italy and the DORA Regulations); (vii) defining the scope of responsibility and organisational structure of the Group's Strategic Marketing function, to which the Poste Group's marketing structures functionally report.

With regard to the adequacy of the organisational structure, reference is also made to what has already been indicated in paragraph 4 on the implementation of the warning indicators set out in the Crisis Code. In this regard, in accordance with the guidelines of the National Institute of Chartered Accountants and Accounting Experts in its March 2024 document on the new report of the Board of Statutory Auditors, it is specified that the Board:

- did not make any reports to the administrative body pursuant to Article 25-octies of Legislative Decree No. 14 of 12 January 2019;
- it has not received any reports from public creditors pursuant to Article 25-novies of Legislative Decree No. 14 of 12 January 2019.

Therefore, taking the above into account, the Board of Statutory Auditors has not identified any elements that could lead it to deem the organisational structure inadequate.

### *13. Oversight of adequacy of the Internal Control and Risk Management System.*

With regard to the Internal Control and Risk Management System, the Board has noted the information on the system provided in the Report on Corporate Governance and the Ownership Structure on the Internal Control and Risk Management System.

The Board of Statutory Auditors met periodically with the Head of Poste Italiane's Internal Control function and, among other things, conducted in-depth discussions of

the results of the activities carried out in 2023, during the various specific meetings; it also acknowledged, during March 2024, the “Group Report on Assessment of the adequacy of the 2023 Internal Control and Risk Management System (“SCIGR”)”, drawn up by Poste Italiane’s Internal Control function, certifying that *“at the date of this report and for the relevant reporting period, the internal control and risk management system, taken as a whole, is fit for the purpose of mitigating the risks that threaten the successful pursuit of the Company’s objectives”*.

In expressing this assessment, the Internal Control function, in addition to integrating the assessment results represented during the year by the other corporate control functions envisaged by the SCIGR, considered (i) the main developments in the SCIGR and, in particular, the initiatives to strengthen it, (ii) compensatory controls and improvement actions implemented and/or in the process of being implemented in response to activities carried out and findings relating to the SCIGR highlighted by the Control Function and/or BancoPosta’s Internal Audit functions and the Audit functions of Group Companies, (iii) additional events with potential impacts on the SCIGR, including corporate project initiatives in specific operating areas, carried out or in the process of being progressively implemented, (iv) evidence deriving from the management of the Whistleblowing reporting system.

The audit results received by the Board, as well as the summary concerning the overall assessment of the SCIGR, showed that in 2023, the overall assessment value was an improving score that confirms an assessment of full adequacy, respecting the balance between effectiveness and the low cost nature of the control system.

The activities envisaged in the 2023 Audit Plan were completed by ensuring the planned levels of audit coverage of business processes, necessary to express the Overall Assessment of the Internal Control System from a Positive Assurance perspective. In addition, a high level of coverage was also achieved of multiple processes concerning Group Subsidiaries, taking into account the supervision performed by the Audit functions of Group Companies, where present.

The control system of the ‘Information Technology’ area, which had a slightly declining adequacy rating last year, was strengthened by the completion of the Action Plans for the platforms for electronic document management (GECT) and for administrative-accounting management (SAP ERP S/4 HANA), as well as by the

introduction of cross-sector controls, a new model for security updates, automatism for vulnerability management, and standards for the security of cloud resources and micro-services. The areas to be strengthened lie in the area of IT security, whose weaknesses relate mainly to software obsolescence.

For Transport Network Management, although the PCL function was found to have initiated evolutionary initiatives, with the revision of the business model and the adaptation of the logistics network to the changed market requirements for traditional products and new value-added services, the audits carried out confirm an assessment of the control system at the limit of adequacy.

The Off-Premises Channel, attributable to the management of Business customers, which last year had shown an Internal Control System that was not yet fully adequate, in terms of monitoring revenue assurance objectives, although some developments are in progress, recorded a slight improvement, even though there are still some areas of weakness in the revenue assurance of the parcels sales contracts entered into by third-party networks or partner channels and in the integration between the various commercial channels, while the delivery and collection of parcels at lockers and tobacconists were more consolidated, thanks also to the computerisation of controls. The management of parcels, despite developments in intra-group logistics with the automation of hubs, was at the lower limits of adequacy, as controls over the Group's marketing and sales processes, supplier management and revenue assurance, as well as the structuring of cross-sector monitoring, could be improved.

The Board of Statutory Auditors, also following the meetings held with the Control Bodies of the most relevant Group Companies, periodically acquired information on the risk areas present in the Subsidiaries as a result of certain reviews of the Group's organisational structure. Based on the audit findings received by the Board, as well as the summary relating to the overall assessment of the SCIGR at the Subsidiaries, the Board noted that the Internal Control System of the Group Companies is still not homogeneous; for some Subsidiaries (in particular SDA, Postel, Poste Air Cargo, Nexive and MLK) the opportunity to improve certain aspects relating to the management of the Group's ESG areas was noted, while for BancoPosta Fondi SGR, for example, the need to update the ESG governance process model emerged. In Poste Welfare Servizi, an administrative service in the supplementary healthcare sector,

areas for improvement emerged, mainly related to the monitoring of KPIs and business objectives and to controls to ensure the reliability of billing data.

Areas for improvement also emerged in the SDA Subsidiary with regard to remuneration, contributions and insurance of personnel employed at the agencies contracted by SDA, while for Nexive's partner branches, areas for improvement were highlighted in the application of controls at certain stages (stock and reporting of outcomes) and with regard to labour and OSH regulations.

With regard to MLK, areas for improvement have emerged that can be traced back to the control of the various process areas in terms of risk analysis and formalisation of activities, controls and related responsibilities, while an insourcing process is under way, aimed at transforming MLK into a specific technological competence centre.

On the other hand, there have been developments in the integration of Sengi into the Group and in the revision of processes with a view to making them more efficient (Lean Project), although actions to strengthen the control system have yet to be implemented.

In summary, while noting a positive process in progress, the evidence points to the need for further consolidation of the Action Plans to achieve control levels in the Subsidiaries in keeping with the Parent Company's standard.

The Board emphasises the importance of maintaining a constant focus on the areas of improvement identified and monitoring the development of the Control System in the Subsidiaries.

In 2024, it became necessary to adjust the Company's organisational structure through a redistribution of responsibilities and competencies among the top corporate governance functions in order to make it even more responsive to the current business and market environment and to achieve the challenging objectives of the new strategic plan more effectively. TO this end, in March 2024, the Board of Directors revised the top management structure with the creation of the figure of General Manager, reporting to the Chief Executive Officer, with the responsibility of supervising and coordinating the activities of almost all organisational structures, thus eliminating both the previous role of Co-General Manager and the organisational structure, replacing the Corporate Affairs ("CA") function in the role of directing, controlling and coordinating the corporate structure. In 2023, the Company continued the process of strengthening of the SCIGR as an enabling factor for the consolidation of the

processes, which are based on the principles of integrity, transparency, legality, sustainability and value creation, consolidating the path undertaken for the development and continuous improvement of the governance and risk management model, to ensure that it is fully aligned with the principles defined by the Corporate Governance Code, with international regulatory standards, as well as with the objectives of integrity and full traceability of the activities that represent the key principles of the group; furthermore, as part of the activities aimed at developing the governance controls, Poste has defined an integrated process at Group level that makes it possible to strengthen or create operational synergies between the various specialised controls units and to guarantee unitary governance, also thanks to a clear definition of the roles and responsibilities of the players involved.

Also during 2023, multiple initiatives were implemented aimed at strengthening and continuing to develop the SCIGR; in particular, we highlight:

- the inauguration of the new fraud prevention centre with the aim of ensuring the security of transactions carried out on-line and in all post offices;
- the evolution of the third-party network development model, which was entrusted to the subsidiary LIS Holding, replacing the previous commercial oversight entrusted to the “Business and Public Administration Market” function, in order to exploit synergies in the challenges offered by the commercial services market;
- the updating of the “Group Process Model” in which the category of ‘hybrid’ processes is introduced for all companies, alongside business and staff processes, as they are both ‘enabling’ and ‘business’ processes, emphasising the focus on green issues;
- as part of Poste’s transformation towards the role of an ‘all-round’ logistics operator, the establishment of the “Transformation Governance” function reporting directly to the Head of the PCL function, with the task of overseeing innovative projects, ensuring consistency with the multi-year strategic plan and for objectives related to the green transition;
- the establishment within the “Business and Public Administration Market” function of two new sales areas dedicated to the offer of express courier and parcel products and services and the related business development, and two sales functions for healthcare logistics and digital solutions;

- as part of the development of services for the health and well-being of Poste’s employees, the creation of the “Medical Centre and Health Services” function;
- in PostePay, with a view to strengthening business functions in support of business plan objectives and risk and outsourcing controls, in line with supervisory guidelines, the establishment of the “Operating Systems and Outsourcing Governance” and “Energy Risk Management” functions;
- also at PostePay, as part of the growth and diversification path envisaged in the “SI24+” Plan, the strengthening of control functions, with the redefinition of the perimeters of responsibility of the “Risk Management & Compliance” and “Internal Audit” functions;
- in Poste Vita, the establishment of the “Operations Performance Management and Data Governance” function, with the task of ensuring the integrated monitoring of the performance indicators of the “Insurance Operations” function and the service levels provided;
- the reactivation of the Credit Transfer service, limited only to the ‘first assignments’ and the establishment of the “Legal Foreclosure and Construction Credits” function within Legal Affairs, which, among other things, is responsible for ensuring the monitoring and management of civil and criminal actions for the recovery of outstanding receivables arising from building bonuses and/or regulatory provisions.

In addition, the Board of Directors has implemented various organisational initiatives designed to strengthen the Internal Control System, through the approval:

- updating of the Internal Rules for the procedures for the awarding of works, services and supply contracts in the light of the new Public Contracts Code (Legislative Decree no. 36 of 31 March 2023), pursuant to Art. 4.1 of the Guidelines “Corporate Regulatory System 24 July 2023”;
- the updating of the “Group’s Anti-Money Laundering Guidelines”;
- the updating of the “Guidelines for Internal Auditing - Poste Italiane Group”;
- the updating of Poste Italiane’s Code of Ethics.

During 2023, the Group’s purchasing management, following the centralisation that started in June 2018, reached an advanced centralisation process and the Purchasing function has now been consolidated as a reference point for the adoption of the Group



Purchasing Policies, in planning and reporting, as well as in overseeing the entire purchasing process. Furthermore, during said year, Poste confirmed its position among the main economic and production companies in the country qualified in terms of sustainable management of purchasing processes and relations with suppliers, maintaining the certification on Sustainable Procurement (ISO 20400).

The Poste Italiane Group bases its purchasing processes on relationships geared towards full compliance with legality and transparency, monitoring compliance with current regulations and company directives to guarantee quality, worker protection and environmental standards, and in 2023 Poste updated the relevant internal regulatory tools in the area of Purchasing in line with regulatory developments relating to Legislative Decree no. 36 of 31 March 2023 as amended (Code of Public Contracts).

With reference to the Group's Business Continuity Management, during the meeting with the Heads of the Digital, Technology & Operations ("DTO"), Risk Management and Outsourcing Governance functions of BancoPosta ("RMGO") and CERT in the Business Continuity Management area, the Board of Statutory Auditors was informed of the acceleration in the implementation of the evolution roadmap shared in November 2020 due to Poste's increasingly important role in the provision of services to citizens and the need to meet increasingly stringent service levels.

The Board was able to confirm the important evolution of the Crisis & Business Continuity Management model at Poste, which, originally based on a structure by business area, thanks to the centralisation initiative started in 2020, has become a single Organisational Model for the Group that sees centralised governance extended also to the Obligated Parties and the adoption of advanced technological solutions to support Business Continuity and the underlying aspects in terms of IT security. In order to ensure an effective Business Continuity solution, there has been an evolution of the architecture, through the adoption of new technological solutions and new operating modes as well as technological renewal, removing the obsolescence of Hardware and Software systems and consolidating the IT infrastructure. The Board has been informed that the multi-business and multi-channel approach that characterises the Poste Group entails continuous evolution both from an infrastructural and an application perspective, which obviously requires engineering and customisation/automation throughout the value chain.

With regard to the implementation of the European Union's Digital Operational Resilience Act ('DORA') Regulation, Poste is well positioned as the Company already has a well-structured Group Business Continuity System in place and the organisation is also well implemented, so only minor adjustments are necessary. Therefore, it is believed that there will be a smooth transition from the old to the new platform that will come into operation in the year 2024.

Over the course of the various meetings held with the Board of Statutory Auditors, the Head of the Group Anti-Money Laundering function clarified the controls that support the qualitative and quantitative adequacy of the Group Anti-Money Laundering function and reported on the consolidation of the organisational structure of the anti-money laundering structures at central and territorial level. With reference to the "Activity Plan of the Group Anti-Money Laundering function" at 31 December 2023, 7 of the 9 initiatives identified in the 2022 Annual Report have been completed. In particular, the measures enabling the use of the Electronic Due Diligence Procedure were completed in line with the commitments undertaken and communicated to the Supervisory Authority following the inspections conducted in 2022 on BancoPosta and PostePay. With reference to the two re-planned initiatives, namely the updating of the Group Anti-Money Laundering Function's procedural system (Guidelines, Procedures and Operating Instructions) and the reporting tool, it should be noted that (i) the Group Anti-Money Laundering Guideline was approved by the Board of Directors on 18 October 2023 and the Group Anti-Money Laundering Procedure and Operating Instructions had already started the publication procedure at the end of March, (ii) for the reporting application, the initiative, although later than planned, is only aimed at increasing the efficiency of the control activities already carried out with the current tools in use.

The results of the consolidated assessment, carried out by the Group Anti-Money Laundering function for the year 2023, show that the level of "residual risk" to which the Group (consisting of Poste Italiane S.p.A. and all the Obligated Parties, with the addition from this year of LIS PAY) is exposed, in the opinion of the function is classifiable as "low", in line with the results achieved in the year 2022.

The Board of Statutory Auditors also noted that, as in previous years, in 2023 the drop in the volume of reports at Group Anti-Money Laundering level continued, due to (i) the lower contribution of those related to offences involving tax credits and (ii) the

increase in investigation times due to the improvement of quality-improvement audits as per the specific indications received during the year from the UIF.

The Board acknowledged that in 2023, the Suspicious Transaction Reports (“SOS”) sent to the Financial Information Unit (“UIF”) amounted to 20,028 (a decrease of 24% compared to 2022), of which 49 SOS of terrorist financing (down 27% compared to 2022) and 59,316 initiative reports of the postal offices.

In addition, training of the target population continued; there were 107.4 thousand requests for judicial assessments (+11% compared to 2022). Of the eight anti-money laundering charges notified by the Ministry of Economy and Finance (‘MEF’) in 2023, only one relates to a failure to report SOS, while the others relate to charges for violations concerning failure to affix the non-transferability clause on cheques.

The Board was also informed that, with reference to the sanctioning procedure initiated against Poste Italiane S.p.A. for shortcomings in its organisation and controls in the area of anti-money laundering, with particular reference to customer due diligence obligations, which emerged during the course of inspections at the intermediary BancoPosta in 2022 focusing on the tax credits business, on 21.09.2023 the Directorate of the Bank of Italy served Poste Italiane S.p.A. with a notice informing it that no further action would be taken on the sanctioning process.

Finally, the Board discussed in detail with the Head of the Group Anti-Money Laundering function the improvement measures envisaged in the 2024 Plan and the relevant time-lines for their implementation.

On the subject of risk management, the Board of Statutory Auditors verified that the Company has continued its commitment to strengthening the Internal Control and Risk Management System (SCIGR) as an enabling factor for the consolidation of processes and procedures, which are based on the principles of integrity, transparency, legality, sustainability and value creation that inspire the Group’s work and that guide, day by day, the behaviour of its staff in the pursuit of sustainable success, as well as in the creation of shared value in the long term. Moreover, with the aim of ensuring alignment with the criteria set out in the Corporate Governance Code and with national and international regulatory standards, as well as with the objectives of integrity, transparency and full traceability of the Group’s activities, Poste Italiane has continued its commitment to the development and continuous improvement of its governance and risk management model.

Based on the Group Risk Management Guidelines and in accordance with the SCIGR Guidelines approved by the Board of Directors, integrated risk monitoring is performed on an ongoing basis by the Group's Sustainable Development, Risk and Compliance function, through the analysis of the trend of the most representative indicators of the Group's main risks, i.e., the "Top Risks" and the specific actions planned to address them. Risks, indicators and management actions are identified through the Risk Assessment process, carried out on the basis of the ERM (Enterprise Risk Management) framework, and shared with the risk owners and risk specialists responsible for each risk area (financial and insurance risks, operational risks, IT security risks, etc.) the Risk Assessment has the objective of identifying and assessing risks from an integrated perspective that could undermine the full achievement of the strategic objectives defined in Poste Italiane's Strategic Plan, structured on the basis of the four segments of which the Group is composed (Mail, Parcels and Distribution, Financial Services, Insurance Services, Payments and Mobile). The Risk Assessment revealed (i) 35 Tier 1 and Tier 2 top risks (of which 7 in Mail, Parcels and Distribution, 4 in Finance, 7 in Insurance, 3 in Payments and Mobile and 14 across the board); (ii) 319 indicators associated with Tier 1 and Tier 2 risks and (iii) 57 management actions associated with Tier 1 and Tier 2 risks.

Within the Top Risks, for those considered most relevant to the Group, a predefined level of risk appetite or Risk Appetite Framework (RAF), consistent with the strategic objectives of the Plan, is approved by the Board of Directors. It should be noted that the actions taken during 2023 and the risk safeguards implemented through the definition of risk prevention and continuous monitoring measures were, on the whole, successful in containing the residual risk within acceptable levels.

With reference to the RAF 2024, which was approved by the Board of Directors in March 2024, acceptability and tolerance levels were defined for the Group's main risks resulting from the Risk Assessment process, the performance of which will be monitored through the analysis of the trend in specific indicators and corresponding management actions. The risks that constitute the main threats to the achievement of the Group's objectives, also taking into account reputational and ESG impacts, and for which the risk appetite for the financial year 2024 has been defined, include those related to the deterioration of the quality delivered, failure to meet customer needs and IT security, as well as risks related to the evolution of the macroeconomic scenario.

The RAF 2024, at Group level, following the strategic risk assessment process, was supplemented with a set of indicators, with respective thresholds, associated with the risk of an unfavourable evolution of the macroeconomic scenario, concerning Dividends, Liquidity and Financial Structure, Economic Performance, which also summarise the performance of the most relevant financial and insurance risks affecting BancoPosta, Poste Vita and PostePay. The qualitative and quantitative indicators identified with regard to the aforementioned risks have been approved by the BoD and will be monitored on a quarterly basis, together with the treatment actions deemed appropriate to contain the exposure within the established level.

Within the framework of the Strategic Risk Assessment activities, the identified risks were categorised on the basis of 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 materialise, as well as based on the potential pervasiveness of the impact of these effects with respect to the individual Business Units. In addition, Sustainability Pillars and potentially impacted capital resources were associated with each emerging risk.

For the purpose of strengthening the governance controls and the continuous evolution of the Group's SCIGR, in 2023 the Integrated Compliance Model was strengthened at Group level, implemented with the specific purpose of guarding against the compliance risks to which the Group is exposed, as well as strengthening/creating operational synergies between the various specialised control units and guaranteeing unified governance in the management of compliance risks, also thanks to a clear definition of the roles and responsibilities of the players involved in the process activities.

The activities of the Group's Sustainable Development, Risk and Compliance function are supported by the Group's integrated GRC platform - *RSA Archer* ("GRC") IT application used by the Group to support its Risk Management and Integrated Compliance processes; during 2023, the GRC platform's functionalities were strengthened and extended; the adoption of this platform has fostered the dissemination of the Risk Management and Compliance culture at every level of the company, ensuring a coordinated and systematic management of the main issues relevant to the Company and is now considered the largest in Italy and among the best solutions implemented in Europe and globally, with particular regard to the number and relevance of the risk areas handled and the degree of integration between them.

With reference to Group risk management, the Board reiterates the recommendation to the strategic supervisory board to periodically monitor above all financial risks, especially interest rate risk, also on a multi-year perspective, periodically updating the assessment of said risks and constantly verifying the investment and hedging policies through a periodic investigation by the competent Control and Risk Committee also in conjunction with the activities of the managerial committees. In this regard, the Board, in view of the composition of the Group's securities portfolio, which shows a concentration on government securities, as well as the effects on equity as a result of the change in the fair value reserve on securities held and the related effects on capital gains and unrealised capital gains, as in previous years, recommends that the Board of Directors and the Group Sustainable Development, Risk and Compliance function and RMGO function of BancoPosta should keep this area of significant risk under constant review as part of their periodic monitoring of the main drivers of the business plan and related sensitivity, assessing the effects of adverse scenarios and verifying the related safeguards and appreciating the level of residual risk, with specific focus also on a medium- to long-term basis.

Poste Italiane has defined the new 'Strategic Plan 2024-2028', approved by the Board of Directors on 19 March 2024 and presented to the market on 20 March 2024, whose main objective is to configure Poste Italiane as a platform company that evolves towards a diversified, integrated and sustainable business model, offering its customers an increasingly wider range of products/services. The Plan makes provision for the continuation of the transformation of the logistics segment, as well as developments of the offer in the insurance area, to support the net inflows of the Life segment and confirm its ambition to reduce the country's current under-insurance condition compared to other countries, also 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 is expected to evolve towards digital and innovative payment solutions and, at the same time, the Subsidiary will represent the integration layer on which to pursue the development of the telephony and energy 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 omni-channel experiences easier.

In line with the previous Business Plan, the new Strategic Plan also hinges on ESG principles and responds to the challenges of sustainability by setting targets up to 2030,

in terms of reducing the Group's emissions and supply chain; these must be augmented by socio-economic elements such as developing people's skills and enhancing staff to foster change, promoting the values of diversity, equal opportunities and inclusion, and identifying the expectations of all generations including young workers. It should be noted that in 2023, the Company maintained flexible forms of work (*smart working*), as an alternative to the traditional way of working in a face-to-face setting, while still ensuring flexible work for vulnerable staff.

The Poste Italiane Group's Sustainable Development strategy is embodied in the ESG Plan, which has been renewed, taking into account the results of the materiality analysis, in a synergistic manner with the new 'Strategic Plan 2024-2028' with specific short-, medium- and long-term objectives, in order to make the Group's 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.

During the year 2023, the Board of Statutory Auditors periodically met with the Supervisory Board ('SB') in order to acquire the appropriate information on the implementation of the Organisational Model 231 (also 'Model 231'), as well as relevant and general information on the adoption of the Organisational Model by the Subsidiaries. Furthermore, the Board was informed of the outcome of the supervisory activity carried out by the Supervisory Board in the year 2023 and, also taking into account the information flows transmitted by the Whistleblowing Committee, noted that no significant critical issues or violations of the Organisational Model 231 or the Company's Code of Ethics came to light.

In the periodic exchange of information with the Supervisory Board, the Board was informed that during the second half of 2023, following the new Risk Assessment and Gap Analysis 231 cycle conducted with the involvement of all corporate functions - with the aim of analysing the information contained in the Matrix for the Identification of Activities at Risk (MIAR) and identifying the need to update the OM231 - a further



update of the Model 231 was carried out, which will be submitted to the Board of Directors for approval in April 2024. The main areas of updating the Model 231 relate to the transposition of new 231 regulations (extension of the catalogue of 231 offences), the new Code of Ethics (November 2023), changes to the Whistleblowing regulation, the Internal Control System (evolution of the Control Principles and Rules of Conduct - Special Parts of the Model), changes in view of the usability of the document (new Process Sheets).

In view of the increased size of the Poste Group as a result of the company acquisitions in the last two years, the Supervisory Board has for some time now raised the number of meetings with the Supervisory Boards of the Subsidiary Companies - in order to ensure a constant exchange of information with all the Boards, within the framework of the full separation of the respective areas of responsibility concerning the controls on the operation of and compliance with the respective Models 231. As part of the initiatives promoted aimed at strengthening Group Compliance 231, a new Group Framework Agreement was entered into with an external supplier - with the involvement of most of the Subsidiaries - for specialist support for the evolution of Risk Assessment and Gap Analysis 231 and Model 231.

In this context, the dedicated IT system (GRC-RSA Archer) - mentioned above - was progressively updated on the basis of the evidence emerging from the monitoring of the 231 Risk Assessment and Gap Analysis activity.

The Board was informed about the initiatives undertaken by the Company on the subject of certifications, especially in the area of 'Anti-corruption' with respect to which in 2023 the Company obtained 'Quality and Corruption Prevention Management System' certification on the entire perimeter of company processes and sites. In addition, the certification for Gender Equality was also obtained in 2023.

The Board of Statutory Auditors monitored, also through specific meetings with the Whistleblowing Committee, the progress of the project to comply with the new regulations introduced by Legislative Decree no. 24/2023, implementing the EU Directive 2019/1937, as well as the "New Poste Italiane Group Whistleblowing Portal" Project. As part of these activities, the Board of Statutory Auditors took note of the analysis carried out to verify the possibility of modifying existing processes in order to make the Parent Company's IT platform ("Portal") usable by the smaller



Subsidiaries to ensure that all Subsidiaries are compliant with the regulations under review.

The Board of Statutory Auditors verified that Poste Italiane had already complied with the new legislation in compliance with the legal deadline of 15 July 2023 for companies with more than 249 employees, monitoring the compliance activities of Group Companies as well, and was informed by the Whistleblowing Committee that Subsidiaries with between 50 and 249 employees had also aligned with the new legislation in compliance with the legal deadline (17 December 2023). In fact, within the terms of the law, the Institutional Whistleblowing Portal of Poste Italiane was implemented - for the benefit of Group Companies - equipped with encryption keys, with the consequent deactivation of the impersonal e-mail inboxes previously used for Group Companies, and the Privacy Policy for each Subsidiary was updated.

Lastly, the Board was informed that during the year, the Supervisory Board monitored the Project for the Review of Poste Italiane's Code of Ethics (previous version: April 2018), which was approved at the Board of Directors' meeting of 6 November 2023 and subsequently sent to the Subsidiaries for subsequent implementation.

In summary, in light of the overall activities carried out and considering:

- the organisational structure of the Group in general and of BancoPosta RFC specifically;
- the existing set of procedures and their continuous updating;
- the results of the verification and evaluation activities received by the Board of Statutory Auditors from the BancoPosta's Internal Control as well as the Internal Auditing functions;
- the results of the inspection activities carried out by the various Supervisory Authorities;
- the assessment results recorded during the year by the other corporate control functions provided for by the internal control and risk management system;
- the information acquired during participation by the Board of Statutory Auditors in the meetings of the Board of Directors and Board Committees;
- the exchange of information with the Independent Auditor, the Data Protection Officer ("DPO") and the SB pursuant to 231/2001;
- the main developments of the SCIGR and, in particular, the initiatives to strengthen it;

- the compensatory controls and improvement measures implemented and/or in progress in relation to the activities carried out and the findings relating to the SCIGR highlighted by Poste Italiane's Internal Control function;
- the compensatory controls and improvement measures implemented and/or under way in relation to the findings relating to the SCIGR highlighted by the BancoPosta Internal Audit functions and the Audit functions of Group companies;
- further events with potential impacts on the SCIGR, including corporate project initiatives in specific operational areas, implemented or in the process of progressive implementation;
- the evidence acquired from management of the Whistleblowing reporting system the Board of Statutory Auditors is not aware of critical situations or events that might suggest shortcomings in the Internal Control System of Poste Italiane overall and of BancoPosta RFC in particular.

*14. Observations on the adequacy of the Company's administrative/accounting system and its reliability in representing operating activities*

The Board of Statutory Auditors examined and oversaw, within the scope of our responsibilities, the adequacy of the Company's administrative/accounting system in reliably representing operating activities, the effectiveness of the Internal Control and Risk Management System and the financial reporting process, by: (i) collecting information from the managers of the various functions, from the Independent Auditor and the Manager responsible for financial reporting; (ii) examining the annual Report by the Manager Responsible for the Internal Control System for preparing the accounting and corporate documents; (iii) participating in the meetings of the Control and Risk Committee, the Sustainability Committee and the Related and Connected Parties Committee; (iv) examining the results of the activities carried out by the Poste Internal Control Function and the BancoPosta Internal Audit Function; (v) examining the proposed Audit Plan for 2024, prepared by both Poste's Internal Control function and BancoPosta's Internal Audit function; (vi) examining reports prepared by Poste's Internal Control function and BancoPosta's Internal Audit function; (vii) information on news and notices of inspections and proceedings by Bodies and Supervisory Authorities, including independent, of the Italian government or European Community, for details of which, reference is made to the information given in the

paragraph on “Main relations with the Authorities” of the notes to the financial statements.

The Board also notes the Attestations, dated 19 March 2024, of the separate and the consolidated financial statements for the year ended 31 December 2023 pursuant to art. 154-bis, paragraph 5 of the CLF and art. 81-ter of Consob Regulation 11971 of 14 May 1999, in which the Chief Executive Officer and the Manager responsible for financial reporting declare, among other things, that the separate and consolidated financial statements:

- have been prepared in compliance with the International Financial Reporting Standards endorsed by the European Union through EC Regulation 1606/2002, issued by the European Parliament and by the Council on 19 July 2002;
- are consistent with the underlying accounting books and records;
- give a true and fair view of the financial position and results of operations of the issuer and the companies included in the scope of consolidation.

The Chief Executive Officer and the Manager responsible for financial reporting also declare that the Report on Operations includes a reliable analysis of the operating and financial performance and situation of the issuer and the companies included in the scope of consolidation, as well as a description of the main risks and uncertainties to which they are exposed.

*15. Observations on the adequacy of the guidelines communicated by the Company to its subsidiaries pursuant to art. 114, paragraph 2 of Legislative Decree 58/1998.*

Also in 2023, the Board found, through a specific meeting with the Corporate Affairs function, the adequacy of the guidelines communicated by the Company to its subsidiaries pursuant to art. 114, paragraph 2 of the Consolidated Law on Finance, following revision of the “Guideline for Management and Publication of Confidential Information, and Maintenance and Updating of the Related Registers”, approved by the Board of Directors on 22 June 2017, revised on 2 October 2018 and last updated on 30 July 2020.

The Board of Statutory Auditors met periodically with the Boards of Statutory Auditors of the Group’s main Subsidiaries in order to verify the correct implementation of instructions issued by the Parent Company. In particular, the Board found that the implementation within the Group of the MAR Guidelines on Insider

Management and Internal Dealing (including the insider procedure) is continuous and timely. For the Net Group, which was acquired in 2023, the transposition of the aforementioned Guidelines has already been planned, while for the companies newly established in early 2024 (MLK Fresh s.r.l. and Poste Logistics S.p.A.) the transposition is planned in the coming months.

In addition, as provided for in Article 151(1) and (2) of the Consolidated Law on Finance, the Board of Statutory Auditors acquired the reports of the control bodies of the main subsidiaries and/or the information transmitted by them following specific requests.

*16. Oversight of the statutory audit of the annual and consolidated accounts and observations on any key aspects that came to light during meetings with the Auditor pursuant to art. 150, paragraph 3 of Legislative Decree 58/1998.*

The Board of Statutory Auditors had effective and timely communication with the Independent Auditor, for the purpose of the mutual exchange of information useful for the performance of their respective duties, pursuant to art. 150, paragraph 3, of the CLF. The Independent Auditor did not find any acts or facts considered reprehensible or irregularities that required the formulation of specific reports pursuant to art. 155, paragraph 2, of the CLF.

On 4 April 2024, the Independent Auditor issued the Additional Report pursuant to article 11 of Regulation (EU) no. 537/2014, of which the annual confirmation of independence is an integral part. The Auditor has not deemed it necessary to issue any letter of suggestions to the Company's management on the understanding that certain points for improvement are contained in the Report pursuant to article 11 of EU Regulation no. 537/2014. With regard to these points, the Board of Statutory Auditors recommends that the Directors evaluate them with a view to their subsequent implementation.

The 2023 Audit Plan was illustrated by the Independent Auditor to the Board at a specific meeting.

The Independent Auditor has not informed us of any events or circumstances identified during the performance of the audit that might raise significant doubts about the ability of the Company or the Group to continue to operate as a going concern, nor regarding material shortcomings in its internal control system over financial reporting

and/or in its accounting system, or any significant doubts over instances of non-compliance, whether effective or presumed, with laws, regulations or statutory requirements identified during the performance of the audit.

The Reports on the Audit of the Separate and Consolidated Financial Statements include an illustration of the key aspects that, in the Auditor's professional opinion, were most significant in the audit of the Separate (Estimate of the recoverable value of the "Mail, Parcels and Distribution" business segment) and Consolidated Financial Statements for the year (Goodwill impairment test on the "Mail, Parcels and Distribution" CGU and on the "Payments and Mobile" CGU, Valuation of Liabilities for Insurance Contracts and First-time Application of IFRS 17 - Insurance Contracts). The Auditor does not express a separate opinion on these key issues, for which the Auditor's Reports explain in detail the relevant audit procedures adopted, since they have been addressed in the audit and in the preparation of an opinion on the financial statements as a whole. The above key aspects were the subject of detailed analysis and updating during the periodic meetings that the Board of Statutory Auditors held with the Independent Auditor. The Board of Statutory Auditors also discussed these key issues in depth, as well as the main themes of the 2023 financial statements, with the Company's management in specific meetings.

*17. Oversight of application of the Corporate Governance Code for listed companies.*

Pursuant to art. 149, paragraph 1, letter c-bis of the CLF, the Board oversaw the procedures involved in effective implementation of the rules provided for in the Corporate Governance Code adopted by the Board of Directors.

- ✓ With regard to the activities provided for in the Corporate Governance Code, the Board of Statutory Auditors not only held 37 of its own meetings during the year, but also ensured its participation in all the meetings of the Board of Directors and internal Board Committees, in addition to general meetings of shareholders, for a total of 79 meetings.
- ✓ Given the complexity of the corporate transactions carried out, the number of related parties and their heterogeneity, the Board of Statutory Auditors has appreciated the strengthening of the process, starting from September 2022, through the integration of the quarterly report brought to the attention of the members of the Related Parties Committee and of the Board itself, with additional

documentation signed by the Manager of the Proposing function in which the reference parameters for the ordinariness of the transaction are certified (in relation to the types set forth in the Consob Regulation and the provisions of the Bank of Italy) and the existence of conditions equivalent to market or standard conditions.

- ✓ The Board of Statutory Auditors, for matters within its competence, verified the contents of the “Report on Corporate Governance and the Ownership Structure”, prepared by the Directors in accordance with the instructions contained in the Regulations on Organised Markets managed by Borsa Italiana S.p.A. and in the Consolidated Law on Finance. Moreover, the Board of Statutory Auditors, during a meeting of the Nominations and Corporate Governance Committee and a Board meeting during which the communication of 14 December 2023 of the Chair of the Corporate Governance Committee of Borsa Italiana was discussed - addressed to the Chairs of the Boards of Directors (and, for information to the Chief Executive Officers and to the Chairs of the Boards of Statutory Auditors) of Italian listed companies - and which saw an in-depth analysis of the Company’s structure with respect to the four recommendations indicated in the aforementioned communication, noted that the Company’s positioning in terms of governance structure is fully aligned with best practice.
- ✓ The Board, for matters within its competence, has taken note of the contents of the Remuneration Report prepared by the Directors. In addition, the Board, through its participation in the Remuneration Committee meetings, also examined the MBO incentive scheme, as well as the Performance Share LTIP.
- ✓ In March 2024, the Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the BoD to assess the independence of Directors, noting that the assessment was carried out during the meeting of the Board of Directors held on 25 January 2024, following the preliminary examination and favourable opinion expressed by the Nominations and Corporate Governance Committee at its meeting of 23 January 2024. The assessment was conducted in accordance with the provisions of the Guideline on the “Application criteria and procedure for assessing the independence of Poste Italiane S.p.A.’s Directors” (pursuant to art. 2, Recommendation no. 7, of the Corporate Governance Code), on the basis of (i) self-declarations issued by each Director, (ii) historical chamber of commerce records (“personal files”) of each Director, containing evidence of current offices and those no longer held and (iii)

information obtained directly by the Company, with reference to any relationships and/or relations of an economic/financial nature existing between the Group companies, the Directors and any of their related parties, in line with the provisions on the independence requirements of art. 2, Recommendation no. 7 of the Corporate Governance Code.

In addition, the Board of Statutory Auditors noted that following the renewal of the Board of Directors appointed by the Shareholders' Meeting of 8 May 2023, during the meeting in which the latter took up office, held on the same date, the Board of Directors verified that the non-executive directors met the independence requirements and that subsequently, at the meeting held on 31 May 2023, the Board of Directors verified the integrity requirements (pursuant to law and the Articles of Association) and the suitability requirements and criteria (pursuant to Ministerial Decree No. 169/2020) of the members of the Board of Directors and the heads of the main corporate functions (as defined in the same Ministerial Decree No. 169/2020).

- ✓ In February and March 2024, the Board carried out the assessment of the independence of its members, verifying the existence of the related requirements, contemplated in the Consolidated Law on Finance and in the Corporate Governance Code, also taking into account the results of the investigations carried out by the Company with regard to any outstanding economic or financial transactions and/or relationships with Group Companies.
- ✓ The Board of Statutory Auditors also took note of the activities carried out by the Company in order to implement the recommendations reported in the 11th Report on the Application of the Corporate Governance Code of the Corporate Governance Committee established in 2011 by the Business Associations (ABI, ANIA, Assonime, Confindustria), Borsa Italiana S.p.A. and the Association of Professional Investors (Assogestioni).

Pursuant to the Corporate Governance Code, the Board of Statutory Auditors was also consulted by the Control and Risk Committee in 2023 regarding the following:

- definition of the Audit Plan;
- evaluation of the results set out by the Statutory Auditor in the Report pursuant to Article 11 of EU Regulation No. 537/2014 concerning the separate and consolidated financial statements as at 31 December 2023;

- correct use of accounting standards and their homogeneity within the Poste Italiane Group for the purpose of preparing the consolidated financial statements;
- correctness of the decision-making process adopted by the Directors with respect to the distribution of an interim dividend for the year 2023 pursuant to article 2433-bis of the Italian Civil Code, paid in November 2023, verifying compliance with the conditions provided for by the regulations for the payment of the interim dividend, in line with Poste Italiane’s economic and financial performance in the first half of 2023, as well as the outlook for the year 2023.

#### *18. Self-assessment process for the Supervisory Board*

Lastly, in compliance with the Bank of Italy’s Supervisory Standards, Rule Q.1.7. “Self-Assessment of the Board of Statutory Auditors” (hereinafter “Rule”) contained in the “Rules of conduct of the Board of Statutory Auditors of listed companies” published by the CNDCEC (National Institute of Chartered Accountants and Accounting Experts) in April 2018 and updated on 21 December 2023, art. 25.1 of the Company’s Articles of Association, as well as in line with the “Regulation on the self-assessment process of the Poste Italiane S.p.A.’s Board of Statutory Auditors”, approved by the same Board on 30 January 2020, in January, February and March 2024, the Board of Statutory Auditors carried out a self-assessment of its adequacy in terms of powers, functioning and composition, with reference to the 2023 financial year. On this occasion, unlike the previous year, the self-assessment was carried out with the support of an external consultant because Bank of Italy regulations recommend that the self-assessment be carried out with the support of an external consultant for at least one year within a three-year term.

The results of the replies to the questionnaires confirm, also for the second year of its mandate, a fully positive Self-Assessment of the Board of Statutory Auditors, in terms of qualitative-quantitative profiles and effective functioning, thanks to clear operational balances and coherence in the methods of dialogue/interaction between members that, in some cases, offer recommendations for further improvements.

The Self-Assessment process provides a very positive overall picture of the Board in terms of adequacy of composition, independence, functioning, exercise of powers, internal climate, role of the Chair of the Board, minutes, support of the competent



secretariat. The support of the Board Secretariat also contributed positively to the effective performance of the tasks. In addition, a fully positive assessment has emerged 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.

Based on the joint assessment of the members of the Board of Statutory Auditors, a positive picture emerges of the relations between the Board of Statutory Auditors and the main Poste Control Functions (Internal Control) and, in particular, of BancoPosta (Compliance, Risk Management, Internal Audit), as with those with the Head of Anti-Money Laundering, the Manager responsible for financial reporting, the Independent Auditors and the Supervisory Board.

The results of the self-assessment conducted will be forwarded to the Board of Directors in accordance with the indications of the Consiglio Nazionale Dottori Commercialisti ed Esperti Contabili (National Institute of Chartered Accountants and Accounting Experts) in its document on the self-assessment of the Board of Statutory Auditors.

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**Supervisory Body's activities in the financial, insurance and payment areas of the Poste Italiane Group.**

The Board of Statutory Auditors met with the new Control Body of BancoPosta Fondi SGR during the year 2023 and on that occasion, among the various topics discussed, was informed about the Multi-Asset Funds (FMA) Project ("Project"), whose objective is the development in the SGR (asset management company) of fund hosting activities for Multi-Asset Funds. The Board of Statutory Auditors also received information on the subsidiary's organisational structure, which was found to be well structured and adequate, and noted the management's constant attention to the activities carried out, acknowledging the adequacy and functioning of the administrative-accounting system, as well as the latter's reliability in correctly representing management events. With regard to the System of Internal Controls, as of 2019, the SGR's Internal Audit function has been fully outsourced to BancoPosta's Internal Audit Function, and the SGR's 2023 Audit Plan, approved by its Board of Directors in February 2023, is in line with the planned timetable.

In addition, with reference to the SGR's economic and financial situation, the Board was informed that the Subsidiary recorded positive and improving results compared

to the previous year, and therefore in this area there are no elements of attention to be reported.

Also in the ESG domain, with the regulatory changes that have taken place in the last two years, in particular the entry into force in 2021 of the EU2019/2088 “SFDR” Regulation (and related RTS) and the Taxonomy Regulation, the SGR is carrying out significant improvement activities in terms of sustainability governance, corporate and product strategy, procedural safeguards, monitoring and management of sustainability-related risks and impacts, engagement and voting activities, and internal and external communication on these issues.

Lastly, with reference to the new Business Crisis and Insolvency Code, the Board was informed that the Subsidiary continued to comply with the new regulations and, during the year, it adopted specific debt indicators, in order to detect any signs of debt exposure of the company potentially symptomatic of a state of crisis, in line with the provisions of Legislative Decree no. 83/2022.

Consistently with the gradual implementation process shared with the Parent Company, in order to further strengthen the monitoring and supervision of business continuity issues, in conjunction with the approval of the Half-Year Report as of 30 June 2023, with the resolution of the Board of Directors of 20 July 2023, the subset of indicators identified was integrated with the additional indicator of a forecast nature, in line with the requirements of regulations and leading practices in the *Debt Service Coverage Ratio* (DSCR), i.e. the ratio between operating cash flow and the cash flow to service debt.

The Board of Statutory Auditors has noted that both the specific debt exposure indicators and the specific indicator of sustainability of financial debt show that the Company does not have any facts/circumstances to report or specific areas of risk.

As part of its ongoing discussions with the Head of BancoPosta’s Internal Audit function, to which BancoPosta Fondi SGR’s audit activities are outsourced, the Board of Statutory Auditors noted that the activities carried out at the SGR confirmed an assessment of overall adequacy, also in light of the various strengthening initiatives adopted during the year in the area of business, organisation and control. In relation to the ESG governance process, the following needs were identified: (i) to update the current process model in order to incorporate organisational developments in ESG matters, (ii) to make changes to the regulations of the Management and Governance

Committees, and (iii) to integrate the delegated manager agreement and the internal document system.

With reference to PostePay EMI Ring-fenced Capital, the Board of Statutory Auditors monitored the progress of audit activities, including through the meeting with the company's control body held in October 2023, during which the Board of Statutory Auditors received extensive information on the main elements relating to the functioning of the Internal Control System and governance, administration and organisation, the functioning of EMI RFC, as well as significant aspects relating to management and financial performance.

Based on the information received from the Control Body of PostePay, also during the exchange of information in October 2023, the Board also noted that a positive assessment emerged on the Internal Control System, the administrative-accounting structure and the organisational structure, highlighting how they are adequate for the size and nature of the business carried out by the Subsidiary. In addition, the Board of Statutory Auditors also received information on the new business of marketing electricity and natural gas supply services, noting that PostePay, in addition to the "Poste Energia 160" offer launched in June 2022 and reserved to employees and their relatives, in January 2023 launched the mass market offer with which it entered the external market, and that PostePay's control body also carried out its oversight activities in this area. With reference to the Environmental, Social, Governance ("ESG") aspects, the Board was informed that PostePay only offers and injects electricity produced in Italy from renewable sources, certified by GSE Guarantees of Origin, and that PostePay covers the CO2 emissions of gas through the purchase and sale of Green Certificates. In addition, since March 2022 PostePay has adhered to the Group's policy, also incorporating the various ESG Guidelines, and has drawn up an ESG Training Plan and initiated a number of actions to fully comply with the Group Guidelines, activities that will be implemented by March 2024.

With reference to the Italian legislation on Whistleblowing - Legislative Decree no. 24/2023, and to the regulations introduced by the Business Crisis and Insolvency Code ("Crisis Code"), the Subsidiary has complied with the new regulations and the Board has noted that the management of PostePay has already started the appropriate activities.

The Board, in the context of its discussions with the Head of Poste's Internal Control function, noted that the audits carried out by the PostePay Internal Audit function with reference to the process of adequacy of the organisational structures of the Subsidiary revealed some areas for improvement.

The Board of Statutory Auditors constantly monitored the activities of the LIS Group (LIS Holding S.p.A. and its Subsidiary LIS Pay S.p.A.) in depth. Group in which 100% was acquired by Poste Italiane, through its subsidiary PostePay - EMI Ring-fenced Capital on 14 September 2022, the LIS Group offers a wide range of services for the collection and payment of bills, MAV (payment by advice), PagoPA, and telephone top-ups, through a technological platform made available to 54,000 non-specialised points of sale located throughout Italy, of which 33,000 represented by tobacconists, and therefore this transaction consolidates PostePay's growth in the payments market. In this regard, from the information received from PostePay's control body, the Board was informed that, in view of the fact that € 28 million in profits were distributed in the year 2023, the investment is yielding the hoped-for results, even exceeding expectations.

With reference to the Poste Vita Insurance Group, the Board of Statutory Auditors held two meetings and, in particular, in positively assessing the exchange of information with the Poste Vita Control Body, it was informed that during the first half of 2023, "IVASS Regulation no. 131" was issued, which introduces amendments and additions to several IVASS Regulations to facilitate compliance with the directly applicable European provisions already adopted on sustainable finance. In this regard, PosteVita's Board of Directors approved an ESG Business Plan that also includes certain specific actions aimed at ensuring full compliance with sustainable finance provisions.

❖ *Supervision of Activities and Inspections by Supervisory Authorities*

The Board of Statutory Auditors constantly exchanged information with the Control Bodies of the Group Companies and, specifically, in the year 2023 it held two meetings with the Control Body of the SGR, the first in March 2023 and the second in November 2023, meeting there with the new Control Body appointed on 26 June 2023. During these meetings, the Board of Statutory Auditors delved into the issue of integrating Environmental, Social and Governance ("ESG") risks within SGRs and

received more information on the survey launched by the Bank of Italy, following the issuance of the document on “Bank of Italy Supervisory Expectations on Climate and Environmental Risks”. In this regard, the Control Body of BancoPosta Fondi SGR pointed out that in December 2022 the Authority had published an Information Note containing the findings to emerge from the answers to the Self-Assessment Questionnaires, sent by the Intermediaries, which showed that, while there was a general focus on ESG issues from the Intermediaries’ top management, in most cases there were widespread shortcomings, with delays in the implementation, and often also in the planning of structural initiatives regarding the various company profiles concerned. For this reason, the Authority asked the Boards of Directors of all *less significant* banks to define and approve specific Action Plans for the effective integration of climate risks into the ordinary governance and risk management framework over the three-year period. In light of this, the SGR, in its capacity as a non-banking financial intermediary - although it has already embarked on a path of ESG integration - in aligning itself with the requirements of the Supervisory Authority, submitted to the Bank of Italy a document containing the following aspects: (i) the company’s *as-is* situation with respect to expectations, (ii) the Action Plan for the inclusion of climate and environmental risks with related time-lines and priorities, and (iii) the assessment of the SGR’s Control Body.

The SGR’s Action Plan has a three-year horizon (years 2023 - 2025) and individual actions are indicated with three priority levels (1-3) and an indicative time-frame, subject to possible amendments based on changes in the context and regulations.

Also at the aforementioned meeting of March 2023, the Board of Statutory Auditors noted that the Action Plan was positively assessed by the SGR’s Control Body, insofar as the same Plan responds to the intervention needs identified by the gap analysis carried out by the Bank of Italy, and precisely defines the adjustments that will be made over the next three years.

On the occasion of the aforementioned meeting, the Board received an update on the results of the inspections that the Bank of Italy had carried out during the year 2022, as well as a report on the inspection started in the year 2023; in particular, the Board noted that (i) at the outcome of the general inspection, conducted from September to December 2022 by the Bank of Italy pursuant to Article 114-quinquies. 2, paragraph 4, of the Consolidated Law on Banking “on the sustainability of the business model, the adequacy of governance and the functionality of the system of internal controls,

with particular reference to transparency and anti-money laundering controls and the monitoring of outsourced activities”, the Supervisory Authority delivered its Inspection Report on 27 March 2023 with a “partially favourable” opinion, which stems, in a context of high profitability and adequate capital resources, from the need to strengthen the monitoring of activities outsourced to the Parent Company Poste Italiane, the control of reputational risks and the action of the internal control functions, especially with regard to transparency and anti-money laundering. On the basis of the Inspection Report, Poste Pay drew up the document “Considerations regarding the findings reached and the Plan for improvement actions”, which was approved by the Subsidiary’s Board of Directors on 27 April 2023 and subsequently forwarded to the Bank of Italy, in which, for each finding and observation, the Company’s relevant considerations were formulated, giving evidence of the planned actions already completed and those under way, with the relevant implementation schedule. Also as part of the above-mentioned ‘general’ inspection, the Bank of Italy also carried out specific in-depth examinations of the money laundering risk management system and the processes aimed at fulfilling the anti-money laundering obligations in place for PostePay, mainly outsourced to Poste Italiane and implemented as part of the Group’s anti-money laundering model. Following the checks, again on 27 March 2023, the Authority notified the commencement of sanctioning proceedings for the formal objection to deficiencies in the monitoring of anomalous top-up transactions of prepaid cards (administrative sanctioning proceedings of 4 April 2023 for breach of the provisions of Legislative Decree no. 231/07 and subsequent amendments). At its meeting of 4 May 2023, the Board of Directors of PostePay, in the presence of the subsidiary’s Board of Statutory Auditors, unanimously approved the document entitled “Inspections conducted by the Bank of Italy from 29 September to 16 December 2022 - Counter-claims formulated in relation to alleged violations ascertained during the inspection”; (ii) inspections initiated by the Bank of Italy in November 2022 and concluded on 15 December 2022 concerning the process for handling disallowances of unauthorised payment transactions, as well as, from a fact-finding perspective, the company’s approach to payment security; as a result, during the Board of Directors’ meeting of 14 July 2023 the Bank of Italy delivered its Inspection Report, in response to which the Subsidiary submitted to the Supervisory Authority the document “Considerations in respect of the findings reached and Plan for improvement actions”, which was approved by the Board of

Directors of Poste Pay at its meeting in September 2023; (iii) during the period from 21 February 2023 to 2 March 2023, the Bank of Italy initiated a further inspection, pursuant to art. 146 of Legislative Decree No. 385 of 1 September 1993, in respect of which the Authority delivered an Inspection Report at the meeting of the Board of Directors held on 25 September 2023. The inspection, which can be traced back to a “system-based” fact-finding activity concerning the processes and systems enabling the PSD2 services of “passive open banking”, found that the tools set up by the Intermediary for access by Third Parties were adequate, with some aspects that could be improved, in respect of which an Intervention Plan was defined, initiated by PostePay already during the inspection, which was transmitted to the Authority at the end of October 2023. In response to the above-mentioned three inspections, PostePay prepared specific Action Plans, whose remaining actions are currently being implemented. The Board was also informed that in order to implement the improvement measures defined in connection with the aforementioned inspections, it was necessary to increase PostePay’s staff, which led, during the first nine months of 2023, to the reinforcement of the Subsidiary’s workforce, increasing the number of staff both in the Energy department and in the Control function area.

Lastly, during the exchange of information with Poste Vita’s control body, the Board of Statutory Auditors was updated on developments in relation to the inspections initiated by IVASS between 2020 and 2021 against the Company; at the end of this inspection, the Supervisory Authority notified the Board of an inspection report in which shortcomings were found and a fine was imposed on the Company and the members of the Company’s governing bodies, which was immaterial in relation to the Company’s turnover. Moreover, IVASS, in the notified measure, acknowledged that PosteVita had already remedied the disputed deficiencies by the date of the conclusion of the investigation. The Board of Statutory Auditors, on the basis of the information acquired during the meeting with PosteVita’s Control Body, noted that a particularly proactive approach had been adopted by the Directors on this issue and that no critical issues had emerged with regard to the progress of the improvement measures undertaken by the Company.

In addition, the Board of Statutory Auditors noted that in 2023 IVASS carried out an inspection on dormant policies (policies for which the Company has difficulty identifying the beneficiaries), which concluded with the issue of an Inspection Report with a number of findings, in relation to which PosteVita has prepared a Plan of



Improvement Actions to reduce the current number of dormant policies and to strengthen liquidation controls.

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### **Oversight of BancoPosta RFC**

The Board of Statutory Auditors oversaw BancoPosta RFC in accordance with:

- Presidential Decree 144/2001 “Regulations governing the services provided by BancoPosta”, the relevant regulations contained in the Consolidated Law on Banking and in the Consolidated Law on Finance and the implementing regulations for banks, deemed applicable to BancoPosta by the relevant authorities, and in compliance with the BancoPosta RFC Regulation approved by the General Meeting of shareholders held on 14 April 2011 and amended by the Extraordinary General Meeting of 31 July 2015 and subsequently revised by the Board of Directors’ resolution of 25 January 2018. As required by the Regulation, the Board of Statutory Auditors examined the specific issues regarding BancoPosta RFC separately, reporting the results in the minutes of its meetings;
- the Supervisory Standards issued by the Bank of Italy on 27 May 2014 and, more generally, those in Circular 285 of 17 December 2013, as amended.

As is known and verified on the basis of the information received from the Manager responsible for financial reporting, the Independent Auditor, management of BancoPosta and the Heads of BancoPosta’s control functions, and the examination of the annual report of the Manager responsible for financial reporting, BancoPosta RFC’s organisation and accounts have been unbundled with respect to the Company’s operations. In preparing the Report for BancoPosta RFC, in compliance with the provisions of Law Decree 225/2010, converted into Law 10/2011, which introduced regulations applicable to BancoPosta RFC, requiring the accounting separation provided for in articles 2214 et seq. of the Italian Civil Code and preparation of a Separate Report, the Company uses the implementations developed within its accounting system, aimed at ensuring that transactions relating to BancoPosta RFC are recognised in a dedicated accounting system and separately from those relating to the Company’s operations, for the purposes of application of the Bank of Italy’s prudential supervisory authorities provided for by Law 10 of 26 February 2011.



Paragraph 2 of Bank of Italy Circular 285/2013 - part IV of the Standards for particular intermediaries of BancoPosta - Chapter 1 BancoPosta, section II - requires that, in addition to directly attributable revenues and costs, the charges incurred for the services provided by Poste Italiane in order to enable BancoPosta to operate should also be allocated to BancoPosta RFC, and that the allocation of these charges should be based on criteria that reflect the real contribution of the various functions to BancoPosta RFC results and to those of the Company as a whole.

Every six months, the Board verified the adequacy of the criteria adopted for valuing the activities carried out by Poste Italiane SpA for the management of BancoPosta RFC and, within the scope of our responsibilities as an oversight body, without responsibility for accounting controls, compliance with the applicable statutory and regulatory requirements. Based on the available data and information, the Board of Statutory Auditors believes that the level of control over management of BancoPosta RFC accounts is adequate.

In this regard, the Board of Statutory Auditors notes that, with effect from 2021, the Auditor has been engaged to annually issue a “limited opinion” which this year concerned the BancoPosta RFC Separate Report at 31 December 2023 - consisting of the balance sheet, statement of profit or loss, statement of comprehensive income, statement of changes in equity, statement of cash flows for the year ended on said date and the notes (“BancoPosta’s Report”), annexed to the Company’s financial statements in accordance with the provisions of section 8 of the BancoPosta RFC Regulation - in order to check the consistency of the data contained in the Report with those reported in the Company’s financial statements for the year ended 31 December 2023.

BancoPosta’s Report has been prepared in application of the International Financial Reporting Standards adopted by the European Union and the seventh update of Bank of Italy Circular no. 262/2005 – “Banks’ Financial Statements: Layouts and Preparation”, and of art. 2447-*septies*, paragraph 2, of the Italian Civil Code.

In view of the content and purpose of the engagement, the Auditor carried out a limited review of the BancoPosta’s Report in accordance with ISAE 3000 revised Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000 Revised”) and planned and performed procedures to obtain a limited level of assurance that the BancoPosta’s Report does not contain material misstatements. On 4 April 2024, Deloitte issued its audit report on BancoPosta’s

financial statements, stating that “*based on the work performed, nothing has come to our attention that causes us to believe that the figures contained in the financial statements are inconsistent, in all material respects, with those reported in the Company’s financial statements for the year ended 31 December 2023*”.

With regard to the supervision of the financial reporting process of BancoPosta RFC, reference should be made to the observations and recommendations set out in paragraph 4 of this Report to the extent that they relate to said separate capital.

❖ *Adequacy of Control functions and Activity Plans*

The Board of Statutory Auditors received periodic information from the BancoPosta Control functions and examined the quarterly *Tableau de Bord*, as well as carried out an in-depth analysis of the results of the overall verification activities carried out by these functions in 2023, as shown below.

➤ The Board met periodically, and on a systematic basis, with the **Risk Management and Outsourcing Governance function**, now called the Risk Management Function as a result of Service Order no. 7 of 9 February 2024 (“OdS 7/2024”), which reported, from time to time, on the monitoring and development of risks relevant to BancoPosta. In keeping with the Group’s new money laundering risk management model, as already mentioned above, from 2018, the Head of Risk Management has assumed the role of BancoPosta’s Head of Anti-money Laundering, and within the Risk Management (“RM”) function, the BancoPosta’s Anti-money Laundering Function was established. Within the Risk Management function, with the aforementioned Order No. 7/2024, two new functions were established (i) Operational and ICT Risks and (ii) Outsourcing and Third Party Risks into which, in line with the perimeters of responsibility, activities and staff previously operating in the Operational Risks function and in the Outsourcing Governance and BCM function were merged. In particular, the activities and staff dedicated to business continuity and incident management were merged into the Operational Risks function, renamed “Operational and ICT Risks”, with the aim of concentrating in a single structure activities and skills related to IT and cyber risk and BCM issues; at the same time, the function formerly known as “Outsourcing Governance and BCM” was renamed

“Outsourcing and Third-Party Risks”, in line with the growing attention it intends to devote to supply relationships relevant to BancoPosta, in addition to internal service contracts (Guidelines) and outsourcing agreements.

Moreover, with Organisational Communication BP/01/2024 of 9 February 2024, a contact person for Business Continuity Management (‘BCM’) activities was established in the Operational and ICT Risk area, and the overall staffing of the Risk Management function was also increased with four new staff members, in line with the Bank of Italy’s recommendations.

During the various meetings, the Board of Statutory Auditors was informed of the activities carried out by the Risk Management function during 2023 and the actions planned for the year 2024. In particular, the Risk Management function was engaged, both in its capacity as *programme management* and for the many activities for which it was responsible (about one third of the total), in the execution of the Plan of Improvement Actions defined after the inspection conducted by the Bank of Italy between 14 March and 15 July 2022, a Plan approved by the Board of Directors in January 2023. All activities related to 10 of the 11 findings raised in the Inspection Report, whose implementation was planned in the year 2023 (a total of 67 out of 70 activities, i.e. 96% of all planned activities) were implemented as planned and regularly certified by the Internal Audit function. The remaining three activities of the Plan, related to the area of Guidelines and Outsourcing, will be implemented by December 2024, as planned.

It should also be noted, as already anticipated, that the Programme of Actions defined downstream of the Bank of Italy inspection on the governance and management of operational and IT risks in 2017, which on the whole envisaged 107 actions, was completed at the end of 2023 on schedule with the closure of the last initiative of the *Data Centre Transformation* project and all actions were certified by the Internal Audit function.

The Board of Statutory Auditors, in agreement with the relative function of BancoPosta, monitored the performance of the RAF indicators during 2023, on a quarterly basis through the *Tableau de Bord* of BancoPosta’s Risk Management function.

The Control Body also verified the levels of materiality of the risks for BancoPosta with particular regard to risks of high relevance, relating:

- to the ‘Financial Leverage’, which is structurally higher than that of a traditional bank due to the composition of BancoPosta’s assets: the Leverage Ratio, also as a result of a capital strengthening of € 100 million through the subscription of an Additional Tier 1 instrument by Poste, stood at 3.2% at year-end;
- to “Operational risks”, which represent the most significant category in terms of capital requirements and absorption of the “Second Pillar”; capital absorption remains significant both in terms of minimum capital requirements, calculated proportionally to gross proceeds, and in the assessments made with the internal model for ICAAP purposes. The latter increased slightly in 2023. Losses recorded in the profit and loss account for the year amounted to about € 14.5 million, up compared to 2022, which was heavily affected by releases, but in any case in line with the Risk Appetite;
- to ‘Interest Rate Risk’, whose exposure, in terms of economic value, remained at levels consistent with the RAF target threshold (28%) except in the third quarter, when the operational strategy - illustrated to the Board of Directors in July 2023 - aimed at stabilising interest income over the plan horizon was implemented, which temporarily accentuated the asset-sensitive exposure. It returned to levels compatible with the Risk Appetite in December 2023;
- to the “Spread Risk”, which is not relevant for capital requirements, but for unrealised gains/losses. In 2023, the BTP-Bund spread narrowed on a trend basis (from 214 points at the end of 2022 to 168 at the end of 2023), the portfolio carried at fair value (HTCS) recorded declining implied capital losses at the close of 2023; however, the sensitivity of the value of the HTCS portfolio to this risk factor remains structurally high;

Medium risks include:

- Credit/Counterparty Risk: it increased at the end of 2023, maintaining an incidence on equity consistent with the Risk Appetite, especially in the absorption related to Counterparty Risk, which was affected by a temporary mismatch between the value of derivatives and the value of collateral paid by counterparties;
- a. Reputation Risk: there was a substantial decrease in complaints and appeals to the Banking and Financial Arbitrator, following a decrease in complaints with customers on the yields of Q/P series postal savings bonds (“BFP”) for the years 21-30. In this regard, Poste Italiane had already started, as of March 2020, to no longer comply with the decisions of the ABF, as it did not agree with the position

of said Arbitrator, regularly unfavourable for Poste. Thus, reimbursements were only made following unfavourable rulings by the Ordinary Judicial Authority, which amounted to around 32% of the rulings up to 31 December 2023. The favourable rulings issued by the trial judges and the order of the Supreme Court of Cassation (Sec. I of 10 February 2022, which were followed by further orders of the same content) also prompted the ABF to agree on the correctness of Poste Italiane's actions; in fact, in the third quarter of 2023 the ABF Coordination Board took a position in line with the principles set out by the Supreme Court of Cassation;

- Regulatory risk: this risk is decreasing as, following the transposition in 2020 of the EBA Guidelines on interest rate risk, the new rules for calculating counterparty risk, the Leverage Ratio and the Net Stable Funding Ratio ("NSFR") came into force in 2022, without any particular impact on BancoPosta. The residual, structural exposure is linked to changes in the prudential rules for government bonds as well as the still existing margins of uncertainty regarding the effective date and calculation details of the new SMA regulatory approach for operational risks and the updated methodology for calculating counterparty risk;

In the year 2023, the following are classified as minor risks:

- the business risk (due to the balanced mix of revenues and costs that are mainly variable);
- the risk of involvement in money laundering or terrorist financing (in line with the results of the self-assessment);
- Liquidity risk (thanks to stable funding as predominantly retail and extremely liquid assets, the regulatory indicators remain very high and the Liquidity Coverage Ratio ("LCR") is increasing).

As at 31 December 2023, all the metrics of the RAF were in line with the objectives set in the RAF itself, and during the year there was only one misalignment - at the end of September 2023 - concerning the Interest Rate Risk metric in terms of economic value, which was the subject of prior communication to the Board of Directors and a Risk Opinion by BancoPosta's Risk Management, as explained above.

As at 31 December 2023, capital adequacy measures show a high Capital Ratio, although lower than at the end of 2022 (CET1 at 18.9%, compared to 20.3% in 2022; TCR at 22.1%, compared to 23.1% in 2022) and equity that continues to ensure a high Free Capital buffer compared to Pillar 2 absorption (47.1%, compared to 51.3% in 2022).

Economic performance measures were positive and stable, with the Return on Equity confirmed at 23% and RoRAC decreasing slightly to 36.3%.

Also in 2023, the exposure to operational risks was heavily influenced by the occurrence of events that occurred in previous years mainly related to “conduct risk” (internal fraud and events related to customers, products and professional practices) and the execution, delivery and management of processes. External fraud and business disruption and IT system failure are also relevant.

The composition of operational losses detected in 2023 shows a predominance of external fraud (30.8% of the total) followed by incorrect customer relationship management, products and professional practices, errors in execution, delivery and process management, and internal fraud.

In addition, releases in 2023 were lower than in 2022 and mainly related to ‘Errors in the issuance/duplication of postal savings bonds’ issued after 28 December 2000 and ‘Robbery of valuables in custody at Service’, while recoveries mainly related to bankruptcy disputes.

The Risk Management function, as part of the process of defining the new Strategic Plan, estimated the impact of the scenarios on the risk profile *ex ante*, assessed the prospective adequacy of the capital and identified the risk appetite (“RAF”) of BancoPosta RFC consistent with the strategic objectives and guidelines at Group level and, in order to also confirm for 2024 the objective of maintaining a Leverage Ratio at least equal to 3%, an allocation of profits generated by BancoPosta is expected.

Consistent with the business model and strategic objectives, and in line with what was done last year, the Risk Management function developed the proposed RAF for the financial year 2024, which

- provides for an increase in BancoPosta’s equity of € 60 million, through the allocation of part of the profits generated by BancoPosta, as proposed as part of the 2023 budget approval process;
- reflects the application of the updated collection behavioural model that impacts interest rate risk estimates;
- in establishing the CET1 Ratio and Total Capital Ratio capacity, incorporates the guidance received in 2022 from the Bank of Italy on additional requirements to the standard ones to be met (Pillar 2 Requirement and Pillar 2 Guidance);

- confirms, for the Leverage Ratio, the intention to keep the indicator at or above 3%, which is the regulatory minimum for banks;
- confirms, for interest rate risk in terms of economic value, a level of exposure that is structurally higher than the average for banks, for which the regulations establish attention thresholds (supervisory outlier test) of 15% and 20%, due to the profound differences in business models, and therefore in the capital allocation between the various risk categories;
- reflects, for the liquidity risk metrics, the effects of the planned pledge of securities for approximately €11 billion in favour of PostePay S.p.A. (planned as early as 2023 but not yet implemented, as it is awaiting feedback from the Bank of Italy).

Lastly, the Board was informed that, as of the date of preparation of this Report, the (i) ICAAP-ILAAP/2023 Report, which will be prepared by the Risk Management function and the (ii) Report of BancoPosta's Internal Audit function on the ICAAP/ILAAP 2023 process, were not yet available, which will be presented by the respective functions to the Board of Statutory Auditors and the Control and Risk Committee at the meeting of 16 April 2024 and submitted to the Board of Directors for approval at the meeting of 18 April 2024.

During 2023, the Board continued to monitor the interest rate risk management strategies identified by the management company BancoPosta Fondi SGR, as manager of BancoPosta's securities portfolio. The strategy launched by BancoPosta in 2022 was the subject of a focus meeting with the Head of BancoPosta and the Head of BancoPosta's Risk Management function. The topic was also discussed at several joint meetings of the Board with the Control and Risk Committee, which were attended by the Head of the BancoPosta function and the Heads of BancoPosta's control functions. Over the course of these meetings, the Board was informed on an ongoing basis about interest rate trends and the results of the strategy implemented by BancoPosta, which since last year has set itself the goal of reducing the weight of its "variable" portfolio, anticipating the downward trend in interest rates, protecting its interest margin in the coming years and creating the conditions for new capital gains. The Board of Statutory Auditors and the Board of Directors received further insight into the interest rate risk management strategy at the meeting of 24 July 2023, during which the actions taken were illustrated, which represent an adjustment to the projections of the 2023 Budget and the then current Business Plan and the associated Risk Appetite Framework.



In addition, during the meeting held in December 2023, the Board received further insights into the evolution of the exposure in terms of economic value and interest margin.

➤ The Board of Statutory Auditors met periodically, and on a systematic basis, with **BancoPosta's Compliance function ("Compliance")** and was informed at the March 2024 meeting of the results of the activities carried out by the aforementioned function in the year 2023, for each area of BancoPosta RFC involved in the Compliance process and for the cross-company disciplines monitored directly or indirectly by the function, of the results of the "Compliance Risk Assessment" carried out in February 2024, with an in-depth review of the weaknesses verified and the corrective actions planned in the year 2024 for their removal.

The Board was informed of the 'Plan of Activities 2024', which is related to the newly approved Strategic Plan, and which envisages mainly targeted initiatives: (i) in the area of Investment Services, the evolution of the service model offered in the post office and on other channels (on-line and telephone) together with the development of the New Service Model according to customer portfolios based on their characteristics and the strengthening of internal models for the management of ESG preferences (ii) in the area of Insurance Brokerage, the development of new service models both in post offices and on digital funnels and definition of further safeguards to strengthen distribution activities on the various channels; (iii) in the area of Banking Services and Postal Savings, the implementation of assessment activities aimed at further strengthening control over communications to customers pursuant to art. 118 of the Consolidated Law on Banking, as well as to improve the process of closing business accounts. Initiatives will also continue to boost the efficiency of the disallowance management process, as well as the planned implementation of assessments; (iv) in the area of Payments, the continuation of measures to strengthen fraud prevention controls (adoption of the Threat Metrix solution, including the anti-malware component), the completion of upgrades to the SCT Instant platform and related processes, as well as the extension of the one-day disallowance operational process to SEPA Direct Debit (SDD) operations; (v) in the area of cross-company areas with Direct and Indirect Control, the consolidation of security, availability, continuity and third-party ICT risk controls, the implementation of the Plan for compliance with the European Union's Digital Operational Resilience Act ("DORA") regulation and the



continuation of actions for the adaptation of corporate controls for other regulations with an impact across the board on business areas.

The results that emerged following the audits and actions carried out in 2023 were reported in the function's *Tableau de Bord* on a timely basis and did not reveal any critical issues that needed to be highlighted to the Board of Directors and Statutory Auditors separately from the aforementioned document.

During 2023, in line with the objectives outlined in the "2024 Sustain & Innovate Plus" Business Plan, the path of evolution of service models and products/services offered to customers and the related supporting partnerships continued.

In addition, during the year the Compliance function revised the methodologies related to the identification of the degree of riskiness of each regulatory perimeter area, formalising the new methodology for calculating Inherent Risk, Residual Risk with the aim of minimising discretion in risk assessment and having greater objectivity in assessments.

The Board of Statutory Auditors recalls that the Group has also adopted an Integrated Compliance Process, defined within the Group's Integrated Compliance Guideline and coordinated by a specific organisational unit. The activities of BancoPosta's Compliance function, in compliance with the autonomy envisaged by the reference legislation, are integrated within the scope of this process in line with the intent of the Group's Integrated Compliance Guideline to strengthen the Internal Control and Risk Management System ("SCIGR"), and to guard against the risks of non-compliance to which the Group is exposed, thereby fully implementing the principles of integrity, transparency and legality.

The Compliance function continued its quarterly review of the adequacy and effectiveness of the process for handling complaints and appeals before the Banking and Financial Arbitrator and the Securities and Financial Ombudsman ("ACF"), carried out by the Financial Complaints Handling function in the DTO ("GRF") area. The activities carried out involved various areas (Banking and Financial Services, Postal Savings Services, Investment Services and Insurance Brokerage Services) and the results of the second-level controls, always shared with the GRF function, showed during 2023 a substantial adequacy of the complaints and appeals management process, albeit in the presence of some areas for improvement related to the registration in the company database (correct input of the reason, correct valuation of

the outcome) and to the contents of the letters of reply to the customer, not always in line with what the customer actually requested/complained about. In addition, the need to strengthen the tracking of corrective actions was noted.

With regard to complaints, a total of 28,851 complaints were received during 2023 within BancoPosta, and specifically, complaints relating to Investment Services activities amounted to 870, an increase compared to 2022 (increase of 13% in complaints received) and numerically insignificant compared to the total number of operational reports (less than 0.1%). The aforementioned complaints are mainly related to the investment advisory service (in particular customer reports on advice on insurance investment products); complaints were processed within the time limit provided for by the regulations (60 days) and the preliminary investigations conducted by the competent company structure showed that only about 4% of the complaints lodged (29 cases) were well-founded. With reference to complaints relating to the Insurance Brokerage segment, during 2023, Poste Italiane received 218 complaints and redirected approximately 606 preliminary investigations under its competence to Poste Vita and Poste Assicura (IVASS Measure no. 46/2016). There were 192 complaints composed, among those under its competence, while the backlog at 31 December 2023 amounted to 28 complaints (being processed within the regulatory time-frame); these complaints were processed within the time-frame stipulated by the regulations (45 days) and in 96% of cases were unfounded. In addition, the quarterly monitoring of complaints on CPI products initiated in 2020 and reported to the SFA Committee continued during 2023.

With regard to complaints relating to Banking Services and Postal Savings, in 2023, the majority of complaints related to Postal Interest-bearing Certificates and specifically complaints about yields and requirements (about 22% of the total) as well as about the conditions applied, including tax charges (about 16% of the total). In general, only 7% of the more than 28,800 complaints made in 2023 were well-founded; with regard to complaints processed within the time limits set out in the legislation, a performance in line with 2022 was recorded, equal to 99.9% of those processed. In addition, complaints related to the area of payment services showed an improvement compared to the previous year's survey (99% of the 7,600 complaints in 2023, compared to 98.7% of the 6,801 complaints in 2022 for complaints composed within the terms). As of 31 December, the backlog of complaints not processed within the deadline was 5.

There was a decrease in the number of appeals before the ABF in 2023 (about 30% less than in 2022, 1,634 vs. 2,356), the effect of the substantial reduction in customer appeals on postal savings certificates series Q/P 21-30. In this regard, it should be noted that in the year 2023, the ordinary judicial authorities - Court of Appeal, Court and Justice of the Peace - consolidated their favourable orientation towards Poste, going from 32% favourable rulings in 2018 to 79% in 2022; the upward trend was also confirmed in 2023, the last quarter of which recorded a figure of 91% favourable rulings. The favourable rulings conform to the orders of the Court of Cassation, which confirmed the correctness of Poste Italiane's conduct, affirming that, by virtue of the provisions of article 173 of Presidential Decree no. 156/1973, customers were not entitled to a higher interest rate in the third decade of the life of the certificate.

In the area of the Banking and Financial Arbitrator, the changes that took place during the last quarter of the year also seem to point to the same outcome. In fact, based on the impetus injected by the July 2023 ruling and the consolidation of the Supreme Court's jurisprudence *in subiecta materia*, the first favourable decision to Poste Italiane was rendered by the ABF Coordination Board of Naples, which aligned itself with the principles set forth by the Supreme Court. This decision represents a turning point that leads to the conclusion that the long-standing issue is also concluded before the ABF, and this inference would seem to be supported by the fact that no further appeals have been lodged since the September 2023 decision.

With reference to fraud prevention and monitoring activities, relating both to the digital banking channel and to transactions performed with payment cards, in view of an increase in fraudulent attacks in 2023, additional security safeguards were put in place on strong customer authentication mechanisms, which provide for the activation of specific checks in the event of 'incorrect' entry of the OTP code sent by SMS or of the PosteID code. In order to make the entire authentication process even more robust, work was completed in 2023 to extend these controls to include passwords, and in particular to provide for similar block management and customer information methods. In addition, in order to combat fraud in the Post Office area, the operational limits on single top-up transactions on the current account (€ 5,000) have been implemented - at the end of 2023 - with the aim of introducing a daily cumulative limit on the individual card; in addition, the centres in Turin and Rome continue with their activities to combat risky transactions ordered by Post Offices through the VTPIE platform. With regard to boxing fraud (theft of cards during the dispatch process), a

registered dispatch service for debit cards was launched in October 2023, a service that will also be extended to booklet cards from October 2024.

In 2024, improvements in the area of fraud prevention will continue, which will cover several actions to be carried out on the Integrated Anti-Fraud Services Platform ('PIAF').

Ongoing fraud training initiatives were carried out, aimed at keeping sales personnel up-to-date on the evolving scenarios of the most commonly used forms of fraud.

With reference to the issues addressed here, during 2023, a number of important procedural, organisational and technological initiatives were completed to strengthen the ABF complaints and appeals handling process, and in early 2024, further strengthening activities on the disallowance handling process are expected.

The Board has been informed, during the year 2023, on the progress of all corrective actions planned in the areas of (i) Investment Services pursuant to MiFID2, (ii) Insurance Intermediation, (iii) Banking and Postal Savings Services, (iv) Payment Services pursuant to PSD2, (v) direct and indirect cross-sectoral areas (a series of initiatives for the consolidation of the company's oversight related to regulations with a cross-sector impact), (vi) Business Support and (vii) 'Cross-Sector Regulations' (initiatives for the consolidation of the company's oversight related to regulations with a cross-sector impact).

In the year 2023, the Compliance function performed *ex-ante* advisory activities in connection with the development and innovation of products and services under the "2024 Sustain & Innovate Plus" Business Plan.

With reference to Business Continuity Management ("BCM"), in 2023, the Board verified the implementation of actions in this area, with particular reference to the management of operational and IT risks, and took note of further actions taken. Specifically, the Board of Statutory Auditors noted that the continuous auditing activities on Business Continuity processes and solutions relating to the products and services attributable to BancoPosta RFC revealed a business continuity management system that was generally adequate for the ICT area and on the whole positive for the process area.

The results of the BCM tests - conducted by the functions involved - and the analyses carried out on the documentary system revealed areas for improvement with reference to the need to specify in the Disaster Recovery Plan the RPO parameters guaranteed

for all the architectural solutions envisaged, to design and execute a test for the BPIOL service, and to complete the activation of the Disaster Recovery site for the Enterprise Data Warehouse ('EDWH').

It should be noted that specialised audits of Business Continuity processes and solutions relating to BancoPosta's products and services are conducted annually by BancoPosta's Internal Audit Function on the basis of the Audit Plan, and the Board of Statutory Auditors has noted that the findings of the audit conducted by Internal Audit on the organisation and performance of testing activities, as well as on Business Continuity procedures, showed a generally positive assessment with some areas for improvement. The initiative was aimed at verifying, with a view to continuous auditing, the adequacy of the business continuity test plan for the processes and products managed directly by BancoPosta or delegated to PostePay and carried out by the relevant corporate structures, as well as the results thereof, as required by Bank of Italy regulations. The testing activities carried out during 2023 were audited.

The activities planned in 2024 in the area of Business Continuity *Management* will concern:

- the execution of the Business Impact Analysis and preparation of the Business Continuity Procedures according to the new model and in compliance with the BIA Business Continuity Procedure and Methodology, with the support of the new Archer tool;
- updating the BancoPosta Sector Plan to ensure compliance with the 40th update of Bank of Italy Circular 285;
- expansion of the scope of business continuity tests and continuation of tests with third parties.

The findings of the Internal Control Function's audits of BancoPosta's Financial Services showed an overall adequate assessment that nevertheless needs some action plans to make the solutions more effective. This assessment stems from the results of the business continuity tests performed during the year, the progress achieved on the IT infrastructure, and the progress of development initiatives, both those already completed and those still in progress. The action plans will allow the company's business continuity to evolve towards a cross-sector service, thus providing further added value for the entire Group.

The Board of Statutory Auditors monitored the issue of ICT Risk, noting that initiatives to strengthen the overall IT security management system and monitoring of ICT Risk continued in 2023.

In line with the ICT strategy, the DTO function continued its programme to adopt new technologies in the cloud and the Enterprise Data Warehouse (EDWH) migration project is nearing completion.

In this area, the Level II audits carried out during 2023 showed generally positive control systems, with areas for improvement already the subject of actions initiated and to be continued in 2024.

In relation to the DORA Regulation which, with the aim of achieving a high level of digital operational resilience for financial entities within the EU, introduces a harmonised body of governance, cyber security, ICT risk management and incident reporting measures, and requires all interested parties to adopt by 17 January 2025, certain technical and organisational measures, the Board of Statutory Auditors took note of the preliminary actions taken by the BancoPosta function aimed at assessing the organisational maturity of the current ICT risk management model and determining the impact that the DORA Regulation will have on BancoPosta.

➤ The Board met periodically and on a systematic basis with the **Internal Control function (“Internal Audit”)** of BancoPosta, which in 2023, conducted 22 audits, in line with the annual audit Plan, 13 IT audits, in addition to the 1,427 territorial audits delegated to Poste Italiane’s Internal Control function in respect of which the Internal Audit function directs the definition of the areas and checks to be performed, as well as those relating to administrative and accounting processes pursuant to Law 262/05 of interest to BancoPosta RFC. Moreover, with regard to the Improvement Action Plan defined following the inspections conducted by the Bank of Italy in 2022, the BancoPosta Internal Audit Function verified the implementation of the activities in terms of the suitability and effectiveness of the measures adopted and monitored the progress of the projects on a monthly basis, carrying out the necessary in-depth analyses.

As a result of the activities carried out, the Internal Audit function found a generally adequate Internal Control System for 2023, also taking into account the reinforcement achieved following the implementation of the improvement initiatives set out in the aforesaid Plan, which concerned, in particular, governance and control aspects,

strategic planning processes, the structure of control functions and related support tools, as well as the processes of entrusting functions to Poste Italiane structures or to third parties. With regard to the control functions, in addition to the general strengthening of organisational structures, which was already implemented at the beginning of 2023, we highlight the implementation, during the year, of actions aimed at refining methodological aspects, supporting information systems and management reporting.

The Board of Statutory Auditors, in the course of several meetings with the BancoPosta Internal Audit Function, took note of:

- completion by the Internal Audit function of the actions identified in the Improvement Action Plan in order to address the areas of improvement identified during the audit: the BancoPosta Internal Audit function, in addition to having been subject to an organisational initiative aimed at identifying two contact persons for auditing activities on the distribution network and IT activities, respectively, carried out project initiatives aimed at strengthening the methodology (regarding audit assessment and severity of audit actions) as well as improving the system supporting remote analyses; the strengthening of the activities of the Corporate Bodies and the internal board Committees through, inter alia, the holding of single-topic induction sessions for the Corporate Bodies, as well as in-depth meetings of the Control and Risk Committee, in which the Board of Statutory Auditors has always participated, aimed at ensuring an increasingly efficient discussion, within the collective body, of issues of interest;
- the enhancement of the Operating Guidelines and the related KPIs, as updated in conjunction with the renewal for the three-year period 2023-2025, which also took into account the Authority's findings in the aforementioned inspections;
- the establishment of a new Premium and Private Marketing function within BancoPosta with the aim of expanding the current service model to include all high-net-worth customers, identifying opportunities to develop the offer in conjunction with the Group's Strategic Marketing function;
- with reference to money laundering risk management, the formalisation of the new structure of the Group's Anti-Money Laundering function aimed at strengthening the system of existing controls through, inter alia, the strengthening of the Parent Company's role of direction, governance and supervision and the updating of some

important governance policies, including the Group's Anti-Money Laundering Guidelines.

With reference to the sales channels, the territorial audits on Post Offices, delegated to Poste Italiane's Internal Control function on the basis of a specific Operating Guideline, confirmed a level of general positivity/adequacy of the control system, albeit with a progressive shift, compared to last year, of the incidence of positive assessments towards adequate assessments. In this regard, specific in-depth studies were initiated with the competent Territorial Functions for those Territorial Areas that registered a higher level of inadequacy (e.g. Sicily and the Centre).

Overall, the audit results for the other territorial structures (branches and call centres) were positive. In 2023, corrective actions were implemented to strengthen, both procedurally and from a process perspective, the system of Level I and Level II line controls on the operations of Mobile Sales Specialists ('SCMs'), while the strengthening of IT systems supporting the tracking of Level I and Level II controls is being finalised. Furthermore, as of February 2024, the 'Control Dashboard' for the management of first- and second-level controls carried out by the competent functions of the Commercial Network was started on a trial basis.

With reference to the development of the offer, the new Marketing Plan 2024 was presented last December in the Financial and Insurance Services Committee, where the central role of postal savings is confirmed, with evolution of the offer for new targets and improvement of the customer experience, as well as Environmental, Social and Governance (ESG) issues, for which specific initiatives for further strengthening are also planned.

The Board of Statutory Auditors, with reference to the activities entrusted by BancoPosta to Poste Italiane, noted that the structure of the Operating Guidelines was confirmed in 2023 as per the previous renewal for the three-year period 2023-2025, with a further strengthening in a more challenging perspective of the target thresholds for 28 KPIs, defined after periodic analyses carried out by the outsourcing risk governance function.

There are 13 Guidelines in force in 2023, classified according to the regulatory definition into 7 FEI (Essential or Important Function), 3 No FEI (Non-Essential or Important Function) and 3 Control.

In 2023, following both the indications provided by the Supervisory Authority and the findings of the audit activities on the monitoring process of the entrusted essential or



important functions (“FEI”), the gradual strengthening of the monitoring of the Guidelines continued, which led to the expansion of the automatic KPI calculation process and the consolidation of the workflow for the periodic review of the KPIs, as part of the evolution of the reporting tools and the sharing of results with the entrusted functions.

For the purpose of verifying service levels, a total of 380 KPIs were periodically monitored, the outcome of which as at 31 December 2023 was positive overall with approximately 96% of the performance indicators being in line with the defined targets; there was thus a 2% improvement over the previous year when 94% of the indicators were in line. In this regard, the Board was informed at various meetings held with the Head of the BancoPosta function and the Heads of the BancoPosta control functions, and in particular at the meeting held on 5 December 2023, that the last activity envisaged in the Plan of Improvements relating to the automation of a set of 10 KPIs of the BancoPosta Guidelines, which was due to expire in December 2023, had been completed and certified by the Internal Audit function, in the same way as all the other actions provided for in 2023. The remaining activities in the ‘Contracting and Outsourcing’ area are already under way, with the last three actions in this area scheduled for completion by the end of 2024.

As a result of a reorganisation of activities, the Market Research Office, which previously operated within the DTO function, was merged within the Group’s Strategic Marketing function, and this led to the need to formalise a new set of Operating Guidelines, classified as “Non FEI”, to govern the activities for decision-making development and planning of marketing actions by BancoPosta, carried out within the Market Research Office.

Moreover, in continuity with previous years, the managerial incentive system (MBO) envisaged, among other things, synthetic performance indicators linked to the performance of the KPIs defined in the Operating Guidelines; for these KPIs, in 2023, the weight attributed to managers of the entrusted functions was increased, also following the findings of the aforementioned Bank of Italy inspection.

With regard to the processes subject to outsourcing to third parties, as set forth in the aforementioned Action Plan, the current model for the oversight and monitoring of KPIs in place on the activities outsourced to Poste Italiane was also extended to the outsourcing of FEIs. This was also confirmed by the audits conducted during the year on BancoPosta’s oversight of these activities, which revealed an overall

systematisation of the monitoring of KPI performance; in this regard, it should be noted that an analysis of the contractual agreements with ICT third parties was launched in order to update them, where necessary, in line with the minimum contents established by the relevant regulations. The work of the Management Committees on the individual Operating Guidelines, which are important components of the monitoring system for the awarding of contracts, continued, and all supporting documentation was formalised and properly filed.

The Board noted that the audit activities carried out by Internal Audit on the monitoring process of the entrusted activities showed an overall positive trend.

Lastly, with regard to the procedural framework, the “Regulations for the Process of Assignment and Outsourcing of BancoPosta RFC” and the “Monitoring of Entrusting and Outsourcing SLAs” procedure have been updated, with additions concerning, inter alia, the process of periodic mapping, by the Entrusting Contact, of the KPIs on BancoPosta’s Business Process Model, the formalisation of the criteria for identifying “penalty-type KPIs” and the formalisation of the criteria for applying and calculating penalties.

The Board, with reference to the 2023 Audit Plan, in the joint meeting with the Control and Risk Committee held on 18 March 2024 extensively reviewed the audit actions carried out in 2023 (Process Audit and IT Audit) with the related judgments, accompanied by the main corrective actions, indicating the actions with the highest severity, the progress of the work, the timing of implementation and the owners; the Board of Statutory Auditors also took note of the previous Audit Plans, which provide an update on the state of development of the main initiatives, as identified during the periodic monitoring activities.

The audit activities conducted in 2023 revealed areas for improvement regarding the control of digital channels, the placement, via web and app, of financial products, and although the fraud prevention systems were found to be advanced and integrated, the strengthening of the monitoring system and anti-fraud controls for credit transfers and SEPA pre-authorised debits (SDD) through fine-tuning of data extraction methods, of the rules of the monitoring indicators of pre-authorised debits to third-party banks and Poste Italiane customers, as well as the extension of PIAF functionalities to credit transfers at Post Offices, also in order to counter the most recent fraud scenarios involving the physical channel.

With regard to the management and placement of protection insurance policies aimed at both Retail and Business customers, given a general level of adequacy, there is a need to strengthen BP's oversight of governance and monitoring activities for standard group policies, while with regard to the development and management of BancoPosta's range of products and services given that the audits on the product governance and placement process for Mutual Investment Funds and Asset Management in Transferable Securities revealed an adequate system of controls, there is a need to strengthen the traceability of the various stages of the process in the dedicated document system, as well as to align ESG-related controls in the application supporting the provision of advice.

In addition, in the area of investment services, the audit activities revealed the need to continue the consolidation of the processes, including control processes, of the new channels, as well as the process of evolving information systems to support the business.

At the joint meeting with the Control and Risk Committee on 18 March 2024, the Board of Statutory Auditors examined the 2024 Annual Audit Plan and the 2024-2026 Multi-Year Audit Plan, which was subsequently approved by the Board of Directors at its meeting on 19 March 2024. At this meeting, the Board of Statutory Auditors received extensive information on all audits to be carried out by the Internal Audit function in the year 2024.

The Board of Statutory Auditors has also noted that the resources allocated to audit activities, both in terms of numbers and in terms of professionalism, are to be considered adequate in relation to the activities envisaged in the Plan, as well as with respect to the constant evolutions of the processes/activities carried out by Poste, and has also been informed of the three-year audit coverage 2024-2026.

With regard to **BancoPosta's anti-money laundering** supervision, the Board recalls that the organisational model for the unitary management of the risk of money laundering and terrorist financing at Group level provides for BancoPosta to entrust these activities to the Group Anti-Money Laundering function, governed by an appropriate Guideline. The Board noted that during 2023, BancoPosta's Anti-Money Laundering Risk Management function carried out the following activities, in particular:

- update of the BancoPosta Anti-Money Laundering Guidelines;

- preparation of the Annual Anti-Money Laundering Report and execution of the Risk Self-Assessment Exercise;
- completion of the AML Survey Questionnaire 2022;
- support to the CA/ARG and Marketing Functions within BancoPosta in the review analysis of the offer on the business target;
- reporting of activities entrusted through the monitoring of KPIs;
- evolution of analysis models applied to level II controls and adoption of a cloud-based solution;
- support to business functions during the launch of new products to analyse the inherent risk and identify possible mitigation measures (financing, smart collection, investments);
- drafting of anti-money laundering operating protocols (POA) as part of the distribution agreements for products of partner companies subject to anti-money laundering regulations;
- continuation of the update of the due diligence of higher-risk customers.

As at 31 December 2023, seven out of eight initiatives listed in the 2022 Annual Report had been completed. In particular, the measures enabling the use of PEAV were completed in line with the commitments undertaken and communicated to the Supervisory Authority following the inspections conducted in 2022 on BancoPosta and PostePay. With regard to the re-planned initiative, the Board ascertained that it aims to increase the efficiency of the control activities already carried out with the current tools in use, through the use of automated procedures.

The Board was informed that in 2023 there was a decrease in the number of reports sent to the UIF in the BancoPosta area, which was also due to a decrease in the number of reports related to tax credit offences. The regions with the most at-risk operations were Campania, Lombardy, Tuscany and Lazio.

In the course of 2023, specialised training was carried out on Post Office Managers (DUPs) of areas operating in higher-risk areas and on Back Office staff, with the continuation of mandatory courses in order to maximise the percentage coverage of basic training. The majority of the resources allocated were related to developments in PEAV and the streamlining of Anti-Money Laundering processes.

It should be noted that at the beginning of 2024, the Risk Management Function was involved in the risk self-assessment activity referring to 2023 and the preparation of the Annual Anti-Money Laundering Report that will be presented in April 2024 to the Board of Directors. In particular, the purpose of the exercise is to identify, analyse and assess the main current and potential risks to which BancoPosta is or may be exposed, due to: (i) the unique regulatory and operational characteristics; (ii) its significant size and widespread territorial presence; and (iii) the procedural, organisational and infrastructural complexity.

In this regard, the Board was informed, during the March 2024 meeting attended by the Head of the Risk Management function, that in line with last year, a “low” residual risk value emerged for 2023, defined on a scale of 4 residual risk values (“Not Significant”, “Low”, “Medium” and “High”), based on the combination of the inherent risk and vulnerability ratings.

With reference to the risk of money laundering, the Internal Audit function reported that during the year 2023, the project for the implementation of the “Pratica Elettronica di Adeguata Verifica” (PEAV) (Electronic Due Diligence Procedure) continued, aimed at progressively strengthening (i) the customer profiling process following the introduction of the update of the due diligence on a periodic basis according to the risk profile, (ii) the integration with the device channels in order to ensure real-time monitoring of all operations as well as the adoption of any reinforced measures for the assessment of the merits of operations. Also based on the Audit activities conducted by the Internal Audit function, an overall adequate control system emerged, given the significant complexity of the project, with the need for specific action plans referring, for the most part, to the need to finalise the new organisational model to ensure the timely updating of the due diligence questionnaires from a risk-based perspective and to strengthen the due diligence process and monitoring of the beneficial owner for legal entity relationships. The IT audits on the internal control system protecting the security of the information systems supporting the Due Diligence processes also revealed general adequacy, given the significant project complexity. Pending the completion of the new management model for the Due Diligence Questionnaire, campaigns were launched during the audit to update the profiles identified by the Group Anti-Money Laundering structure relating to high-risk customers with expired Due Diligence Questionnaires.

During 2024, the BancoPosta Anti-Money Laundering function will provide support: (i) in the evolution of the Electronic Due Diligence Procedure (PEAV); (ii) in the evolution of the models used for Level II controls; (iii) to the Business functions for ex ante risk assessments (new products, revision of existing products with respect to specific targets); (iv) in the continuation of updating activities in the area of Due Diligence on the basis of the new profiling engine; (v) in the progressive adaptation of new automatic anomaly indicators and in the enhancement of reporting functions. In addition, plans are in place to reinforce line controls in the area of funds transfer (including top-ups on digital channels) and with regard to new funding for investments. Lastly, plans are in place to update the Anti-Money Laundering Procedure and to cooperate with the Group Anti-Money Laundering Function and other Functions of Poste Italiane to define the Remote Onboarding procedure.

The Board of Statutory Auditors, as already illustrated, was informed of the completion of the corrective measures implemented by BancoPosta following the inspection carried out by the Bank of Italy in 2017.

The Board was also informed about the initiatives implemented in the IT/Information Security area, on sales channels, on the provision of investment services and on the distribution of insurance products, on the mobile channel (BancoPosta and PostePay mobile apps), as well as on strengthening actions in the area of on-line fraud and illegal events in the sales network.

In the course of 2023, the Board verified the results of the checks on the territorial sales network, assigned to Poste Italiane's Internal Control function on the basis of the specific Operating Guideline, which showed a generally adequate and gradually improving control system.

Following the update of the regulatory framework for the governance mechanisms of BancoPosta RFC (BancoPosta's Organisational and Operating Regulations, the Guidelines for Identifying Key Personnel in relation to BancoPosta RFC) approved in 2023, the following were also updated: the Regulations for the process of entrusting and outsourcing BancoPosta RFC, the Regulations of the Financial and Insurance Services Committee, the Information Security Act, the Guidelines for defining the Risk Appetite Framework and the assessment of the Most Significant Transactions of BancoPosta RFC, the Product Governance Guidelines for Poste Italiane's investment,

insurance and banking products, and the Guidelines for the Provision of Investment Services.

With regard to operational incidents, the Board of Statutory Auditors has kept constant focus on those that occurred during the previous year, inviting BancoPosta and the DTO function to give priority to preventive interventions in order to avoid the occurrence of such events.

The Board, with reference to IT operational incidents within BancoPosta, was informed that during 2023 BancoPosta's BCM group was involved by the DTO in assessing 14 HIGH severity disruptions, of which 6 incidents with an impact on BancoPosta financial services, classified as serious by the Incident Management Unit, and reported to the Bank of Italy, in accordance with the relevant EBA regulations. The incidents that recurrently affected Financial and Payment Services, including those classified as non-serious, included incidents that made the BancoPosta APP and Instant Payment service unavailable on several occasions.

Actions initiated in 2023 and to be completed in 2024, with the aim of reducing the recurrence of events on these critical services, include:

- the strengthening of first-level system activities in the Service Control Room by adopting automatic tools capable of performing repetitive checks on the status of the infrastructures in use for the business-critical services provided;
- the continuation of the routine 'health check' of the new architectural/infrastructural components such as Kafka, Mongo DB and OpenShift in order to verify the ability to guarantee scalability, consistency and performance of the application services delivered through these new functionalities;
- the implementation of actions to further improve the efficiency of the storage infrastructure.

In addition to the provisions for incident management in the financial sector, the control model for malfunctions in the event of an impact on PSD2c services was strengthened in 2023, with the publication of the procedure Management of passive BancoPosta PSD2 Open Banking services. During 2023, 7 PSD2 incidents were detected and reported to the Bank of Italy, of which 4 were platform-specific and 3 also affected direct services.

In 2023, in line with the provisions of the Group's Event and Incident Management Guidelines, the Financial Services Incident Management Procedure (BancoPosta), the DTO Monitoring procedure (IT Malfunctioning and Disruption Management Procedure) and the Real Estate Security Incident Management Procedure were updated. In addition, by outsourcing to the Group BCM, revisions of the incident management procedures of Physical Security, Fraud, Fund Movement, and Occupational Health and Safety were initiated.

In addition, the classification process set out in the incident management procedures, which provides for a pre-classification of the controls with the support of the Supervised entities and a subsequent final classification by the Incident Management Unit for incidents assessed as 'serious' by the control units, was duly applied during 2023.

The Board of Statutory Auditors recommends, as part of the IT interventions, to (i) make a further effort to accelerate the completion times of the IT remedial plans and (ii) complete the IT intervention plan in the Anti-money laundering area, as also reported by the Bank of Italy inspection.

❖ *Supervisory activities of BancoPosta's Supervisory Board and Inspections by the Supervisory Authorities.*

During the year, the Board oversaw BancoPosta, also with reference to compliance with the Supervisory Standards contained in Bank of Italy Circular 285/2013, and in close conjunction with the Remuneration Committee, correct application of the regulations governing the remuneration of the heads of the Company's Control Functions.

The Board of Statutory Auditors periodically reviewed the structure of the Guidelines governing the relations concerning functions outsourced by BancoPosta to Poste Italiane in order to oversee the criteria applied for the allocation of costs associated with Poste's activities for the management of RFC, since such costs must be allocated in accordance with criteria that reflect the real contribution of the various management activities to BancoPosta RFC results and to those of the company as a whole.

With regard to control activities contracted out to Poste Italiane functions, the Board of Statutory Auditors, in line with the relevant Supervisory Standards applied to BancoPosta RFC - Circular 285/2013, Chapter 1 BancoPosta, Section II, Par. 5,



assessed the costs, risks and benefits of the contract on an annual basis. During a meeting with the Head of BancoPosta, the Board of Statutory Auditors acknowledged the management roles of the activities assigned by BancoPosta to other Poste Italiane's Functions via the Operating Guidelines, and the controls designed to mitigate the operating risks deriving from these assignments, and deemed the entire set of Operating Guidelines, which was subjected to validation on adequacy by a consultancy firm, to be adequate.

The Compliance and Risk Management functions have periodically prepared their respective reports on compliance risk and significant risk exposures for BancoPosta, and on the state of progress of the initiatives undertaken as a result of the commitments given to the Bank of Italy following the inspection conducted in 2017, aimed at analysing the systems for the governance, control and management of operational and IT risks as part of BancoPosta's operations in respect of which all initiatives were implemented by the end of 2023, in line with the time-scales set forth and with Consob. In this regard, the Board of Statutory Auditors ascertained the completion of the corrective action programme adopted following the Bank of Italy's findings, with the completion of the last initiative in the area of Data Centre Transformation, and all the initiatives were certified by Internal Audit.

In 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.

In July 2023, Consob sent a request for specific investigations on: (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. In January 2024, Consob requested unitary feedback on different areas of investigation including: (i) further update on the topics covered by the above-mentioned feedback of 7 September 2023 (profiling, concentration control, transparency measures on costs and charges, and identification methods); (ii) new Customer Service and Portfolio Model, to which feedback was provided on 23 February 2024.

As already mentioned, for the sake of completeness of information, we would also like to remind you of the inspection started on 14 March 2022 by the Bank of Italy,

pursuant to Article 54 of Legislative Decree no. 385 of 1 September 1993, in Poste Italiane S.p.A. - BancoPosta RFC and completed on 15 July 2022, aimed at verifying the adequacy of the models adopted by BancoPosta with reference to: business management, governance and control systems - with particular focus on outsourcing and control functions (Compliance, Risk Management and Outsourcing Governance and Internal Audit) - the assessment of interest rate risk, as well as an in-depth examination of the new tax credit business and associated risks. Based on the Inspection Report delivered to Poste Italiane on 30 November 2022, a detailed Plan of Improvement Actions ('Plan') was prepared and approved by the Board of Directors in January 2023.

The Board of Statutory Auditors, in the course of various meetings held with the Head of the BancoPosta function and the Heads of BancoPosta's Control functions, constantly monitored the implementation of the aforementioned Plan, in order to verify the progress of activities and compliance with the timetable communicated to the Supervisory Authority.

In the course of its supervisory activity, the Board also took note of the communication notified by the Bank of Italy on 21 September 2023, provided during the Board of Directors' meeting of 27 September 2023, whereby the Bank of Italy informed the Company of its decision not to proceed with the sanctioning proceedings initiated by the Authority with regard to finding No. 10 (Initiation of tax credit business: AML issues); and No. 11 (Controls on risk profiling of due diligence).

The implementation of the measures was constantly monitored by the Board, which liaised with BancoPosta's Internal Audit Function, verifying that their progress was reported to the Bank of Italy on a quarterly basis, through *Tableau de Bord* and specific documents. In particular, the Board, at its meeting of 5 December 2023, held with the Head of the BancoPosta Function and the heads of BancoPosta's Control Functions, noted that the activities defined in the Plan of Improvement Actions are largely complete, with only three measures remaining to be completed by the year 2024. As of Q4 2023, the overall progress of the Plan is 96%, with 67 actions completed out of a total of 70 envisaged in the Plan. The three remaining actions, all pertaining to project No. 3 'Contracting and Outsourcing', whose activities have already been started, are scheduled (i) in June 2024 for the action relating to the completion of the monitoring and reporting of Important Essential Functions ('FEI') outsourcing and (ii)

in December 2024 for the automation of a set of KPIs of other Guidelines relating to an outsourcing contract.

The Board therefore noted the positive progress of the Action Plan with respect to the programme and that, as things stand, there are no critical issues or impediments to the realisation of the further 3 initiatives to be completed by the end of this year.

With regard to the procedures for managing the funds received by PostePay in exchange for the issuance of electronic money, which were the subject of a communication from the Bank of Italy in July 2022 regarding full compliance with the Supervisory Provisions, following discussions with the Authority aimed at identifying an operational solution, on 4 August 2023 BancoPosta and PostePay sent the Bank of Italy a draft of a revolving pledge agreement, which was also supported by the opinion of an external legal firm.

❖ *Observations concerning BancoPosta's internal control system*

BancoPosta's internal control system is based on:

- Control Bodies and Functions, involving, each for their respective competencies, the Board of Directors, the Control and Risk Committee, the Sustainability Committee, the Head of BancoPosta, the Board of Statutory Auditors, as well as the Company Functions with specific duties in this regard;
- information flows and coordination methods between the parties involved in the internal control and risk management system;
- governance mechanisms.

With regard to the governance mechanisms, during 2023 and up to the current date, the BoD has approved various regulations and guidelines designed to strengthen the nature and effective functionality of the overall internal control system over BancoPosta RFC:

- Update of the BancoPosta Organisational and Operating Regulations, the Product Governance Guidelines for investment, insurance and banking products and the Regulations for the Contracting out and Outsourcing Process;
- Report on ICT Adequacy and Costs - BancoPosta;
- ICT strategic policy document
- Update of the Anti-Money Laundering Guidelines - BancoPosta RFC;

- Approval of the BancoPosta RFC Risk Appetite Framework for 2023;
- Updated of the 2023 “Guidelines for BancoPosta RFC’s remuneration and incentive policies”;
- Update of the “Guideline for the identifying BancoPosta’s Material Risk Takers and Annual identification process of BancoPosta RFC’s Material Risk Takers”;
- Update of the collection behavioural model;
- Renewal of the three-year committed repo facility granted by Cassa Depositi e Prestiti S.p.A. in favour of Poste Italiane S.p.A. - BancoPosta RFC;
- Report on the analysis of operational and security risks in payment services;
- Guideline on limits and criteria for the selection of issuers for the public placement of bonds and certificates.

In summary, in light of the overall activities carried out and considering:

- the organisational structure of BancoPosta RFC, specifically;
- the existing set of procedures and their continuous updating;
- the results of the verification and evaluation activities received by the Board of Statutory Auditors from the BancoPosta’s Internal Control Function;
- the results of the inspection activities carried out by the various Supervisory Authorities;
- the assessment results recorded during the year by the other corporate control functions provided for by the Internal Control and Risk Management System;
- the information acquired during participation by the Board of Statutory Auditors in the meetings of the Board of Directors and Board Committees;
- the exchange of information with the Independent Auditors, the Data Protection Officer (“DPO”) and the SB pursuant to 231/2001;
- the main developments of the Internal Control and Risk Management System and, in particular, the initiatives to strengthen it;
- the compensatory controls and improvement measures implemented and/or under way in relation to the findings relating to the Internal Control and Risk Management System highlighted by the BancoPosta Internal Audit functions and the Audit functions of Group companies;
- further events with potential impacts on the Internal Control and Risk Management System, including corporate project initiatives in specific operational areas, implemented or in the process of progressive implementation;

- the evidence acquired from management of the Whistleblowing reporting system, the Board of Statutory Auditors is not aware of critical situations or events that might suggest shortcomings in the Internal Control System of BancoPosta RFC in particular.

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*19. and 20. Final considerations on the audit procedures performed and an indication of any proposals to be presented to the General Meeting pursuant to art. 153, paragraph 2 of Legislative Decree no. 58/1998.*

In accordance with Consob requirements, we declare that in the performance of our duties we have not been made aware of omissions, instances of negligence, irregularities or evidence of inadequacies in the organisational structure, Internal Control System or Administrative and Accounting System considered relevant for the purposes of this Report.

On the basis of the supervisory activities carried out during the year, the Board of Statutory Auditors, considering the content of the reports prepared by the Independent Auditor and having noted the attestations issued jointly by the Chief Executive Officer and the Manager responsible for financial reporting, is not aware, to the extent of the scope of its activities, of any reasons preventing the approval of the financial statements of Poste Italiane and the consolidated financial statements of the Poste Group for the year ended 31 December 2023, as well as the proposal for allocation of the profit for the year, including the dividend distribution by the BoD.

Rome, 12 April 2024

for the Board of Statutory Auditors

Chairman

Mauro Lonardo

*(original signed)*

*(This report has been translated from the original issued in accordance with Italian legislation)*



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**INDEPENDENT AUDITOR'S REPORT  
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE N. 39 OF JANUARY 27, 2010  
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of  
Poste Italiane S.p.A.**

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Opinion**

We have audited the consolidated financial statements of the Poste Italiane Group (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n. 38/05.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Poste Italiane S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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***Impairment test of goodwill allocated to the “Mail, Parcels and Distribution” CGU and “Payments and Mobile” CGU***

**Description of the key audit matter**

The Group has recognized Euro 796 millions of goodwill under Intangible Assets in the consolidated financial statements as at 31 december 2023. In particular, this goodwill is mainly related:

- for Euro 459 millions to the cash generating unit ("Cash Generating Unit" - "CGU") "Payments and Mobile", resulting from the acquisition of the LIS group, and
- for Euro 213 millions to the CGU represented by the "Mail, Parcels and Distribution" business segment characterized by the persistence of negative economic results and the decline of the postal market in which the Poste Italiane Group operates, further aggravated by the current scenario characterised by a significant volatility of the main market factors and significant uncertainty with regard to economic expectations.

As required by IAS 36 "Impairment of assets", these goodwills are not systemically amortized but are subject to impairment test ("impairment test"), carried out at least annually, by comparing their carrying amounts with the recoverable amounts of the corresponding CGU.

"Mail, Parcels and Distribution" and "Payments and Mobile" CGUs were subject to the assessment of the recoverability of their carrying amount, inclusive of the goodwill as well as the other assets allocated to the CGUs, based on the 2024-2028 Strategic Plan approved by Poste Italiane S.p.A.'s Board of Directors on March 19, 2024 (the "2024-2028 Strategic Plan"). In particular, the recoverable amount was determined by estimating the "value in use" of both the CGUs, representative of the estimate of the future cash flows expected from the use of the assets included in the CGUs, including, in particular, with reference to the "Mail, Parcels and Distribution" CGU, the properties used as post offices and mechanization and sorting centers, as part of the ordinary company production process and taking into account the obligation to fulfill the Universal Postal Service and the economic conditions envisaged for the services rendered to BancoPosta's ring-fenced capital. These flows were discounted at an appropriate rate.

The impairment test carried out by the Company confirmed the recoverability of the goodwill and of the other assets attributed to the CGUs.

In the Appendix to Chapter 8 "Proposed shareholder resolutions and other information" of the Report on Operations and in Notes 2.5 "Material Information on Accounting Standards - Impairment of assets", 2.6 "Use of estimates", paragraphs "Impairment tests of goodwill, cash generating units and equity investments", "Mail, Parcels and Distribution CGU" and "Payments and Mobile CGU", and 4.4 "Operating Segments", as well as in Note A3 "Total Assets - Intangible Assets" of the consolidated financial statements, disclosure on the aspects described above is provided.



Considering the relevance of the amount of goodwill recognized in the financial statements and attributed to the "Mail, Parcels and Distribution" CGU and "Payments and Mobile" CGU, the subjectivity of the estimates related to the determination of the cash flows expected of those CGUs, taking into account also the uncertainties related to the current macroeconomic environment and the key variables of the impairment model, we considered the impairment test of goodwill allocated to the "Mail, Parcels and Distribution" CGU and to the "Payments and Mobile" CGU a key audit matter of the Group's consolidated financial statements as at December 31, 2023.

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**Audit procedures performed**

The main procedures carried out as part of our audit work, also with the support of Deloitte network experts, have included the following:

- identification and verification of the operational effectiveness of the key controls carried out by the Company over the impairment testing process;
- obtaining an understanding of the methods and assumptions adopted by the Company to carry out the impairment test;
- verification of the consistency of the methodological approach adopted by the Company, with particular reference to the identification of the CGUs and the determination of the related recoverable amounts, with respect to the requirements of the accounting policy IAS 36 "Impairment of Assets";
- analysis of the reasonableness, also by obtaining information from the Company, of the principal assumptions adopted to estimate future cash flows expected by the CGUs, also taking into account the uncertainties related to the current macroeconomic environment and the key variables used in the valuation model adopted for the impairment test;
- verification of the logical and mathematical correctness of the determination of the cash flows in the context of the impairment test mentioned above, as well as of the overall reasonableness of the calculation of the weighted average cost of capital ("WACC") and of the consistency of the assumptions related to the "terminal value", that is the value that represents the ability of the CGUs to generate cash flows, estimated beyond the explicit forecast period of the 2024-2028 Strategic Plan;
- review of the sensitivity analysis prepared by the Company;
- verification of the completeness and compliance of the disclosures provided by the Company in the consolidated financial statements with respect to the applicable international financial reporting standards.



**First application of the international financial reporting standard IFRS17 – Insurance Contracts**
**Description of the key audit matter**

The new international financial reporting standard IFRS 17 “Insurance Contracts” came into effect for reporting periods beginning on or after January 1, 2023, replacing the previous standard IFRS 4. Under the new standard the insurance contracts are measured based on the *General Model* or *Building Block Approach*, the *Variable Fee Approach*, a mandatory variant for contracts with direct participation features, or the *Premium Allocation Approach*, a simplified model for contracts with a coverage period of one year or less as well as for multi-year contracts for whom simplification linked to the model would not lead to a significantly different result of the Insurance Liabilities compared to that obtainable with the general model.

In Note 2.3 “New accounting standards and interpretations and those soon to be effective” the Group, as required by the international financial reporting standards, provides qualitative and quantitative information regarding the implementation of the new accounting standard, the measurement choices made during the transition, as well as the assessment of potential impacts resulting from the application of this new standard in the first reporting period of adoption. In particular, net of the tax effect, the first application of IFRS 17 resulted in an overall negative effect on shareholders’ equity equal to Euro 897 million respectively at the transition date, represented by January 1, 2022, and Euro 1,059 million as at December 31, 2022. It also determined for the 2022 financial year a positive effect on the net profit for the year equal to Euro 72 million and a negative effect on the total other comprehensive income equal to Euro 234 million.

The disclosure provided by the Group in the consolidated financial statements as at December 31, 2023, aims to enable its users to understand the impacts resulting from the application of the new accounting standard.

In consideration of the pervasive interpretative and operational complexities arising from the application of the new international financial reporting standard and the specific valuation methods adopted during the transition, the discretionary component inherent in the estimation process of insurance liabilities, particularly the Contractual Service margin, and the significance of the aforementioned effects, we considered the first-time adoption of the international financial reporting standard IFRS 17 a key audit matter of the Group’s consolidated financial statements as at December 31, 2023.

**Audit procedures performed**

In performing the procedures carried out as part of our audit work, also with the support of Deloitte network experts, we preliminary examined the implementation process carried out by the Group, focusing on the measurement choices made that are relevant to estimating the effects resulting from the first application of IFRS 17, particularly regarding insurance liabilities.



The following main procedures were performed:

- obtaining and examining the methodological notes prepared by the Group with reference to the models and evaluation approaches followed and any further documentation produced and made available, with particular reference to the interpretative areas, also through collection of information, interviews with the competent functions and in-depth analysis with external consultants;
- analysis of the documentation to support the application choices made by the Group for the identification of the groups of insurance contracts in relation to the provisions of the standard and consequent valuation models adopted at the transition date and for the determination of the margin on contractual services at that date;
- reasonableness analysis of the main technical and evolutionary methods and hypotheses on which the estimates of future cash flows, the adjustment for non-financial risk and the margin on contractual services were based for the purposes of determining the impacts deriving from the first application of IFRS 17;
- verification of the correct determination of the impacts deriving from the first application of the standard and related accounting representation;
- verification of the completeness and compliance of the disclosures provided by the Company in the consolidated financial statements with respect to the applicable international financial reporting standards.

#### **Valuation of Insurance Liabilities**

##### **Description of the key audit matter**

As at December 31, 2023, the Group recognized in the consolidated financial statements in the item "Liabilities under insurance contracts" (the "Insurance Liabilities"), for a total amount of Euro 155,338 millions, of which Euro 155,086 million relating to Insurance Liabilities valued on the basis of the "General Model or Building Block Approach" and "Variable Fee Approach" valuation models, and Euro 252 million relating to Insurance Liabilities valued on the basis of the "Premium Allocation Approach" valuation model. These adopted valuation models are required by the new international financial reporting standard IFRS 17 "Insurance contracts".

In particular, the Insurance Liabilities, equal to approximately 57% of the Group's total liabilities and equity, are representative of the liabilities towards the insured parties deriving from the insurance contracts stipulated by the insurance companies of Poste Italiane Group.

In Notes 2.4 “Changes to accounting policies” and 2.6 “Use of estimates”, paragraph “Insurance liabilities” the criteria and methodologies applied in determining the Insurance Liabilities by the Group are disclosed. In compliance with the provisions of the accounting standard IFRS 17, at the inception of an insurance contract or an investment contract with discretionary participation features, a liability or an insurance asset is recognized the amount of which is based on the the sum of the fulfilment cash flows necessary to fulfill the contract, on the determination of an adjustment to protect non-financial risks (Risk Adjustment), and of the margin on contractual services (Contractual Service Margin) which will be released throughout the life of the insurance contract.

The determination of Insurance Liabilities is based on complex estimation processes and requires the use of assumptions and hypotheses of a technical, demographic, actuarial and financial nature that include, among others, the forecast of future cash flows linked to the fulfillment of the contracts falling within the scope of application of IFRS 17, the determination of the discount rate to be applied in the present value calculation, the variation in the Group’s share of the fair value of underlying items, the risk adjustment for non-financial risk, and the quantification of the portion of the contractual service margin to be recognized in the income statement.

In paragraph 7.3.3. “Insurance Services Strategic Business Unit” of the Report on Operations and in Notes 2.3 “ New accounting standards and interpretations and those soon to be effective”, 2.4 “Changes to accounting policies”, 2.6 “Use of estimates”, paragraph “Insurance liabilities”, B5 “Total Consolidated liabilities – Liabilities under insurance contracts” and C3 “Consolidated statement of profit or loss – Net revenue from insurance services”, disclosure on the aspects described above is provided.

In consideration of the significance of the amount of the Insurance Liabilities recorded in the consolidated financial statements and the complexity involved in the determination process of the discretionary component, including the margin on contractual services, we considered the valuation of Insurance Liabilities a key audit matter of the Group’s consolidated financial statements as at December 31, 2023.

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**Audit procedures performed**

The main procedures carried out as part of our audit work, also with the support of Deloitte network experts, have included the following:

- understanding the key measurement models adopted by the Group in the assessment of Insurance Liabilities obtaining and analyzing methodological notes and conducting interviews with relevant business functions;
- understanding the process of determining Insurance Liabilities, which included knowledge of management, assumptive, and actuarial guidelines, as well as the processes for defining hypotheses and assumptions used by the Management;



- identification and verification of the operational effectiveness of the key controls carried out by the Group in relation to the evaluation and determination process of the Insurance Liabilities;
- carrying out verification procedures in relation to the completeness and adequacy of the portfolios taken as reference and their underlying data;
- understanding the calculation methodologies of Insurance Liabilities and verification of the application of these methodologies in the actuarial calculation and projection models, which included, among others, the following main procedures;
  - verification of the reasonableness of the assumptions and technical hypotheses used in estimating expected cash flows;
  - analyzing the economic scenarios used and checking the correctness of the applied discount rates and verification of the correctness of the discount curve applied and the determination of the component relating to the *illiquidity risk premium*;
  - verification of the correctness of the calculation of the present value of expected cash flows;
  - verification of correctness of the calculation of the Risk Adjustment percentage, for groups of insurance contracts and of the consistency with what defined in the methodological notes;
  - analysis of the consistency with what envisaged by the principle of the criterion identified for the release of the margin on contractual services and verification of the correct determination of the coverage units for the purposes of using them for the definition of the release to the income statement;
  - verification of the reasonableness of the Group's share of the fair value of underlying items;
  - verification of the correct recognition of economic and financial impacts related to the Insurance Liabilities.
- verification of the completeness and compliance of the disclosures provided by the Company in the consolidated financial statements with respect to the applicable international financial reporting standards.

#### **Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements**

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n. 38/05 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the parent company Poste Italiane S.p.A. or the termination of the operations or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

#### **Other information communicated pursuant to art. 10 of the EU Regulation 537/2014**

The shareholders' Meeting of Poste Italiane S.p.A. has appointed us on May 28, 2019 as auditors of the Company for the years from December 31, 2020 to December 31, 2028.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

##### **Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815**

The Directors of Poste Italiane S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the consolidated financial statements as at December 31, 2023, to be included in the annual financial report.



We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2023 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information contained in the notes to the consolidated financial statements, when extracted from XHTML format in an XBRL instance, may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

**Opinion pursuant to art. 14 paragraph 2 (e) of Legislative Decree 39/10 and art. 123-bis, paragraph 4, of Legislative Decree 58/98**

The Directors of Poste Italiane S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of the Poste Italiane Group as at December 31, 2023, including their consistency with the related consolidated financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations and some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98, with the consolidated financial statements of Poste Italiane Group as at December 31, 2023 and on their compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned report on operations and some specific information contained in the report on corporate governance and the ownership structure are consistent with the consolidated financial statements of Poste Italiane Group as at December 31, 2023 and are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the Group and of the related context acquired during the audit, we have nothing to report.

**Statement pursuant to art. 4 of the Consob Regulation for the implementation of Legislative Decree 30 December 2016, n. 254**

The Directors of Poste Italiane S.p.A. are responsible for the preparation of the non-financial statement pursuant to Legislative Decree 30 December 2016, n. 254.

We verified the approval by the Directors of the non-financial statement.



Pursuant to art. 3, paragraph 10 of Legislative Decree 30 December 2016, n. 254, this statement is subject of a separate attestation issued by us.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Marco Miccoli**  
Partner

Rome, Italy  
April 4, 2024

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**INDEPENDENT AUDITOR'S REPORT  
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE N. 39 OF JANUARY 27, 2010  
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of  
Poste Italiane S.p.A.**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the financial statements of Poste Italiane S.p.A. (the "Company"), which comprise the statement of financial position as at December 31, 2023, statement of profit or loss, statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n. 38/05.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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***Estimate of the recoverable amount of the "Mail, Parcels and Distribution" business segment***

**Description of the key audit matter**

The Company's assets are partially allocated to the cash generating unit ("Cash Generating Unit" - "CGU"), represented by the "Mail, Parcels and Distribution" business segment affected by the persistence of negative economic results and the decline of the postal market in which the Company operates, further aggravated by the current macroeconomic scenario characterised by significant volatility of the main market factors and significant uncertainty with regard to economic expectations.

As required by IAS 36 "Impairment of assets", the "Mail, Parcels and Distribution" CGU was subject to impairment test by comparing the carrying amount of its assets with the recoverable amount of the CGU to ensure that the book value is justifiable ("impairment test") based on the 2024-2028 Strategic Plan approved by Poste Italiane S.p.A.'s Board of Directors on March 19, 2024 (the "2024-2028 Strategic Plan"). In particular, the recoverable amount was determined by estimating the "value in use" of the CGU, representative of the future cash flows expected from the use of the assets included in the CGU, including, in particular, the properties used as post offices and mechanization and sorting centers, as part of the ordinary company production process and taking into account the obligation to fulfill the Universal Postal Service and the economic conditions envisaged for the services rendered to BancoPosta's ring-fenced capital. These flows were discounted at an appropriate rate.

The impairment test carried out by the Company confirmed the recoverability of the value of the assets attributed to the CGU.

In the Appendix to Chapter 8 "Proposed shareholder resolutions and other information" of the Report on Operations and in Notes 2.5 "Material Information on Accounting Standards - Impairment of assets", 2.6 "Use of estimates", paragraphs "Impairment tests of goodwill, cash generating units and equity investments" and "Mail, Parcels and Distribution CGU", 4.4 "Operating Segments" and in Note A3 "Total Assets - Intangible Assets" of the separate financial statements, disclosure on the aspects described above is provided.

Considering the relevance of the amount of the carrying amount of the Company's assets allocated to the CGU "Mail, Parcels and Distribution", the subjectivity of the estimates related to the determination of the cash flows expected of the CGU, taking into account also the uncertainties related to the current macroeconomic environment, and the key variables of the impairment model, we considered the determination of the recoverable amount of the business segment "Mail, Parcels and Distribution", a key audit matter of the financial statements as at December 31, 2023.



#### **Audit procedures performed**

The main procedures carried out as part of our audit work, also with the support of Deloitte network experts, have included the following:

- identification and verification of the operational effectiveness of the key controls carried out by the Company over the impairment testing process;
- obtaining an understanding of the methods and assumptions adopted by the Company to carry out the impairment test;
- verification of the consistency of the methodological approach adopted by the Company, with particular reference to the identification of the CGU and the determination of its recoverable amount, with respect to the requirements of the accounting policy IAS 36 "Impairment of Assets";
- analysis of the reasonableness, also by obtaining information from the Company, of the principal assumptions adopted to estimate future cash flows expected by the CGU, also taking into account the uncertainties related to the current macroeconomic environment and the key variables used in the valuation model adopted for the impairment test;
- verification of the logical and mathematical correctness of the determination of the cash flows in the context of the impairment test mentioned above, as well as of the overall reasonableness of the calculation of the weighted average cost of capital ("WACC") and of the consistency of the assumptions related to the "terminal value", that is the value that represents the ability of the company to generate cash flows, estimated beyond the explicit forecast period of the 2024-2028 Strategic Plan;
- review of the sensitivity analysis prepared by the Company;
- verification of the completeness and compliance of the disclosures provided by the Company in the financial statements with respect to the applicable international financial reporting standards.

#### **Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements**

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n. 38/05 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the operations or have no realistic alternatives to such choices.



The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

#### **Other information communicated pursuant to art. 10 of the EU Regulation 537/2014**

The shareholders' Meeting of Poste Italiane S.p.A. has appointed us on May 28, 2019 as auditors of the Company for the years from December 31, 2020 to December 31, 2028.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

##### **Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815**

The Directors of Poste Italiane S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the “Delegated Regulation”) to the financial statements as at December 31, 2023, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2023 have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

##### **Opinion pursuant to art. 14, paragraph 2 (e), of Legislative Decree 39/10 and art. 123-bis, paragraph 4, of Legislative Decree 58/98**

The Directors of Poste Italiane S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and ownership structure of Poste Italiane S.p.A. as at December 31, 2023, including their consistency with the related financial statements and their compliance with the law.



We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations and some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the financial statements of Poste Italiane S.p.A. as at December 31, 2023 and on their compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned report on operations and some specific information contained in the report on corporate governance and ownership structure are consistent with the financial statements of Poste Italiane S.p.A. as at December 31, 2023 and are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the Company and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Marco Miccoli**  
Partner

Rome, Italy  
April 4, 2024

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**INDEPENDENT AUDITOR'S REPORT  
ON THE CONSISTENCY OF THE DATA CONTAINED IN THE SEPARATE REPORT  
OF BANCOPOSTA'S RING-FENCED CAPITAL WITH THOSE REPORTED  
IN THE COMPANY'S FINANCIAL STATEMENTS**

**To the Board of Directors of  
Poste Italiane S.p.A.**

As entity in charge of the statutory audit of the accounts of Poste Italiane S.p.A. (the "Company"), we have undertaken a limited assurance engagement of the accompanying separate report of BancoPosta's Ring-fenced Capital - RFC, which comprise the statement of financial position as at December 31, 2023, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements ("Separate Report"), attached to the Company's financial statements in accordance with the provisions of Section 8 of BancoPosta's RFC Regulation, in order to verify the consistency between the data contained in the Separate Report and those reported in the Company's financial statements at December 31, 2023.

**Directors' Responsibility**

The Directors of Poste Italiane S.p.A. are responsible for the preparation of the Separate Report in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 43 of Italian Legislative Decree no. 136/2015 and the provisions of art. 2447-septies paragraph 2 of the Italian Civil Code. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of the Separate Report that is free from material misstatements, whether due to fraud or error.

**Independence and quality control policies**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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### Auditor's Responsibility

Our responsibility is to express a conclusion on the Separate Report based on the procedures performed. We conducted our engagement in accordance with *International Standards on Assurance Engagements - Assurance Engagements other than Audits or Reviews of Historical Information* ("ISAE 3000 revised") issued by International Auditing and Assurance Standards Board for limited assurance engagements. This standard requires that we plan and perform the review to obtain limited assurance as to whether the Separate Report is free of material misstatements.

The procedures performed have been based on our professional judgment and have included inquiries primarily of persons responsible for the preparation of the Separate Report, analysis of documents, recalculations, comparisons, reconciliations with the accounting records and other procedures to obtain supporting evidence.

In accordance with the above criteria, we have performed the necessary procedures in order to achieve the objectives of the mandate pointed out in the first paragraph. In detail, we have performed the following procedures:

- understanding, through interviews with the Management, of the criteria adopted by the Company for the preparation of the Separate Report and verification of their consistency with the provisions of the Bank of Italy Circular no. 262 of December 22, 2005 as amended and the provisions of art. 2447-septies paragraph 2 of the Civil Code;
- obtaining the reconciliation arranged by the Company between the data reported in the Company's financial statements and the data reported in the Separate Report;
- understanding of the methodology used by the Company for sharing common costs;
- verification that the data included in the Separate Report comply with the accounting records and the criteria adopted by the Company for the preparation of the Separate Report;
- verification that the data included in the Separate Report are consistent with the reconciliation prepared by the Company and with the methodology applied for sharing common costs;
- verification of the application of the accounting policies described by the Directors in the notes to the financial statements of the Separate Report;
- obtaining the representation letter, signed by the legal representative of the Company, with reference to the correctness and completeness of the information contained in the Separate Report and those provided to us for the purpose of carrying out our statutory audit.

The procedures performed are less in extent than for a reasonable assurance engagement conducted in accordance with *ISAE 3000 revised* and, consequently, do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.





### Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the data contained in the Separate Report are not consistent, in all material respects, with those reported in the Company's financial statements for the year ended December 31, 2023.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Marco Miccoli**  
Partner

Rome, Italy  
April 4, 2024

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**INDEPENDENT AUDITOR'S REPORT  
ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,  
PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016, AND  
ART. 5 OF CONSOB REGULATION N. 20267/2018**

**To the Board of Directors of  
Poste Italiane S.p.A.**

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5, paragraph 1, letter g) of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Poste Italiane S.p.A. and its subsidiaries (hereinafter "Poste Italiane Group" or "Group") as of December 31, 2023 prepared on the basis of art. 4 of the Decree, presented in the specific section of the report on operations and approved by the Board of Directors on March 19, 2024 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "*The European Taxonomy Regulation*".

**Responsibility of the Directors and the Board of Statutory Auditors for the NFS**

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with "Global Reporting Initiative Sustainability Reporting Standards" defined by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), which they have identified as reporting framework.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

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The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

#### **Auditor's Independence and quality control**

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

During the year covered by this assurance engagement, our auditing firm applied *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### **Auditor's responsibility**

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

1. analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art.3 of the Decree and taking into account the adopted reporting standard;
2. analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree;
3. comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the Poste Italiane Group;



4. understanding of the following matters:

- business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
- policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
- main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a) of this report;

5. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

In particular, we carried out interviews and discussions with the management of Poste Italiane S.p.A. and with the employees of the main entities of the Group and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company and subsidiaries level:
  - a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
  - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.
- for the following entities, Poste Italiane S.p.A., Poste Vita S.p.A. and SDA Express Courier S.p.A., which we selected based on their activities and their contribution to the performance indicators at the consolidated level, we carried out site visits and remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

### Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the Poste Italiane Group as of December 31, 2023 is not prepared, in all material respects, in accordance with article 3 and 4 of the Decree and the GRI Standards.



Our conclusion on the NFS does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "*The European Taxonomy Regulation*".

DELOITTE & TOUCHE S.p.A.

Signed by  
**Marco Miccoli**  
Partner

Rome, Italy  
April 4, 2024

*This report has been translated into the English language solely for the convenience of international readers.  
Accordingly, only the original text in Italian language is authoritative.*





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