





# 01.

## REPORT ON OPERATIONS

AT 31 DECEMBER 2021



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# 1. Introduction

## Statement from the Chairwoman and the Chief Executive Officer



Maria Bianca Farina

Chairwoman



Matteo Del Fante

Chief Executive Officer  
and General Manager

## Shareholders,

we are proud to present the fourth Integrated Report of the Poste Italiane Group. We want this document to tell the story of 2021, a year of transition for the company and the country characterised by a strong desire to restart.

Last year, the Italian economy and its many companies were hit by an unprecedented crisis following the Covid-19 pandemic, which caused total paralysis of many production sectors in their entire chain. The health emergency had a widespread impact on economies and communities, but, at the same time, the shutdown had temporary benefits for the environment such as reduced emissions and improved air quality. These economic losses and environmental improvements generated by the pandemic underlined the trade-off between economy and environment, highlighting the matter of sustainable consumption. Inevitably, in this situation, traditional businesses will decline, leaving space for innovative business models that can address the challenges of the future. So, Covid-19 can be seen as a starting point for planning the transition towards a more sustainable economy. In this transition, companies must evolve and revolutionise their business models to make them more sustainable and resilient. The pandemic also highlighted the importance of digitalisation and innovation, as demonstrated by the expansion of e-commerce, by the vast adoption of new agile working models and the use of new technologies for checking green certificates that made it easier to start back up again.

All of this is relevant for the Poste Italiane Group. We are fully aware that the only way to come out of the crisis is by adopting a business model that contributes to achieving a low-carbon and inclusive economy that protects people and the communities we operate in, maintaining constant dialogue and cooperation with them over time. This aspect is acknowledged in the content of the “Sustain & Innovate 24” Strategic Plan with which, from 2020, the Group placed innovation and sustainability at the heart of all its strategies. The commitment and awareness remained throughout 2021, and saw further reinforcement. Poste Italiane confirmed its dedication by promoting the new “Sustain & Innovate 24 Plus” Industrial Plan.

Working to achieve the objectives set out by the Plan, Poste Italiane sets itself the goal of directing Italy's sustainable development, representing a guide for the recovery and digital evolution of the country through the definition of financial, operating and sustainability objectives. The latter embrace sustainability in the fullest sense of the word, so from a social, environmental and governance point of view. With particular reference to environmental sustainability, in the last year we observed an increase in the relevance of these topics at global level with COP 26 and at European level with the publications related to the environmental EU Taxonomy, to which a specific section within the document has been dedicated. At national level, in addition to the National Recovery and Resilience

Plan which has allocated significant investments to the green transition, a historic reform was also made to the Italian Constitution with the amendment of two articles, 9 and 41, to include the protection of the environment, biodiversity and ecosystems. In this context, we implemented activities to combat climate change in order to acknowledge requests from institutions and our stakeholders. The commitment made, as well as finalising the achievement of the ambitious objective of carbon neutrality by 2030, also reflects the innovative green business philosophy adopted by the Group, namely a holistic approach which incorporates all Poste Italiane products, services and processes. This also manifests through greater engagement with consumers, which we have defined the “Green Challenge”, programmes for offsetting CO2 emissions that reward the “green behaviours” of our customers.

From the social perspective, in 2021 Poste Italiane yet again wished to underline its closeness to the territories and local communities. Poste Italiane’s contribution to combating the pandemic also continued to be essential in the second year of the health emergency, thanks to the nationwide presence of its physical and digital network and investments to update and modernise its platforms and infrastructure. Not only has the Group provided institutions with its logistics network for the delivery of millions of vaccines, it also made its digital infrastructure available for the purposes of establishing an information platform for citizens to track and book doses. It has been our honour to contribute to the country’s recovery, by reinventing ourselves quickly and leveraging innovation, technology and digitalisation.

The growth of the Poste Italiane Group is based on a long-term perspective and wide-ranging projects that over the years have allowed us to achieve a competitive advantage on the market and respond promptly to the needs

of society. This has been especially possible thanks to the ability to adapt our services and processes to a continuously changing technological and market context, demonstrating to the entire country that it can rely on the nationwide presence of an organisational structure with around 13,000 Post Offices, and on cross-functional expertise that intercepts the social and economic needs of citizens even during very complicated times, such as the ongoing health emergency. In addition, in line with previous years, a fundamental role was played again this year by significant investments in technology and expertise in order to promote the continuous innovation of products and services offered to consumers, also thanks to the reorganisation of operating processes and structures.

In 2021, Poste Italiane was also confirmed to be the largest business in the logistics sector in Italy and a leader in the financial, insurance and payments services sector. Being the country’s largest company by number of employees also entails the responsibility of playing a key role in the life of the country, since it involves the ability to positively influence its economy, in terms of Gross Domestic Product, tax revenue, employment and household income, generating a turnover of around € 11.2 billion in 2021.

These results would not have been possible if over the years we had not adopted a sustainable business model based on a value creation process that uses financial and non-financial capital in an optimal way, integrating the Industrial Plan with ESG objectives in order to generate an economic, environmental and social outcome that allowed the company to contribute to the Sustainable Development Goals (SDGs) of the United Nations.

Specifically, Poste Italiane has adopted a Sustainability Strategy that consists of a set of Sustainability Policies, part of the company regulations, where general principles, future objectives and methods for managing non-finan-



cial priority areas for the company and our stakeholders are identified, i.e. a system of sustainability objectives that contributes to national and supranational social and environmental development objectives. This strategy is consistent with Poste Italiane's activities and business criteria.

The challenges faced in these two years of the pandemic have made us realise that the sustainability process undertaken for many years now is the correct approach to making the business more resilient, thanks to the integration of social and environmental factors alongside business criteria in order to promote an all-encompassing company risk assessment comprising not only financial risks, but also risks related to the social, environmental and governance sphere. Thanks to this wider conception of risk, Poste Italiane has planned its short, medium and long-term development plans more effectively.

Over the years, the importance that we place on relations with our stakeholders has not changed. Specifically, we are committed to building a sustainable relationship with them, aiming for inclusion and promoting as extensive a participation as possible based on dialogue and collaboration. To achieve this, listening to stakeholders during the Multi-stakeholder Forum was also important this year. Now in its fifth edition, the forum was held via live streaming in accordance with the limitations imposed by the health emergency. The event is an extremely important time for reflection and strategic discussion around the topics of Sustainability that are material for the sector and identifies the material topics to be included in the Group's Sustainability Strategy, which is based on the following eight pillars: Integrity and transparency, People development, Diversity and inclusion, Creating value for the country, Green transition, Customer experience, Innovation, Sustainable finance.

The quality of the journey and the sustainability strategies adopted over the years are also reflected in the many national and international awards received from the biggest ratings agencies. In line with 2020, in 2021 Poste Italiane confirmed its presence in the prestigious Dow Jones Sustainability World Index, alongside companies that demonstrated their greater commitment to the sustainable management of their business. In particular, Poste Italiane is positioned within the more restrictive Europe segment. In addition, during the year, Poste Italiane was recognised by CDP (formerly Carbon Disclosure Project) as a leader in the fight against climate change, appearing in the "Leadership" category and confirming its A- rating. Equally as important are the confirmations in the Bloomberg Gender-Equality Index (GEI), FTSE4GOOD and Euronext Vigeo-Eiris World 120 indices. In relation to the latter, we are particularly pleased to report that Poste Italiane has achieved first place among nearly 5,000 companies rated for their sustainability performance. In addition, we are proud to be able to note the Group's entry into the new MIB ESG index launched by Euronext and Borsa Italiana, the first index dedicated to Italian blue chips that adopt the best environmental, social and corporate governance practices. Finally, this year Poste Italiane has also confirmed its presence in the 2022 edition of the S&P Global Sustainability Yearbook for its notable sustainability performance.

The excellent results in 2021 strengthened Poste Italiane's reputation among citizens, customers and institutions, who have placed their trust in our Group again and again for years. The goals achieved also demonstrate the solidity of the choices made within our sustainability journey which over time has manifested in a constant commitment to listening to the needs of stakeholders and achieving common goals, offering proof of how the economic value generated by the Company can be a direct consequence of the sustainable success achieved by the communities with whom we share our day-to-day lives.

# Presentation of the Integrated Report

The fourth Integrated Report of the Poste Italiane Group aims to provide a complete description of the sustainability strategy adopted over the years by the Company, representing the financial, environmental, social and governance performances and offering an overview of the future prospects in relation to the material topics for the Company and for stakeholders. The Report offers a clear view of the processes on which the creation of shared value is based in the short, medium and long term through activities implemented during the year, in order to promote a sustainable and profitable growth, while contributing to the sustainable growth of the country.

Through the Integrated Report, Poste Italiane is able to communicate fully and in detail its objectives and results, illustrating the mutual influence that runs between the external context, the strategy, the business model and the forms of financial and non-financial capital. In this way, the Group once again confirms the importance of adopting an approach integrated with business management, which incorporates financial and sustainability elements within the same document.

The integration of sustainability into the business brings the need to pay continuous attention on the Group's social and environmental impacts. These impacts are managed thanks to strategic choices intended to satisfy the needs of stakeholders and achieve the pre-defined business objectives. The achievement of objectives is made possible thanks to investment in the main forms of capital, including: financial, human, physical-structural, intellectual, social and natural. The document also seeks to clarify the process that governs the management of capital, assets on which the Group's sustainable success depends. At the same time, they represent elements affected by Poste Italiane in its operations, in order to contribute to the Sustainable Development Goals of the United Nations. For this reason, this year the document once more provides a depiction of the Group's business model and a clear representation of the correlation between company performance and the aforesaid types of capital. Lastly, the results are represented, for each form of capital, in Chapter 2 "Highlights".

The continuation of the health emergency meant no changes were made to any of the activities promptly implemented in 2020 to correctly and efficiently manage the impact generated by the pandemic. In line with the previous year, Chapter 5

"Risks and Opportunities" includes a table showing links with all the measures carried out, the capital required to perform them and the pillars where their details are provided, in order to offer readers a clear representation of the activities carried out by the Group in the context of the emergency and the impacts produced by them. Lastly, throughout the document, content related to the management of Covid-19 is highlighted by the following infographic:



In order to guarantee an adequate representation of the activities carried out, in 2021 the names of two of the Group's eight strategic pillars were updated: "Support for local communities and the Country as a whole" and "Decarbonisation of real estate facilities and logistics". Respectively, "Support for local communities and the Country as a whole" was renamed "Creating value for the country" in order to better express the Group's commitment to creating and disbursing shared value. The name of the "Decarbonisation of real estate facilities and logistics" pillar was changed to "Green transition", with the aim of promoting the new comprehensive approach adopted by the Company which integrates environmental issues into all Poste Italiane products, services and processes. The new name also aims to represent Poste Italiane's new green strategy as thoroughly as possible. The company strives to speed up the energy transition process in particular through the so-called "Green Challenge", which includes entering the energy market with an offer from 100% renewable sources and the offsetting of CO2 emissions through the development of ad hoc tools. The changes to the two Pillar names also reflect the events of the fifth edition of the Multi-stakeholder Forum, in light of the greater relevance attributed to environmental topics and topics related to the creation of shared value for the community.

The main change to the 2021 Integrated Report is the introduction of a section dedicated to the EU

## MAIN RELATED TYPES OF CAPITAL



Taxonomy, pursuant to Regulation (EU) no.852/2020, in Chapter 9 “Non-financial statement”. The section reflects Poste Italiane’s desire to contribute to the sustainable development objectives of the European Union and to operate in compliance with legislative requirements. To this end, the Group has undertaken a careful analysis of its activities and the legislative framework issued by European institutions and has prepared a methodological approach intended to provide an adequate disclosure.

Chapter 4 also provides a representation of the new methodology used to identify the Group’s material topics. In particular, for the first time, Poste Italiane has introduced a dual perspective into the evaluation of material topics: “Inside-out” and “Outside-in”. External engagement (Inside-out) allows the Company to consider the current or potential significant impacts of its activities and the activities of its value chain on society and the environment. Through internal engagement (Outside-in), on the other hand, the Group took into account Sustainability topics that could positively or negatively impact its strategy, its performance and its positioning in the near, medium or long term and therefore create or erode its value. By introducing the concept of double materiality as of 2021, Poste Italiane has acted in advance of the requirements introduced by the new proposed amendment of European Directive 2014/95/EU.

In line with previous years, the 2021 Integrated Report contains a consolidated non-financial statement, integrated in the Report on Operations, present in Chapter 9. The NFS has been prepared in accordance with the requirements of articles 3 and 4 of Italian Legislative Decree 254/2016 and the “Global Reporting Initiative Sustainability Reporting Standards” defined by the GRI – Global Reporting Initiative (hereinafter “GRI Standards”) according to the “in accordance – Core” option. In chapter 9, paragraph “Reporting standards and policies”, a connecting table that indicates the information content required by the Decree and its positioning within the Integrated Report is included, with the aim of making it easier to find all non-financial information. In addition, such content is also noted, to make it easily identifiable, by this infographic:

**NFS**

The Group’s fourth Integrated Report has been prepared by applying the framework for Integrated Reporting published by the International Integrated

Reporting Council (IIRC). Poste Italiane has also reported the Covid-19 disclosures that ESMA<sup>1</sup> has required issuers to provide in their Annual Financial Reports and Non-Financial Statement for 2021. ESMA not only identifies the impacts of the pandemic as a priority of the 2021 non-financial report, but also topics related to climate change. In this context, it should be noted that in 2021, Poste Italiane officially became a supporting member of the Task Force on Climate-related Financial Disclosure, thus intensifying its commitment in that area. Not only does the new version of the integrated document illustrate the risk management methods and the opportunities associated with the Group’s activities according to the TCFD recommendations, it also contains a table linking the recommendations of the TCFD with the content of the Integrated Report, extending the Group’s disclosure on managing climate change-related risks and opportunities. Lastly, this year Poste Italiane carried out a review of the climate scenarios, using as a reference the document prepared by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) and the main literature on this subject, with the aim of reflecting potential future developments in this area.

In line with 2020, the indicators of the 2021 Integrated Report are reclassified according to the standards of SASB (Sustainability Accounting Standards Board), again demonstrating the attention reserved by the Group to requests for information from investors in relation to the assessment of companies according to ESG criteria. In addition, Poste Italiane, proving its commitment to take part in the creation of a shared and universal framework for non-financial reporting, also reports this year the indicators related to “material ESG metrics”, present in the latest version dated September 2020, in the “Towards Common Metrics and Consistent Reporting of Sustainable Value Creation” document presented in January of that year at the World Economic Forum.

Over time, Poste Italiane has continued to contribute to the 17 Sustainable Development Goals of the United Nations, and in this sense, the Document provides an overview of the impact of this contribution

1. ESMA document on European common supervisory priorities for 2021 “European common enforcement priorities for 2021 annual financial reports” published on 29 October 2021.



using a table linking the targets pursued by the Group, the GRI Standards indicators and the SDGs, adopting the latest indications contained in the latest version of the document “SDG Compass” prepared by GRI, UN Global Compact and WBCSD (World Business Council for Sustainable Development).

This Annual Financial Report is also formed of the following documents: the consolidated financial statements of the Poste Italiane Group, the separate financial statements of Poste Italiane including BancoPosta’s separate report, the associated declarations pursuant to art.154 *bis*, section 5 of Italian Legislative Decree 58/1998 and the reports by the Board of Statutory

Auditors and the Independent Auditors, referring to the financial year ended at 31 December 2021, and the Report on Corporate Governance and the Ownership Structure published on the Company’s website in the Governance section, to be considered an integral part and to which reference is made for further information about the Corporate Governance structures.

The Annual Financial Report, approved by Poste Italiane SpA’s Board of Directors on 22 March 2022, will be made available to the public, within the deadlines required pursuant to current laws and regulations (i.e. by 30 April 2022), on the following website: <https://www.posteitaliane.it/it/bilanci-e-relazioni.html#/>

The following infographics are used in this document:



to indicate the possibility of consulting the definition of the content in the glossary found in Chapter 10 using a link;



to indicate the possibility of learning more about the issue discussed in the reference paragraph using a link;



to indicate the possibility of returning to the beginning of the chapter or the general index with a link.



## 2. Highlights

- 2021 Outcome of the value creation process at Poste Italiane
- Serving the Country for 160 Years
- Impacts generated by Poste Italiane
- Creation of shared value to achieve SDGs

### Historical record of the share at € 12.675 in October 21% growth of the **DPS for 2021** versus 2020

Economics up on 2020 and pre-pandemic levels:

- Revenue **€ 11.2 billion (+6.6%** versus FY 2020)
- EBIT **€ 1.8 billion (+21.1%** versus FY 2020)
- Net profit **€ 1.6 billion (+31%** versus FY 2020)

- CAPEX at maximum historical level with **€ 754 million (+11%** versus FY 2020)

First issue of an € 0.8 billion Hybrid Bond

**€ 586 billion** Total Financial Assets (+3.1% vs. FY 2020)

**€ 30 billion** Gross inflows on BFP: record high in last 10 years

**Strategic acquisitions:** Nexive Group, Sengi, Finacit, Replica SIM



Financial



**12,761 Post Offices** throughout Italy and **121 thousand employees**

**Omni-channel Strategy:** over 17 million **daily interactions** across all channels (>20 million in December 2021)

**32%** of total **daily transactions** carried out **digitally** or on **third-party networks**

**6.7 million daily contacts** on the Group's digital channels

**Landriano hub** Italy's largest logistics centre certified **BREEAM In-Use Excellent** for sustainability inaugurated

**Over 22 million digital identities (SPID)** issued to allow citizens access to PA platforms and services

First operator in Italy for **payment cards (28.6 million)** and **e-commerce transactions (+31%** versus FY 2020)

**Over 400 Smart postboxes** for optimised mail collection



Physical-  
Structural



**POSTE**

The Poste Delivery launch campaign wins at the **Touchpoint Awards | Strategy 2021** in the category **Best New Brand**

**1st place in the global ranking of Brand Finance** Poste Italiane takes first place in the world ranking for the insurance sector for the second consecutive year

BancoPosta Fondi SGR: European Funds Trophy 2021 award as **"Best Italian Asset Management Company"**

**Interactive Key Award** rewards the launch campaign of Postepay Digital

The **NoidiPoste** app wins at the **Touchpoint Awards Engagement 2021** in the **mobile marketing** category

Poste Italiane and Tg Poste: **"Best in Media Communication"** award

**ISO 29993:2019** | November 2021

**ISO 22222** | November 2021

**ISO 20400** | October 2021



Intellectual



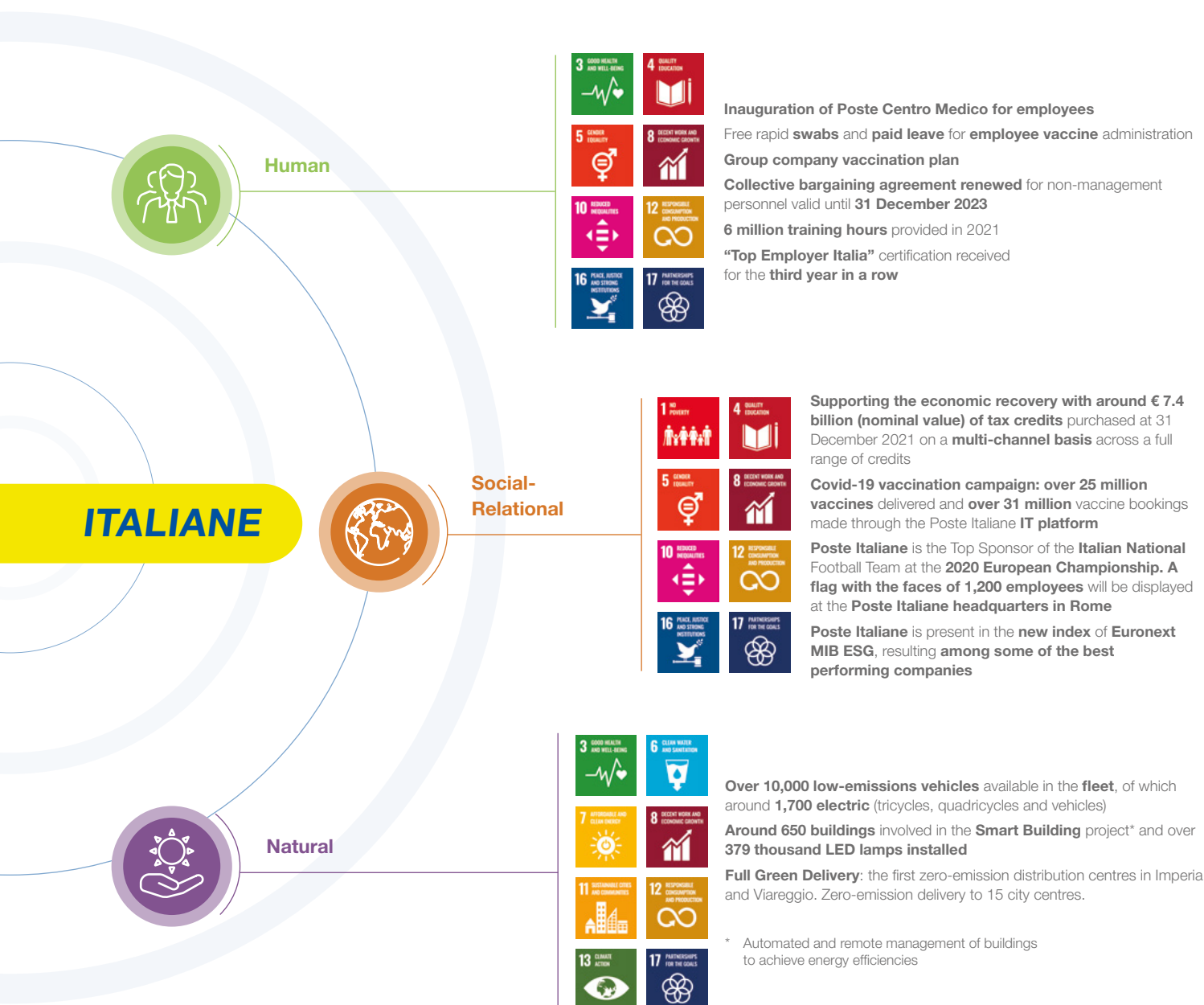


# 2021 Outcome of the value creation process at Poste Italiane

**NFS**

During 2021, through significant investment in the six forms of capital on which the Company is based (financial, human, physical-structural, intellectual, social-relational and natural), the Poste Italiane value creation process has generated significant results for the Group with systemic value, consistent with the United Nations Sustainable Development Goals Framework.

## MAIN RELATED TYPES OF CAPITAL



## SERVING THE COUNTRY FOR 160 YEARS

### 1862

Arrival of the **Regie Poste** control rooms for the postal service.



### 1863

Distribution of the **first stamp of the Kingdom of Italy** where the word "Italian" appears.



### 1896

Evolution in remote communication: patented the **wireless telegraph** by Guglielmo Marconi.

### 1875

**Postal Savings Books**: launch of the collection of savings to contribute to the financing of public works.



### 1980

Prepared the new **Mechanised Sorting Office Network**; front-line presence after the earthquake in Irpinia.



### 1967

The need arises to divide cities into postal zones: the **Postcode** (CAP) is created.



### 1955

the invention of **Telex** brings the world online.

**Posteitaliane**

### 1998

Change to business model: Poste Italiane becomes a **Società per Azioni**.



### 1917

**First flight** from Turin for **postal delivery**; the postal current account is created.



### 2000 2010

First BancoPosta **current account**.  
First **Postepay** card (2003).  
First **PosteMobile SIM** (2007).  
The **Poste Vita Poste Assicura** group is created (2010).

MAIN RELATED TYPES  
OF CAPITAL

2019

Début in the main **international Sustainability Indicators**.  
Inauguration of the **logistics hub in Bologna**.  
Leadership in the market for B2C parcels.



2014

**Poste Vita** leader in Italy for premium income.



2015

Entered the **stock market**; the Poste listing on 27 October is the highest in Europe in the year.



2020

Key role for the **management of the health emergency**.  
>200 million packages delivered (2x versus 2016).



**160** 1862 - 2022  
**Posteitaliane**

2018

**First meeting with the "Mayors of Italy" for the development of Small Municipalities.**  
The company **PostePay** is created.  
Agreement with **Amazon**.  
**ESG Strategic Plan** and first **Integrated Report**.  
Extension of the **Punto Poste** network agreement with **FIT**.



2016

In line with the asset management growth strategy, the alliance with Anima Holding is strengthened; the **Poste ID** enabled for **SPID** is launched.



2017

New **Joint Delivery** model to address the development of e-commerce.  
**Postal savings** again at the heart of the strategy.  
Entry into the **fixed telephony** market.



2021

Reached 20 **million daily interactions** with the omni-channel approach.  
Support for Italy's **vaccination campaign**.  
Launch of the **Fibre** offer.  
Italy's **largest logistics centre** in Landriano.  
Acquisition of **Nexive**.





# Impacts generated by Poste Italiane

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

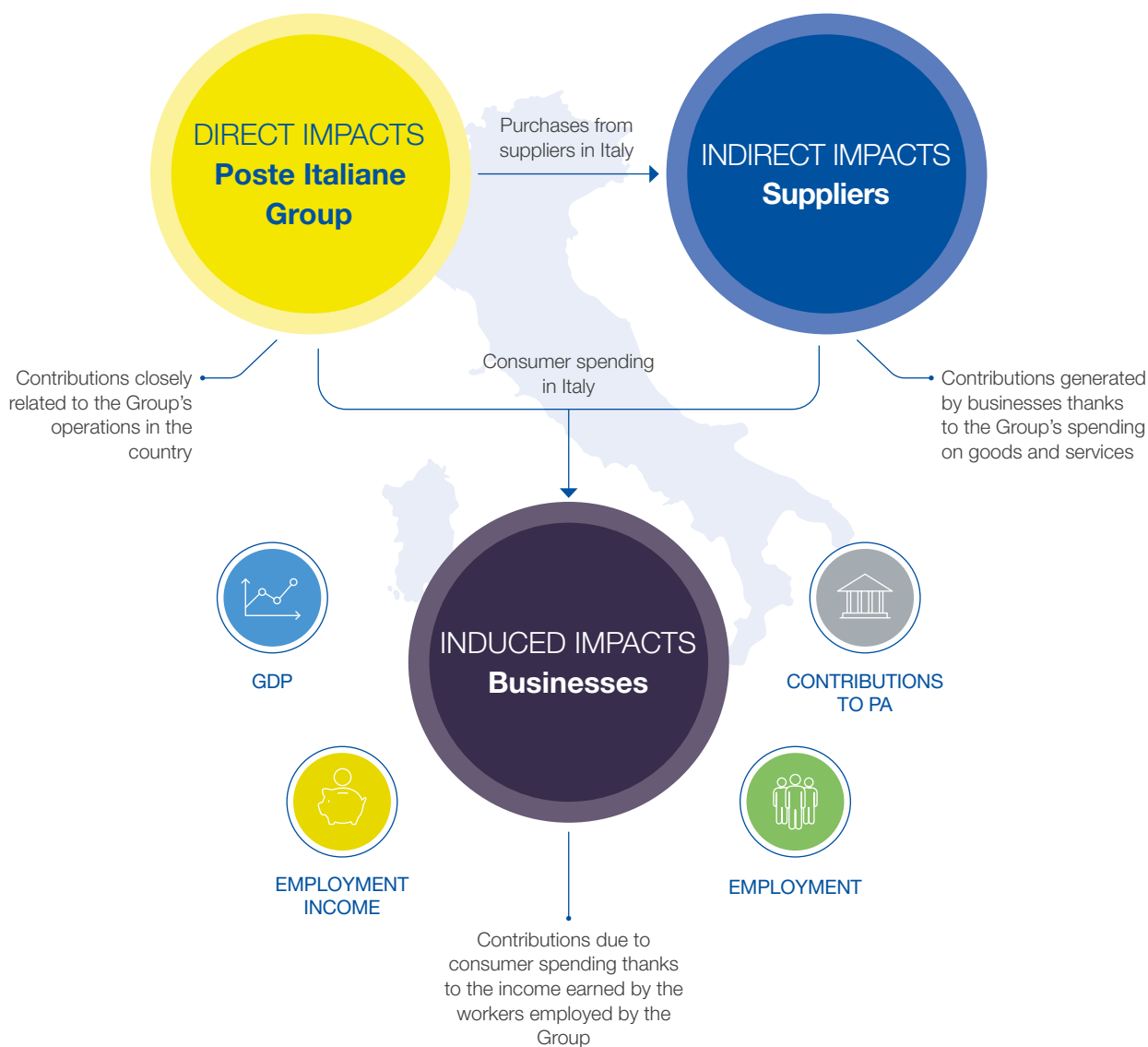
In particular, the activities carried out by Poste Italiane generate impacts on GDP, employment income, employment and contributions to PA. Impacts can be distinguished into:

- **direct impacts:** impacts generated by the operating activities carried out directly by Poste Italiane;
- **indirect impacts:** impacts generated along the supply chain as a result of Poste Italiane's spending on goods and services (€ 3.4 billion in 2021, +14% compared to 2020) from Italian suppliers;
- **induced impacts:** impacts generated by consumer spending that is realised through the income earned by workers employed directly and indirectly by the Group.

## MAIN RELATED TYPES OF CAPITAL



## The process of creating Poste Italiane's economic value

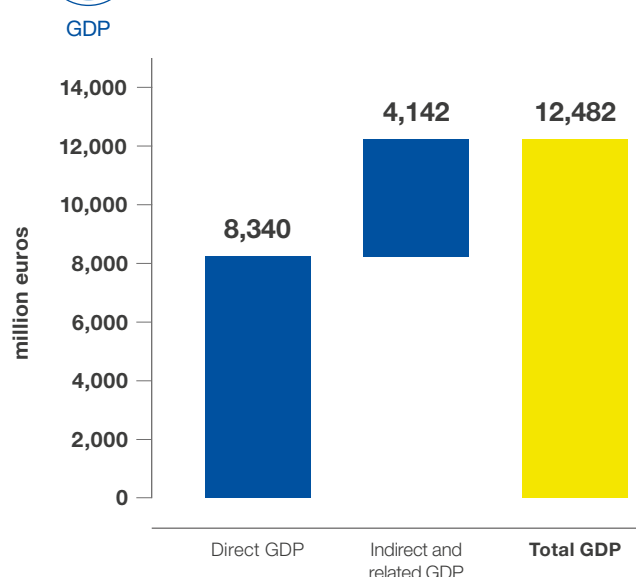


In 2021, the Poste Italiane Group generated impacts on the country in terms of Gross Domestic Product (GDP) totalling € 12.5 billion, as well as supporting around a total 183 thousand jobs and contributing to Public Administration revenues with around € 2 billion in terms of tax revenue. In addition, it is possible to estimate that Poste Italiane has directly and indirectly contributed to the distribution of income to workers for a total of € 7.3 billion.

The creation of value by Poste Italiane is based on the contribution that the Group's individuals make through their work and daily commitment. In 2021, each individual at Poste Italiane contributed to the creation of economic impacts for the territory equal to € 105 thousand of GDP, € 62 thousand of income for households, € 17 thousand of tax contributions and the employment of 1.5 people.



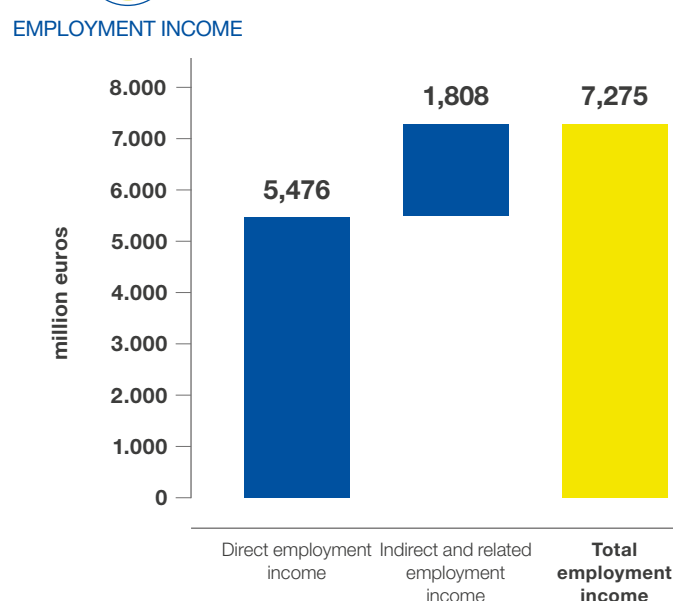
### The contribution by Poste Italiane to Gross Domestic Product – 2021



Each Poste Italiane individual, through their work and daily commitment, contributed to the creation of GDP equal to € 105 thousand in 2021



### The contribution by Poste Italiane to employment income – 2021

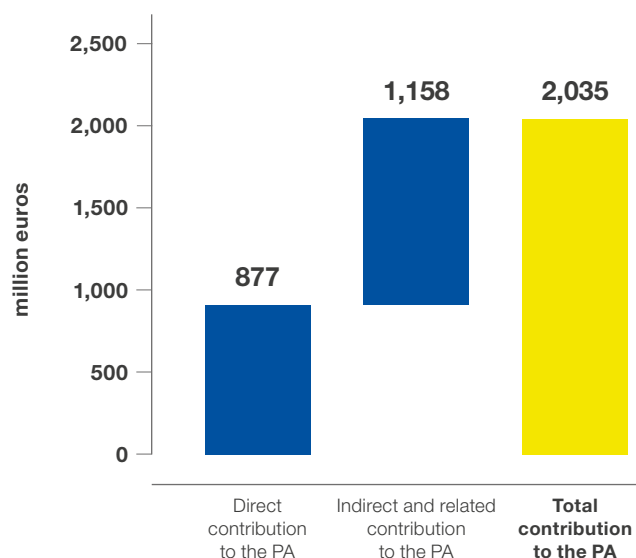


Each Poste Italiane individual, through their work and daily commitment, contributed to the distribution of € 61 thousand to households in 2021



### The contribution by Poste Italiane to the PA – 2021

#### CONTRIBUTIONS TO PA

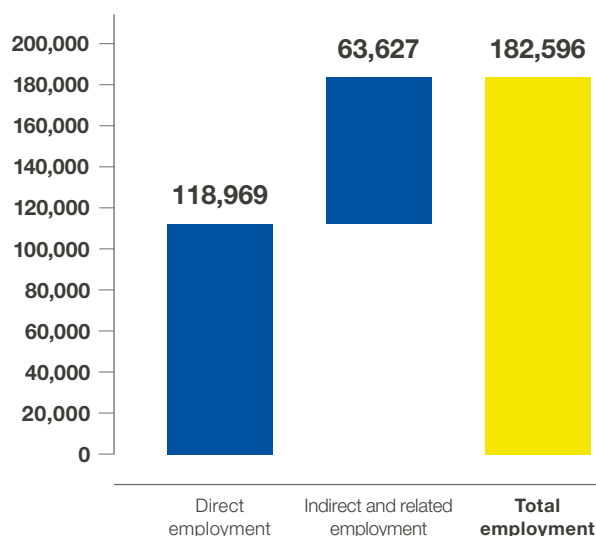


Each Poste Italiane individual, through their work and daily commitment, contributed to the generation of tax revenue equal to € 17 thousand in 2021



### The contribution by Poste Italiane to employment – 2021

#### EMPLOYMENT



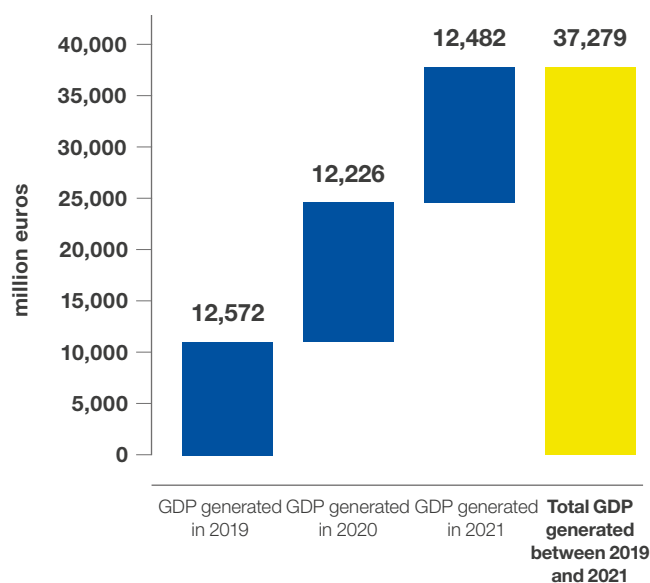
Each Poste Italiane individual, through their work and daily commitment, contributed to the employment of 1.5 people in 2021

Poste Italiane's commitment to the Country System is not limited to 2021, but is part of an annual value creation process. In the last three years, the Poste Italiane Group generated total impacts on the country for € 37.3 billion of Gross Domestic Product (GDP), € 22.2 billion in employment income and € 6.2 billion in tax revenue. Furthermore, the Group contributed on average to the creation of 187 thousand jobs in the 2019-2021 three-year period.



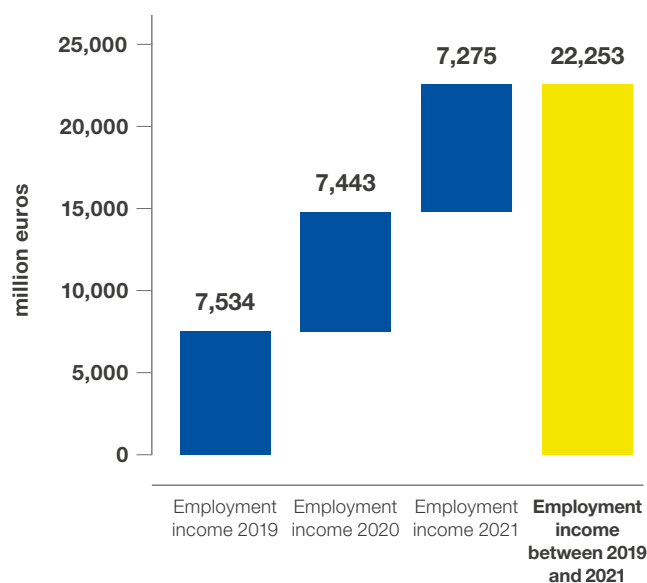
### The contribution by Poste Italiane to the PA in the 2019-2021 three-year period

GDP



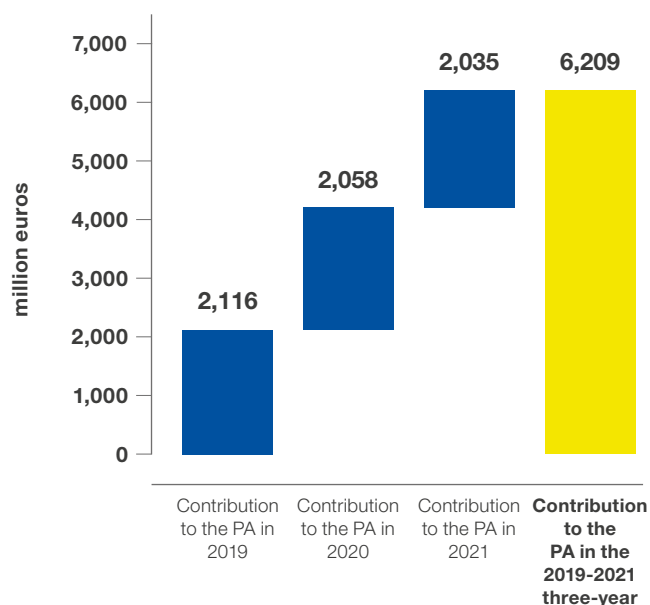
### The contribution by Poste Italiane to employment income in the 2019-2021 three-year period

EMPLOYMENT INCOME



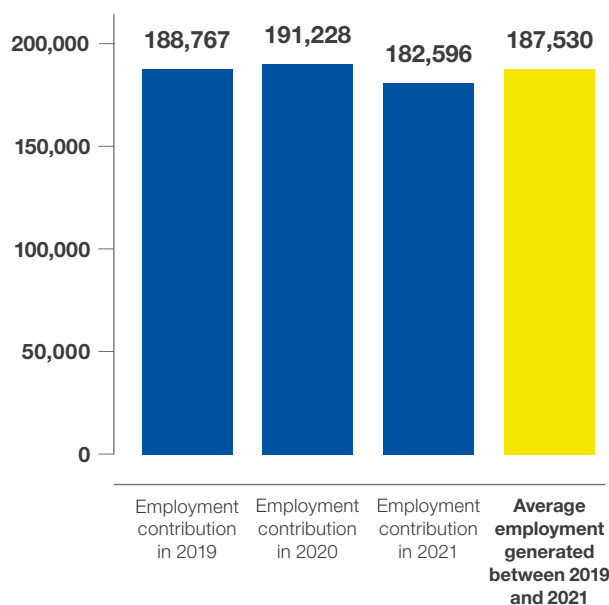
### The contribution by Poste Italiane to the PA in the 2019-2021 three-year period

CONTRIBUTIONS TO PA



### The contribution by Poste Italiane to the employment in the 2019-2021 three-year period (average)

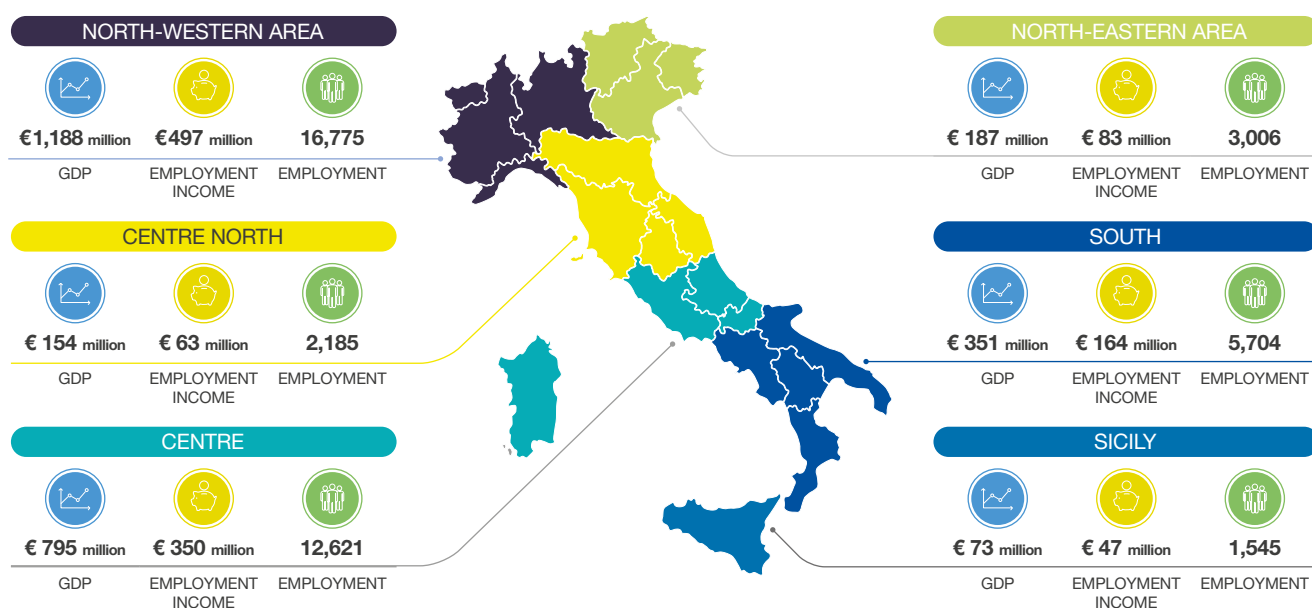
EMPLOYMENT



Below are two focuses on the area of Poste Italiane's suppliers, respectively the impacts generated by Italian suppliers in the individual Territorial Areas and the indirect contributions generated by Italian Small and Medium Enterprises (SMEs) suppliers.

## Impacts generated in individual territorial areas

Considering the region of the registered office of suppliers, the indirect impacts generated by them in each Territorial Area in 2021 have been identified.



With reference to the various areas examined, there are values of Gross Domestic Product between € 70 million and € 1 billion. This results in an employment level of no less than one thousand people and total employment income between € 40 million and € 500 million approximately.



## Impacts of italian SME suppliers

Considering the parameters defined by the European Commission, the Italian suppliers that are characterised as SMEs and the indirect impacts related to them have been identified.



In 2021, SMEs impacted on the level of Gross Domestic Product for a value of € 1.4 billion, leading to the employment of 23,000 people and an income distribution of around € 652 million. Lastly, more than € 388 million have been created in terms of tax revenue.

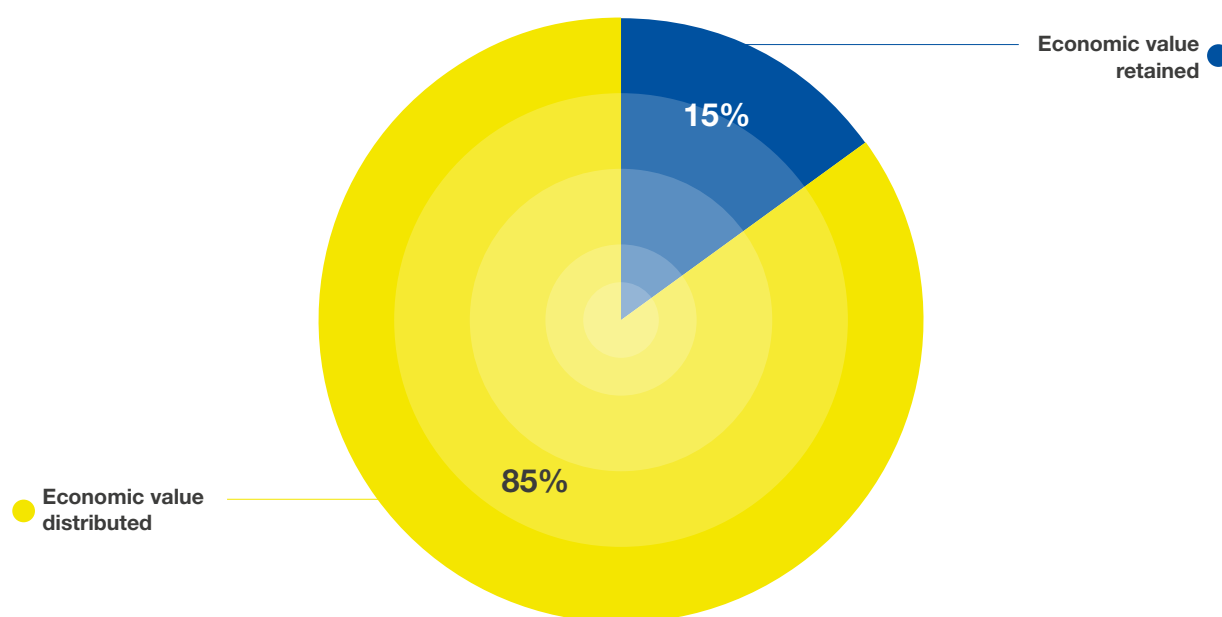
## The economic value generated and distributed by the Poste Italiane Group

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

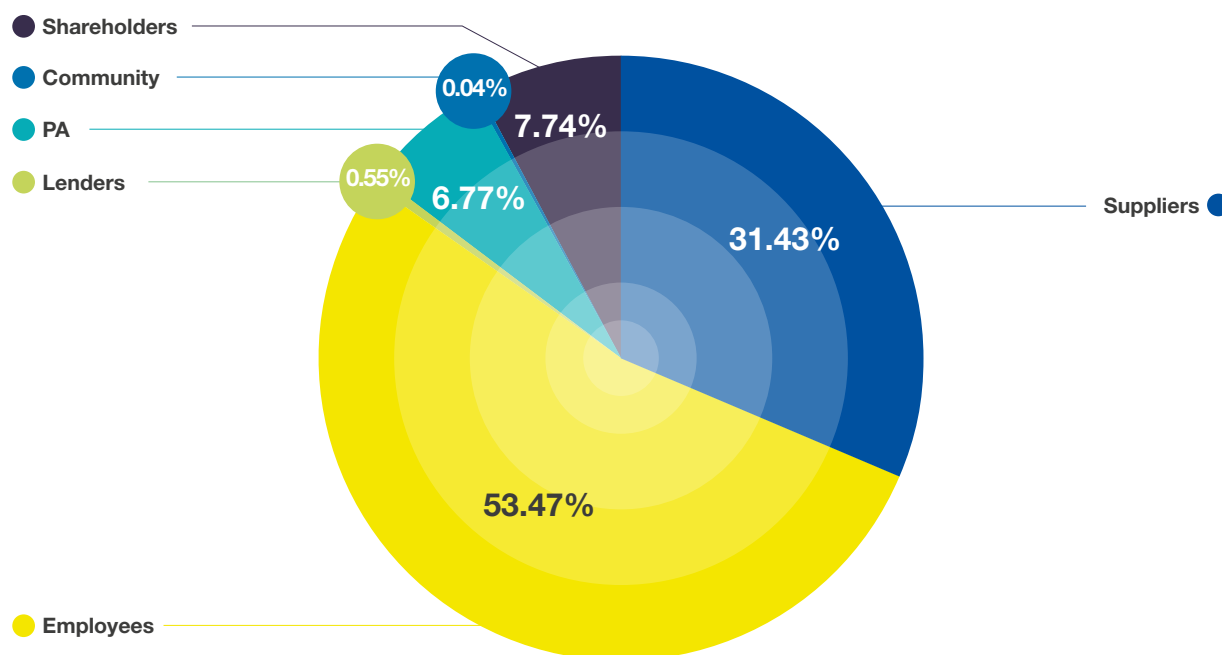
In 2021, more than 85% of the wealth produced by the Company was distributed to its stakeholders. In particular, employees and suppliers are among the stakeholder categories that benefit the most from the wealth produced by the Company, accounting respectively for 53.47% and 31.43% of the total value distributed.

The economic value created in 2021 amounts to over **€ 11.6 billion**, of which around **85% distributed** to stakeholders

## Distribution of the economic value generated



## Breakdown of the economic value distributed



# Creating shared value to achieve the SDGs

NFS

Poste Italiane, a unique business in Italy in terms of its size, recognition and capillarity, is an integral part of the economic, social and productive fabric of the country. The Group's activities therefore generate significant impacts across the entire territory, including with a view to achieving the Sustainable Development Goals (SDGs).

In order to provide a representation of the Group's impact on the United Nations SDGs, the following representation has been prepared which highlights the correlation between the outcomes of the Poste Italiane business model and the social needs of the Italian territory, identified by the analysis of the fourth edition of the SDGs Report (2021) prepared by ISTAT.



## Goal 1: End poverty in all its forms everywhere

Italy

- In 2020, over 2 million households (7.7%), for a total of over 5.6 million individuals (9.4%), were in **absolute poverty**. Compared to the previous year, the rate of poverty increased especially in the North West (10.1% of individuals in absolute poverty; +3.3 percentage points compared to 2019) and in the North East (8.2%, +1.6 p.p.).
- The rate of absolute poverty** increased significantly across all age groups, except for over 65s. In 2020, belonging to elderly households or with one elderly person – often the holder of pension income – reduced the risk of being in absolute poverty.
- The spread of infections had a significant impact on **requests for healthcare**. The proportion of people who said that they held off on a doctor's appointment despite needing one rose to 9.6% in 2020 from 6.3% in 2019 and of these, around half reported an issue linked to Covid-19 as the cause.

## Posteitaliane



- In 2021, the Sponsorships Committee approved **82 initiatives**, favouring support for initiatives with a relevant social impact with a particular focus on the country's "peripheral" territories, with a view to contributing to the post-pandemic recovery.
- Poste Italiane contributed € 274,000 in **charity donations**, € 954,970 in investments in **communities** in collaboration with non-profit organisations and local institutions and
- € 2,994,570 in **commercial initiatives** with benefits in favour of communities, for a total of € 4,223,540.
- In May 2021, Poste Italiane inaugurated the **Poste Medical Centre**, a centre of excellence for the prevention, treatment and well-being of employees.



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

Italy

- In 2020, there were 746,146 deaths in total, the highest value ever recorded in Italy since the Second World War (100,526 more than the 2015-2019 average, with an **excess mortality** of 15.6%).
- In the 2020/2021 winter season, **flu vaccination cover** for the over 65s population increased significantly compared to the previous season, from 54.6% to 66.5%.
- In 2020, after over 10 years, the proportion of men and boys aged 14 and over presenting **behaviours at risk of alcohol consumption** increased again (23.6%; +1.3 percentage points compared to 2019). The proportion of women remained stable (10.2%). The percentage of men and women aged 14 and over who said they smoked did not change: 15.8% of women and 22.5% of men.

## Posteitaliane



- In total, for the Group's employees, **deaths following occupational accidents** (at work and while commuting) decreased by around 55% in 2021 compared to 2020.
- At 19 January 2022, Poste Italiane has **delivered over 25 million vaccines** via SDA and has made **over 31 million bookings** for the vaccine through the IT platform.
- In cooperation with the Umberto Veronesi Foundation, Poste Italiane organised 13 webinars on issues linked to **healthy life styles, ethics and science** with an average of 300 employees participating in each edition.
- Poste Italiane considers the absence of **substance addiction** and **alcohol dependence** among the activities subject to healthcare prevention measures, as established by the Risk Assessment Document.



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

Italy

- In the 2019/2020 school year, places available in Italy in public and private **early childhood services** covered 26.9% of children up to 2 years old, a value lower than the 33% parameter set in 2002 by the EU for 2010. There was a wide gap between the Centre-North and the South.
- In 2020, 27.6% of young people aged 30-34 had a **degree or tertiary qualification** (34.3% of women and 21.4% of men), a level stable in the last 3 years but among some of the lowest in Europe.
- Italy is also behind on digital skills: in 2019 only 41.5% of the population aged 16-74 had **at least basic digital skills** (56% in EU27), with massive differences by age and gender.
- The continuous updating of skills was penalised by the closure of businesses, schools and places of learning due to the social containment measures. In 2020, only 7.2% of individuals aged between 25 and 64 carried out at least one **training activity** in the four weeks prior to the interview, a decisive reduction compared to 8.1% in 2019. The drop was greatest in the North.
- In the 2020/2021 school year, **skills in Italian and Mathematics** worsened in final year students at junior and senior secondary school. The situation was particularly serious for students living in the South.

## Posteitaliane



- In the 2020-2021 two-year period, a total of around **11.9 million training hours** were provided, involving nearly every professional figure.
- In 2021, 19.1% of the Group's workforce held a **degree**, while 67.9% held a diploma.
- The partnership with top universities and business schools continued for further analysis of innovative content.
- Poste Italiane continues to invest in the internal development of skills and **STEM roles**.



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

Italy

- In 2020, more than 49 in every 100 thousand women contacted the **1522 freephone number** due to being victims of violence (27 in every 100k in 2019).
- In 2019, **111 women were killed** (133 in 2018). In 84% of cases, the homicide occurred in a domestic environment (by a partner, ex partner or other family member).
- In 2019, **281 Anti-Violence Centres** were active (24 more than 2018) and 257 **Refuge Homes**. The average rate of national coverage was 2 services offered for every 100k women aged 14 years and over.
- In 2020, the ratio between the **employment rate of women aged 25-49 with children** of a preschool age and the employment rate of those without children was 73.4%, a slight decrease (-0.9 percentage points) compared to the previous year.
- The distribution of **household chores** continued to go against women's favour. In 2020, the index of asymmetry in the family workload was 62.8%, a value much higher than the 50% that represents fair distribution between the sexes.
- In the latest administrative elections, the percentage of women who **chaired regional councils** rose to 22%. The proportion of women in **management bodies** of the Italian companies listed on the stock exchange reached 39%, placing Italy in second place, after France (45%), in EU 27.

## Posteitaliane



- Institutional messages to raise awareness about **gender violence** can be seen on the screens of Postamat **ATMs** . The **toll free number 1522** and the app to prevent and combat violence, including stalking and abuse, are also shown.
- The presence of women in the Company by category was 31.50% in management positions, 17.9% in top management and 21% in STEM positions.
- In 2021, the Group supported over **10 gender equality projects**.
- 700 employees took part in the Lifeed project, the digital programme aimed at strengthening parenting skills.
- Poste Italiane fully funded the "**Autonomia abitativa donne vittime di violenza**" (Housing autonomy for women who are victims of violence) project, which in March 2022 saw the delivery of 10 renovated and furnished shelters for 40 women who were victims of violence.
- **44.4% of the Board of Directors** of Poste Italiane is formed of women.





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

Italy

- With 153 m<sup>3</sup> per year per inhabitant, Italy came second place in the European ranking for **withdrawal from surface and ground water** for drinking water purposes (2018 data). In the municipal drinking water distribution networks, 215 litres were supplied daily per inhabitant (around 5 less than 2015), which rose to 237 in the provincial capital municipalities. Water rationing measures were adopted in 2019 in 9 provincial capital/metropolitan city municipalities, all located in the South.
- **The efficiency of the municipal distribution networks** for drinking water has constantly worsened since 2008: 58.0% of water issued arrived to end users in 2018.
- The proportion of **families who said they did not trust drinking water from the tap** remained high (28.4% in 2020), despite the slight drop compared to the previous year (29.0%). The proportion of families who complained of irregularities in the water supply in their own home was stable as a whole: 8.9% in 2020 (8.6% in the previous year).

### Posteitaliane

- Poste Italiane promotes **efficiency in the use of resources** required to undertake business activities, be these carried out by itself or through suppliers and business partners.
- In 2021, Poste Italiane's **water withdrawals** were equal to around 1,756 megalitres, mainly attributable to groundwater (3,934 ML) and third-party water resources (1,752.14 ML), confirming the positive trend in the reduction of water withdrawals.



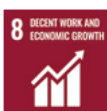
### Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all

Italy

- In 2019, the proportion of **energy consumption from renewable sources** over final gross energy consumption started to increase again, after the slight decrease recorded in the previous year (18.2%, a value higher by 5.4 percentage points compared to ten years prior). For the sixth year in a row, Italy was one of the EU countries exceeding the targets assigned by the objectives of the European 20-20-20 plan. Despite the limited growth of 2019 (+0.6 percentage points), the electricity sector continued to play a central role, with a proportion of renewables over internal gross consumption of electricity equal to 34.9%. The contribution was comparatively more modest in the thermal and transport sectors.
- In 2019, **energy intensity** decreased again (-1.3%). The progressive decrease in the ratio between gross internal energy consumption and GDP in the last decade (-12%) places Italy in fourth place in the European ranking.
- The percentage of population with **difficulties heating their home adequately** was 11.1% in 2019, down on the previous year. Critical issues remain in the population groups at risk of poverty, among foreign citizens and in the South.

### Posteitaliane

- In 2021, around **98% of the Group's electricity requirements** were acquired through the Group company Europa Gestioni Immobiliari, with 100% from **renewable sources certified** through Guarantees of Origin.
- The **energy intensity** of Scope 1 and 2 direct and indirect GHG emissions decreased by 5.6% compared to the previous year.
- In 2021, Poste Italiane continued to implement **initiatives aimed at reducing emissions**. In total, with annual investments equal to around **€10.6 million**, the projects allowed for an **annual saving of 5,456 tCO<sub>2e</sub>** and an annual monetary saving of more than **€3.2 million**.



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

### Italy

- In 2020, **gross domestic product** in Italy suffered an exceptional fall (-8.9%), to a greater extent than both the Eurozone and the European Union. GDP per inhabitant decreased by 8.4%.
- The reduction in production rates had significant effects on the employment market. In 2020, the **employment rate** decreased to 62.6% (-0.9 percentage points compared to the previous year), while the **unemployment rate** reduced to 9.2% due to an increase in inactivity associated with the limited possibilities to look for work during the lockdowns.
- The social containment measures led to a reorganisation of workplaces, favouring **working from home**, with employees working from home rising to 13.7% (4.8% in 2019).
- In 2020, employees who received **low salaries** increased again, coming to 10.1 in 100.

### Posteitaliane



- In 2021, Poste Italiane generated impacts on the country for **€ 12.5 billion of GDP, € 7.3 billion of employment income** and contributed to the creation of **183 thousand jobs**.
- Each individual in the Group contributed to the **creation of economic impacts for the territory** equal to € 105 thousand of GDP, € 62 thousand of income for households and the employment of 1.5 people.
- In the same year, the Group hired **2,623 new people**, around 20% more than 2020, of which 52% men and 48% women.
- To ensure the safety of employees and customers, Poste Italiane carried out an extraordinary reorganisation, making use of **smart working**, which reached 85% of the company workforce.



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

### Italy

- **Passenger transport by train and aeroplane** increased markedly between 2010 and 2019, while goods continued to be moved prevalently by road (61.9% of the total).
- In 2019, **Research & Development intensity** compared to GDP came to 1.45% (1.42% in 2018), a value still far off from the European average (2.2%).
- In 2020, the pandemic containment measures led to a decrease in the **added value per inhabitant of the manufacturing industry**; nevertheless, the weighting of the sector over the total economy in terms of added value and employment remained unchanged.
- In 2019, the process of **reducing CO<sub>2</sub> emissions per unit of added value** continued, coming below 160 tonnes per million euros.
- Between 2013 and 2019, a decisive increase was seen in the **number of businesses that made sales via the web**, to companies, public institutions and end users.
- In 2020, only 3.6% of workers in Italy were employed in **ICT specialist** positions, less than the European average.

### Posteitaliane



- Poste Italiane launched a complete **renewal of the vehicle fleet**, increasing from 11% green vehicles in 2016 to 15% in 2021. The goal is to replace the entire fleet with low emissions vehicles by 2022.
- In 2021, the innovative **hub in Passo Corese** began operations and the **hub in Landriano** was inaugurated.
- In 2021, **transactions carried out via digital consumer channels** (websites and apps) increased (+38.1%), as did downloads of the Group's app and total electronic transactions and dematerialised transactions made.



### Goal 10: Reduce inequalities within and among countries

Italy

- In 2020, the **gross disposable income of resident households** in Italy saw a less intense decrease (-2.8%) than the one reported by production activities, benefiting from the economic policies adopted by the government to mitigate the impact of the crisis. The decrease in purchasing power was of a similar intensity (-2.6%).
- In 2019, **the number of new residence permits** reduced significantly, coming to 177,254, which was 26.8% less than in 2018. The decrease involved all entry reasons, but, as in the previous year, permits issued for requests for asylum decreased the most (-47.4%).
- The downward trend in entries was inevitably accentuated in 2020 due to the temporary border closures. In the first 6 months of 2020, around 43k new residence permits were granted to non-EU citizens (less than half of the first half of 2019).

### Posteitaliane



- In 2021, Poste Italiane paid **increasing attention to the most vulnerable groups**, weakened by physical, mental, family, economic, ethnic and social conditions.
- The Group continued the programme launched in favour of communities in Small Municipalities by undertaking to ensure service continuity.
- Poste Italiane carried out numerous **corporate volunteering initiatives**, such as the "Sentieri di Prossimità" (Paths of Proximity) project in collaboration with the Italian Red Cross, and the "Riscriviamo il futuro" (Let's rewrite the future) project created by Save the Children.
- In order to **support the community in financial terms**, Poste Italiane received thousands of requests to suspend BancoPosta mortgages and instalments on BancoPosta loans for SMEs and self-employed individuals with VAT numbers.



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

Italy

- More than a quarter of Italian residents believe that **the quality of their homes** is unsatisfactory. In 2019, the number of people living in **overcrowded homes** continued to increase, reaching 28.3%, the highest percentage recorded in the last 10 years.
- Three in ten families (30.2%) said in 2020 that they had a lot or quite a lot of connection issues with **public transport** in the area they lived in, a decrease compared to the previous year (33.5%).
- In 2019, the proportion of **urban waste sent to landfill** continued to decrease, from 21.5% to 20.9%, but the volumes of urban waste collected per inhabitant increased, surpassing 500 kilograms.
- Atmospheric pollution levels continued to decrease, but at an increasingly slower rate and with values that remained, in 2019, higher than the EU27 average.

### Posteitaliane



- In 2021, Poste Italiane generated 34,471.7 tonnes of waste, of which 33,202.2 t were recovered and 1,269.5 t were disposed of.
- The Group took part in the **Cresco Awards Sustainable Cities**, choosing three projects from Small Municipalities that stood out for sustainable development.
- Poste Italiane continued to support **local initiatives**, carrying out projects such as the redevelopment of the surrounding area of the Ponte della Musica in Rome.
- In line with the **green area redevelopment initiatives** launched in 2020, Poste Italiane, starting from the Liguria region, has launched the **Green Pilot Project which involves** new plantings and the green plan to renew the fleet. In 2021, Poste Italiane's first "**full green**" urban area in Italy dedicated to letter and parcel delivery was presented in Imperia.



### Goal 12: Ensure sustainable consumption and production patterns

#### Italy

- In 2019, the **consumption of materials per unit of GDP** was stable compared to the 2017-2018 two-year period (0.28 tonnes per 1,000 euros). Italy still has one of the lowest mean internal consumption rates in the European Union, per inhabitant and per unit of GDP, coming first place in the pro capita ranking and fourth in terms of GDP.
- The moderate increase in the **production of urban waste per inhabitant** that began in the previous year continued in 2019 (+1%). Nevertheless, progress was made in the processes of waste management and reconversion into new resources.
- The evolution of the **Italian rate of circular use of materials** (19.3% in 2019) showed a constant improvement in the last decade, more accentuated than that of the EU27 average. Italy is fourth place in the European ranking.
- In 2019, the **percentage of recycling** (+2.5 percentage points) also increased, as did the percentage of **separate collection of urban waste** (+3.1 p.p.). The territorial differences in separate waste collection were relevant, but even in the national average (61.3%) the quota was lower than the legal targets (65% scheduled for 2012).
- Of the companies with more than 100 employees, 2.5 in 100 companies prepared **environmental and sustainability statements and/or reports** (2016-2018 data).

### Posteitaliane

- **The total materials used** (kg) by the Group in 2021 increased by 19.7% compared to 2020, while the total **renewable materials used** increased by 20.2%. The volume of **materials** (paper, wood and ink/toner) **used that came from recycling** also increased. The trend confirms an increase relating to developments in the e-commerce segment.
- In 2021, the **Poste Italiane Integrated Report** reached its fourth edition, continuing in the goal of sharing the Group's Sustainability journey with stakeholders.



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

#### Italy

- In 2019, **greenhouse gas emissions** in Italy decreased (-2.8% compared to the previous year), confirming the decoupling trend between emission dynamics of production activities and GDP performance.
- In 2019, **average temperature anomalies** on the Mainland, compared to the average weather values of the 1961-1990 period, recorded an increase of 1.28°C at global level and 1.56°C in Italy. In 2020, 22.57 inhabitants per km<sup>2</sup> were exposed to **areas at risk of flooding**.
- Forest ratio (wooded and non-wooded) affected by fire was equal to 1.2 per 1,000 km<sup>2</sup> in 2019, with higher values in the South. In the same year, household concerns around **climate change** decreased by one percentage point, coming to 70% (63.3% in 2012).

### Posteitaliane

- In 2019, the Group created an **Environmental Sustainability Policy**.
- The Group has set itself the objective of reaching **carbon neutrality by 2030**.
- Poste Italiane has been a member of the United Nations **Global Compact** since 2019 (it is currently an Advanced member) and signatory of the letter presented by the **We Mean Business Coalition**. In 2021, the Group became an official supporter of the **Task Force on Climate-Related Disclosures**.
- The **Green Delivery** model made it possible to avoid more than 2 million journeys, with savings equal to around 277 thousand km and a consequent **reduction in atmospheric emissions** of 36 tonnes of CO<sub>2eq</sub> and 163 kg of atmospheric contaminants. Each parcel delivered allowed for a saving of CO<sub>2eq</sub> and atmospheric contaminant emissions of around 8.4 grams.





**Goal 16:** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Italy

- In 2019, 0.5 **murders** per 100k inhabitants were committed in Italy. The murder rate has decreased significantly over the years for men, while it has remained stable for women.
- At 31 December 2020, 8,685 **prisoners were awaiting proceedings of first instance**, equal to 16.3% of the prison population. The number of prisoners in detention facilities was higher than the number of available spaces defined by regulatory capacity (105.5 per cent of available spaces).
- In 2020, the duration of **civil proceedings** in ordinary tribunals remained high (419 days on average), though it had decreased by two days compared to the previous year.

Posteitaliane



- Poste Italiane updated the **Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001** in order to guarantee the adoption of organisational and operational internal changes.
- **ISO 37001 certification** on anti-corruption was extended to SDA and Poste Assicura.
- In 2021, Poste Italiane renewed its **collaboration with the Guardia di Finanza** to disseminate the principles of legality and transparency on the market and to prevent financial offences.
- Poste Italiane also reinforced its collaboration with the **Carabinieri** to serve citizens by signing a Memorandum of Understanding centred around legality, occupational safety and training.
- Poste Italiane **confirmed its legality rating** by receiving the highest rating of three stars from the AGCM.
- Following the Group's entry into the **Collaborative Compliance regime**, it has adopted a set of procedures to govern the management of tax risk.
- In 2020, Poste Italiane obtained the **UNI ISO 26000** assurance statement for the adoption of sustainable development strategies and the promotion of virtuous choices in the ESG area.
- In 2021, the Group achieved the **ISO 20400** "Sustainable Procurement" certification, an international standard that defines guidelines for the integration of social responsibility into procurement policies and processes.



**Goal 17:** Strengthening implementation methods and relaunching global partnership for sustainable development

Italy

- In 2020, **Public Administration revenues** represented 43.1% of the GDP, with a 1.5% increase compared to 2019.
- In 2019, the ratio between **Official Development Assistance (ODA)** and gross national income decreased by 0.03 percentage points compared to 2018, coming to 0.22%. The ODA allocated to less developed countries compared to gross national income did not change compared to the previous year. Italy is still far from achieving the targets envisaged by the Agenda 2030.
- In 2020, **remittances of immigrant workers** in Italy came to around € 6.7 billion, with 12.5% growth compared to 2019.
- The percentage of households who accessed the Internet using a **broadband connection** was 77.8% in 2020. 70% were **regular internet users** (between 6 and 74 years and over). Of these, 31.4% went online to order goods or to access online services and nearly 40% to carry out banking transactions or to search for account information (**internet banking** ).

Posteitaliane



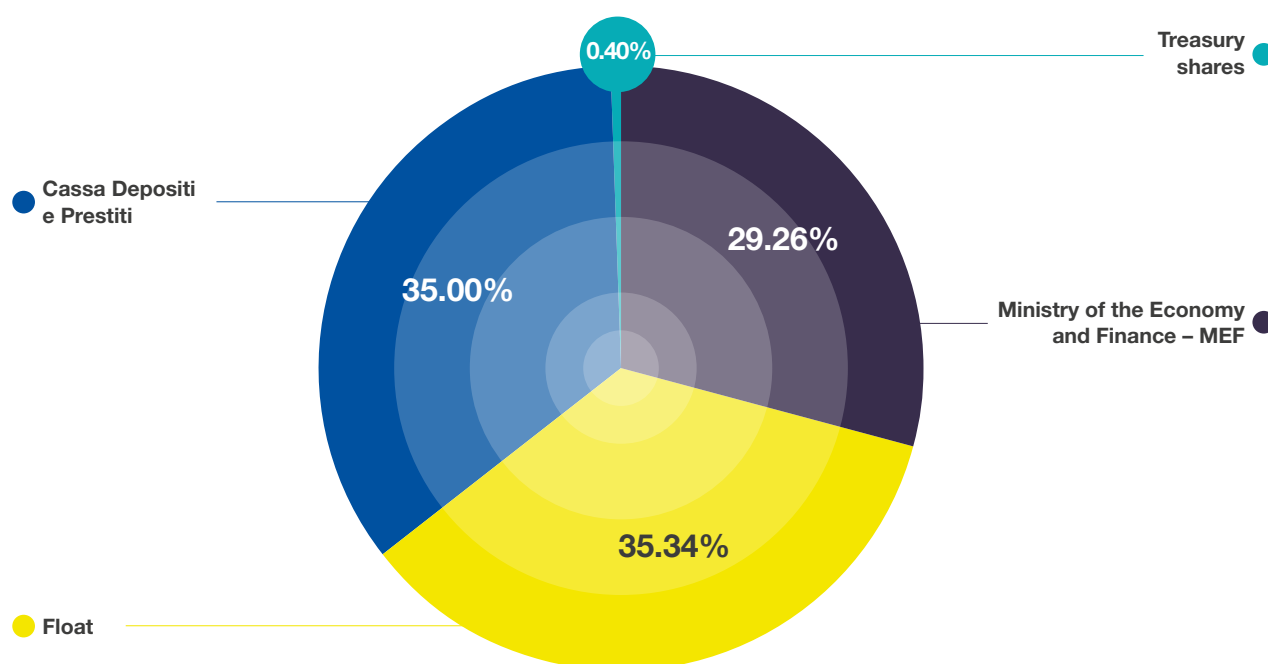
- Poste Italiane is part of a **network of national and international associations** that meet to discuss issues linked to Sustainability. These associations include the United Nations Global Compact, the Principles for Responsible Investment (PRI), the Principles for Sustainable Insurance, UN Women, the Salone CSR and many others.
- To **reduce the digital divide** and contribute to the country's digitalisation and economic development process, Poste Italiane, through PostePay, has signed two separate agreements to propose **advanced Internet connectivity solutions** with **ultrabroadband** with two national operators that provide the service, TIM and Open Fiber.
- In 2021, PostePay entered the ultrabroadband market by launching PosteCasa Ultraveloce.
- In 2021, the Group contributed around **€ 2 billion in tax revenue** to the Public Administration.

### 3. Business model

- Poste Italiane's ownership and organisational structure
- Poste Italiane's business model
- Group structure
- Omni-channel approach and Group operating segments

## Poste Italiane's ownership and organisational structure

Poste Italiane ownership structure

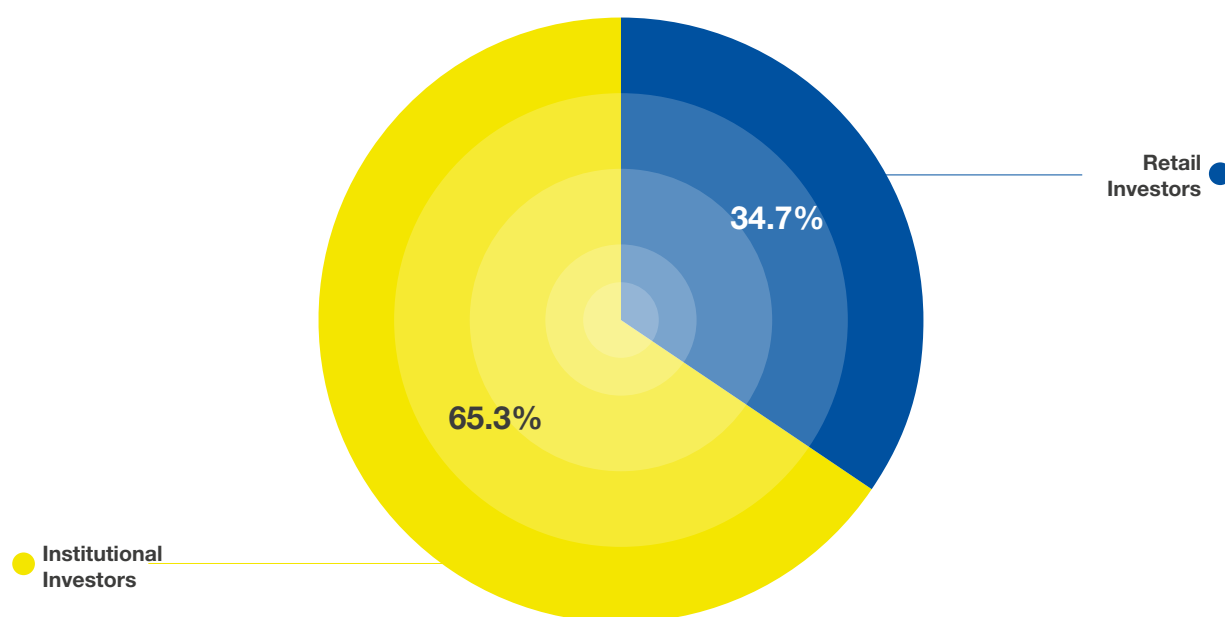


Poste Italiane has issued shares listed on the Mercato Telematico Azionario (the MTA, an electronic stock exchange) organised and managed by Borsa Italiana SpA as of 27 October 2015. At 31 December 2021, the Company is 29.26% owned by the Ministry of the Economy and Finance (MEF) and 35% owned by Cassa Depositi e Prestiti SpA (CDP), also controlled by the MEF. The remaining shares are held by institutional and retail investors. 31.1%<sup>2</sup> of shares held by Poste Italiane SpA institutional investors are held by investors<sup>3</sup> who follow ESG criteria (Environment, Social, Governance) in their investment choices. The share capital of Poste Italiane SpA consists of 1,306,110,000 ordinary shares, of which 1,300,877,079 are outstanding at 31 December 2021.

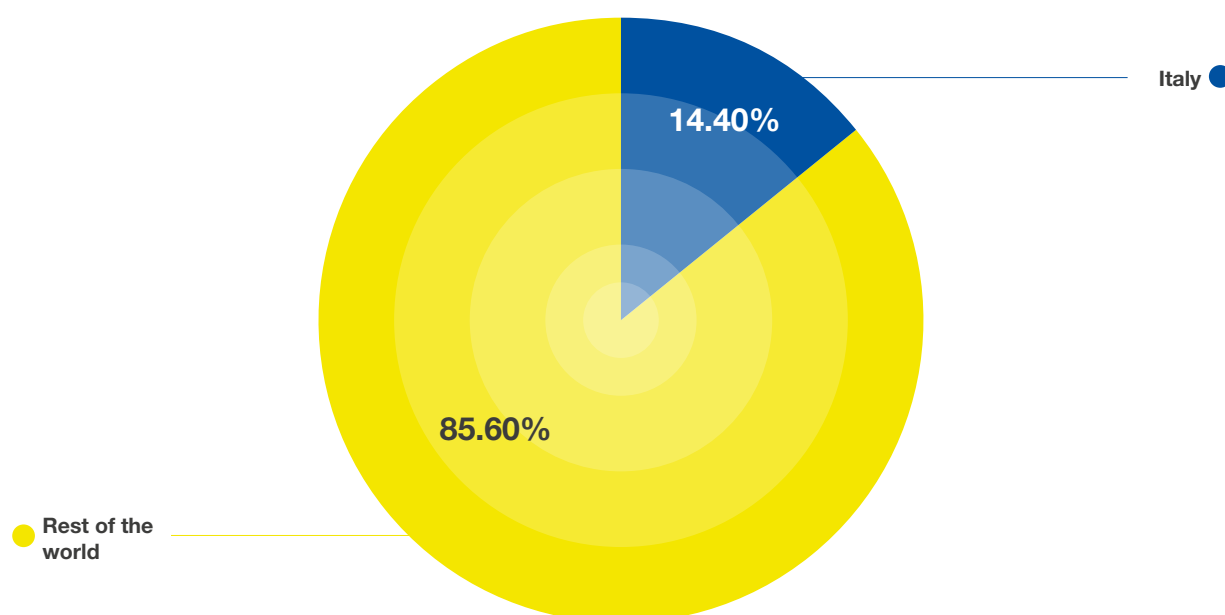
2. Source: Nasdaq Corporate Solutions.

3. Poste Italiane's institutional investors represent 23.1% of the share capital and 65.3% of the floating equity.

## Floating equity profile

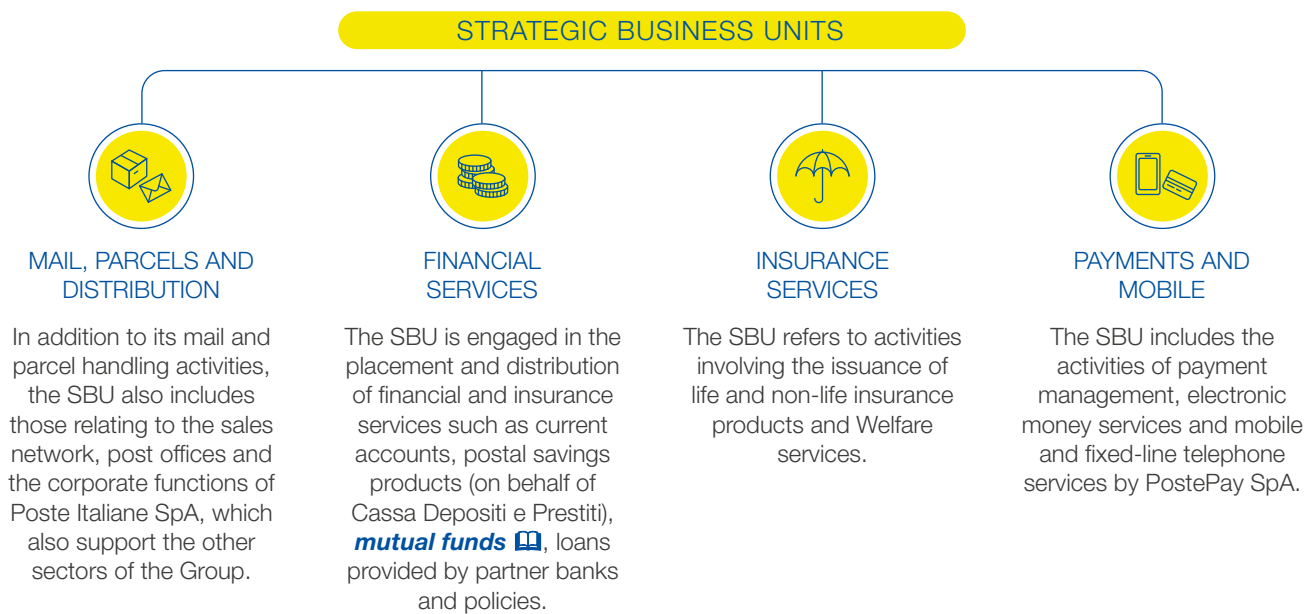


## Geographical breakdown Institutional investors



## Poste Italiane's organisational structure

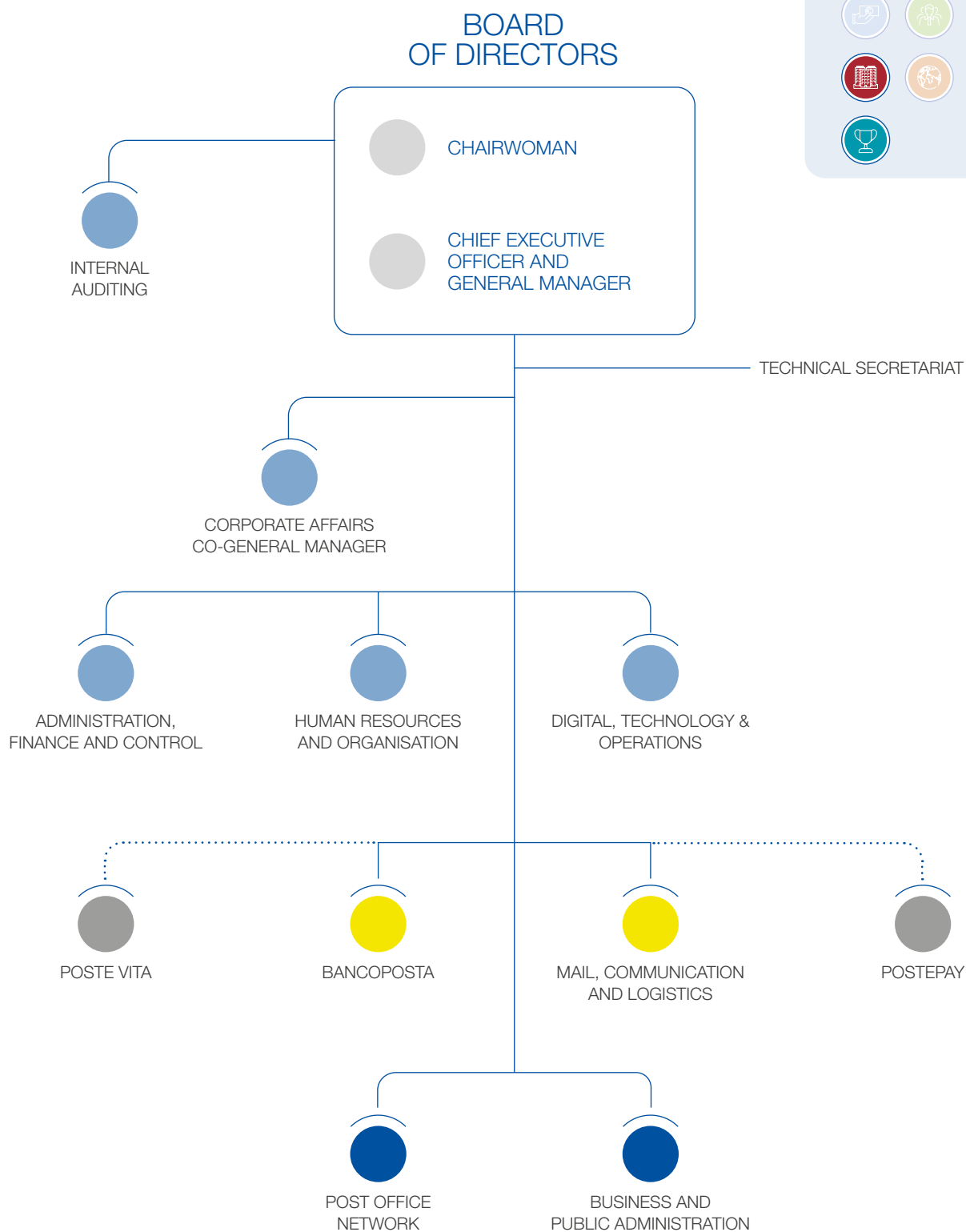
In line with the strategic guidelines set out in the 24SI Business Plan, the Group's activities are represented by four Strategic Business Units (also referred to as operating segments in the Poste Italiane Group's financial statements): Mail, Parcels and Distribution; Financial Services; Insurance Service and Payments and Mobile.





Below is the organisational structure of Poste Italiane:

MAIN RELATED TYPES  
OF CAPITAL



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

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

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

During the first quarter of 2021, the **Human Resources and Organisation** functions previously operating at **BancoPosta** and **Group Companies** (Postel, SDA, Poste Air Cargo, EGI, PostePay and Poste Vita Group) were centralised at Poste Italiane, with the aim of recomposing the Human Resources professional family within a single organisational structure.

In addition, in April, in line with the "2024 Sustain & Innovate" Business Plan (hereinafter "24SI"), the organisational structure of the BancoPosta function has been redefined with a view to creating a "customer-centric" model aimed at maximising understanding of customer needs and optimising the customer experience, expanding the range of financial and insurance services and innovating the related delivery processes, thus contributing to the evolution of the Group's omni-channel model.

In the third quarter of 2021, making progress towards the integration, rationalisation and improvement objectives established in recent years, through significant centralisation initiatives at the Group level, the **administrative services management model** was redefined by associating them with the **Digital, Technology & Operations** area with the objective of generating synergies and supporting the creation of opportunities for automation and digitalisation, while simultaneously allowing the CFO to focus more on governance, by strengthening monitoring activities and ensuring continuous improvement in administrative processes.

With reference to the commercial channels, in November 2021 the sales network aimed at **Small Economic Operators** was merged into the **Private Markets** function, with the aim of consolidating the centrality of the Post Office as a multi-product hub able to meet the needs of diverse target markets through relations with Retail Clients and Small Business Operators.

Furthermore, as part of the process to integrate and consolidate the Group's risk management model focused on the sustainable success of the business, defined as the objective of creating long-term value for stakeholders, the Group Risk Governance function, in the field of Corporate Affairs, has been renamed as **"Group Sustainable Development, Risk and Compliance"** function, further consolidating the organisational measures in place to manage risk and compliance.

Finally, further organisational changes in the year included the creation of the **Medical Centre and Health Services** function, in the field of Corporate Affairs, devoted to managing initiatives to promote the health and well-being of Poste Italiane employees and, in particular, to guarantee the functioning of the Poste Medical Centre, the company healthcare facility that offers specialist consultations and diagnostic services to Poste Italiane's employees and their families.

Inauguration of  
**Poste Centro  
Medico**  
for employees

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

## Poste Italiane's business model

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### THE PURPOSE OF POSTE ITALIANE



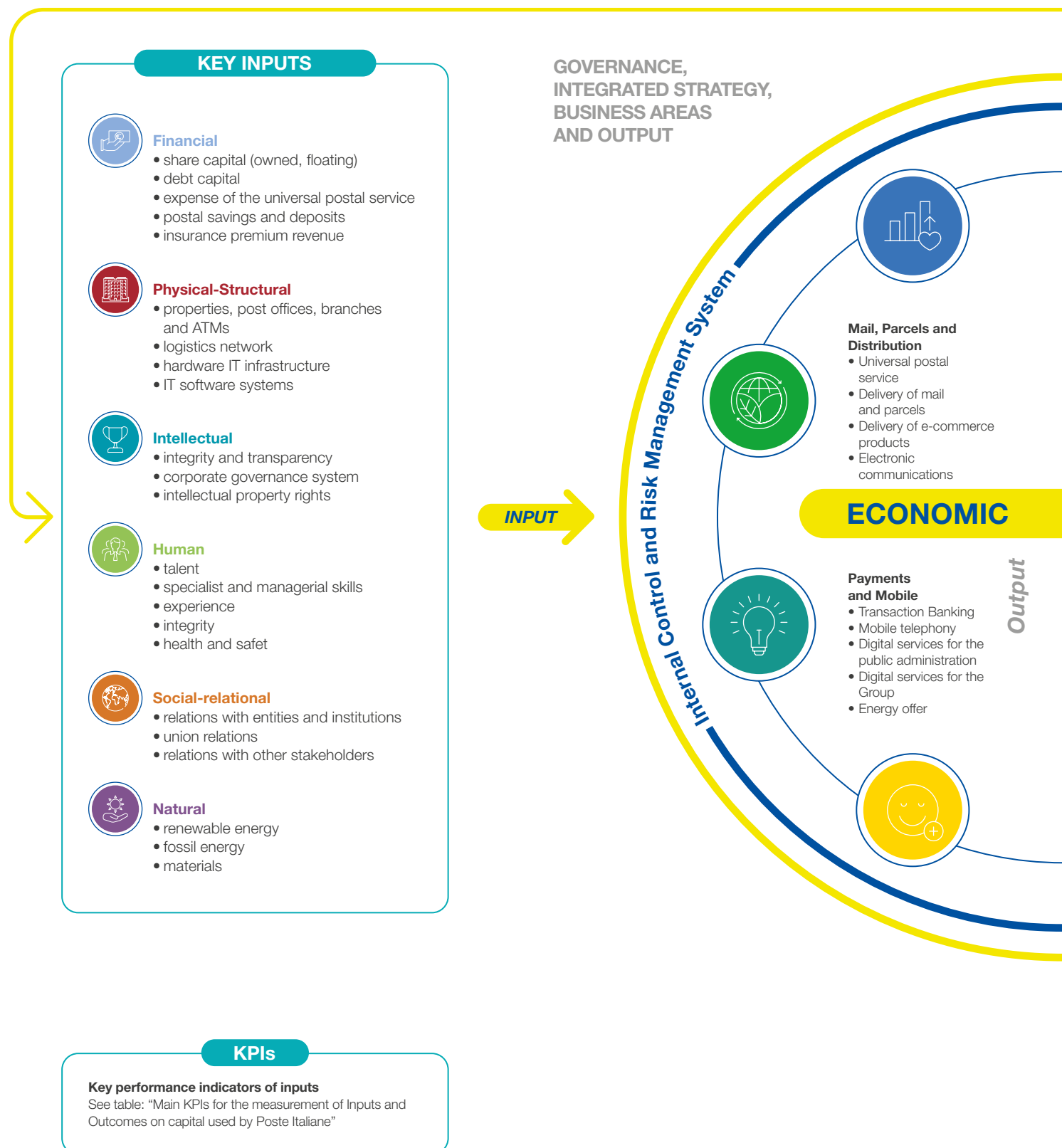
2021 was an important year for Poste Italiane, with the company establishing itself as the leading player in Italy's path towards digitalisation. In particular, the company's business model rapidly adapted to the emergency situation caused by the Covid-19 pandemic, guaranteeing an uninterrupted service to its stakeholders and demonstrating a strong capacity to adapt even in critical and challenging situations such as those of the last two years. Poste Italiane strengthened its collaboration with national authorities, taking an active role in the vaccination campaign promoted to contain the pandemic in Italy. Specifically, the company applied its know-how to support logistical activities and made its various channels available to facilitate the vaccination campaign.

MAIN RELATED TYPES  
OF CAPITAL

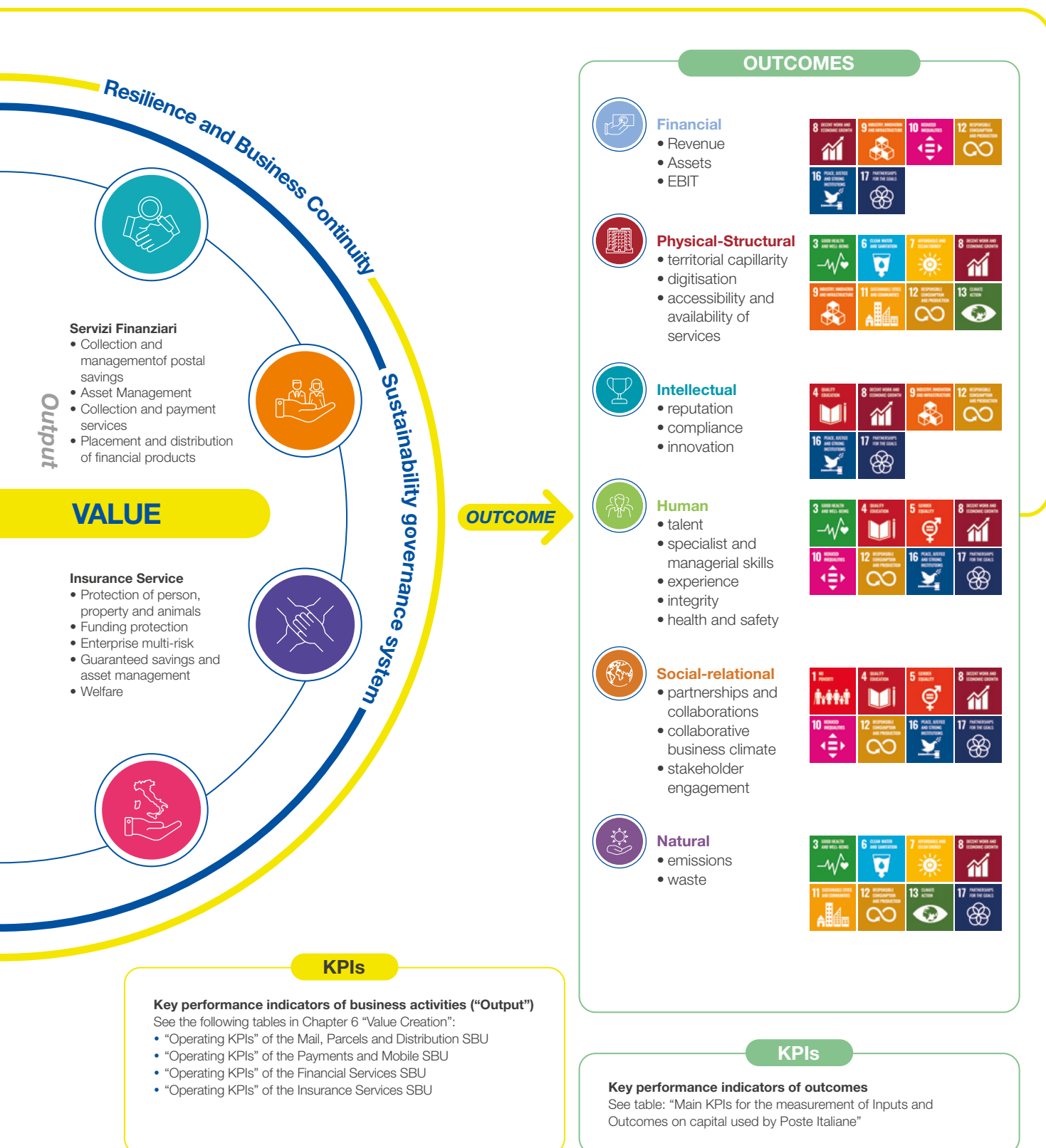
Grow responsibly thanks to the decisive contribution of its people to the sustainable success, innovation, digitisation and social cohesion of the Country.

Poste Italiane's business model is characterised by the combination of strategy, value creation and the generation of financial and non-financial capital, as exemplified in the figure below.

## The value creation process in Poste Italiane













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

Poste Italiane's business is based on diverse capital that has its own identity and certain qualities. These characteristics make it possible to measure and analyse the company's performance through key performance indicators. The table below shows the nature of each capital and includes references to the paragraphs of this document that contain more detailed information.






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

CAPITAL	DESCRIPTION	MEASUREMENT INDICATORS	REFERENCE TO PARAGRAPHS OF THE REPORT
 <b>Financial</b>	<ul style="list-style-type: none"> <li>Sources of financing and ways of using financial resources</li> </ul>	<p><b>INPUT:</b></p> <ul style="list-style-type: none"> <li>Business continuity plan resources</li> <li>Equity and liabilities</li> </ul> <p><b>OUTCOME:</b></p> <ul style="list-style-type: none"> <li>GRI 201-1 Economic value generated, distributed and retained</li> <li>FS11 Percentage of assets subject to positive and negative environmental or social screening</li> </ul>	<ul style="list-style-type: none"> <li>Group financial position and cash flow</li> <li>Integration of ESG factors into investment policies</li> <li>Integration of ESG factors into insurance policies</li> <li>Indicators tables</li> </ul>
 <b>Physical-structural</b>	<ul style="list-style-type: none"> <li>Structures, equipment and infrastructure that have an impact on efficiency and effectiveness</li> </ul>	<p><b>INPUT:</b></p> <ul style="list-style-type: none"> <li>Corporate fleet data</li> <li>Air transport fleet data</li> <li>GRI 102-7 Scale of the organization</li> </ul> <p><b>OUTCOME:</b></p> <ul style="list-style-type: none"> <li>Number of digital services offered</li> <li>Number of contacts handled</li> <li>GRI 305-1 Direct (Scope 1) GHG emissions</li> <li>GRI 305-2 Energy Indirect (Scope 2) GHG emissions</li> <li>GRI 305-3 Other indirect (Scope 3) GHG emissions</li> <li>GRI 305-4 Intensity of GHG emissions related to real estate facilities</li> <li>GRI 306 Waste</li> <li>Wastewater reporting</li> <li>Dematerialisation of procedures and corresponding transactions</li> </ul>	<ul style="list-style-type: none"> <li>Environmental impacts of real estate facilities</li> <li>Environmental impacts of logistics</li> <li>Innovation and digitisation of products, services and processes</li> <li>Indicators tables</li> </ul>
 <b>Intellectual</b>	<ul style="list-style-type: none"> <li>Intellectual property, procedural/organisational system, reputation</li> </ul>	<p><b>INPUT:</b></p> <ul style="list-style-type: none"> <li>Business continuity plan resources</li> <li>GRI 205-1 Companies assessed for risks related to corruption and percentage of operations audited for risks related to corruption</li> <li>Specific training on procedures and policies of anti-corruption</li> <li>GRI 207-1 Approach to tax</li> </ul> <p><b>OUTCOME:</b></p> <ul style="list-style-type: none"> <li>GRI 205-3 Reports managed by the Whistleblowing Committee</li> <li>GRI 418 Customer Privacy</li> <li>IT security and cybersecurity breaches</li> <li>Number of customers involved in IT security breaches</li> <li>Cases of bribery and corruption and corrective actions</li> <li>Anti-competitive practices</li> <li>GRI 415-1 Political contributions</li> </ul>	<ul style="list-style-type: none"> <li>Work with transparency and integrity</li> <li>Cybersecurity, IT Security and Privacy</li> <li>Innovation and digitisation of products, services and processes</li> <li>Indicators tables</li> </ul>

CAPITAL	DESCRIPTION	MEASUREMENT INDICATORS	REFERENCE TO PARAGRAPHS OF THE REPORT
 <b>Human</b>	<ul style="list-style-type: none"> <li>Personnel knowledge and skills</li> </ul>	<p><b>INPUT:</b></p> <ul style="list-style-type: none"> <li>GRI 102-8 Information on employees and other workers</li> <li>GRI 401 Employment</li> <li>GRI 403-5 Worker training on occupational health and safety</li> <li>GRI 404-1 Average hours of training per year per employee</li> <li>GRI 404-3 Percentage of employees receiving regular performance and career development reviews</li> <li>GRI 405 Diversity and Equal Opportunity</li> <li>GRI 412 Human Rights Assessment</li> <li>Number of participants in development programmes</li> <li>Training programmes and career development</li> </ul> <p><b>OUTCOME:</b></p> <ul style="list-style-type: none"> <li>Workforce trends (employee turnover)</li> <li>GRI 403-9 Occupational accidents</li> <li>Diversity</li> <li>Number of cases of non-compliance with labour standards</li> <li>Disputes</li> </ul>	<ul style="list-style-type: none"> <li>Work with transparency and integrity</li> <li>Protection of human rights</li> <li>Equal career development opportunities</li> <li>Occupational health and safety</li> <li>Staff training and development</li> <li>Staff welfare and wellbeing</li> <li>Indicators tables</li> </ul>
 <b>Social-relational</b>	<ul style="list-style-type: none"> <li>Partnership and stakeholder relations</li> </ul>	<p><b>INPUT:</b></p> <ul style="list-style-type: none"> <li>Suppliers with an ISO 14001 or EMAS certified environmental management system</li> <li>GRI 402 LaborManagement relation</li> <li>GRI 203-1 Corporate giving and/or corporate citizenship initiatives</li> <li>Existing tenders that incorporate specific social criteria</li> </ul> <p><b>OUTCOME:</b></p> <ul style="list-style-type: none"> <li>Number of contacts handled</li> <li>Customer satisfaction</li> <li>GRI 203 Indirect economic impacts</li> <li>The quality of the Universal Postal Service</li> <li>Customer experience in Post Offices</li> <li>Customer complaints by type</li> <li>Monthly complaints</li> <li>Settlements</li> <li>New customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions</li> <li>FS14 ATMs for inclusion</li> <li>FS14 Post Offices for cultural integration</li> </ul>	<ul style="list-style-type: none"> <li>Protection of human rights</li> <li>Support for the socio-economic development of local communities</li> <li>Dialogue and transparency in relations with the authorities</li> <li>Relations with social partners</li> <li>Financial inclusion</li> <li>Qualitand Customer experience</li> <li>Legality and incorporation of ESG criteria within procurement processes</li> <li>Indicators tables</li> </ul>
 <b>Natural</b>	<ul style="list-style-type: none"> <li>Natural resources and ecosystem services</li> </ul>	<p><b>INPUT:</b></p> <ul style="list-style-type: none"> <li>GRI 301 Materials</li> <li>GRI 302 Energy</li> <li>GRI 303 Water and Effluents</li> <li>Total cost of energy purchased for real estate facilities</li> <li>Existing tenders that incorporate specific environmental criteria</li> </ul> <p><b>OUTCOME:</b></p> <ul style="list-style-type: none"> <li>GRI 305-1 Direct (Scope 1) GHG emissions</li> <li>GRI 305-2 Energy Indirect (Scope 2) GHG emissions</li> <li>GRI 305-3 Other indirect (Scope 3) GHG emissions</li> <li>GRI 305-4 Intensity of GHG emissions related to real estate facilities</li> <li>GRI 306 Waste</li> <li>Wastewater reporting</li> <li>Weight of electricity consumption relating to real estate facilities by type of business</li> </ul>	<ul style="list-style-type: none"> <li>Legality and incorporation of ESG criteria within procurement processes</li> <li>Environmental impacts of real estate facilities</li> <li>Environmental impacts of logistics</li> <li>Indicators tables</li> </ul>

Poste Italiane's ESG Strategic Plan is based on 8 pillars associated with the 18 material topics, identified by the materiality analysis described later in Chapter 4 "Strategy", and aims to promote the complete and effective disclosure of the Company's performance.

STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
 <b>Integrity and transparency</b>	Work with transparency and integrity		<ul style="list-style-type: none"> <li>GRI 205 Anti-corruption</li> <li>GRI 207 Taxes</li> <li>GRI 415 Public Policy</li> </ul>	 Intellectual  Financial
			<ul style="list-style-type: none"> <li>Existing tenders that incorporate specific environmental criteria</li> </ul>	 Natural  Financial
	Legality and incorporation of ESG criteria within procurement processes		<ul style="list-style-type: none"> <li>Existing tenders that incorporate specific social criteria</li> </ul>	 Human  Social-relational  Financial
		 	<ul style="list-style-type: none"> <li>GRI 301 Materials</li> </ul>	 Natural  Financial
 <b>People development</b>	Staff training and development		<ul style="list-style-type: none"> <li>GRI 404 Training and Education</li> </ul>	 Intellectual  Human
	Staff welfare and well-being	 	<ul style="list-style-type: none"> <li>GRI 102 General Disclosures</li> <li>GRI 401 Employment</li> </ul>	 Human
	Relations with social partners		<ul style="list-style-type: none"> <li>GRI 402 Labor/Management relation</li> </ul>	 Social-relational
	Occupational health and safety	 	<ul style="list-style-type: none"> <li>GRI 403 Occupational Health and Safety</li> </ul>	 Human
 <b>Diversity and inclusion</b>	Protection of human rights	 	<ul style="list-style-type: none"> <li>GRI 405 Diversity and Equal Opportunity</li> <li>GRI 412 Human Rights Assessment</li> </ul>	 Human  Social-relational
	Equal career development opportunities		<ul style="list-style-type: none"> <li>GRI 404 Training and Education</li> </ul>	

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



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

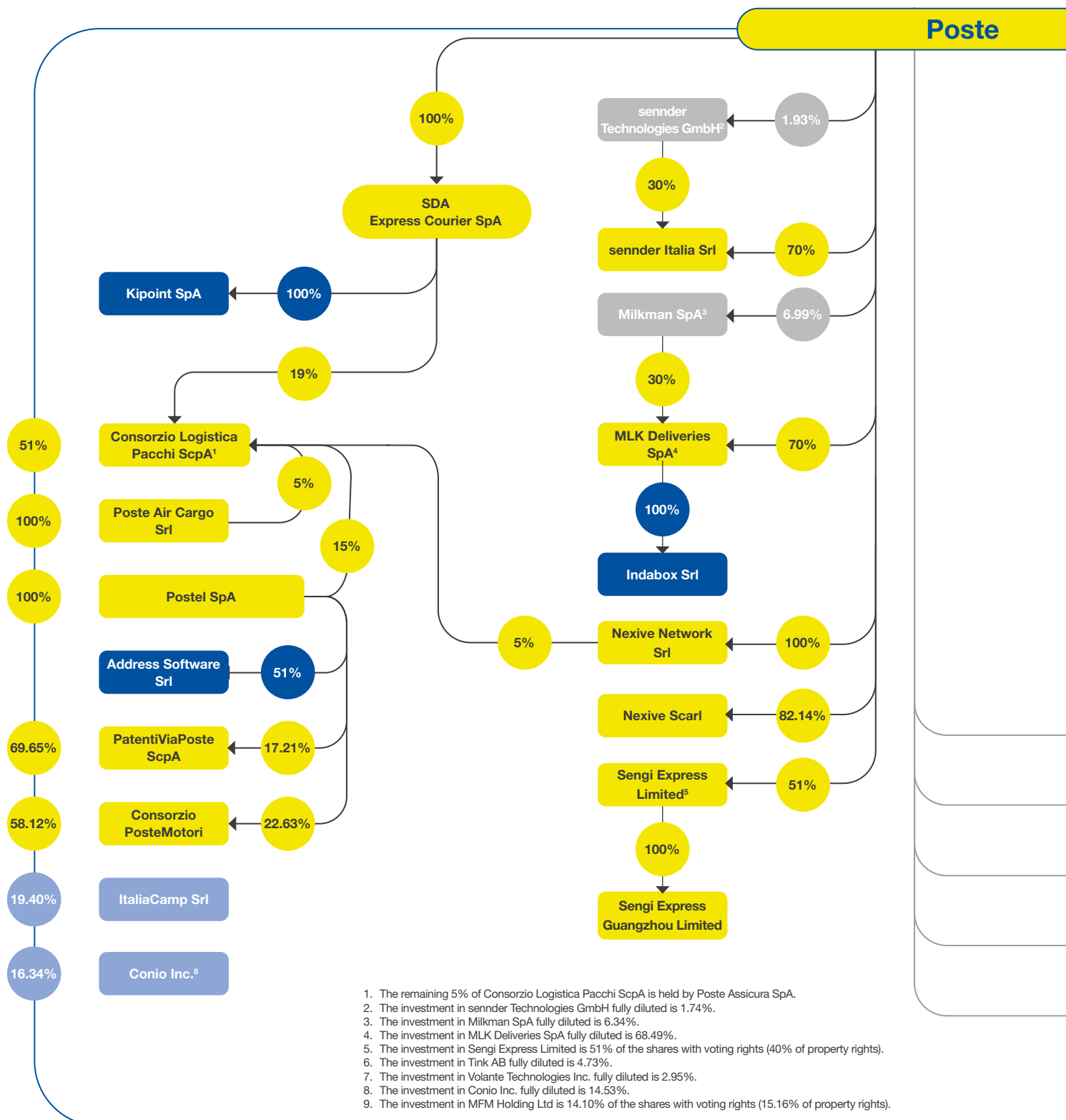
STRATEGIC PILLAR	MATERIAL TOPIC	SDG	KEY MEASUREMENT INDICATORS	CAPITALS IMPACTED
 <b>Customer experience</b>	Quality and customer experience		<ul style="list-style-type: none"> <li>• Quality of Universal Service</li> <li>• Customer experience in Post Offices</li> <li>• Customer complaints by type</li>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

## Group structure

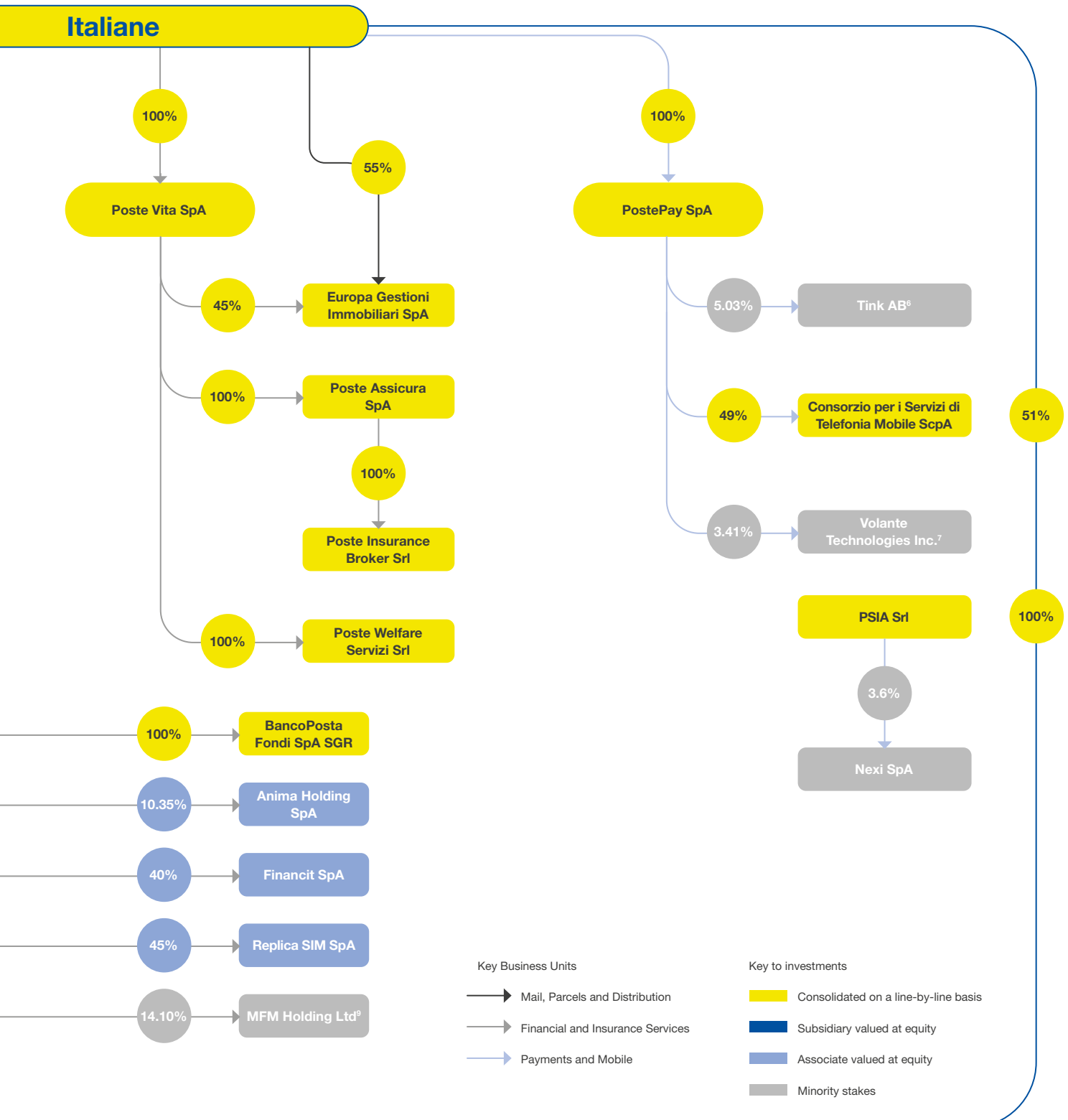
Poste Italiane's Business model is implemented through the Group's organisational structure and its companies, which contribute to the creation of value over time through the activities and services they provide. At 31 December 2021, the Group held, directly and indirectly, equity investments in 35 companies and consortia, of which 21 are consolidated on a line-by-line basis, 3 are subsidiaries and valued using the equity method, 5 are associates and valued using the equity method and 6 represent minority stakes.

### NFS

#### MAIN RELATED TYPES OF CAPITAL



## Italiane





The following table describes the activities of the Group companies, including them within the respective Business Units described in further detail in the paragraph “**Omni-channel approach and group operating segments**”.


 <p>MAIL, PARCELS AND DISTRIBUTION</p>	<b>SDA Express Courier SpA</b>	This is the Group's operational company. It mainly carries out activities to serve the logistics processes. It also operates on the Express Courier market, providing customised solutions to handle any type of transport.
	<b>Postel SpA</b>	This company operates in communication services for businesses and the public administration, providing printing and delivery services, electronic document management solutions, direct marketing, e-procurement, IT services and website management (portals) for online payments.
	<b>Poste Air Cargo Srl</b>	This company provides commercial air transport, cargo courier transport and insures, as the Group's sole provider, the air logistics in support of mail and parcel delivery.
	<b>Consorzio PosteMotori</b>	This is a non-profit consortium that manages and reports on the payment of prices due by users for the proceedings for which the Transport Department of the Ministry of Infrastructure and Transport is competent (e.g. issue of “pink sheets”, issue and renewal of copies of driving licences, registrations, MOTs, etc.)
	<b>Consorzio Logistica Pacchi ScpA</b>	This consortium coordinates the activities of the consortium members (Poste Italiane, SDA, Postel, Poste Air Cargo, Poste Assicura and Nexive Network) in transport overland and by air of postal effects, integrated logistics, printing and envelope filling, electronic document management, e-commerce, marketing and telemarketing.
	<b>PatentiViaPoste ScpA</b>	Non-profit consortium that provides centralised printing services, the dispatch and delivery of new licences and copies of log books.
	<b>Address Software Srl</b>	This company develops, mainly for Postel SpA and Poste Italiane SpA, application software packages for the processing of personal and territorial data (normalisation of addresses, data cleaning and geomarketing).
	<b>Europa Gestioni Immobiliari SpA</b>	This company manages and optimises Poste's real estate assets that are not instrumental; it carries out town planning and construction transformations, in order to assure the relative marketing (new leases and sales).
	<b>ItaliaCamp Srl</b>	Organisation that develops social innovation processes with a positive impact for the country, creating connections between institutions, companies, associations and universities.
	<b>Indabox Srl</b>	This company develops IT and telematic systems offering logistics support to e-commerce, proposing to customers a collection service of parcels purchased online from authorised retailers.
	<b>Kipoint SpA</b>	Through a network of franchise stores, this company sells national and international deliveries, packages and packaging. Kipoint is also Punto Poste, Indabox, Payment Services (such as top ups and slips). Following the stipulation of the contract with Grandi Stazioni, it also manages luggage deposits at major railway stations
	<b>Conio Inc</b>	This US company based in San Francisco, California creates and offers innovative services in digital currencies. It controls 100% of Conio Srl, which is involved in the research, development and testing of results consisting of innovative electronic payment technological solutions (cryptocurrencies, bitcoins).



	<b>sennder Italia Srl (30% owned by Sennder Technologies GmbH)</b>	The Company carries out national and international long-distance road transport activities. The business model is based on highly digitised processes and proprietary IT platforms, creating optimised management of processes and distances covered.
	<b>MLK Deliveries SpA (30% owned by Milkman SpA)</b>	Company that carries out home delivery activities for e-commerce through innovative and technologically advanced delivery services, such as Scheduled Delivery, which allows customers to customise deliveries by choosing the date and time of receipt and Same Day (the same day on which the purchase is made) and to have a detailed tracking service. The Company exclusively uses the technology of Milkman SpA.
	<b>Sengi Express Limited</b>	Company based in Hong Kong that deals with the creation and management of cross-border logistics solutions for Chinese e-commerce players active in the Italian market. It offers a complete range of services to Chinese e-commerce operators, tailored to the specific needs of individual <b>merchants</b>  , with competitive commercial solutions for each stage of the logistics chain connecting China to Italy.
	<b>Sengi Express Guangzhou Limited (100% owned by Sengi Express Limited)</b>	Operational company, based in China, of Sengi Express Limited to which it provides business support services (operations, IT services, back office, administrative services, etc.).
	<b>Nexive Network Srl</b>	An operating company which, since 1 October 2021, has provided management and coordination services for the new delivery network, formed of external partners of Nexive, used to support the “last mile” phase of the delivery process of Poste Italiane’s postal products and small parcels.
	<b>Nexive Scarl</b>	Consortium company that coordinates the activities of consortium members for postal delivery activities mainly for Public Administration customers, awarded through participation in public tenders.
 FINANCIAL SERVICES	<b>BancoPosta RFC</b>	<p>On 14/04/2011, the Shareholders’ Meeting of Poste Italiane SpA resolved to set up assets for BancoPosta business as governed by Presidential Decree 144 of 14 March 2001 and determined the assets and legal relations included therein and the rules of organisation, management and control. On 1 October 2018, the set of activities, assets, goods and legal relations constituting the electronic money and payment services business unit was contributed to an earmarked asset within the subsidiary PostePay SpA in order to enable the latter to operate as an Electronic Money Institution (EMI).</p> <p>On 28 May 2021 Poste Italiane’s Extraordinary Shareholders Meeting approved the removal of the restriction on the allocation of BancoPosta RFC regarding assets and legal relations constituting the “Debit Card Business Unit” in order to transfer it to PostePay SpA, effective from 1 October 2021.</p>
	<b>BancoPosta Fondi SpA SGR</b>	Asset management company that operates through the establishment and management of mutual investment funds and the individual portfolio management service relative to institutional mandates assigned to the Group.
	<b>Anima Holding SpA</b>	Investment holding company in the asset management sector. It controls 100% of Anima SGR, which, in turn, controls 100% of Anima Asset Management Ltd.
	<b>Moneyfarm Holding LTD</b>	Digital asset management company, specialised in <b>ETF</b>  (Exchange Traded Funds) portfolios.

	<b>Financit SpA</b>	Company forming part of the BNP Paribas Group that operates in the sector of loans secured by the <b>assignment of one-fifth of salary</b>  or pensions ("CQ Credits") and delegation of payment.
	<b>Replica SIM SpA</b>	A stock brokerage firm that operates in the brokerage sector on its own and on behalf of third parties and in asset management as an investment manager and execution broker for the management of some investment funds.
 INSURANCE SERVICES	<b>Poste Vita SpA</b>	Insurance company that provides insurance and reinsurance in Life classes.
	<b>Poste Assicura SpA</b>	Insurance company that provides personal protection (health and accident), property protection (home and assets) and credit protection (insurance of loans and mortgages from unforeseen events).
	<b>Poste Insurance Broker Srl</b>	Insurance broker for the distribution and brokerage of insurance and reinsurance.
	<b>Poste Welfare Servizi Srl</b>	Company that manages Supplementary Medical Funds, services for the acquisition and validation of databases, services and liquidation of services on behalf of private medical funds; it also supplies services for the management of Poste Vita Group health and welfare products. Following the sale in mid-January 2022 of 100% of the shares held in <b>Poste Welfare Servizi</b> from Poste Vita to Poste Italiane, from 2022 Poste Welfare Servizi has been incorporated into the Mail, Parcels and Distribution Strategic Business Unit.
 PAYMENTS AND MOBILE	<b>PostePay SpA</b>	A company that integrates electronic money and payment services, acting as an Electronic Money Institution (EMI) and Mobile Virtual Network Operator (MVNO) with the PosteMobile brand.
	<b>Consorzio per i Servizi di Telefonia Mobile ScpA</b>	Consortium for the supply of mobile telephony and integrated messaging services (device info services connected with financial instruments) exclusively for Poste Italiane.
	<b>Nexi SpA (3.6% owned by PSIA Srl)</b>	Digital payment service provider (PayTech), offering technology services and infrastructure to banks, businesses and public authorities. The company operates in three market segments: <i>Merchant Services &amp; Solutions</i> , <i>Cards &amp; Digital Payments</i>  and <i>Digital Banking &amp; Corporate Solutions</i> .
	<b>PSIA Srl</b>	Holding company that carries out the holding and management of shareholdings.
	<b>Tink AB</b>	Swedish company accredited as a PSD2 operator with the FSA (Financial Supervisory Authority) and present in more than 10 European countries (including Italy). It is one of the main open banking platforms and provides banks and financial institutions with technological solutions in a PSD2 perspective.
	<b>Volante Technologies Inc</b>	American company specialising in the development of technological solutions underlying the payment and financial messaging processes on <b>cloud</b>  and on-premise for the acceleration of digital transformation and the modernisation of financial services.

## Main corporate actions performed

 <p>MAIL, PARCELS AND DISTRIBUTION</p>	<p><b>sennder Technologies GmbH</b></p> <p><b>sennder Italia</b></p>	<p>In January 2021, Poste Italiane took part in a capital increase promoted by sennder GmbH, investing € 7.5 million, increasing its holding in the German company to 2.0% (1.8% on a fully diluted basis). In addition, sennder GmbH, consistent with previously signed agreements, in May 2021 carried out the follow up of the capital increase described above reaching a total valuation in excess of € 1 billion. As a result of the new capital increase, Poste Italiane's interest in the company went to 1.9% (1.7% on a fully diluted basis).</p> <p>Moreover, it should be noted that, following the achievement by sennder Italia of all the financial and operating KPIs established in the agreements between Poste Italiane and sennder GmbH, following approval of the financial statements for the year ended 31 December 2020 by the General Meeting, in April 2021, a capital increase was carried out at nominal value reserved for sennder GmbH, which increased the interest held in sennder Italia by 5% (from the current 25% to 30%). Following this increase, Poste Italiane's direct stake in sennder Italia went from 75% to 70%.</p> <p>On 20 December 2021 sennder GmbH changed its company name to sennder Technologies GmbH.</p>
	<p><b>Nexive Group Srl</b></p>	<p>On 29 January 2021 Poste Italiane acquired the entire share capital of Nexive Group Srl from PostNL European Mail Holidays B.V. and Mutares Holding – 32 GmbH, for an agreed purchase price of € 34.4 million based on the enterprise value of € 50 million and a net debt of € 15.6 million.</p> <p>Following the price adjustment provided for in the contractual agreements, the final consideration amounted to € 30.7 million.</p> <p>The acquisition will allow Poste Italiane to take advantage of potential economies of scale from the consolidation of Nexive operations, improving the level of service for customers of both companies.</p> <p>The transaction was carried out pursuant to article 75 of Law Decree no. 104 of 14 August 2020 (converted into Law no. 126 of 13 October 2020), which provides that certain concentration transactions shall be considered authorised upon indication to the Antitrust Authority (AGCM) of suitable measures to prevent the risk of imposition of prices or other contractual conditions that could be costly for the user as a result of the transaction. The acquisition was authorised by the AGCM, which prescribed a number of behavioural measures for Poste Italiane. The company sent the first two half-year reports on compliance with the prescribed measures following the closing in January 2021.</p> <p>From 2022 reports will be sent annually.</p> <p>The process of integrating Nexive made it necessary to reorganise the Group's legal entities with the aim of creating a "Operating Company" focused on the management and coordination of the new Group delivery network consisting of the current external delivery partners of Nexive and used to support the "last mile" phase of the delivery process for small postal products and parcels.</p> <p>In this regard, Poste Italiane's Board of Directors on 11 May 2021 authorised the corporate reorganisation of the Nexive Group.</p> <p><i>Continued</i></p>

**Nexive  
Group**  
acquired on  
29 January  
2021

**Corporate  
reorganisation**  
with the creation  
of an Operating  
Company

*Continued*

In particular, the merger and demerger projects related to the corporate reorganisation operation were approved. This operation was divided into the following steps:

- **Merger by incorporation** of Nexive Group and Nexive Servizi into Poste Italiane;
- **Partial demerger** of Nexive Network (i) in favour of Poste Italiane, as regards the mail delivery business, which includes the shareholding in Nexive Scarl, and (ii) in favour of Postel SpA, a company also wholly and directly controlled by Poste Italiane, as regards the printing business.

The plans for the merger and demerger were also approved on 11 May 2021 by the Boards of Directors of Nexive Group, Nexive Servizi, Nexive Network and Postel, to the extent of their respective responsibilities. The definitive approval by the Board of Directors of Poste Italiane, by the extraordinary shareholders' meeting of Postel and by the shareholders' meetings of Nexive Group, Nexive Network and Nexive Servizi took place on 24 June 2021.

The transaction, which included application of the simplifications required by the regulations for the demerger and merger of wholly owned companies, is effective as of 1 October 2021 and did not entail the issue of new shares or the allocation of shares of Poste Italiane.



MAIL, PARCELS  
AND DISTRIBUTION



**Sengi Express  
Limited**

On 19 January 2021, Poste Italiane and Cloud Seven Holding Limited signed a binding framework agreement aimed at strengthening the partnership in the e-commerce market between China and Italy. The framework agreement provides for the acquisition by Poste Italiane of 51% of the voting capital (40% of the total capital) of Sengi Express Limited ("Sengi Express"), a company wholly owned by Cloud Seven Holding Limited based in Hong Kong. Sengi Express is a leading company in the creation and management of cross-border logistics solutions for Chinese e-commerce merchants active in the Italian market.

The transaction is part of the development of the international B2C parcels business, a key element of the transformation strategy within Poste Italiane's Mail, Parcels and Distribution division, which exploits the exponential growth opportunities of e-commerce.

The closing of the transaction was completed on 1 March 2021.

**Sengi  
Express**, the  
first foreign  
consolidated  
company in  
the Group

 <p>FINANCIAL SERVICES</p>	<p><b>Financit</b></p>	<p>On 23 December 2020, Poste Italiane and BNL BNP Paribas Group signed a binding framework agreement to strengthen their partnership in the sector of loans assisted by the assignment of one-fifth of salary or pensions (known as “<b>Salary Backed Loans</b>”) through the acquisition of a 40% equity investment in BNL Finance by Poste Italiane. The company is a BNL BNP Paribas Group company that is a leader in the CQ Credits market.</p> <p>The closing of the transaction was completed on 1 July 2021 following the authorisations received from the Supervisory Authorities and the completion of the demerger by BNL Finance in favour of its parent, BNL SpA, of its non-perimeter assets, primarily consisting of around € 2 billion in loans compared with a total loan portfolio of over €2.8 billion at the end of 2020.</p> <p>Also with effect from 1 July 2021, BNL Finance SpA changed its name to <b>Financit SpA</b>.</p> <p>Financit, as the product manufacturer, distributes its CQ Credits through the post office network on the basis of a ten-year commercial agreement with Poste Italiane - BancoPosta RFC, in continuity with the existing commercial agreement before transaction closing.</p>	<p><b>Acquisition of Financit SpA</b> to strengthen the partnership in the assignment of one-fifth of salary or pensions (“CQ Credits”)</p>
	<p><b>Replica SIM SpA</b></p>	<p>On 29 July 2021, following authorisation from the Bank of Italy, Poste Italiane subscribed a capital increase in <b>Replica SIM SpA</b> (“Replica” or the “SIM”), acquiring 45% of the capital of the company. Replica operates in the brokerage sector on its own and on behalf of third parties and in asset management as an investment manager and execution broker for the management of some investment funds. The funds deriving from the capital increase will allow the SIM to operate in the MTS institutional market (Electronic Market for Government Securities).</p>	<p><b>Share capital increase in Replica SIM SpA</b> for entry onto the MTS institutional market</p>
 <p>PAYMENTS AND MOBILE</p>	<p><b>Tink AB</b></p>	<p>On 23 June 2021, PostePay SpA's Board of Directors approved the signing of binding agreements for the sale of the interest held by PostePay SpA in Tink AB, a fintech operator specialising in <b>open banking</b> technology solutions, for a consideration of approximately € 77 million, as part of the announced sale of 100% of Tink AB to Visa Open Connect Limited, a Visa Group company. The transaction was agreed on the basis of an enterprise value valuation of Tink AB of € 1.8 billion.</p> <p>It is recalled that PostePay SpA's total investment in Tink amounted to € 22.1 million, representing a 4.7% interest in the company on a fully diluted basis.</p> <p>The Poste Italiane Group will continue to collaborate with Tink through the existing partnership focused on expanding the Group's digital service offering.</p> <p>The closing of the transaction was completed on 10 March 2022 following approval by the competent authorities.</p>	




PAYMENTS AND  
MOBILE

**LIS Holding  
SpA**

On 25 February 2022 PostePay signed with IGT Lottery SpA ("IGT") a binding agreement for the acquisition of 100% of LIS Holding SpA (together with the subsidiary LIS Pay SpA, "LIS") at a price of € 700 million determined on the basis of an Enterprise Value of € 630 million and available net cash of € 70 million.

**Acquisition  
of 100% of the  
company LIS  
Holding SpA**

LIS offers a wide range of services through the technological management of a platform of affiliated merchants, comprising 54,000 non-specialised points of sale, of which around 33,000 are tobacconists, located across Italy. The LIS platform supports and enables the delivery of services - mainly related to collections and payments - at affiliated merchants: (i) payments (postal orders, MAV, PagoPA, etc.); (ii) Collections for prepaid card top-ups (mainly PostePay); (iii) Other types of collections for services (directly or on behalf of third parties): phone top-ups, digital TV services, as well as processing services related to mobility of tax issue, or the issue of tax stamps; (iv) Services for retailers and businesses on the aforementioned technological platform via a network of proprietary terminals.

This transaction consolidates PostePay's growth also in the proximity payments market and bolsters its **acquiring**  services and SME offering, in keeping with the multichannel strategy enshrined in the "24SI" plan.

The boards of directors of Poste Italiane and PostePay have approved the transaction which remains subject to the usual closing conditions, including obtainment of the regulatory approvals. The closing is expected within the third quarter of 2022.



## Other Transactions

On 21 June 2021, SIA's Extraordinary General Meeting approved the plan for the **merger by incorporation of SIA SpA into Nexi SpA** on the basis of the binding agreements that followed the signing of the memorandum of understanding on 5 October 2020.

In addition, on 15 November 2020, Nexi announced that it had entered into a binding agreement with **Nets** to merge the two groups; this occurred on 1 July 2021.

In accordance with the agreements between the parties, on 9 June 2021, a resolution was passed regarding the **demerger of FSIA**, which was completed on 31 December 2021, via the transfer of assets representing 30% of FSIA, including a 17.2% interest in SIA and the shareholders' loan of € 20.7 million granted by Poste to FSIA, in favour of **PSIA Srl**, a newly-established company wholly owned by Poste Italiane SpA.

in the new  
**Nexi-SIA-Nets group**  
through the subsidiary PSIA

**3.6%**

Finally, on 31 December 2021 the **merger of SIA into Nexi was completed**. Therefore, Poste Italiane, through the subsidiary PSIA, holds a 3.6% stake in the new Nexi-SIA-Nets group.

This transaction generated a capital gain at the consolidated level, before the related tax effects, of € 225 million following the reclassification of the stake held in SIA-Nexi (first through the associate FSIA, and later by the subsidiary PSIA on completion of the demerger of FSIA) among financial assets and recognised, in accordance with the accounting standard IFRS 9, on the basis of its fair value (stock exchange quotation of Nexi at 30 December 2021). The amount, of a non-recurring nature, was recognised in the item Financial income of the income statement.

On 25 June 2021, Poste Vita and BancoPosta Fondi SGR signed definitive agreements for the acquisition of 40% of the share capital, of which 24.50% of shares with voting rights, of **Eurizon Capital Real Asset SGR SpA ("ECRA")**, a company specialising in investments in support of the real economy controlled by Eurizon.

At the same time as the subscription of the capital increase, the portfolio management mandate was signed by the parties; this regards the transfer to ECRA of the management of a number of alternative investment funds, thus accessing a global platform which will make it possible to develop an integrated management model along the whole life cycle of the investment. The transaction was closed on 31 January 2022, once the regulatory authorities had given their approval. We can note that ECRA continues to be controlled and consolidated by Eurizon.

On 18 March 2022, Poste Italiane signed a binding agreement with Opus Srl ("Opus") – entirely held by the Marconi family – and the private equity operator, Siparex, for the acquisition of a majority stake in **Plurima SpA** ("Plurima" or the "Company") for a consideration based on a total enterprise value of the Company of € 130 million.

The transaction will take place through Poste Welfare Servizi Srl ("PWS"), a company wholly-owned by Poste Italiane, and will be fully financed with the large cash resources available.

Upon completion of the transaction, expected within the end of the first half of 2022 following the necessary authorisations from the Autorità Garante della Concorrenza e del Mercato ("AGCM" – the Antitrust Authority), PWS will hold 70% of the share capital of Plurima, while the Marconi family will hold the remaining 30%. Luca Marconi will be confirmed as Executive Chairman of the Company.

Plurima is a leader in the Italian market for hospital logistics and document custody and management services for public and private hospitals. It operates through 41 logistics facilities and a fleet of around 300 vehicles.

In light of the experience gained by PWS in the health sector, it will be possible to further strengthen its role as a centre of excellence for the Poste Italiane Group in the healthcare sector. The operation is aimed at integrating the consolidated skills developed by PWS in the health sector with those recently developed by Poste Italiane through the delivery of services via the Vaccinations Platform, and through the health services provided by Plurima.

## Other intra-group transactions

After obtaining all the authorisations required by law, Poste Italiane's Extraordinary General Meeting was held on 28 May 2021, which approved the removal of the restriction on the allocation of BancoPosta RFC regarding assets and legal relations constituting **"Debit Business"**. The transaction is aimed at completing the process of centralising e-money services at the Electronic Money Institution (EMI) PostePay SpA, via the transfer of the "Debit Business" to the latter, as well as making the debit cards linked to BancoPosta accounts a PostePay SpA product. BancoPosta account holders will be able to access the full functionality of the PostePay payment/cash collection ecosystem, thanks to integration of the functions of the BancoPosta **debit card** , without this entailing any changes to the product's economic conditions for customers. The deed of contribution of the Debit Business by Poste Italiane to PostePay SpA was formalised on 23 September 2021 and took effect on 1 October 2021, taking account of the 60-day period for creditor objections, which runs from the date on which the Poste Italiane shareholders' resolution is recorded in the Companies Register.

**On 1 October 2021** the transfer of the **"Debit Business"** from BancoPosta to PostePay was completed

With a notarial deed dated 30 March 2021, Poste Italiane SpA, sold 100% of its interest in **Indabox** Srl to MLK Deliveries SpA, a company 70% owned by Poste Italiane SpA and 30% owned by Milkman Tech SpA. The transaction effective from 1 April 2021 is aimed at bringing under a single government two initiatives that, in a complementary manner, are based on the same target, with a focus on last mile services and with interesting potential synergies, also in terms of further optimisation of the customer experience.

With a view to accelerating the implementation of the organisational/commercial model according to which MLK Deliveries SpA would cover the role of Operating Company in the parcel business, on 30 June 2021, the MLK Deliveries SpA's General Meeting approved the sale of the **business unit known as "Business Parcel B2C"** and all related commercial activities to Poste Italiane SpA. The sale took effect on 1 July 2021, with Poste Italiane taking over all the assets, shares, rights and obligations currently held by MLK Deliveries SpA.

As part of a wider process of streamlining the efficiency of the Poste Italiane Group's information communication technology processes, by centralising the management of the subsidiaries' information systems at the Parent Company, the sale of **Postel SpA's ICT business unit** to Poste Italiane SpA was completed. The transaction, which was approved by Postel's Board of Directors on 24 June 2021, was formalised by notarial deed on 25 June 2021 and took effect on 1 July 2021.

In July 2021, **Volante Technologies Inc** ("Volante") began a capital increase of \$ 10 million, subscribed by the American bank Wells Fargo. This operation was followed by a second increase for a total of \$ 5 million, offered to current shareholders for subscription, including PostePay SpA. On 28 September 2021 the PostePay SpA Board of Directors authorised participation in the second tranche of the Volante capital increase, with a total investment of around \$ 500 thousand, with the aim of maintaining the original investment stake of 3.4% (2.9% on a fully diluted basis), to avoid dilution after Wells Fargo entered the shareholding structure. This transaction was closed on 15 October 2021.

On 26 January 2022 the Board of Directors of Poste Vita approved the transfer to Poste Italiane of 100% of the shared in Poste Welfare Servizi, in order to implement a process to reorganise the Poste Italiane Group to strengthen the role of Poste Welfare Servizi as a centre of excellence in the healthcare sector. The operation is aimed at integrating the consolidated skills developed by Poste Welfare Servizi in the health sector with those recently developed by the Parent Company through the delivery of services via the Vaccinations Platform and the Poste Medical Centre operating at the Group's head offices at Viale Europa and providing services to employees of the Poste Italiane Group. The operation takes effect from the filing at the Companies Register of the deed of sale signed on 24 February 2022.

On 26 January 2022 **MFM Holding Ltd** (Moneyfarm) launched a capital increase for an amount of approximately € 53 million, subscribed for approximately € 44 million by M&G plc, a listed asset manager based in the UK, and *pro quota* by Poste Italiane with an investment of approximately € 9 million, in order not to dilute its stake of approximately 14%.

The shareholders' equity of **Poste Insurance Broker** as at 31 December 2021 is € 118,800 and reflects the loss for the year and that of previous years, falling into the situation provided for by art. 2482 *bis* of the Italian Civil Code<sup>5</sup> (losses in excess of one third of the share capital). At the meeting of the Company's Board of Directors on 18 February 2022, the Sole Director convened the Shareholders' Meeting for the appropriate measures and the Board of Directors of the Sole Shareholder Poste

5. Paragraph 1 of article 2482 *bis* of the Italian Civil Code states that "if the share capital has fallen by over one third due to losses, directors must convene the shareholders' meeting without delay for the appropriate measures". Paragraph 2 of article 2482 *bis* of the Italian Civil Code states that "the meeting must be the subject of a Directors' report on the financial situation of the company, including the observations of the Board of Statutory Auditors or the independent auditor".

Assicura; at the meeting of 22 February 2022, Poste Assicura approved the proposal to strengthen the capital of Poste Insurance Broker by € 900,000, to cover the ascertained losses and to strengthen the subsidiary's capital and its ability to continue as a going concern.

# Omni-channel approach and Group operating segments

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

## MAIN RELATED TYPES OF CAPITAL




## Omni-channel Strategy

NFS

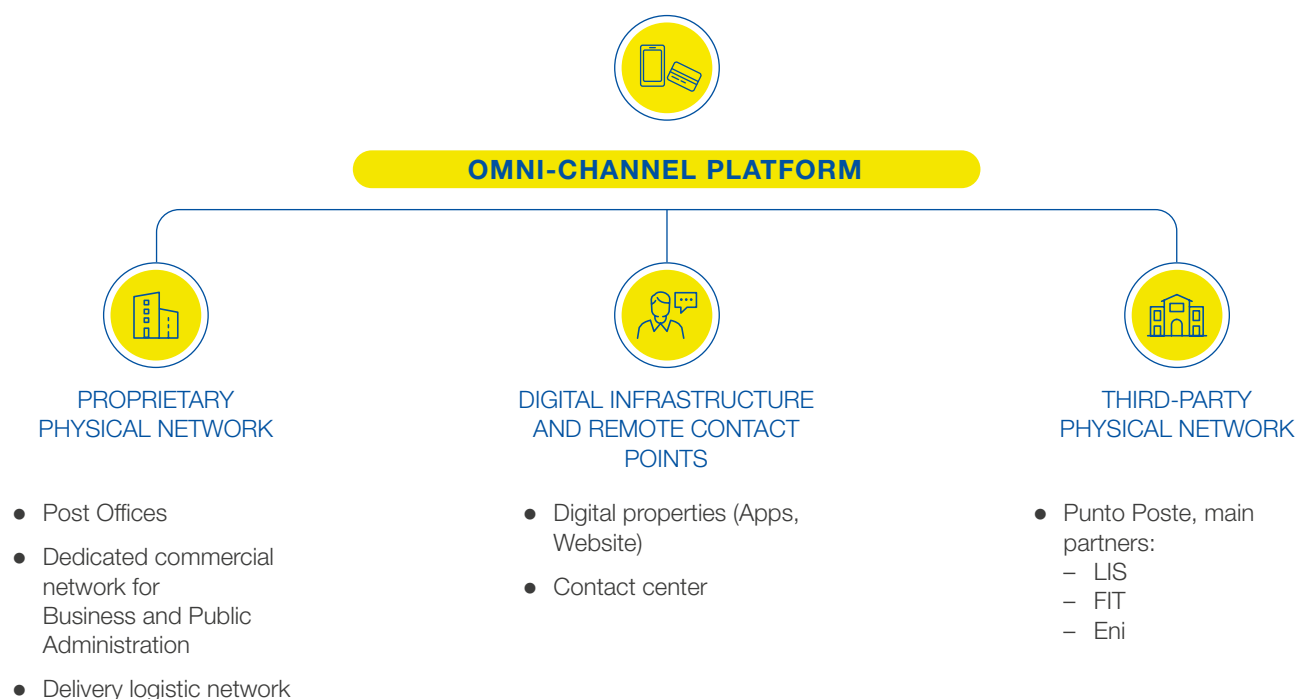
The digital transformation undertaken by Poste Italiane in recent years has involved not only its own offerings, but also the distribution model which, through an omni-channel strategy, guarantees the Company the possibility to provide services that are in step with the needs of its customers.

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

The **Group's integrated omni-channel platform** provides customer care and other services through **three channels**:

- **the proprietary physical network: the network of Post Offices**, the specialist commercial service for business clients and the delivery logistic network for the delivery of mail and parcels;
- **digital infrastructure and remote contact points**: all of the Group's **digital properties**  and its Contact Centre, able to serve the entire Italian population;
- **physical third-party networks**: around 62,000 retail outlets and the result of commercial partnership agreements for the marketing of Group products and services.

The Group's omni-channel platform is shown below:



## Physical Network – Post Offices

The post office network is governed by the Private Markets function, which is divided into regional Areas, Branches and Post Offices and serves the entire country. From November 2021, the Private Markets function took over the management of the Commercial network for Small Economic Operator Clients.

**Post offices**  
**12,761**

	31 December 2021		31 December 2020	
	Category	Personnel	Category	Personnel
Macro Areas Post Office Network	6	0.4	6	0.5
Branch offices	132	3.6	132	3.7
Post Offices	12,761	48.7	12,765	51.2

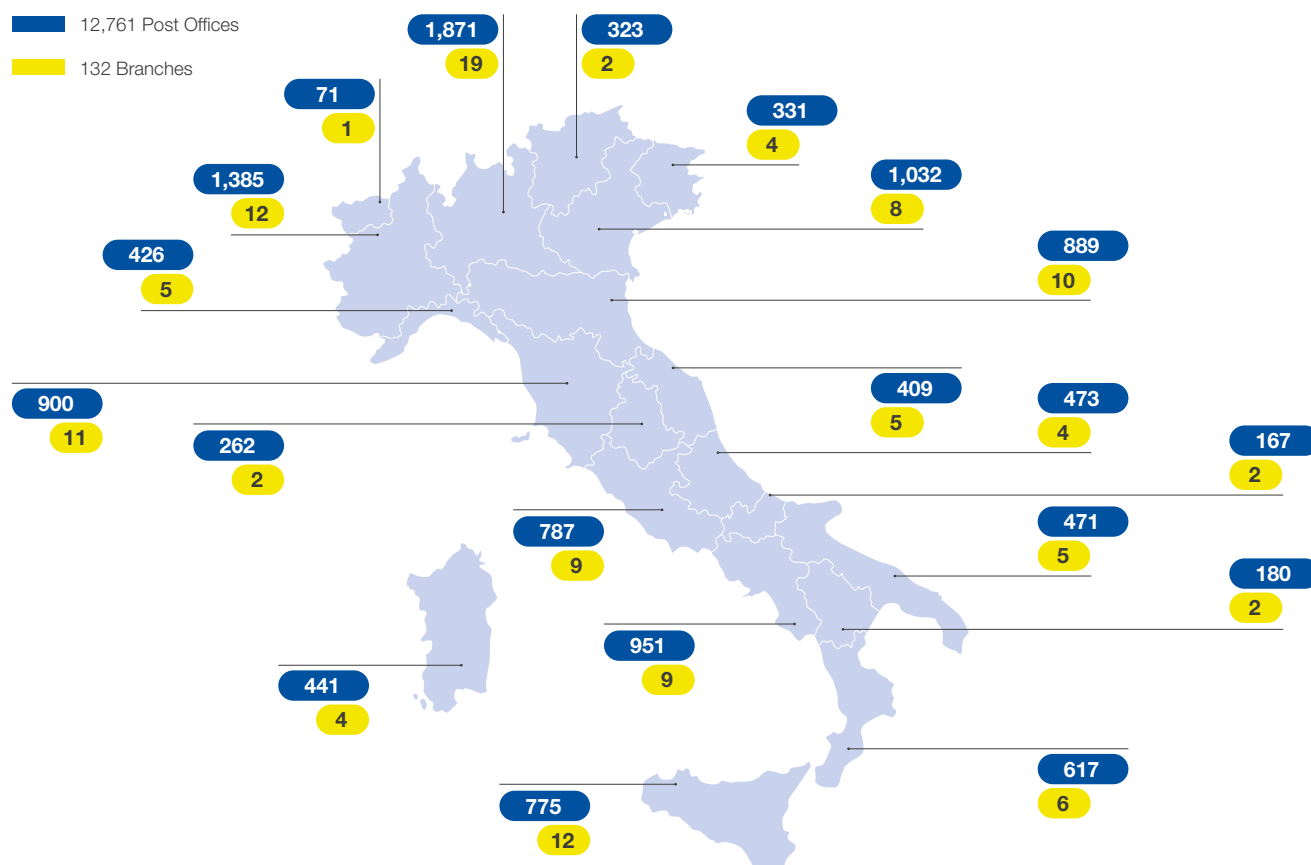
The number of resources (permanent and flexible) is expressed as full time equivalent employees (in thousands).

The downwards trend of the workforce in all three organisational areas reflects the termination of business relationships in the year which were only partially offset, especially in the Post Offices sector, by new hires and internal transfers from other areas/functions.

## Macro Areas Post Office network



## Geographical distribution of Post Offices and branches





To better support the **evolution of Front End services**, including in view of the strategic aims of the “24SI” plan (entry into the motor liability, energy and fibre markets), from October 2021 the commercial branch offering support for front end products/services was consolidated with the introduction, at Macro Area (Representative) and Branch (Specialist) levels, of specific roles to support Post Office Managers in the process of consolidating skills and adapting service models.

Furthermore, the duties of personnel at PO Corners were reviewed who, considering the evolution of the product range, are increasingly required to support the promotion and sale of products and services with a significant customer service component (e.g. PostePay, Fibre, Motor Liability, Energy, etc.). In this context, the **Corner Project 2.0** was launched on a pilot scheme involving 100 post offices.

As part of its mission to find solutions that offer the maximum commercial efficacy and customer service levels and generate customer loyalty, in October 2021 the Company launched a blended consultancy service (in-person and virtually): thanks to the use of remote technology, **Specialist Mobile Consultants** (SCM) can offer consultancy services while benefiting from the presence of the Post Office Manager to welcome customers to the Post Office, confirm their identity and provide contractual support. These new methods represent new opportunities for support that supplement the existing consultancy services delivered in person and those **offered remotely**<sup>6</sup>.



With reference to the actions taken by the Company to protect its employees and customers from the current pandemic, please refer to chapter 5 “**Risks and Opportunities**” and to the Group’s 8 Sustainability Pillars, which are discussed in chapter 6 “**Value creation**”.

## Physical Network – Business and Public Administration

The Group’s commercial presence and the sale of products and services to businesses and the central and local public administration is provided by the Business and Public Administration function of Poste Italiane.

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

- 3 Sales Macro Areas (Lombardy North West, Central North and North East, Central South), with exclusive commercial responsibility for mail and communication revenue and commercial support for the specialist sales force;
- 2 Sales areas dedicated to the commercial management of products/services of logistics and parcels and specialised by industry:
  - *Industry 1: Health&Beauty, Electronics and IT, Other Sectors;*
  - *Industry 2: Food&Grocery&Pet, Homeliving&Fashion, Platform&Solution Players;*
- 1 Commercial area specialising in the offer of financial and insurance products for large business customers and Public Administration;
- 1 Commercial area for Central and Local Public Administration related to Metropolitan Regions and Cities;
- 1 Commercial area devoted to the commercial management of partnerships with third parties and remote sales (from February 2022).

6. The remote service enables consultants to send a saving or investment proposal to the customer portal, where the client can access the proposal and decide whether to finalise the agreement online or in the Post Office.

## Macro Areas Business and Public Administration

- Lombardy and North-western Area
- North Central and North-eastern Area
- Central-south Area
- Central Structures / Public Administration HQ / Operators / Financial Sellers HQ / Partner and Remote Sales Channels HQ
- Area Headquarters



## The Logistic Network

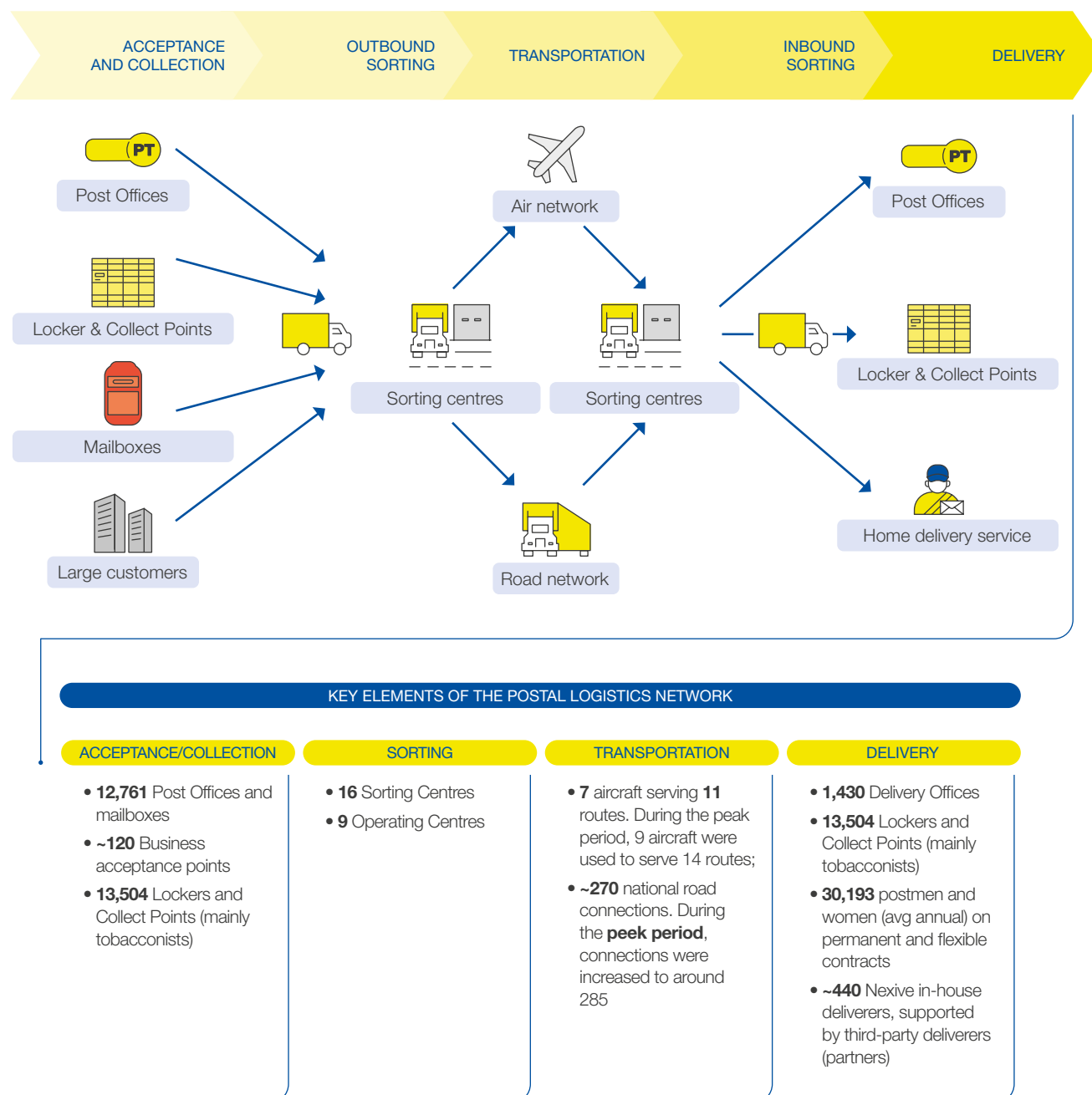
The Group's mail and parcel services are provided through two integrated and synergistic logistics networks: the **postal logistics network** for the management of mail, now evolved also to allow the management of small parcels and the **parcel logistics network** able to handle all types of parcel.

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

In addition to the two existing delivery networks (letter carriers and SDA couriers), a **"last mile" network** was added in 2020, operated by MLK Deliveries and focused mainly on parcel deliveries with value-added services (Same Day Delivery and Scheduled Delivery). With the acquisition of the Nexive Group during the first quarter of 2021 and the corporate reorganisation carried out in the subsequent months, an additional delivery network was added consisting of Nexive's current external delivery partners. As of 1 October 2021 this network is managed by Nexive Network, which has taken on the role of an operating company. It will increasingly focus on the delivery of packages and mail hand-delivered to the customer and not through the letterbox.

## Postal Logistics Network Activities

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



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

The territorial coverage model is shown below:



The changes to the workforce in 2021, as shown in the table below, reflect the decrease in all organisational areas with the exception of the Macro Areas for Logistics, which was bolstered by high quality resources transferred from the delivery centre workforce.

	31 December 2021		31 December 2020	
	Category	Personnel	Category	Personnel
Macro Areas for Logistics	6	1.3	6	0.9
Sorting Centres	16	7.1	16	7.3
Operating Centres**	10	1.0	9	1.0
Delivery Centres*	1,430	37.8	1,510	40.4
<b>Total</b>	<b>1,462</b>	<b>47.2</b>	<b>1,541</b>	<b>49.7</b>

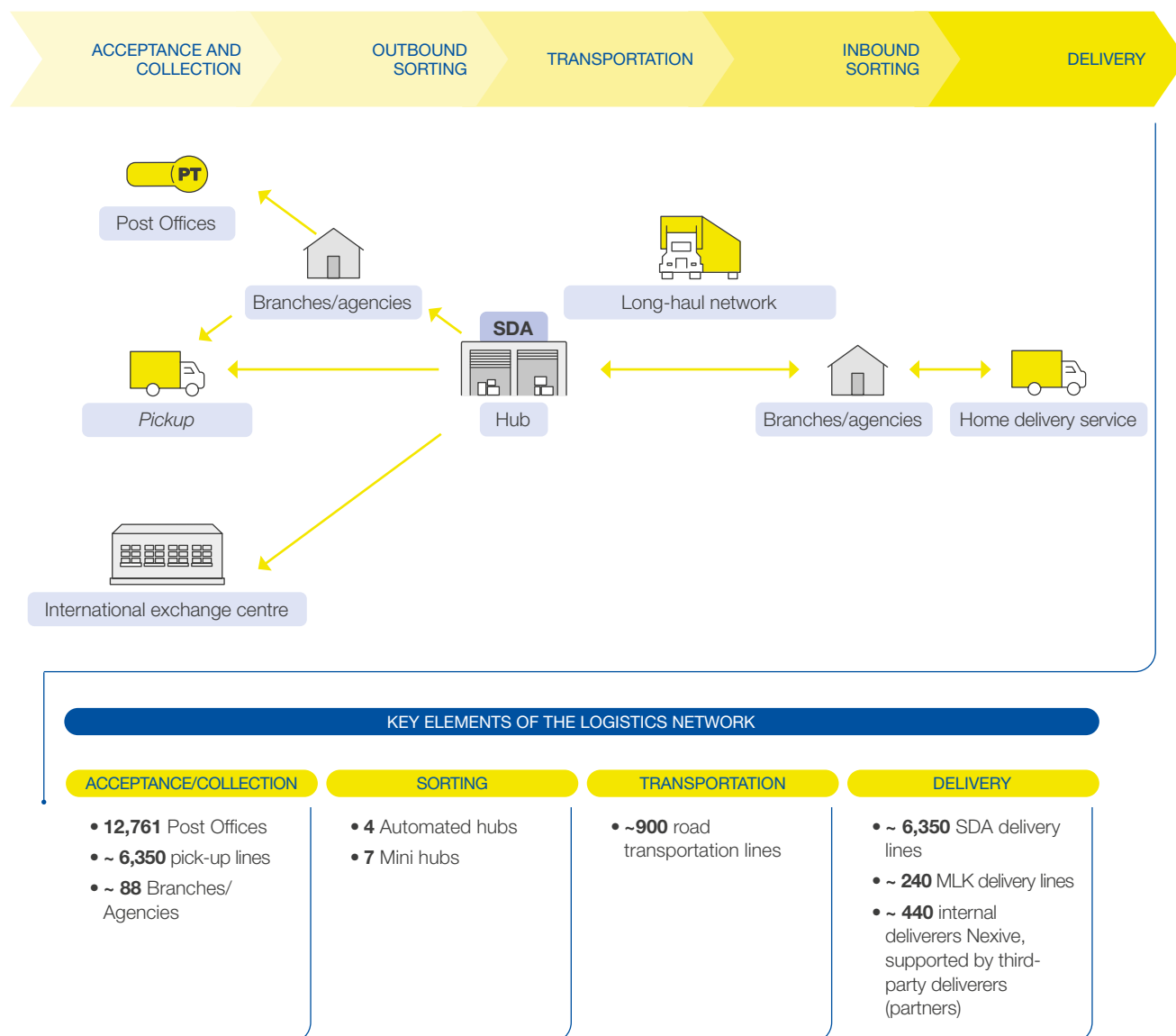
All workforce data (permanent and flexible) is shown as full time equivalent employees (in thousands).

\* Delivery staff include 31.4 thousand postmen and postwomen and delivery supervisors (33.0 thousand at 31 December 2020).

\*\* The 2021 data include the Malpensa centre.

## Parcel Logistic Network Activities

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



## Digital infrastructure and remote contact points – web, app and contact centre

Outside of Post Offices, the Group's services are provided via digital channels (poste.it website and app), the use of which continued to grow steadily during 2021 with notable growth rates despite the gradual easing of restrictions linked to the health emergency.

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


**BP** BancoPosta App;

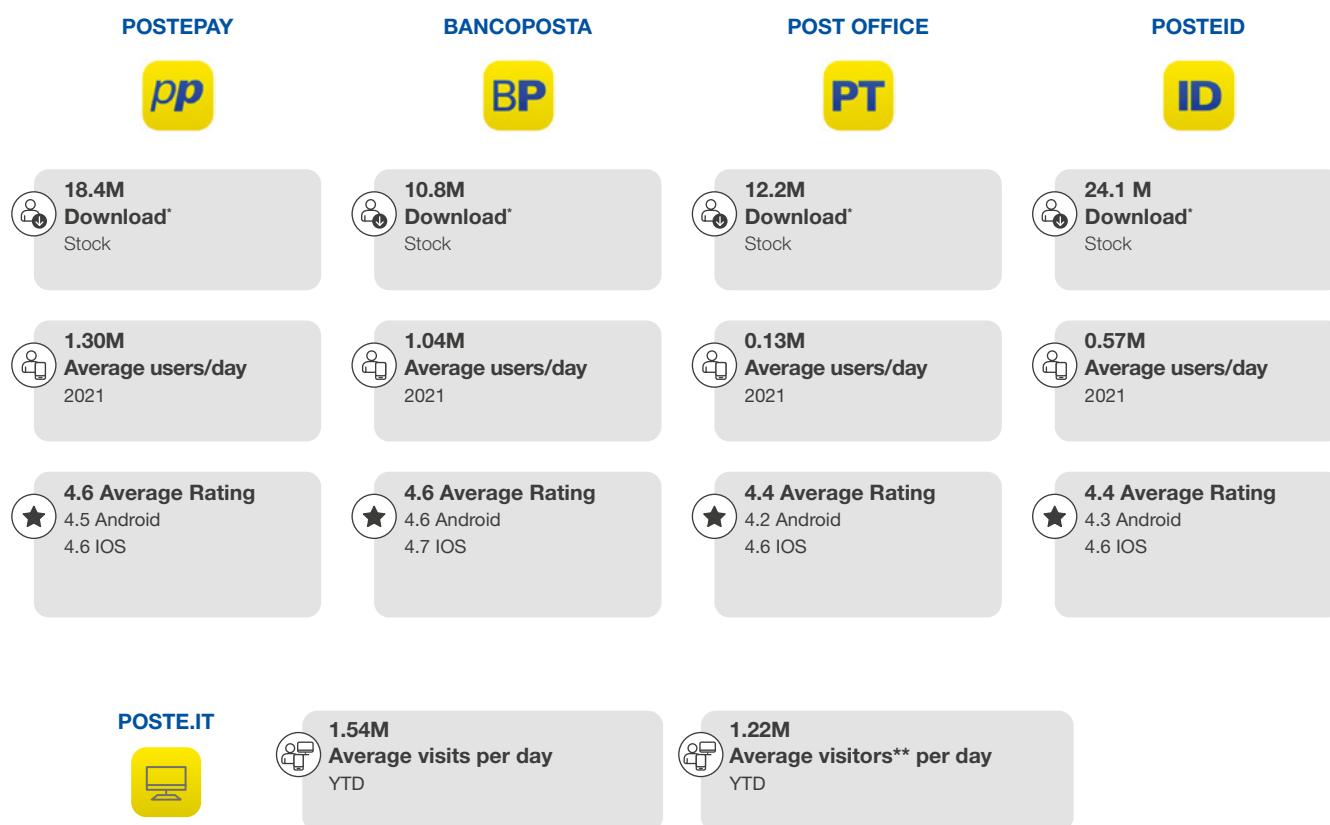
**PP** Postepay App;

**PT** Post Office App;

**ID** PosteID App;

 Poste.it website.

During the period, the Group worked to strengthen the digital sales channel, optimising the **“one click to buy”**  purchasing process and expanding the range of products and services that can be purchased directly online through digital properties.



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

Notes:

\* iOS and Android users who have downloaded the App.

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

The Poste Italiane digital web and app channels provide access to online services for 33.8 million retail users (27.1 million at 31 December 2020) and operate as both direct sales and after-sales channels. The daily average of web and app users in 2021 was 4.3 million (3.0 million average daily users in 2020). Digital channel transactions also grew, and in 2021 amounted to 124.7 million for a transaction value of €32.7 billion (90.6 million transactions in 2020 for a transaction value of €22.2 billion).

On the Contact Centre channel, interactions handled in 2021 amounted to approximately 38 million, not counting interactions related to the vaccination platform, representing a growth of 19.7% compared to 2020. While the impact of daily interactions on this channel is still negligible compared to the other points of contact (0.5% in 2021), in 2021 there was a considerable increase (+6%) in such interactions compared to 2020.

For more details on the performance of digital channels during the period, please refer to the paragraph “**Omni-channel Approach, Digital Transformation and main KPIs**”.

## Third-party Physical Network

Third-party networks play a crucial role in the Group's omni-channel strategy. They have been strengthened to provide Poste Italiane customers with a valid alternative to its own networks for access to transactional services, and have become particularly significant in the context of the health emergency. The objective is to create a platform for the integration of the Group's products with new third-party distribution channels and for the use of third-party services within the Group's commercial offerings, also introducing innovative services with high added value. Poste Italiane has affiliated a wide network of contact points.

In 2021 the Punto Poste Network<sup>7</sup> was expanded with the activation of around 2,700 new points. As at 31 December the Punto Poste Network includes approximately 13,500 points of contact.

32%

of daily transactions in 2021 were made on the new channels

&gt;20 million

daily interactions at December 2021 across multiple channels

13,500

Punto Poste package drop-off and collection points

7. The Punto Poste Network consists of collection points (sales points which offer parcel collection and shipping services) and lockers (self-service locations with extended hours of operation).



## Mail, Parcels and Distribution Strategic Business Unit

### Macroeconomic context

In 2021 the international scenario recorded sustained growth, albeit unevenly distributed across countries and production sectors, in relation to the progress of the vaccination campaigns and the regulations adopted to contain the spread of the virus. The succession of waves of infection, the most recent of which related to the Omicron variant, means that it is not yet possible to draw a line under the health emergency and its economic effects. One of the direct consequences of the restrictions adopted to limit the spread of the virus in the context of a very robust demand for goods was the misalignment between supply and demand, resulting in price increases at a global level.

The latest studies indicate a slowdown in the growth trend seen in the last quarter of 2021, especially in Europe and in emerging economies. However, the global economic slowdown has only had a limited impact on the outlook for GDP for 2021. In its outlook for December, the Organisation for Economic Co-operation and Development (OECD) predicted global growth in 2021 of +5.7%<sup>8</sup>, down slightly on the forecast in May 2021, and a progressive slowdown in the next two years of 4.5% and 3.2% in 2022 and 2023 respectively.



**+5.7%**  
**increase in Global GDP**  
in 2021 forecasted by the  
OECD

After falling slightly in the first quarter of 2021 (-0.3%), the **Eurozone economy** recovered in the second and third quarters, recording a significant increase in GDP (+2.1% and +2.2% respectively) and employment (+0.7% and +0.9% respectively), thanks to the progressive reopening of business activities<sup>9</sup>.

The restrictions reintroduced in the last quarter of the year in most EU countries halted the expansion and it is likely that the most recent epidemiological developments will impact the recovery in the first months of 2022. The rise in uncertainty may also impact public trust in economic agents and delay the return to normal of production volumes and, therefore, prices.

The OECD predicts that the Eurozone economy will grow<sup>10</sup> by 5.2% in 2021, 4.3% in 2022 and 2.5% in 2023.

Parallel to the consolidation of the economic recovery, the acceleration in inflation has resulted in a 5%<sup>11</sup> annual increase in consumer prices, mainly driven by the energy sector.

The breakdown at country level shows a diverging trend in inflation balanced in the four largest economies in the Eurozone, with inflation at December 2021:

- reaching record levels in Spain at 6.7%;
- increasing in Italy to 4.2%, compared to 3.9% in the previous month;
- falling in Germany to 5.7% (down 0.3% on the previous month);
- stable in France (3.4%).

The **Italian economy** emerged from the crisis sooner than expected and is currently facing the impact of the spread of the Omicron variant with greater resilience than in the earlier waves of the pandemic. After recording slight growth in the first quarter of 2021, the progressive lifting of restrictions on travel and the increase in industrial and service industry activities led to significant growth of 2.7% and 2.6% respectively in the second and third quarters, thanks to the increase in manufacturing activities and the further recovery of the service sector. The tensions on the raw materials and intermediate goods markets, which broadly reflected the rapidity of recovery after the re-opening of the major economies, had a relatively limited impact on Italy's manufacturing sector.

Consumer inflation has increased slightly and average growth for the year was 1.9% (-0.2% in 2020), driven by the sharp rise in energy prices. Indicators show that economic activity continued to grow towards the end of the year, albeit at a lower rate than in the previous two quarters.

8. OECD Economic Outlook - A Balancing Act - December 2021.

9. Teleborsa.it - Eurozona, PIL 2° trimestre rivisto al rialzo a +2.2% - 7 September 2021.

10. <https://www.oecd-ilibrary.org>

11. Eurostat - annual inflation flash estimate - December 2021 - 7 January 2022.

In the light of this information, overall growth for the year was above the 6%<sup>12</sup> forecast by the Government in the Update Note of the DEF<sup>13</sup>, approved by the Italian Cabinet Office at the end of September 2021. The updated estimate on GDP growth published by ISTAT predicts an increase of 6.5% compared to 2020<sup>14</sup>.

**GDP growth**  
in Italy in 2021

**+6.5%**

In this scenario, the National Recovery and Resilience Plan (NRRP) may provide a significant contribution due to the effect of increased investments and the recomposition of portfolios towards intangible assets. The slowdown in the final months of the year should not affect the general growth trend: the OECD estimates<sup>15</sup> for 2022 indicate a growth of GDP of 4.6% and a gradual slowdown in recovery in 2023, with an estimated growth of 2.6%.

With reference to the **postal market** in particular, it is undergoing a period of radical change, mainly due to the digital transformation, which has influenced volumes of mail and packages in circulation. In terms of macro-trends, the continuous structural decrease in volumes of traditional mail, replaced by digital forms of communication (email, instant messaging, etc.), has been accompanied by a significant increase in the volume of parcels shipped.

More specifically, for the mail market, after the significant drop in volume in 2020 (-18% with respect to 2019), substantial stability continue for 2021<sup>16</sup>.

In the parcel market, e-commerce continues to be the main driver of growth: in recent years online commerce has seen notable growth and is beginning to establish itself as a new habit for purchases/sales, in part thanks to new choices caused by the health emergency. These include: greater digital consumer education, overcoming of barriers to online purchases, increase in web shoppers, digitalisation of traditional retailers and a tendency to develop e-commerce channels integrated with the physical experience. For the Italian parcel segment:

- the volume of parcels per capita increased in 2020, rising to 6 units from 4 in 2019<sup>17</sup>. It is estimated that the volume of parcels per capital will double in 2021 compared to 2019<sup>18</sup>. Moreover, the percentage of online retail purchases went from 4% in 2015 to over 9% in 2020, reaching about 10% in 2021<sup>19</sup>, with additional growth margins compared with the rates recorded in the main European countries
- in 2021 the positive trend for e-commerce has continued, although with a natural decline in the growth rate with respect to 2020<sup>20</sup>; in fact, 2021 shows more contained growth in the sector with respect to that seen in 2020, but still higher than the pre-pandemic period, due to the continued demand for e-commerce deliveries at higher levels than those seen in the past;
- Poste Italiane is currently one of the main operators in the market with a market share (B2C) that exceeds 30%<sup>21</sup>.

12. ISTAT - The outlook for the Italian economy in 2021/2022 - 3 December 2021.

13. Economics and Finance Document.

14. ISTAT - Preliminary estimate of GDP - Q4 2021 - 31 January 2022.

15. OECD - <https://www.oecd.org/economy/italy-economic-snapshot/>.

16. Source: Processing of internal forecasts.

17. Source: Internal processing of historical Cerved Databank data and forecasts, Netcomm.

18. Processing of internal forecasts.

19. Source: Osservatorio eCommerce B2C – Politecnico Milano/Netcomm data.

20. Internal processing of Cerved Databank data, Netcomm.

21. Source: Internal processing of historical Cerved Databank data and figures, Netcomm.

## Regulatory context

### Expense of the universal postal service

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

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

On 1 July 2021, **AGCom Resolution 199/21/CONS** was published, concluding the procedure to verify the **net cost of the universal postal service incurred by Poste Italiane for the years 2017, 2018 and 2019**. In particular, the burden of the universal postal service for these years has been quantified at €354.5, €334.5 and €175 million respectively. For the 2019 financial year, although the quantified charge (€175 million) is lower than the authorised offsets (€262 million), the charge for the provision of the universal postal service over the entire period (i.e., the previous 2016-2019 Service Contract) is in any case higher than the offsets authorised by the European Commission. The Authority also established that the universal service charge for the years **2017, 2018 and 2019** is inequitable and that, for the same years, in continuity with what was established in previous years, the Compensation Fund referred to in article 10 of Legislative Decree 261/1999 is not established. Poste Italiane has appealed this decision to the Lazio Regional Administrative Court.

### Publishing tariff subsidies

**The 2020 Budget Law** (Law no. 160 of 27 December 2019) redefined the appropriations for reimbursement, providing for a value of €53.1 million for 2020, **€53.2 million for 2021 and €52.5 million for 2022**.

**The 2021 Budget Law** (Law no. 178 of 30 December 2020) provided an allocation of **€52.5 million for 2023**.

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

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

## Evolution of the regulatory scenario

### Competition in the parcel delivery market

**AGCom resolution 212/20/CONS of 1 July 2020 (“Analysis of the parcel delivery service” - **interim report**):** the Authority initiated the procedure to identify the relevant markets for parcel delivery services and to assess the relative level of competitiveness. The resolution highlights a predominant role for Poste Italiane in the C2X\* market, which nevertheless has a marginal impact on the overall parcel market.

On 18 September 2020, AGCom also sent to the Company a request for information, stating that all clarifications must be provided concerning postal items with a thickness of more than 20 mm and a weight of no more than 31.5 kg. Poste Italiane sent a notice on 22 October 2020 stating that the European Parcel Regulation applies only to international items; the definitions of the Postal Directives remain unchanged with respect to other types of items. There is therefore no obligation to apply these definitions to “domestic” delivery services at present. In addition, national legislation and regulations in the sector rule out in principle the possibility of mail being used to send objects. On 20 May 2021, AGCom sent a further request, asking for an update to 2020 of the information already requested for previous years. The request was duly recognised by the Company on 3 June 2021.

Following the preliminary analyses initiated with AGCom Resolution 212/20/CONS, on 27 August 2021 the **Resolution no. 255/21/CONS (“Public consultation on the regulatory obligations in the parcel delivery services market”)** was published, with which the Authority submitted for public consultation the proposal to adopt a number of regulatory obligations in order to increase the level of surveillance over the conditions for providing services, over the contractual conditions governing relations between the companies performing the various phases of the service and over working conditions. With Resolution 398/21/CONS, AGCom further postponed, for 90 days (to 16 March 2022), the deadline for the conclusion of the process pursuant to **Resolution 212/20/CONS “Analysis of the parcel delivery service market”**.

\* The C2X market identifies Consumer-to-Consumer/Business parcels i.e. parcels sent by consumers both to other consumers and to businesses.

### AGCom Correspondence Identification of Relevant

**Resolution 589/20/CONS of 25 November 2020:** the first phase of market analysis was concluded, in which AGCom approved the definition of the relevant markets for mail delivery services. In the subsequent procedural phase, the Authority, after further public consultation, will assess the degree of competitiveness of the identified markets and will define, if necessary, the appropriate regulatory interventions, including a possible resetting of the maximum tariffs of universal services. With **Resolution 217/21/CONS** published on **14 July 2021**, the AGCom extended the deadline for completing the procedure until 11 October 2021. On 17 September 2021, the Authority requested that Poste Italiane send its proposal for remodelling the pricing criteria and the maximum tariffs relating to the universal services. The Company sent this proposal on 8 October 2021. On 23 December 2021 Poste sent an update to the previous proposal. With Resolution 396/21/CONS, AGCom further postponed, for 90 days (to 10 March 2022), the deadline for the conclusion of the “Analysis of the mail delivery service market and determination of the maximum tariffs for universal postal services”.

### Replicability of offers (EU2 areas)

In terms of access to the postal network and the repeatability of offers, with Resolution **294/20/CONS** of July 2020 the process was launched to review the criteria for defining EU2 Areas (areas where there are no competitors to Poste Italiane).

With Resolution **168/21/CONS** published on 3 June 2021, Agcom launched the public consultation to review the criteria for defining EU2 areas. The Authority proposes to identify as non-contestable areas approximately 5,800 municipalities, corresponding to a total population of 26.5% (using, for this purpose, parameters such as population and population density). On 1 July 2021, the Company sent the Authority its comments, which were subsequently set forth at the hearing held on 7 July 2021. On **28 September 2021** further information requested by the Authority was submitted by the Company. With Resolution 27/22/CONS of 4 February 2022 "Revision of criteria for defining EU2 areas and identification of the relative postcodes", AgCom concluded the process with the identification of the EU2 post codes both for unrecorded mail (30.4% of the national population, based on the aggregate coverage of the main alternative national postal operators that offer established and continuous delivery services) and for recorded mail (10.2% of the population, based on the aggregate coverage of the main alternative national postal operators, including those that offer recorded mail services on their own behalf or on behalf of national postal operators).

The new perimeter defined by the Authority should be used, in particular, in order to identify the regional coverage of wholesale access to its network pursuant to Measure 8 of AGCM provision C12333 (operational from 31 January 2022; provision no. 28497 of 122/212/2020, which prescribed various conduct measures to Poste Italiane following the approval of the concentration operation between Poste Italiane SpA and Nexive Group Srl), as well as the repeatability test of Poste Italiane's multiple consignment offers, regulated by **Resolution AGCom 452/18/CONS**.

### Health emergency - AGCom

In view of the developments in the e-commerce segment caused by the health emergency, AGCom has also initiated proceedings to **promote the use of "Lockers"** (automated lockers for parcel collection and delivery) by online shoppers and to promote their dissemination. On 14 December 2020, with **Resolution 629/20/CONS**, AGCom initiated the public consultation, which ended on 28 January 2021.

With Resolution **117/21/CONS** of 4 June 2021, AGCom reported the results of the public consultation with a summary of the contributions and guidelines on the subject. The Authority accepted many of the suggestions put forward by Poste Italiane and decided to send a report to the Government in order **to urge legislative measures to encourage the use and installation of lockers**, including "condominium" lockers.

### Quality standards for the universal postal service

**Starting from 2021**, the **new quality standards** defined by **AGCom Resolution 331/20/CONS**, published on **31 July 2020**, shall apply for the universal postal service, relating to the **continuity and reliability of the services provided in Post Offices**, i.e.: a) regular opening/ closing at national and regional level, b) progressive removal of architectural barriers in post offices that can be adapted. In addition, average wait times for counter service provision have been defined, the principle of counter priority for vulnerable groups (the disabled, pregnant women, etc.) and the procedures for accepting complaints about the postal service made at the offices have been strengthened. With respect to the objectives under a), b), the Company will be measured on the basis of the results achieved annually against predefined objectives, rather than as part of individual sanction proceedings.

With respect to the other standards, the Company is required to ensure implementation thereof in the manner deemed appropriate.

### Mailboxes

In accordance with article 2, paragraph 7, of the 2020-2024 Service Contract, on 24 June 2020, Poste Italiane submitted to AGCom a proposal to **adjust the number of mailboxes to the changed size of the market and customer needs**, taking into account the trend in postal volumes and actual use by users. In a **communication dated 21 January 2021**, AGCom initiated a procedure to define the criteria for remodelling the distribution of mailboxes in Italy. The time limit for concluding the procedure is 180 days, unless a reasoned extension is granted. At the request of the Authority, the Company submitted information to the Authority to supplement its proposal of 24 June 2020.

**Digital notification  
of PA acts - new  
platform**

Law Decree no. 76 of 16 July 2020 ("Simplifications"), converted into Law no. 120 of 11 September 2020, by means of article 26, as amended, regulates the implementation of the **platform for the digital notification of public administration acts**. The operator of the platform will be the company PagoPA, which may entrust its implementation, in whole or in part, to Poste Italiane as Universal Service Provider. Subsequent implementing measures will define the technical and operational modes of operation of the platform.

**Guidelines for the  
award of public  
procurements for  
postal services**










With regard to the process of revising the "Guidelines for the award of public contracts for postal services", which aims to update the previous guidelines taking into account the liberalisation of the mail notification market, the **National Anti-Corruption Authority (ANAC) and AGCom**, following the work of a technical roundtable on a draft document in which the Company also took part, prepared the document revising the aforementioned **Guidelines, which was submitted for public consultation until 31 December 2020** and as part of which the Company submitted its comments on 30 December 2020.

The Antitrust Authority (AGCM) has made a number of observations, pursuant to article 22 of Law 287/90, with respect to the draft Guidelines, hoping for some changes to the text proposed by the two authorities. In particular, the AGCM expressed a negative opinion with particular reference to the regulation of notification services via post, with regard to which the limitations on the use of temporary consortia (RTI) and subcontracting set out by the guidelines are criticised. Subsequently, the opinion of the Council of State was published (requested by ANAC), which agrees in many points with the position of Poste Italiane. Such opinion must be taken into consideration by ANAC and AGCom for the purposes of defining the final measure.

## Operating review

Also in 2021, the Group continued with the process of reorganising its transport, sorting, delivery and customer experience activities, in line with the long-term objectives outlined in the new “24SI” Business Plan, such as increasing efficiency, flexibility and quality in order to seize the opportunities arising from the development of e-commerce.

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

SEGMENT	OPERATING REVIEW	PILLAR
	<p>The two new parcel hubs in Northern and Central Italy* are now fully operational, with the hub in Landriano (prov. Pavia) in Northern Italy inaugurated in June. This is the largest logistics centre in Italy (80 thousand square metres), capable of handling peaks of over 300 thousand parcels a day thanks to the most advanced technological standards.</p> <p><b>Inaugurated in Landriano (PV) the largest Logistics Centre in Italy</b></p> <p>* The hub in Passo Corese (prov. Rieti) was inaugurated in November 2020 and covers 52 thousand square metres.</p>	
	<p>The <b>Poste Deliverybox Express</b><sup>22</sup> parcel sales service was launched at tobacconists affiliated with the Italian Federation of Tobacconists (FIT) belonging to the Punto Poste network. As at 31 December 2021 more than 10,000 points were in operation.</p> 	
	<p>The extension of <b>home delivery of medicines</b> continued in large cities and medium/small municipalities. This is offered in three modes: instant (within 90 minutes of purchase), scheduled (at the desired time) and next day (day after purchase). The service is currently active in 169 municipalities (major cities and medium-small towns).</p>	
	<p>As part of last mile services, <b>Poste Delivery Now</b><sup>23</sup> was launched. The service is currently available in Italy's major cities and will be further expanded in 2022.</p> 	
	<p>The new <b>Reverse Paperless</b> feature was released, a new solution that allows e-shoppers to return online purchases without having to print any paper documents<sup>24</sup>.</p>	
	<p>The online <b>Poste Delivery Web</b><sup>25</sup> service (which makes it possible to ship parcels of up to 30 Kg throughout Italy and the world) was enhanced with the new Instant Delivery<sup>26</sup>. The service is currently available in Rome and Milan and will gradually be extended to all major Italian cities.</p>	

22. Poste Deliverybox Express is the shipping service with box included that allows sending directly from post office or Punto Poste at the same time of purchase or within one year, at no additional cost. There are two delivery attempts: if recipients also miss the second delivery attempt, they have 10 days to collect the parcel from the Post Office indicated in the failed delivery notice, without having to pay anything. It is also possible to request Poste Deliverybox Express home pick-up anywhere in Italy. In case of non-delivery due to absence or refusal of the recipient, wrong address or failure to collect, the shipment will be returned free of charge.







23. The service enables the maximum level of personalisation of e-commerce shipments, enabling the recipient to receive their purchases on the day that the order is made or during a preferred time slot, including evenings or Saturdays.

24. The sender of the return can go to a proximity point (Post Office or Punto Poste store) and deliver the shipment showing only the **qr code**  received from the merchant or, in case of home collection, simply hand the shipment to the courier, who will include the waybill already printed.

25. Poste Delivery Web is a service used to ship online packages from home without hassles, using either the website or the Post Office app. Shipments of up to 30 kg can be purchased throughout Italy or abroad with free at-home collection or, alternatively, they can be shipped from the post office or the Punto Poste Network.

26. The new services allow users who have registered with the poste.it website to make local shipments in just a few hours, with three options available: instant (collection and delivery of the parcel within 90 minutes), today (same day collection and delivery in a time range chosen by the customer) and tomorrow (collection and delivery on the day after purchase in a time range chosen by the customer).



COMPARTO	OPERATING REVIEW	PILLAR
	<p>In March 2021, the acquisition of a majority shareholding in <b>Sengi Express</b> Limited was finalised. The company is a reference point for Chinese e-commerce merchants in the Italian market and a leader in the creation and management of cross-border logistics solutions.</p>  	
	<div> <div>&gt;25 million</div> <div>doses delivered in support of the vaccination campaign</div> </div>  <p>The logistic support to the <b>vaccination campaign</b> for the delivery of Covid-19 vaccine doses continued, with over 25 million doses delivered throughout Italy. Poste Italiane also offered free access to an online vaccination booking platform. Finally, the distribution of Personal Protective Equipment (PPE) throughout Italy continued.</p>	
Mail	<div> <div>&gt;400</div> <div>smart postboxes for optimized mail collection</div> </div>  <p><b>“Smart Letter Boxes”<sup>27</sup></b> project. In 2021, 58 boxes with screens were installed (21 in Milan, 34 in Rome and 3 in Turin) in addition to the 347* boxes without screens installed since the start of the programme.</p> <p>* Installed in small municipalities and other municipalities (&gt;5,000 inhabitants).</p> 	
	<p>In January 2021, the acquisition of the entire share capital of Nexive was completed, to rationalise the value chain in the logistics sector. Integration activities within the Group continued, necessary to achieve the pre-established economic synergies and operating efficiency and as of 1 October 2021 <b>Nexive Network</b> operates as an Operating Company, managing and coordinating the Group's new delivery network.</p> 	

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

### Small Municipalities Project

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

Following the state of emergency on the national territory declared in 2020 by the competent authorities concerning the health risk related to Covid-19, some activities have been suspended.

The following is the summary of the main initiatives and results at 31 December 2021:

- there have been no Post Office closures
- a central office now provides dedicated support for small municipalities
- 1,559 new **ATMs**  were installed in 1,536 municipalities
- 1,104 architectural barriers have been removed in 1,041 municipalities
- 9,833 high-definition video surveillance cameras were installed in 3,173 municipalities
- the treasury service was activated in the municipalities that requested it
- 11,962 red mailboxes have been installed in 5,296 municipalities; 19 murals have been created to improve the urban decorum of the peripheral post offices
- 488 financial, digital and postal education events provided in 484 municipalities
- 3,270 Schools licensed by the "Il Risparmio che fa Scuola" programme in 2,684 municipalities
- 636 **POS**  activated in 390 municipalities
- 303 smart mailboxes installed in 232 municipalities
- 2,645 municipalities served by New Green Fleet.

**Post Offices**  
closed in 2021

**Zero**

# Financial Services Strategic Business Unit

## Market context

### Financial markets

2021 was a very positive year for the US and EU stock markets<sup>28</sup>, which at 31 December reached record highs. During the year, investors reacted only marginally to the price trends in the US and Germany, believing that the risk of interest rate increases by the central banks remained a remote possibility in a context in which the central authorities continued to confirm the generally transitory nature of the boom in inflation. The “risk-on”<sup>29</sup> climate was further fuelled by the positive quarterly profit announcements made by listed companies.

In the third quarter of 2021, shares reached new heights thanks to satisfactory growth in expected profit and the caution used by the central banks in reducing monetary support measures. At the end of November 2021 there was a momentary change in behaviour on the global stock markets following the persistent price increases, particularly as regards the US economy.

In view of the improved macro-economic situation, which led to the upwards revision of GDP and inflation forecasts, on 16 December 2021 the ECB announced the downwards “recalibration” of net securities purchases as part of the PEPP - Pandemic emergency purchase programme implemented to confront the pandemic, and the APP - Asset Purchase Programme (the standard securities purchase plan); total net purchases will be approximately halved from April onwards and will be further reduced to around a quarter of current purchases from October.

The effects of the adopted measures are reflected in the slight increase in returns in at the long-term end of the rate curve. In particular, i) the US 10 Year Treasury came in at 1.51% at 31 December 2021 (+60 bps compared to 2020), ii) the yield of the Italian 10-year **BTP**  at the end of December 2021 was 1.17% (+63 compared to 2020). The BTP-Bund 10 Year Spread was below 111 bps on average during the year, and was 135 bps at 31 December 2021 (+24 bps compared to 2020).

The Italian equity index (**FTSE MIB** ) up in the 12 months by +22.5%<sup>30</sup>) benefited from the improved economic forecasts and was broadly above the levels recorded before the pandemic.

The table below shows the precise returns expressed in percentage terms at the end of the period for BTP government bonds and interest rate swaps<sup>31</sup>.

	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021
BTP 10Y	0.54	0.67	0.82	0.86	1.17
SWAP 10Y	(0.26)	0.07	0.10	0.16	0.30
BTP 15Y	0.92	1.06	1.29	1.32	1.54
SWAP 15Y	(0.08)	0.34	0.36	0.40	0.49
BTP 30Y	1.42	1.65	1.84	1.82	1.99
SWAP 30Y	(0.03)	0.48	0.48	0.48	0.48

The following graph shows the trend of the 10-year BTP-Bund spread in recent years with the values recorded up to 31 December 2021.

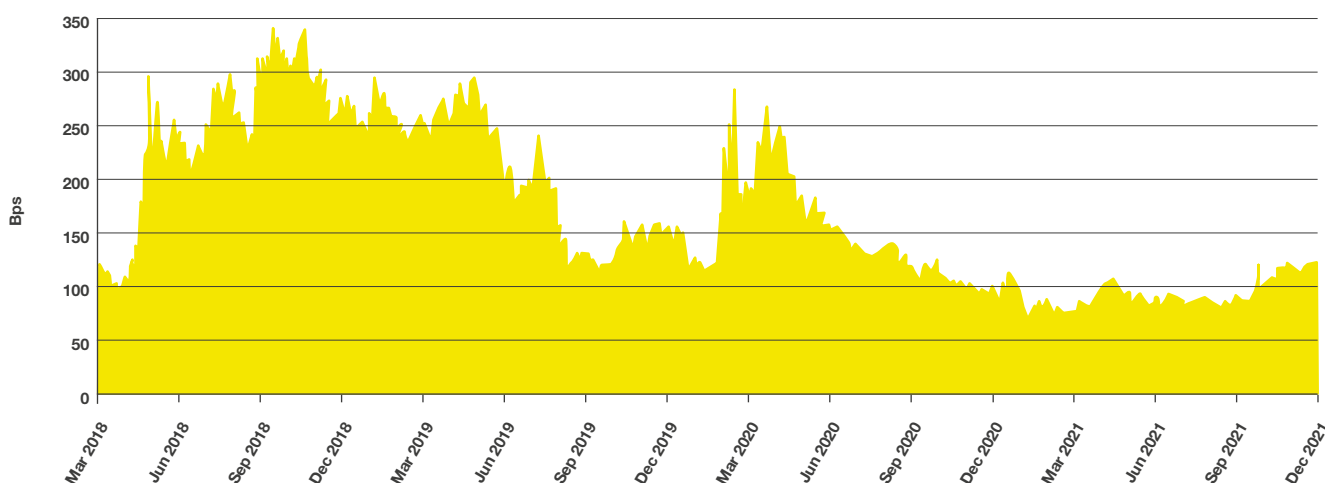
28. Source: Bloomberg. S&P500 index as at 31 December 2021 at 4,766 (+26.89% compared to 31 December 2020) and Eurostoxx 50 index as at 31 December 2021 at 4,298 (+20.99% compared to 31 December 2020).

29. A scenario characterised by a strong risk appetite, where investors move financial flows towards more risky assets with higher returns.

30. Data: Bloomberg.

31. Source: Bloomberg.

## Spread BTP Vs BUND 10 yrs



## Banking system

On the basis of estimates provided by the Italian Banking Association (ABI), at 31 December 2021<sup>32</sup>, **customer deposits** of the total number of banks in Italy, represented by deposits to resident customers (in current account, deposit certificates and repurchase agreements) and bonds, increased by 5.4% annually to approximately €2,063 billion (+€105 billion compared to 31 December 2020). This dynamic stemmed from the significant increase in deposits from resident customers, amounting to approximately €110 billion (+6.6% y/y), and was accompanied by a reduction of around €9 billion in bond deposits (-4.4% compared to 2020).

In December 2021, the **average cost of bank funding** (which includes the return on deposits, bonds and repurchase agreements from households and non-financial companies) was around 0.45% (0.45% as at 31 December 2020).

**Bank loans** in 2021 increased overall by around €6 billion and the aggregate of private sector loans at December 2021 was €1,463 billion, representing an annual variation of +1.6%. The component of loans to households and non-financial companies recorded a 2.5% year-on-year increase in December 2021.

In 2021, there was a slight decrease in interest rates on outstanding loans to households and businesses (from 2.28% to 2.16%) and substantial stability in rates on new business transactions (from 1.38% to 1.29%), while there was an increase in rates on new loans to households for home purchases (from 1.25% to 1.40%).

32. ABI - Economy and Financial-Credit Markets - January 2022.

## Asset Management

Assogestioni figures at 31 December 2021<sup>33</sup>, showed total assets of € 2,594 billion, compared to € 2,422 billion at the end of December 2020 (+7.1%, as a result of the positive contribution of inflows of +3.8% and performance of +3.3%).

With regard to **Portfolio Management**, assets totalled approximately € 1,243 billion, up with respect to the amounts at the end of December 2020 (€ 1,220 billion, +1.9%, substantially due to the positive contribution of funding). With regard to **Collective asset management**, assets went from about € 1,202 billion at the end of December 2020 to about € 1,351 billion at the end of December 2021 (+12.4%).

With regard to **open-ended mutual investment funds** alone, customer assets at the end of December 2021 amounted to approximately €1,273 billion (approximately €1,133 billion at the end of December 2020, +12.3%, as a result of the positive contribution of inflows of +5.8% and performance of +6.5%). In terms of **net inflows**, the asset management industry recorded a total positive balance of about €93 billion in 2021 (about +14.8 billion in 2020).



€2,594 billion

**total equity** in Italian managed assets: record levels in 2021

33. Monthly Asset Management map for December 2021.

## Regulatory context

### CONSOB

#### Amendments to the Intermediaries' Regulation

On **10 March 2021** CONSOB published **Resolution no. 21755** on amendments to the Intermediaries' Regulation on the subject of knowledge and competence requirements for personnel providing advice and information to customers; the **amendments to the Intermediaries' Regulation**, effective as of **31 March 2021**, leave it up to them to assess the methods of training and professional updating of their own resources, allowing for greater flexibility of organisational controls based on the principle of proportionality. In this regard, a framework of organisational regulations shared by all intermediaries and defined by the trade associations is currently being shared with the Supervisory Authorities.

On 9 April 2021, CONSOB published an update to the Q&A on application guidelines in order to bring them in line with the changes introduced by Resolution no. 21755 of 10 March 2021.

### Bank of Italy


#### Circular no.285 of 17 December 2013

Following the publication of the **34th update of Circular no. 285 of 17 December 2013, which implements the EBA Guidelines on outsourcing** (EBA/GL/2019/02), on 23 September 2020 by the Bank of Italy, and the final report on the "*Guidelines on outsourcing to cloud service providers*", on 18 December 2020 by ESMA, the **new Regulation governing BancoPosta RFC's awarding and outsourcing process** was approved on 24 June 2021. In this regard, a comprehensive review of outsourcing contracts of BancoPosta was conducted in order to ensure their compliance with the new regulations.

On 30 June 2021 and 20 July 2021, the Bank of Italy published the **35th and 36th amendments** to the Circular regarding **loans to company representatives (35th)** and **the regulation of the assessment of real estate used as collateral against exposure (36th)**; both topics are not applicable to BancoPosta.

On **25 November 2021** the **Bank of Italy** published the **37th Amendment** to the Circular, concerning remuneration and incentivisation practices and policies in banks and banking groups. The key new features include the **neutrality of remuneration policies with regards to gender, the management of the "retention bonus"** (remuneration based on the seniority of company personnel) and **exceptional bonuses**. Activities aimed at integrating these new elements into the Remuneration Guidelines of the BancoPosta RFC are in progress and will be presented for approval by the Shareholders' Meeting on 27 May 2022.

#### Discipline of Website for the comparison of offers relating to payment accounts

On **18 March 2021**, the Decree of the Ministry of Economy and Finance (MEF) of 22 December 2020 was published in the Official Journal, containing the "**Website guidelines for the comparison of offers relating to payment accounts**" for the comparability of related charges, defining their characteristics, as well as the criteria for access by payment service providers (**PSP** ).

Poste Italiane is evaluating the actions to be taken for participation in the comparison website and PostePay, with reference to the **IBAN-equipped Postepay card** dedicated to consumer customers, will join one or more comparison websites, providing the website owners with the data needed to compare offers.

\* A payment account is an account held in the name of one or more customers, used exclusively for the execution of payment transactions.

### MIFID II-ESMA

#### New guidelines on the requirements of the compliance control function

On 6 June 2021, the "**ESMA Guidance on certain aspects of MiFID II requirements relating to the compliance control function**" came into force, replacing the guidance issued in 2012. The new Guidelines confirm the provisions of the previous ones, reinforcing and extending the responsibilities and organisational requirements of the Compliance function and calling for a direct role of Top Management in particular for the promotion of the "culture of compliance" and the verification of the adequacy of the function in relation to the activities supervised in terms of both staff and IT resources. Poste Italiane, which has already adopted the new Guidelines, continued its activities to define the initiatives aimed at promoting a culture of compliance and at identifying measures for the correct quantitative and qualitative assessment of the Compliance function website.

**Bank of Italy**  
Guidelines on  
governance and  
control mechanisms  
for retail banking  
products

On 1 April 2021, the **Bank of Italy** published the document “**Guidelines for intermediaries on governance and control mechanisms for retail banking products (POG)**”, which, in including good practices, as well as critical issues found both by the European Banking Authority (EBA), as part of a survey activity conducted in European countries, and by the Bank of Italy in its supervisory activity, requires banks and intermediaries to take appropriate initiatives to raise the level of compliance with regulations and the quality of customer relations. The Company is finalising the assessments and related actions to be implemented.

**Covid-19**  
Urgent measures to  
support businesses  
and households in  
difficulty

In relation to the **Covid-19** epidemic, the issuance of legislative provisions\* aimed at extending the **urgent measures adopted to support businesses in difficulty** or to introduce **facilities for access to credit**, to protect households and micro, small and medium-sized enterprises, continued. The Company, together with the partners for whom it places financing products, has implemented the planned initiatives.

\* Law Decree no. 73 of 25 May 2021 ( “Decreto Sostegni bis”) which provides, for example, (i) for SMEs already authorised to receive the support measures provided for by art. 56 of Law Decree no. 18/2020, the extension, on request, of the loan suspensions until 31 December 2021; (ii) certain concessions (e.g. substitute tax exemption) for mortgage applications for applicants under 36 years of age for contracts signed before 30 June 2022; (iii) extension until 31 December 2021 of the exemptions from the operation of the Solidarity Fund for first-time buyer mortgages, etc.

**Bank of Italy**  
Requirements  
of the company  
representatives of  
banks and financial  
intermediaries

On 5 May 2021, the Bank of Italy published the “**Provisions on the procedure for assessing the suitability of officers of banks, financial intermediaries, electronic money institutions, payment institutions and depositor guarantee schemes**” following the adoption of MEF Decree no. 169/2020 on the suitability requirements for officers of banks and other intermediaries regulated by the Consolidated Banking Act. These Provisions became effective on 1 July 2021 and apply to appointments after that date. The work table launched by the Company assessed the regulatory impacts and the measures to be implemented, defining the operating manual that governs the appointment and evaluation process based on the existing legislation and relative annexes.

**ESMA**  
Guidelines on  
outsourcing to cloud  
service providers

On 10 May 2021, ESMA published “**Guidelines on outsourcing to cloud service providers**”, aimed at helping enterprises and competent authorities to identify, manage and monitor risks and issues arising from outsourcing arrangements with cloud service providers. The main topics covered are: governance and contractual elements to be provided for, prior due diligence activities, information security, provision for exit strategies from contracts, access and audit rights, notifications to competent authorities. The Guidelines apply from 31 July 2021 to all cloud outsourcing agreements entered into, renewed or amended on or after that date. These Guidelines are considered in the awarding and outsourcing Regulation of BancoPosta RFC approved on 24 June 2021.

**Delegated  
Regulation 2021/923**  
Identification of  
material risk takers

On **9 June 2021**, **Delegated Regulation 2021/923** was published in the Official Journal of the European Union, updating, among other things, the technical standards for the identification of Material Risk Takers of financial intermediaries, and repealing the previous Delegated Regulation (EU) no. 604/2014. Poste Italiane – BancoPosta RFC revised the **Guidelines for the Identification of Material Risk Takers**, approved by the Board of Directors at the meeting of **16 December 2021** along with the new list of material risk takers.



#### Bank of Italy

Payments services  
(PSD2 Directive)

On **30 June 2021** the **Bank of Italy** issued the measure that **amended** the **Provisions on transparency of banking and financial operations and services**, in order to implement art. 106 of Directive 2015/2366/EU ("PSD2"), which sets out the obligation for payment services providers to provide, in an easily accessible manner on websites and in paper copy, the **European Commission's brochure** describing the rights of consumers in the context of payment systems in the European Union. On **26 July 2021**, the Authority published the new **Guide on payments in electronic business** to be published on the website of intermediaries, which provides all users with a map of the tools to use for online purchases.

BancoPosta, alongside PostePay, has completed all the activities necessary for the publication of the brochure and the Guide, by the adjustment deadlines provided (October 2021).

#### ESMA

Guidelines on  
remuneration policies  
and practices

On **19 July 2021** the ESMA launched a consultation, ending on 19 October 2021, on the **"Guidelines on remuneration policies and practices"** for personnel involved in the provision of the 2013 investment services with the aim of rationalising their content and improving compliance with the provisions of Directive MiFID II. The new Guidelines, which did not highlight any significant impacts, will be published by the end of the first quarter of 2022.

#### BancoPosta RFC

Use of individual  
savings

On **24 July 2021** Law no.106/2021 was published in the Official Journal, introducing the possibility for BancoPosta RFC to invest, **up to a percentage of 15%, the funds deriving from deposits from private customers** also in tax credits that may be transferred pursuant to Law Decree no. 34 of 19 May 2020 ("Decreto Rilancio"), or in other tax credits the transfer of which is provided for by law.

#### MI FID II

Delegated acts  
of the European  
Commission on  
sustainability

On **2 August 2021** the **delegated acts of the European Commission** were published in the EU Official Journal, which integrate the regulatory framework of the **MiFID II Directive**, in accordance with a number of existing regulations\*, in order to include therein the aspects linked to **sustainability**, in both the provision of the consulting service and the related organisational requirements, as well as the product governance process. The acts came **into force on 22 August 2021** (applicable from 2 August 2022 and 22 November 2022 respectively). The company has addressed a number of initiatives and planned others, in order to implement the aforementioned provisions.

\* Regulation 2019/2088, Guidelines on MiFID II product governance requirements and Guidelines on certain aspects of the MiFID II suitability requirements.

#### EBA

Payment Services  
(Regulatory Technical  
Standards)

On **28 October 2021** the **European Bank Authority (EBA)** published a consultation document regarding the proposed amendments to Delegated Regulation 389/2018 (Regulatory Technical Standards - RTS) relative to the exemption from **Strong Customer Authentication** (SCA) for access to the accounts for which the Authority proposes: (i) to introduce a new mandatory SCA exemption in the event that the customer access is made via an Account Information Service Provider, while the SCA exemption would remain voluntary in the case of access via an Account Servicing Payment Service Provider; (ii) to extend the term of the exemption from the current 90 days to 180 days. BancoPosta, jointly with PostePay, is making the necessary investigations to analyse the impacts and monitor the status of the amendment proposals; as of today, outcome of the consultation by the EBA is yet to be published.

#### European Commission

Mortgage Credit  
Directive

On **22 November 2021**, the **European Commission** launched a consultation aimed at reviewing the content of Directive 2014/17/EU (MCD - Mortgage Credit Directive) and invited all market operators to contribute via a questionnaire. The relative investigations are being conducted by BancoPosta, including through the involvement of partners that provide the products covered under the Directive.

**Bank of Italy**Monitoring of  
payment systems  
and technological/  
network  
infrastructure

On **29 November 2021** the **Bank of Italy** published the Measure containing the new Provisions on the **monitoring of payment systems and instrumental technological or network infrastructure**, aimed at promoting the reliability and efficiency of Italian payment systems. BancoPosta and PostePay are conducting the relevant investigations to verify any potential impacts and the relative obligations.

**EU Regulation 2019/876**Prudential  
requirements for  
credit institutions and  
investment firms

**EU Regulation 2019/876** is effective from 28 June 2021, amending EU Regulation 575/2013 concerning the prudential requirements of credit institutions and investment firms. In particular, the Regulation amends the regulations regarding the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, and reporting and disclosure requirements.

The amendments regarding counterparty risk, which changed the calculation methodology for the corresponding prudential requirements, are particularly relevant to BancoPosta RFC.

## Other information

### POSTE ITALIANE AND CASSA DEPOSITI E PRESTITI: NEW AGREEMENT ON POSTAL SAVINGS

On **24 December 2021** **Poste Italiane** and **Cassa Depositi e Prestiti** signed a **new agreement** to regulate the allocation and management of Postal Savings products for the **2021-2024** four-year period. The historic relationship between CDP and Poste Italiane has been further strengthened with an agreement that covers the validity of Poste Italiane's "24SI" plan. The allocation and management of Postal Certificates and Savings Books will continue to be remunerated by annual commissions differentiated by product category, the amount of which will remain in line with previous years.

The remuneration framework for the allocation of Postal Certificates provides for a mixed remuneration, partly linked to up-front commissions and partly to annual commission, which guarantees the sustainability of the service and ensures that the clients' savings needs are met.

### Bank of Italy

In January 2021, the Bank of Italy requested information regarding the closure of the **Online Trading** service with particular reference to the reasons and methods of communication to customers. The feedback was provided on 25 March 2021.

In February 2021, the Bank of Italy launched a fact-finding investigation concerning the technological innovations adopted by financial intermediaries "**Fintech Survey 2021**", with a focus both on investments and collaborations with fintech companies, and on the holding of crypto-assets. The investigation was also launched into the subsidiary, PostePay SpA, with which feedback was provided. The feedback was provided on 23 April 2021.

On 30 March 2021, the Bank of Italy sent BancoPosta and its subsidiary, PostePay SpA, a note requesting further information on the actions underway to **manage IT risk**, focusing on certain areas for improvement identified in the note. The feedback was provided on 1 June 2021.

On 5 August 2021, the Bank of Italy sent BancoPosta a note with which it requested, in relation to the inspection carried out in 2019 regarding **banking transparency**, a report on the progress of the plan of actions envisaged for the areas of improvement which had emerged, as well as some clarifications on specific aspects reported therein. The feedback was provided on 12 November 2021.

On 31 December 2021, the Bank of Italy, in the context of its periodic investigations, sent a **questionnaire regarding payment accounts and portability**, the response to which was provided on 20 January 2022.

On 10 January 2022, following a whistleblowing report, the same Authority sent a **request for updates regarding potential critical issues in the training provided** to newly hired consultants and operating practices which were allegedly not compliant with IT security criteria. The response note was sent on 10 March 2022.

On 14 March 2022, pursuant to art. 54 of Legislative Decree No. 385 of 1 September 1993, the Bank of Italy launched an inspection at Poste Italiane SpA, within BancoPosta, focusing on the business model, governance and control systems and interest rate risk.

### CONSOB


In March 2021, CONSOB launched a survey concerning the **provision of cryptocurrency services** by intermediaries, with a focus on investments/financial instruments with underlying cryptocurrencies placed on behalf of customers together with any project activities planned on the matter over the next three years. The feedback was provided on 19 April 2021.

Again in March 2021, CONSOB requested information on reports by customers of delays **in the execution of transactions to transfer securities to other intermediaries**, with evidence of complaints relating to the case in question, any anomalies identified in the process in question and, finally, the Compliance function's assessment of the matter, together with the controls carried out. The feedback was provided on 22 April 2021.

In May 2021, CONSOB sent a technical note with the **results of the inspections** conducted by the Authority from January to October 2020, with particular reference to the following areas: i) product governance; ii) procedures for assessing adequacy; iii) training of sales network personnel. A meeting was held with the Authority on 15 June 2021 at which a specific response note was requested to be prepared and sent on 16 July 2021.










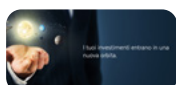



On 28 December 2021 CONSOB sent a request for updates on the progress of the planned measures and the evidence of specific analyses, requesting an assessment from the Compliance function. The response note was sent on 11 February 2022.

**Other proceedings**

**Federconsumatori**, with a writ of summons dated 14 May 2021, initiated a class action against Poste Italiane pursuant to article 140-*bis* of the Consumer Code, before the Court of Rome. The value of the dispute to date is approximately €8.5 thousand. By the summons in question, Federconsumatori contests that the **capitalisation  of interest on 30-year interest-bearing postal certificates** (marked with the “Q” series, issued by Cassa Depositi e Prestiti from 1986 to 1995, pursuant to Ministerial Decree 13 June 1986 by the Minister of Treasury, which were subsequently transferred to the Ministry of Economy and Finance, pursuant to the MEF Decree of 5 December 2003) is carried out annually net of withholding tax (now substitute tax), rather than gross, with the effect of recognising to savers a lower return than that allegedly due. On 27 July 2021, Poste Italiane appeared before the court, objecting, on a preliminary basis, to the inadmissibility of the class action, on a number of preliminary grounds, as well as to the fact that the plaintiffs’ and potential members’ claims were timebarred, and contested the merits of the proposed claim. The Court of Rome, in an ruling dated 11 January 2022, held that the action submitted by Federconsumatori was manifestly unfounded, recognising, *inter alia*, the lack of passive legitimacy on the part of Poste Italiane.

## Operating review

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




SEGMENT	OPERATING REVIEW	PILLAR
Current accounts	The <b>tax credits purchasing</b> service launched in 2020 dedicated to BancoPosta current account holders is operating as planned, with the extension of the service to other credit types.	
	In the area of Business and PA current accounts, the new current account <b>BancoPosta Business Link</b> was launched on the market, aimed at the Small Business segment, offering a modular range <sup>34</sup> which can be accessed from the revamped online <b>Internet Banking</b>  platform and a new app.	
Assets under Administration	Poste Italiane took part in the placement of the third and the fourth issues and the fourth of the <b>Futura Multi-year Treasury Bond (BTP)</b>  , a security linked to Italy's GDP performance and launched as part of the Government's measures to tackle the health emergency, in particular to support economic recovery and the vaccination campaign.	 
Asset Management	Distribution of the following mutual funds began:  <b>"BancoPosta Focus Rilancio 2026"</b> e <b>"BancoPosta Focus Rilancio Giugno 2027"</b> focusing on 6 current megatrends (technology, public health, consumption, climate change, infrastructure and smart cities), for which Anima SGR is the <b>managing agent</b>  ;  <b>"BancoPosta Universo 40"</b> and <b>"BancoPosta Universo 60"</b> , flexible, multimanager <sup>35</sup> and sustainable <sup>36</sup> products;  <b>"BancoPosta Focus Ambiente 2027"</b> <sup>37</sup> , a balanced bond product that focusses on the potential growth of 5 economic sectors linked to environmental protection: climate change prevention, clean energy, circular economy, water and sustainable management of water resources, protection of the oceans.	    
	With a view to developing the product range in ESG terms, the investment policy of the two funds, <b>"BancoPosta Azionario Euro"</b> and <b>"BancoPosta Selezione Attiva"</b> , has been integrated to take account of environmental, social and governance sustainability factors.	

34. Upon request, the customer can activate two modules, each available in two versions ("Operation Module", which includes, in addition to one free chequebook, also 5 or 10 free transactions per month, depending on the version, and "Utilities Module" which, depending on the version chosen, includes respectively up to 3 or 5 utilities additional to the first one included in the Basic Module fee).

35. Selection of the best actively managed ETF and third party funds, to take advantage of the best solutions for each **asset class** .

36. The selection of investment instruments also takes into account sustainable finance criteria: in fact, the funds promote environmental, social and governance characteristics (ESG factors) pursuant to article 8 of EU Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019.

37. The fund combines investments in bonds, accounting for at least 50% of the portfolio, with a portion invested in flexible instruments and shares. In the context of the latter component, exposure focuses on companies that contribute to building a more efficient and sustainable society in environmental terms.

SEGMENT	OPERATING REVIEW	PILLAR
Distribution of third-party products	Together with the Partners for whom the <b>financing products</b> are distributed, the initiatives continued in 2021 as envisaged by the regulations and those adopted on a voluntary basis during 2020 in relation to the health emergency, in support of businesses in difficulty, as well as in relation to access to credit, to protect households and small and medium-sized businesses.	
	During 2021, in the area of loans, the product Prestito Personale BancoPosta was developed and released in collaboration with our <b>new partner Santander</b> Consumer Bank.	  
	The Green <sup>38</sup> promotion on BancoPosta loans was launched, supporting energy efficiency projects.	 

## TAX CREDIT ACQUISITION

In 2021, the tax credit purchase service dedicated to BancoPosta current account holders, launched in 2020, was further enhanced. In February 2021, the service was extended to other types of loans for businesses such as those relating to rent and sanitation and for the purchase of Personal Protective Equipment (PPE). The standard offer, which is available both online and at post offices, has also been joined by a dedicated offer for large customers, who have been given the opportunity to reserve a ceiling. These initiatives have met with strong interest from both the business and private markets.

At 31 December 2021, the portfolio of tax credits acquired by Poste Italiane is worth around **€7.4 billion in nominal terms and around €6.5 billion in terms of paid value**.

Receivables acquired from customers have the following characteristics:

- approximately 76% were acquired by legal entities and 24% by individuals;
- around 87% were requested by customers via the web channel and around 13% at post offices;
- approximately 73% were made up of credits relating to “ordinary” building bonuses (e.g. restructuring recovery of the building stock, ordinary ecobonus, façade bonus), while the 110% superbond represents approximately 24% of the total.

**tax credits** purchased in 2021 in multichannel to support the economic recovery

**€ 7.4 billion**

Between November 2021 and February 2022, with regard to the purchase of tax credits derived from building bonuses, offered by the Company to its customers, certain local Public Prosecutors' Offices decided as a precautionary measure to seize approximately €240 million worth of tax credits that were undergoing purchase procedures. As a result of these measures, adopted in proceedings in which Poste Italiane is a bona fide third party and/or an injured party, the Company filed for a review, the outcome of which has led to the release of most of the sums previously subject to precautionary measures. To take into account the effects of the anti-fraud decree, which allows for the extension of the set-off window for the duration of the seizure, the amortised cost of the residual receivables that are subject to an seizure order at the date of these financial statements has been adjusted by estimating the average duration of the seizure as one year.


38. Loan useful for financing green house renovations (e.g. photovoltaic system) or for the purchase of a hybrid or electric car.

# Insurance Services Strategic Business Unit

## Market context

### Life business

**The new individual life insurance policies**, amounting to approximately € 88.1 billion at the end of 2021, recorded a 4.6% increase compared to 2020. If new Life premiums reported by EU companies are also taken into account, the figure reached €105.4 billion, up 9.5% compared to 2020.

Analysing the figures by class of insurance, **Class I** premiums amount to € 52 billion at the end of December 2021, down 5.9% compared to the previous year. The performance of **Class III** products (in the exclusive **unit-linked**  form) was up sharply (+38.7%) compared to 2020, with inflows of € 34 billion. Residual inflows were from capitalisation products (€1 billion) which fell sharply in the year (-37.4%) compared to the figures at the end of December 2020. The volume of new premiums relating to long-term health policies (**Class IV**) continued to be limited (approximately €78 million), despite recording a sharp increase (+14.4%) compared to December 2020.

New contributions relating to the management of **pension funds**  in 2021 recorded inflows of €879 million, a decrease (-66.5%) compared to 2020.

Single premiums continued to be the preferred form of payment for policyholders, representing 94.8% of total premiums written and 58.3% of policies by number.

With regard to the **distribution channel**, around 60.8% of new business in 2021 was obtained through banks and post offices, with premium revenue of €53.6 billion, down slightly (-1.7%) compared to 2020. With regard to the entire agency channel, however, the volume of new business distributed reached €16.6 billion in 2021, substantially in line with the figure for 2020 and with an incidence on total intermediated business of 18.9%.

The performance of new business obtained through qualified financial consultants was €11.3 billion, down (-38.9%) compared with the figure for the previous year and with an incidence compared to the total of intermediated premiums equal to 17.9%.

Finally, the broker and distance sales channel recorded growth at the end of 2021 of +51.1% compared to 2020, with a volume of premiums placed of €2.1 billion (or 2.4% of the total brokered).

### New individual life business by class\*

(data updated to December 2021 in € millions)

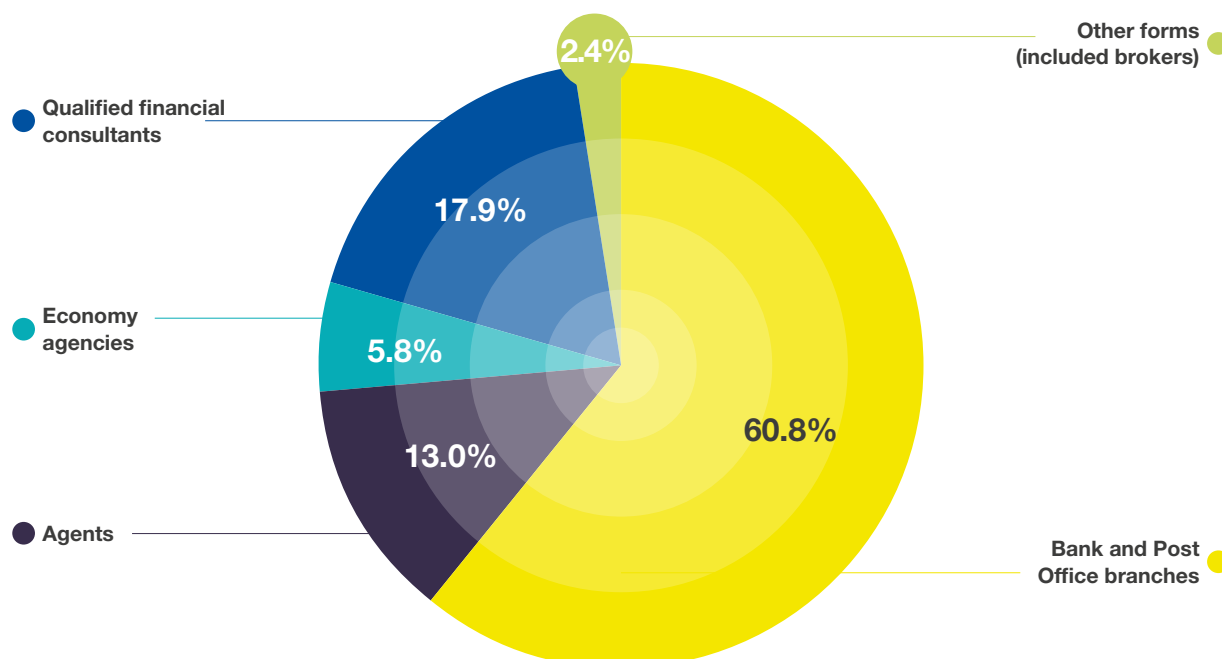
Premiums by class/product	Premium YTD	% change 12 2021 vs 12 2020
Life - class I	52,046	-5.9%
Unit - Linked - class III	34,042	38.7%
Capitalisations - class V	1,047	-37.4%
Pension funds - Class VI	879	-66.5%
Illness class IV	78	14.4%
<b>Italian insurers - non-EU</b>	<b>88,092</b>	<b>4.6%</b>
<b>EU insurers**</b>	<b>17,272</b>	<b>44.3%</b>
<b>Total</b>	<b>105,364</b>	<b>9.5%</b>

\* Source: ANIA.

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



### New Life individual business by distribution channel



Source: ANIA.

## P&C business

Relative to the **P&C insurance market**, total direct Italian premiums, also including policies sold in Italy by Italian companies and by overseas undertakings, based on the most recently available official data (source: ANIA<sup>39</sup>) at the end of the third quarter of 2021, totalled € 27.3 billion, up 2.8% compared to the same period of 2020, when the sector, while recovering slightly from the lockdown imposed to confront the spread of the pandemic, recorded a fall of 3%. The above increase is mainly attributable to the non-Motor sector (+5.9%), while premiums in the Motor sector remained more or less stable (-0.9%). With reference to the latter, the reduction in premiums in the **motor TPL class** fell by 3.6%, while the **land vehicle class** benefited from growth of 10%.

With reference to the **non-Motor class**, the aforementioned growth of 5.9% was the result of the main **insurance classes** [📖](#): i) the Health class, with volumes of € 2,255 million and a growth of 7.6%; ii) the Personal Injuries class, with premiums of € 2,556 million and an increase of 4.8%; iii) the General TPL class, with premiums of € 3,037 million and an increase of 4.4%; iv) the Property damage class with an increase of 6.3% and volumes of € 2,493 million; v) finally, the Fire class, with total business of € 1,908 million and a growth of 5.5%.

As regards the **distribution channels**, the agency one is confirmed as the leader with a market share of 73.4%, down slightly on the figure recorded in the same period of 2020 of 74.3%. Brokers represent the second P&C premium distribution channel with a market share of 8.4% (8.7% at the end of September 2020), while bank and post office branches recorded a market share of 8.3% (7.3% in the first nine months of 2020).

As regards direct sales as a whole (including distance, telephone and internet sales), at the end of September 2021, there was an incidence of 9.5% (9.3% in the corresponding period of 2020). The remaining 0.4% (0.3% at the end of September 2020) refers to premiums brokered by qualified financial advisors.

39. ANIA Report - Year 7 - no. 27 – published 24 November 2021.

## Direct P&C premiums by class\*

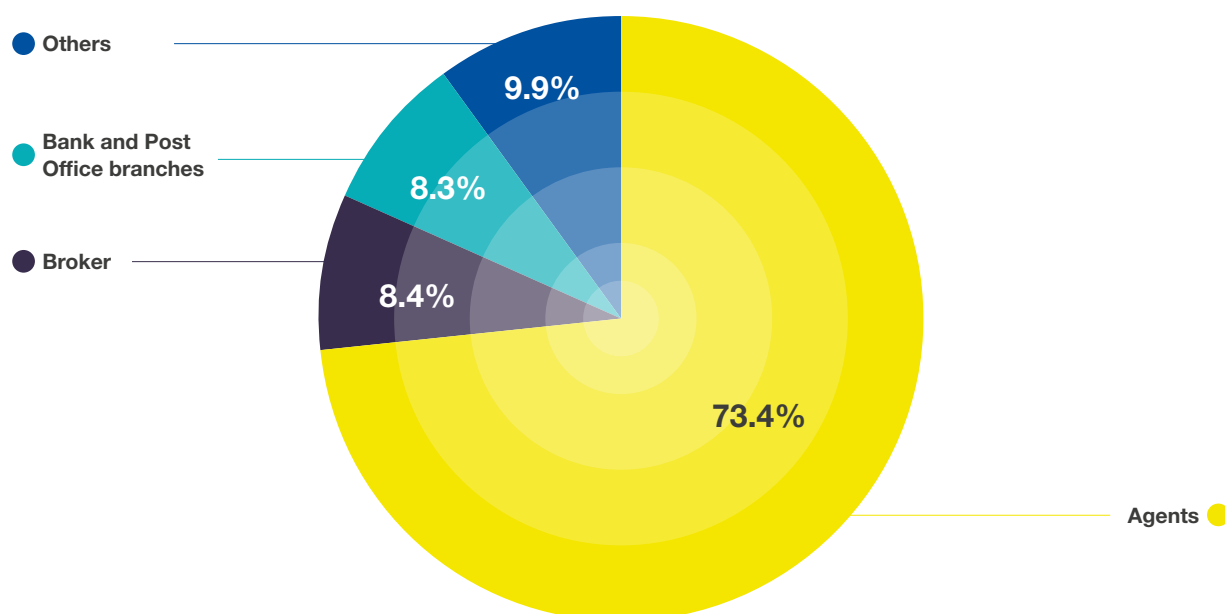
(figures updated to September 2021 in € millions)

Premiums by class**	Premiums YTD	% Charge Q3 2021 vs Q3 2020
Total motor segment	11,972	-0.9%
Other P&C classes	15,312	5.9%
<b>Total P&amp;C classes</b>	<b>27,284</b>	<b>2.8%</b>

\* Source: ANIA.

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

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



Source: ANIA.

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

## Regulatory context

### IVASS

Extension of  
recommendations

IVASS on **29 December 2020**, in adopting the renewed recommendations of the European Systemic Risk Board (ESRB), which require that **extreme prudence** continue to be used in the **distribution of dividends, the repurchase of own shares and the recognition of variable components of remuneration** at least until **September 2021**, invited companies that intend to undertake one of these actions to assess the impacts with attention and sense of responsibility and to contact the Institute in advance to verify compatibility with the objectives of the recommendation. In line with the dividend distribution policy set out in the Poste Italiane Group's "24SI" business plan, and in line with the prior agreement with the Supervisory Authority to verify compatibility with the objectives of the recommendation, Poste Vita has, with the approval of the financial statements for the year ended 31 December 2020, provided for the payment of a dividend to the Parent Company, Poste Italiane.

At the meeting on 23 September 2021, the aforementioned recommendation was allowed to elapse at the **end of September 2021 by the General Board of the ESRB**, while inviting financial institutions to remain prudent. Therefore, the Company proceeded with a general review of the incentive plans.

### IVASS

Amendments to  
Regulation no. 14 of  
18 February 2008

**IVASS measure no. 107 of 12 January 2021** made amendments to ISVAP Regulation no. 14 of 18 February 2008 concerning the definition of procedures for the **approval of changes to the business plan, authorisation of portfolio transfers and mergers and demergers** pursuant to Title XIV of the Private Insurance Code.

The measure **eliminates the specific prohibition on transferring portfolios consisting solely of claims**, which was expressly excluded in its original wording. As a result of this amendment, it is therefore possible to transfer, between insurance undertakings, also portfolios consisting only of obligations arising from insurance or reinsurance contracts. To date, no impacts on the Poste Vita Group have been identified.

### IVASS

Amendments to  
ISVAP Regulation no.  
7 of 13 July 2007

**IVASS measure no. 109 of 27 January 2021** made amendments to ISVAP Regulation no. 7 of 13 July 2007 concerning the financial statements of insurance and **reinsurance** companies that are required to adopt the international accounting standards. The measure contains the amendments necessary to align the terms provided in Regulation 7/2007 with **the extension of the exemption from the application of IFRS 9 at 1 January 2023**.

### IVASS

Letter to the market  
of 3 June 2021  
**ICT security and  
governance**

On **6 April 2021**, the **European Insurance and Occupational Pensions Authority (EIOPA)** issued guidelines on information and communications technology security and governance ("guidelines"). They apply from 1 July 2021 and provide guidance on **governance** provided for in the Solvency II Directive and Delegated Regulation (EU) 2015/35 to be applied in the context of **information and communication technology (ICT) security and governance**. **IVASS** expects companies and their ultimate parent companies to take into account all that is stated in this letter in order to take steps to ensure the highest level of **compliance with the guidelines**. From November 2021, the Company adapted its organisational structure through a function responsible for the topics affected to the legislative changes.

### IVASS

Letter to the market  
of 28 July 2021  
**Risk Mitigation**

With this intervention, **IVASS** means to draw attention to the *EIOPA Opinion (European Insurance and Occupational Pensions Authority)* of **12 July 2021**, through which the European regulatory authority sets itself the goal of raising awareness among the insurance industry around the correct use of **risk mitigation techniques** (such as reinsurance) while underlining the need to ensure **consistency between the reduction in capital requirement** and the effective **transfer of the risk** entailed by the use of such techniques. Poste Vita is already in line with the provisions on the correct use of risk mitigation techniques.

#### IVASS

Letter to the market  
of 28 July 2021  
**ORSA**

**IVASS**, through this communication to the market, means to draw attention to the **recommendations** issued on 19 July 2021 by the **EIOPA** with which the European regulatory authority invites Companies to consider, in order to **improve the ORSA process (Own Risk and Solvency Assessment)**, the effects that the exceptional **Covid-19 epidemic** has had and/or could have on their assets, products, risks and organisational structures. Poste Vita is undertaking actions to make its own ORSA process more effective, despite the fact that it already complies with the suggestions provided by the letter to the market.

#### EIOPA

Reporting and  
Disclosure Solvency II

The **EIOPA** published, on **23 July 2021**, a consultation on certain amendments to the **regulatory reporting and disclosure** requirements pursuant to Solvency II which would entail a review of the Company's reporting systems. In the consultation document, the EIOPA suggests amendments to the reporting requirements mainly based on the Report on **quantitative reporting templates** (QRT).

Publication of the final provision is pending.

#### IVASS

Letter to the market  
of 13 July 2021  
**Dormant policies**

**Letter to the market of 13 December 2021** on deposits and **dormant policies** (L.D. no. 119 of 23/10/2018, converted by Law no. 136 of 17/12/2018). The IVASS has continued to offer Companies, for 2021 and in the interests of policy holders, a referencing service between the tax codes of those insured and the Tax Register, in order to verify the existence of life insurance and personal injury policies. In this regard, Companies are required to provide, by email and by 28 February 2022, the lists of tax codes of insured parties under the aforementioned contracts valid as at 31 December 2021 and present in their portfolios and issued during the year. In this regard, it is noted that the Companies Poste Vita SpA and Poste Assicura SpA responded to the letter by provided the data within the specified deadlines.

\* Applicable only to contracts that provide services in the event of the death of the insured party due to accident or injury.

## Other information

#### IVASS

Dormant policies

On 4 May 2021, following a meeting held on 12 April, with reference to the processes in place to support the management of **dormant policies**, IVASS sent **Poste Vita** and **Poste Italiane - BancoPosta RFC** a communication requesting them to submit, within 60 days, an action plan setting out the initiatives that the companies intend to adopt to improve the above processes. At the request of the Authority, the related plan, accompanied by the assessments of the Compliance and Internal Audit functions, was approved by the Board of Directors on 22 June 2021 and sent on 2 July 2021.

#### IVASS

Anti-money  
Laundering

From 1 March to 18 June 2021, IVASS conducted inspections aimed at verifying compliance with **anti-money laundering legislation**, at both **Poste Vita** and **Poste Italiane - BancoPosta RFC**. The results of the inspection showed an overall satisfactory compliance framework regarding processes and procedures aimed at fulfilling customer due diligence obligations and the consequent evaluation of anomalous relationships and transactions. The decision is partially favourable, as the relationships seen as higher risk remain inadequately verified. These shortcomings concern, in particular, the assessment of how consistent transactions were with customer economic and financial profiles, which is not supported by documentation to check the information on the origin of the funds acquired by the network. The profiling system does not take into account all the risk factors referred to in Regulation 44 of 2019 and all the information collected from the customer.

Appropriate initiatives for areas of improvement identified by the Authority, Poste Vita and Poste Italiane - BancoPosta RFC have been established and are expected to be completed by the first half of 2022.

**ANIA**Consultations on  
PRIIPS

On 28 October 2021, ANIA invited affiliated insurance companies to take part in the consultation published by the European Supervisory Authorities (Call of evidence, 20 October 2021) on the **revision of European Regulation** no. 1286/2014 concerning **PRIIPS** (Packaged Retail and Insurance-based Investment Products); the survey, directed at Poste Vita, required the support of BancoPosta on specific queries relating to distribution. The response note was submitted by the Company on 26 November 2021.

**IVASS**Governance,  
management  
and control of  
investments and  
financial risks

On 14 December 2020, IVASS launched an **ordinary inspection to assess the governance, management and control of investments and financial risks** of Poste Vita SpA. The inspection concluded on 7 May 2021 and the audit report was delivered to the Company at the Board meeting on 26 July 2021. The report contained “partially unfavourable” findings. The results of the inspection included findings, some of which had already been anticipated during the inspection and in relation to which on 12 April, the Company’s Board of Directors had already approved a targeted action plan aimed at overcoming them. To further strengthen the internal control and risk management system with regard to financial investments, the aforementioned Action Plan was subsequently supplemented by the Company management and approved by the Board of Directors on 22 October 2021.

With regard to some of the aforesaid findings, IVASS identified violations of articles 30 bis, 30 ter, 37 ter and 183 of Legislative Decree no. 209/2005 and the relative implementing provisions issued by regulation of the same Authority. On 25 October 2021, the Company prepared defence briefs in support of the correctness of its actions and submitted them to the Supervisory Authority within the legally required deadline. In relation to the above, no significant elements in fact emerged for consideration in the Annual Report as at 31 December 2021.

**COVIP**

On 27 May 2021, the **Commissione di Vigilanza sui Fondi Pensione** (COVIP) (pension fund supervisory authority) launched an **ordinary inspection of the Postaprevenienza Valore pension fund**, the activities of which are still ongoing.







In a communication dated 13 January 2022, COVIP informed the Company that the verification of the documentation acquired during the inspection had been completed and therefore the inspection should be considered concluded. The Company is therefore waiting to receive the inspection final report containing details of any possible action to be taken.

**EIOPA**Thematic Review  
Credit Protection  
Insurance

On 5 July 2021, IVASS, in cooperation with the EIOPA, began a Thematic Review with the objective of identifying the main sources of consumer damages and risks associated with Credit Protection Insurance. The response letter was submitted by the Company on 15 October 2021.

## Operating review

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

SEGMENT	OPERATING REVIEW	PILLAR
Life	<p>As part of the strategic guidelines outlined in the "24SI" Plan, which envisage improving the product mix in the life business with a particular focus on <b>multi-class</b>  products, the following were launched during the period:</p> <ul style="list-style-type: none"> <li>the multi-class policies "<b>Poste Progetto Dinamico</b>" (with the relative restyling: "Poste Progetto Dinamico New" and "Poste Progetto Dinamico Più"<sup>40</sup>). The benefits are linked to the <b>Separate Account</b>  "<b>Posta Valore Più</b>"<sup>41</sup> and to the value of the units in one of the two available Internal Insurance Funds (one of which is ESG). These policies provide the possibility of accessing the opportunities offered by the financial markets through a gradual approach, and the service of gradual reallocation of risk as the product maturity date approaches;</li> <li>the "<b>Poste Soluzione Valore</b>" policy, a multi-class life insurance contract the benefits of which are linked to the "<b>Posta Valore Più</b>" separate account and to the value of the units in one of the two available Internal Insurance Funds (one of which is ESG). The duration is 10 years.</li> </ul>	
	<ul style="list-style-type: none"> <li>the restyling of the product "<b>Poste Soluzione Valore New</b>", with a duration of 15 years;</li> <li>the "<b>Poste Domani Per Te Plus</b>" policy, a 10-year Class I product with a guarantee at maturity on the premium invested, net of any partial surrenders and coupons already liquidated.</li> <li>the policy "<b>Poste Progetto Capitale</b>", launched in February 2020, is a multi-class recurring life insurance contract with a 10-year duration, which combines the stability of the Gestione Separata Posta ValorePiù (class I) product with the potential of the two Internal Insurance Funds (one of which is ESG).</li> </ul>	
	<p>In order to reduce the country's under-insurance by raising customer awareness of the importance of protection needs, as envisaged in the "24SI" strategic plan, the marketing of the new <b>integrated Life/P&amp;C offer</b> was launched during the period, whereby subscribers to specific Life policies are offered a P&amp;C policy free of charge.</p>	
P&C	<p>The new <b>motor liability offer</b>, "<b>Poste Guidare Sicuri</b>", was launched on the market, following a gradual approach to sales by the distribution network (over 4,100 authorised post offices).</p>	
	<p>Improvements were made to the terms and conditions of the modular product<sup>42</sup>, "<b>Poste Vivere Protetti</b>", aimed at ensuring that the needs expressed by customers are met more effectively.</p>	

40. Dedicated to customers who bring in new liquidity and characterised by investments in a single solution with the possibility of repayment of the cost applied on the initial single premium in the form of a Bonus, starting from a pre-established date.

41. Poste Vita SpA manages a portfolio of investments separately from the other assets held by the insurance company. This portfolio of investments, known as Posta ValorePiù, falls within the definition of a Separate Account pursuant to ISVAP Regulation 38 of 3 June 2011 (hereinafter ISVAP Regulation 38). Posta ValorePiù generates a return on which the benefits of the insurance contracts linked to it are revalued.

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

## Payments and Mobile Strategic Business Unit

### Market context

The most recently available figures<sup>43</sup> for the Italian **payment card** market show growth in total domestic transactions which in September 2021 amounted to around € 226 billion (+23% with respect to September 2020), exceeding pre-pandemic levels. The total number of transactions, amounting to €4.7 billion, increased by 37% with respect to the same period the previous year thanks to greater adoption of payment cards (e-commerce payments and **contactless** ) with a notable reduction in average transaction tickets.

**Value of card transactions**  
in the first 9 months of 2021  
in Italy: +23% YoY and above  
pre-pandemic levels

**€226  
billion**

Debit card transactions grew by 49% compared to September 2020 and represent over half of total transactions, with a transacted amount of € 128 billion (+31% compared to September 2020).

Prepaid cards continue to growth at a rapid pace with transaction volumes up by 33% and transacted amounts up by 23% with respect to September 2020, for a total of €38 billion, in part thanks to the constant growth of e-commerce and the increased penetration of physical sales points.

An increase was also seen in transactions and volumes involving **credit cards**  with a positive change of 14% and 6.9%, respectively, compared to September 2020.

At 30 September 2021, the number of active cards in the market amounted to nearly 96 million, registering an increase of 2.1% compared to the stock of cards outstanding at 31 December 2020. The greatest growth was recorded on prepaid cards whose stock stood at 33 million, up 3.6% on December 2020. There was also a slight increase for debit cards (+1.7% vs December 2020) with over 47 million active cards and for credit cards (+0.6% vs December 2020) with 15.4 million active cards 30 September 2021.

Based on the latest available figures<sup>44</sup>, **mobile telephony market** penetration shows total mobile lines representing around 179% of the population, with virtual mobile operators (MVNO)<sup>45</sup> representing 18.2%<sup>46</sup>. The total number of lines at 30 September 2021 amounted to 105.8 million, including approximately 27.9 million **Machine to Machine (M2M) SIM**  cards. PosteMobile, with a total market share of approximately 4.3%, accounts for around 42% of the total customers of mobile virtual network operators.

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

44. Source: Agcom Osservatorio sulle Comunicazioni n. 4/2021, Report Operatori.

45. Mobile Virtual Network Operator.

46. Source: Internal Estimate PostePay Administration, Planning and Control.



## Regulatory context

### Monetics

With regard to the **“Website guidelines for the comparison of offers relating to payment accounts” (art. 126-terdecies of the Consolidated Law on Banking)**, please refer to the Financial Services SBU regulatory framework for further discussion.

With regard to the Bank of Italy’s **“Guidelines for intermediaries on governance and control mechanisms for retail banking products (POG)”** of the Bank of Italy of April 2021, and for details of which reference should be made to the Financial Services SBU regulatory framework, PostePay has updated its internal procedures in line with the reference legislation and the EBA Guidelines.

With reference to the Bank of Italy amendments of 30 June 2021 to the **“Provisions on transparency of banking and financial operations and services (art.106 “PSD2” Directive)**, please refer to the regulatory framework of the SBU Financial Services for more information.

As regards the proposed changes to Delegated Regulation 389/2018 (RTS) regarding the exemption from “Strong Customer Authentication” (SCA) for accessing account information, published by the European Banking Authority (EBA) in the Consultation Document of 28/10/2021, please refer to the legislative context of the SBU Financial Services for more details.

With reference to the **“Provisions on the monitoring of payment systems and instrumental technological or network infrastructure”** published by the Bank of Italy in the measure of 10 November 2021, please refer to the legislative context of the SBU Financial Services for more details.

With reference to **anti-money laundering legislation**:

- **Delegated Regulation (EU) 2021/37** published by the **European Commission** on 18 January 2021, further amended Delegated Regulation (EU) 2016/1675 which **identified the high-risk third countries with strategic weaknesses**. On **4 May 2021**, the **Bank of Italy** sent a communication to Intermediaries which reiterated, *inter alia*, the obligation to apply **appropriate strengthened verification** to operations that involve the **high-risk countries** identified by the European Commission. In this regard, PostePay and Banco Posta adopted the necessary measures in compliance with the indications received.

**Bank of Italy:  
communication  
on the obligation  
of appropriate  
strengthened  
verification  
for operations  
in high-risk  
countries**

- On **1 March 2021** the **European Banking Authority** published guidelines on the **risk factors for appropriate customer verification** (Bank of Italy implementing notice no. 15 of 3 October 2021). The guidelines, which represent a revision of the previous guidelines (adopted in Italy on 30 July 2019), have been revised in order to i) take into account the changes related to the **approval of the Fifth Anti-money Laundering Directive** (EU Directive 2018/843), with particular reference to the regulation of relations and operations with high-risk third countries; ii) provide more information to intermediaries regarding **customer profiling methods** and **risk assessment**; iii) **confront new risks** deriving from innovative operating methods or the evolution of the reference context. The appropriate investigations required to verify any further impacts of this legislation on the Group are currently being conducted.

**TLC****Termination of voice calls**

On 18 December 2020, the European Commission set a single maximum termination rate\* for voice calls on mobile networks, and on fixed networks, in the European Union. The Regulation was published in the Official Journal on 22 April 2021 and operators had until 1 July 2021 to implement the new termination values on their billing systems. The maximum single tariffs applicable in Italy from 1 July 2021 are as follows: 0.67 euro cents per minute (excluding VAT) for mobile termination and 0.07 euro cents per minute (excluding VAT) for fixed termination. From 1 January 2020 the maximum termination rate was reduced to €0.55 per minute (excl. VAT).

On 17 December 2018, the new Code of Electronic Communications voted by the Parliament on 4 December 2018 was published in the Official Journal of the European Union. On 9 December 2021 Legislative Decree no. 207 of 8 November 2021 was published in the Italian Official Journal, concerning the national adoption - late with respect to the deadline of 21 December 2020, two years from the date of publication, due to the ongoing pandemic - of the European Code. The adoption of the Decree concludes the infringement proceedings for failed adoption launched by the European Commission for member states (24 out of 27, including Italy) which failed to adopt the Code within the deadline.

**New code of Electronic Communications**

\* In order to ensure that subscribers to different fixed and mobile network operators are able to communicate with each other, networks must be interconnected and operators must therefore enter into interconnection contracts regarding the provision of one or more services.

**TLC****Premium services**

With **Resolution 10/21/CONS of 5 February 2021, AgCom** provided new regulatory provisions for the **blocking and activation of premium subscription services provided both via SMS/MMS and via data connection on mobile networks**. PostePay has taken the planned measures in accordance with the new framework as of 22 March 2021. In particular, it has set up: i) an information campaign via SMS to its customers on active subscriptions of premium services and requesting express manifestation of intention to continue to use the premium service on a subscription basis; ii) an information web page on the details of premium services and related procedures for use of services still active.

**TLC****International Roaming**

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

The proposal of the Commission was the subject of much debate by Parliament and by the Council and on 9 December 2021 **an agreement was reached regarding the postponement for 10 years and the revision of the expiring Regulation**. The agreed text will be formally adopted by Parliament and by the Council and will **enter into force on 1 July 2022**. The text confirms the fundamental principles of the existing Regulation and provides for the progressive reduction of the maximum wholesale price limits in line with the estimates of the Company; it also provides for further measures of transparency, customer protection and quality of service.

## TLC

### Donations via telephone credit

With **Resolution 85/21/CIR** of 2 August 2021, the **AGCom** introduced amendments and integrations to the **National Numbering Plan** set out by resolution no. 8/15/CIR in relation to the use of 455 codes\*. The resolution amends the regulation of **donations made in favour of third sector organisations via telephone credit** and introduces the so-called "Recurring Donations". On 17 December 2021 the Authority sent a draft of the new version of the "Self-regulation Code for the management of the numberings used for non-profit telephone fundraising, which adopts the new regulatory provisions, to Operators. The Code is currently under examination by the Infrastructure and Networks Commission of the Authority.

On 2 November 2021 AGCom launched a Technical Round Table with Operators and Entities operating in the voluntary sector to define the "Methods of interconnection for the management of the services in question". The technical solution identified will be reviewed by the committees of the Authority for approval.

\* Numbering used for fundraising for social benefit purposes by not-for-profit bodies, organisations and associations and public administrations via SMS or phone calls from a landline.

## TLC

### Exemptions for Electronic Communication Operators

On the basis of Directive (EU) 2015/2366 (PSD2) and Legislative Decree no.218/2017, it is envisaged that the providers of electronic communication networks or services, operating under an **exemption** from the full application of the **PSD2**, can offer end customers **electronic communication services** that facilitate payment transactions with a **charge to access the services or charged to a bill** (post-paid electronic communication services) **or on the so-called pre-paid telephone account** (pre-paid/top-up electronic communication services).

The payment transactions benefiting from an exemption are permitted for the purchase of digital content and voice-based technology services (regardless of the device used); the functioning of charitable activities or purchase of tickets (made by or using an electronic device), provided that, per individual customer (post-paid or top-up):

- the value of each individual payment transaction is no greater than €50;
- the total value of the payment transactions is no greater than €300 per month.

**Operators** must also **notify the competent Authorities** that they are benefiting from an **exemption**, so that the authorities can assess whether or not the envisaged requirements are met (art.37, Directive 2015/2366).

In line with the aforementioned legislative framework, on 5 August 2021 PostePay submitted the annual notification to the Bank of Italy containing the data for 2020 and on 14 December the Authority informed the company of the exemption provided for under PSD2.

## TLC

### Verification of net cost of universal service

PostePay took part in the public consultation launched by AGCOM with resolution no. 92/21/CIR regarding the **"Launch of the proceeding and the public consultation concerning the "universal service of electronic communications: assessment of the net cost of the universal service for the years 2010, 2011, 2012 and 2013, and applicability of the division mechanism"**. The public consultation considered the results of the net cost calculation verification (art. 62, paragraph 2 of the Code and art. 6, paragraph 2, letter b) of Annex 11 of the Code). The company asked the Authority certain questions regarding the methods and, for certain aspects, the legitimacy, of the application of the regulatory principles including for virtual operators.

**SPID**

Accreditation  
PostePay as a  
Service Provider
















PostePay, in agreement with the parent company Poste Italiane, has concluded the accreditation process to become a certified **Private SPID Service Provider**. As such, PostePay is now able to adopt SPID in order to identify its customers both during the sales phase and during the use of its digital services. As a result, users interested in Postepay services can access and request services via the website [www.poste.it](http://www.poste.it) and the Postepay app, using a digital identity provided by any Identity Provider (including Poste Italiane) accredited by the Agency for Digital Italy (AgID). The SPID will be integrated in the various online request funnels of Postepay products, simplifying and accelerating the customer authentication and identification process and further simplifying the buying experience. PostePay will pay an annual fee, established by the AgID, to the Identity Providers whose digital access the service. The fee will be determined on the number of “unique” accesses made by individual users on an annual basis.

\* In each invoicing period, accesses made by unique users will be billed by each Identity Manager only once for each Service Provider, regardless of the number of accesses made.

**PostePay**  
**accredited**  
as a **SPID**  
**Service**  
**Provider**










## Operating review

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


SEGMENT	OPERATING REVIEW	PILLAR
	<p>Marketing of <b>Postepay Connect</b> continued, the offer that integrates the Postepay Evolution <b>prepaid card</b>  and the PosteMobile SIM in a single app, focussing on the <b>Postepay Connect Back</b> offer which allows users to receive cash back on their Postepay Evolution card for gigabytes not consumed.</p>  	
	<p>As part of the Poste Italiane Group's sustainability plan, the first biodegradable <b>Postepay Green</b> card was launched in March 2021. The new sustainable prepaid card, designed for the target aged 10 to 17 year, is made of biodegradable material and offers new functions for children and their parents, from "parental control" to the "pocket money" service. These services can be used from both web and app channels.</p>   	
Monetics	<p>The new <b>Postepay debit card</b> has been launched. The card is valid for BancoPosta retail and business current accounts and will gradually replace the current BancoPosta debit card, thus guaranteeing account holders all the services currently available on the BancoPosta card, as well as the additional and differentiating elements of the Postepay ecosystem. The new <b>Postepay Business debit card</b> allows account holders to have cash back on the amount of transactions enabled, as well as more advanced features than the current card dedicated to the Business segment and which was expanded during 2021.</p>  	
	<p>The enabling of <b>LIS</b> points of sale to accept <b>bill payments</b>  through the <b>Postepay Code</b> <sup>47</sup> has been completed.</p> 	
	<p><b>The SoftPOS service</b><sup>48</sup> was launched, with the courier SDA enabled as the first affiliated merchant.</p> 	
	<p>In October, the <b>Code WEB</b> feature was relaunched in the Large Customers product range to standardise the user experience of the payment by Code service, whether online or in-store. The new feature allows customers to pay online by scanning the qr code on the website of affiliated merchants.</p> 	
	<p>The partnership with <b>ENI</b> continued with the progressive activation at service stations participating in the offer of Postepay <b>acquiring</b>  services (physical and digital POS through the Paga con Postepay solution, included in the ENI Station App).</p> 	

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

48. The Tap on Phone technology ("SoftPos") makes it possible to enable Android devices to authorise contactless payments of any value, through verification by PIN on the device, without the need for an additional hardware device.

SEGMENT	OPERATING REVIEW	PILLAR
	<p>The pilot project to implement the Acquiring AMEX<sup>49</sup> service for physical and virtual payments was launched, with a view to enhancing the range of acquired services offered by Postepay and amplifying the use of AMEX cards.</p>	
	<p>In 2021 PostePay was awarded the sponsorship contract by the Italian Ministry of Education for the supply of the <b>"The Student Card – the Study"</b><sup>50</sup>.</p> 	
	<p>The possibility of paying the PA<sup>51</sup> <b>postal account slip</b> at <b>LIS</b><sup>52</sup> and <b>ENI</b> affiliated merchants.</p>	
<b>Collections and Payments</b>	<p><b>Innovative payments</b> will be accepted using the <b>Alipay</b><sup>53</sup> circuit in post offices in areas with high numbers of Chinese residents, initially in Rome, Milan, Prato and Florence, with the project subsequently being rolled out to all post offices.</p>	
<b>Telecommunications</b>	<p>Entry into the <b>ultra broadband market</b>, supplying fibre optic services through ultra broadband technologies: PostePay has launched <b>PosteCasa Ultraveloce</b>, the new "data only" offer, which can be subscribed to online, with a "full digital" process, which enables users to surf from home at the speed of <b>fibre up to 1Gbps</b> without limits. The offer also includes a second connection on the 4G network to surf immediately without limits and take WiFi everywhere, a WiFi modem and a USB key supplied on loan for free.</p>  	
	<p>The migration process towards a new <b>Mobile Host Operator</b>  (which does not require users to change SIM) launched in June and mainly completed (with 90% of SIMs migrated onto the new network) will be concluded in early 2022.</p>	

49. On 5 May 2021 PostePay and American Express signed an agreement under which PostePay will provide promotional services to expand the commercial range of products to its customers, as well as services relating to the activation and operational management of POS terminals in stores to enable them to accept American Express Cards.

50. The project involves the distribution of prepaid multifunctional cards to secondary school students and the implementation of a platform to award scholarship grants into **digital wallets**  which can be spent among the network of affiliated merchants. The aim is to introduce young people to the world of digital payments.

51. Bollettino Postale (Postal Slip) integrated in pagoPA payment notices that allows payments to be made to Public Administrations through standardised payment methods.

52. Legal entity that enables the network of affiliated tobacconists to offer Poste Italiane services to consumer customers (payment of slips and top-up of Postepay cards).

53. In partnership with Alipay, PostePay has developed new payment options, to allow users who have an Alipay wallet to make payments using the app with a qr code. Clients who choose to pay with an Alipay wallet can scan the qr generated on the **PAD**  display at the branch, authorising payment with the app by inserting their PIN or with biometric recognition.

## 4. Strategy

- Integrating Sustainability within Poste Italiane's Strategy
- Poste Italiane's Sustainability Strategy
- Poste Italiane's Sustainability Path

### MAIN RELATED TYPES OF CAPITAL



## Integrating Sustainability within Poste Italiane's Strategy

NFS

To be sustainable for Poste Italiane means defining a clear strategy on ESG issues and structurally incorporating them within the strategic objectives set in the “2024 Sustain & Innovate Plus” Plan<sup>54</sup>. Over the period of the plan, €3.1 billion of investment is envisaged in strategic assets, in order to achieve financial objectives.

### “2024 Sustain & Innovate Plus” Plan



MAIL, PARCELS AND  
DISTRIBUTION

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

#### FINANCIAL OBJECTIVES

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

#### OPERATING OBJECTIVES

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

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





### PAYMENTS AND MOBILE

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

#### FINANCIAL OBJECTIVES

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

#### OPERATING OBJECTIVES

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



### FINANCIAL SERVICES

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

#### FINANCIAL OBJECTIVES

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

#### OPERATING OBJECTIVES

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



### INSURANCE SERVICES

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

#### FINANCIAL OBJECTIVES

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

#### OPERATING OBJECTIVES

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

# Poste Italiane's Sustainability Strategy

NFS

MAIN RELATED TYPES OF CAPITAL



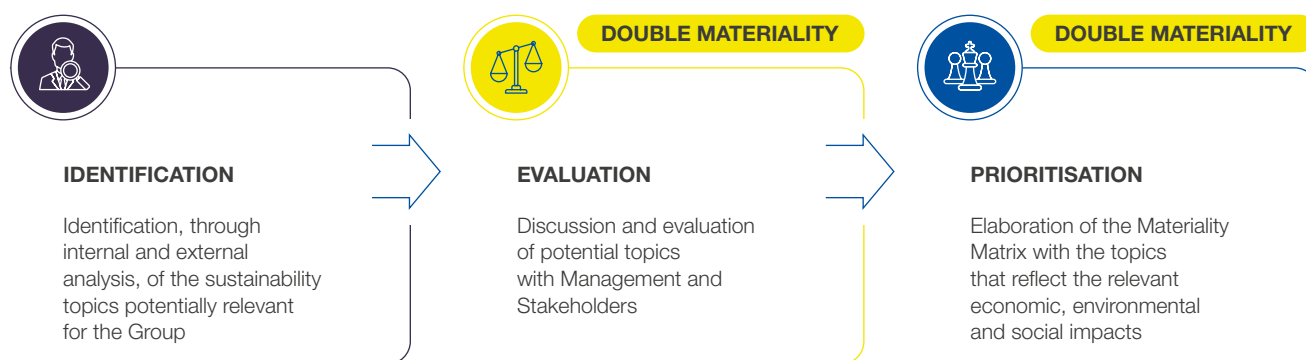
To contribute to achieving national and international social and environmental development objectives, Poste Italiane has adopted a Sustainability Plan comprised of a series of Sustainability Policies and an ESG Strategy Plan. Within the broader strategic framework defined by the Group, this strategy is consistent with Poste Italiane's activities and business criteria.

All the principles, qualitative objectives and different management methods are incorporated into the adopted policies, which regulate in a synergistic manner the various issues that emerged from the materiality analysis and the areas required by Legislative Decree no. 254/2016 is not established. The ESG Strategic Plan, on the other hand, includes all the specific quantitative and qualitative objectives and targets that the Group has set itself with a view to continually improving its sustainability performance.

## Sustainability themes relevant to Poste Italiane

Poste Italiane has developed a materiality analysis process in accordance with the requirements of Legislative Decree 254/16 and the reporting standards. This process is intended to facilitate a deeper understanding of the most relevant non-financial issues in terms of risks and opportunities relative to the achievement of the corporate objectives. This analysis made it possible to identify the material ESG themes with the most impact on stakeholders' decision-making process that play a key role in defining the Group's strategy, taking into account its structure, the extension of the network served and the diversification of the market sectors in which it operates.

Poste Italiane's process of defining these material themes, most recently approved by the Board of Directors, consists of three main phases and was conducted in accordance with the indications of the **Standards Global Reporting Initiative** (GRI Standards), implementing in advance the requirements of **European Directive 2014/95/EU** on the "double-materiality" process, which is expected to take effect in FY 2023.



To define the universe of potentially relevant issues for the sector and guide the materiality analysis process, Poste Italiane carried out an **internal** and **external analysis** that took into account input from a number of sources. Specifically, the internal analysis looked at the Strategic Plan and the Group's risk management model, the results of the materiality analysis carried out for the purposes of the 2020 Integrated Financial Statements and the results of the stakeholder engagement activities implemented in 2021; the external analysis, on the other hand, took into account the provisions from regulatory sources and the main sustainability guidelines at the international level, requests from the main questionnaires prepared by sustainability rating agencies and the analyses of current trends in the Group's various operating sectors.

The relevance of the material themes was then defined with the direct involvement of stakeholders through specific listening and engagement initiatives.

Starting in 2021, in anticipation of the requirements introduced by the new proposed amendment of European Directive 2014/95/EU, Poste Italiane initiated the double materiality process by introducing a dual perspective into the material theme evaluation process: "Inside-out" and "Outside-in". Through external engagement (Inside-out), the Company considered the current or

potential significant impacts of its activities and the activities of its value chain on society and the environment. Internal engagement (Outside-in), on the other hand, took into account Sustainability topics that could positively or negatively impact the strategy, performance and positioning of the Company in the near, medium or long-term and therefore create or erode its value.

## Stakeholder engagement

The Poste Italiane Group has always taken into account the changing perspectives and priorities of its stakeholders, incorporating them into its process to define and manage its Sustainability Strategy in order to build solid bonds of trust and transparency. This contributes both to the creation of value for all parties directly or indirectly involved in the Group's reality and to the growth of the Company's reputation in the social context in which it operates.

In order to identify the stakeholders with the most influence on the process of achieving the Group's strategic objectives, or those who are most impacted by that process, Poste Italiane has carefully mapped the categories of stakeholders with which it interacts in the course of doing its business in accordance with International Standard AA1000 - Stakeholder Engagement Standard (SES). This analysis has allowed it to identify seven macro-categories of stakeholders, as follows: Shareholders and Investors, Local communities (trade associations, media, academia), Customers (consumer associations), Entities and Institutions (regulators, Fondimpresa), Suppliers (Business partners), Personnel (Poste Italiane people, Labour Unions) and the Environment.

The table below shows all the stakeholder macro-categories listed above, indicating the primary modes of involvement and communication for each.

### Poste Italiane's stakeholder engagement methods

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

## The 2021 Multi-stakeholder Forum

Of the various tools used by the Group to engage in dialogue with stakeholders, the Multi-stakeholder Forum, which is conducted every year, is one of the most effective in terms of reflection and strategic discussion about the Sustainability issues relevant to the sector.

### FOCUS GROUP

November 2021

5th Forum Multi-stakeholder

~500

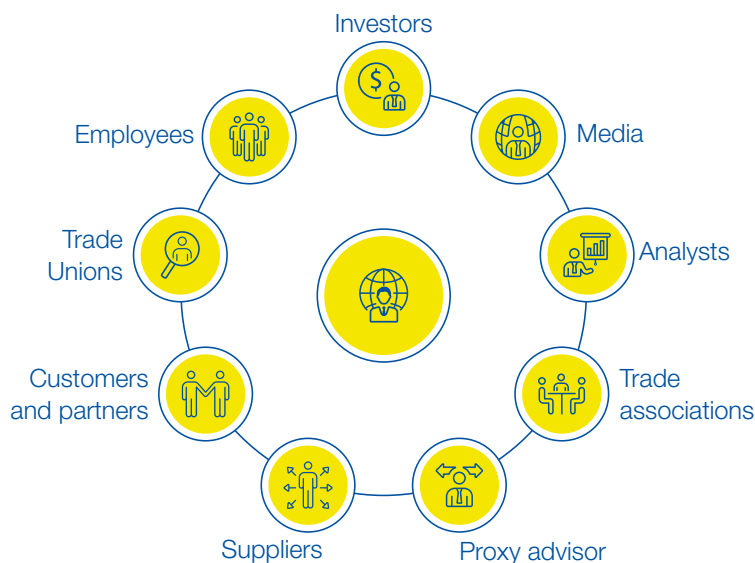
Stakeholders present  
at the Forum

4

Thematic Focus Groups

18

Sustainability topics  
discussed



Due to the health crisis, the fifth edition of the Forum was conducted by live streaming and drew in around 500 participants, approximately 100 more than the 2020 edition. It represented a precious time for dialogue, listening and discussion of the participants' opinions, a process which is essential to understanding the external environment and identifying the actions needed to create shared value with the main stakeholders and achieve the corporate strategic objectives. During the activities, stakeholders took part, as a function of their stakeholder category, in four Focus Groups linked to the various Sustainability Pillars. Specifically, the first three sessions focused on the Customer experience, Innovation, People development, Creating value for the country, Diversity and inclusion, Integrity and transparency, and the Green transition Pillars. The fourth Focus Group, which was conducted in English, was entirely dedicated to the Sustainable finance Pillar so as to provide an opportunity to discuss the topic of integrating ESG factors into the Group's investment and insurance policies.

Participants in the Forum expressed their assessments on potentially relevant material themes for the Company using a digital tool accessible via smartphone or PC that presented the results dynamically and in real time.

Following the process of involving the Group's main social stakeholders, it was possible to detect, compared to 2020, an increasing importance attributed to issues relating to equal opportunities in career paths, environmental impacts of real estate and logistics facilities, support for socio-economic development of local communities and staff welfare and well-being.

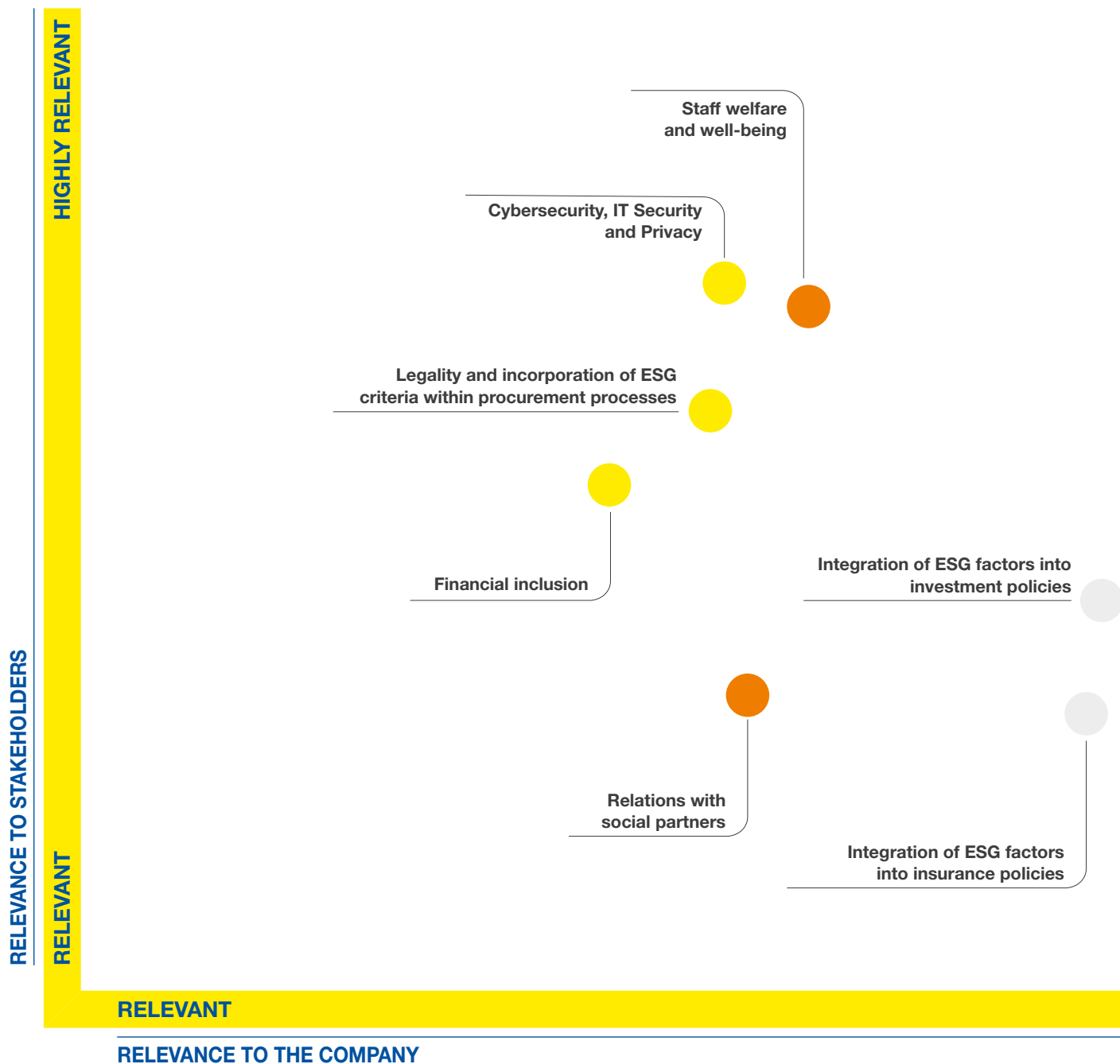


## Materiality matrix

The materiality matrix below summarises the priorities of Poste Italiane’s management (internal engagement), its personnel and all the categories of stakeholders with whom the Group interacts in the conduct of its business (external engagement). The matrix thus identifies eighteen themes it considers especially relevant and that are necessary to adequately understand the trends and economic, social and environmental impact of corporate activities. The order of priority of the issues has been defined taking into account the strategic relevance of each issue for the Company and the perceived importance for external stakeholders.

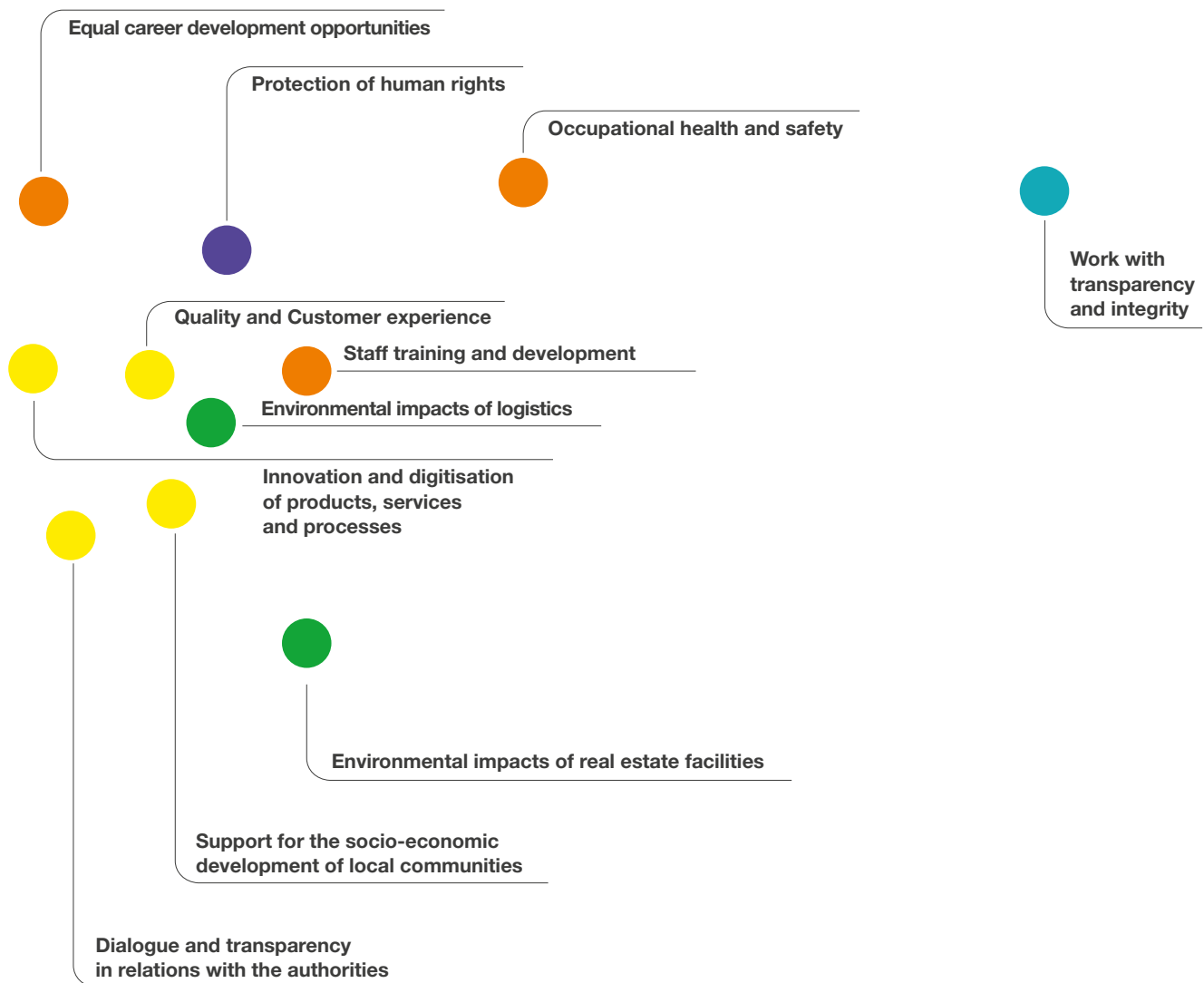
Each material issue identified has an impact that is directly generated by the organisation, with the exception of the “environmental impacts of logistics” and “occupational health and safety” issues, the impacts of which also derive from suppliers that work on a significant portion of the Group’s operations on behalf of Poste Italiane.

## Poste Italiane Group's materiality matrix



**Scopes of Legislative  
Decree No.254/16**

<span style="color: orange;">●</span> Personnel	<span style="color: green;">●</span> Environment
<span style="color: yellow;">●</span> Society	<span style="color: teal;">●</span> Corruption
<span style="color: purple;">●</span> Human Rights	<span style="color: lightgrey;">●</span> Transversal

**HIGHLY RELEVANT**



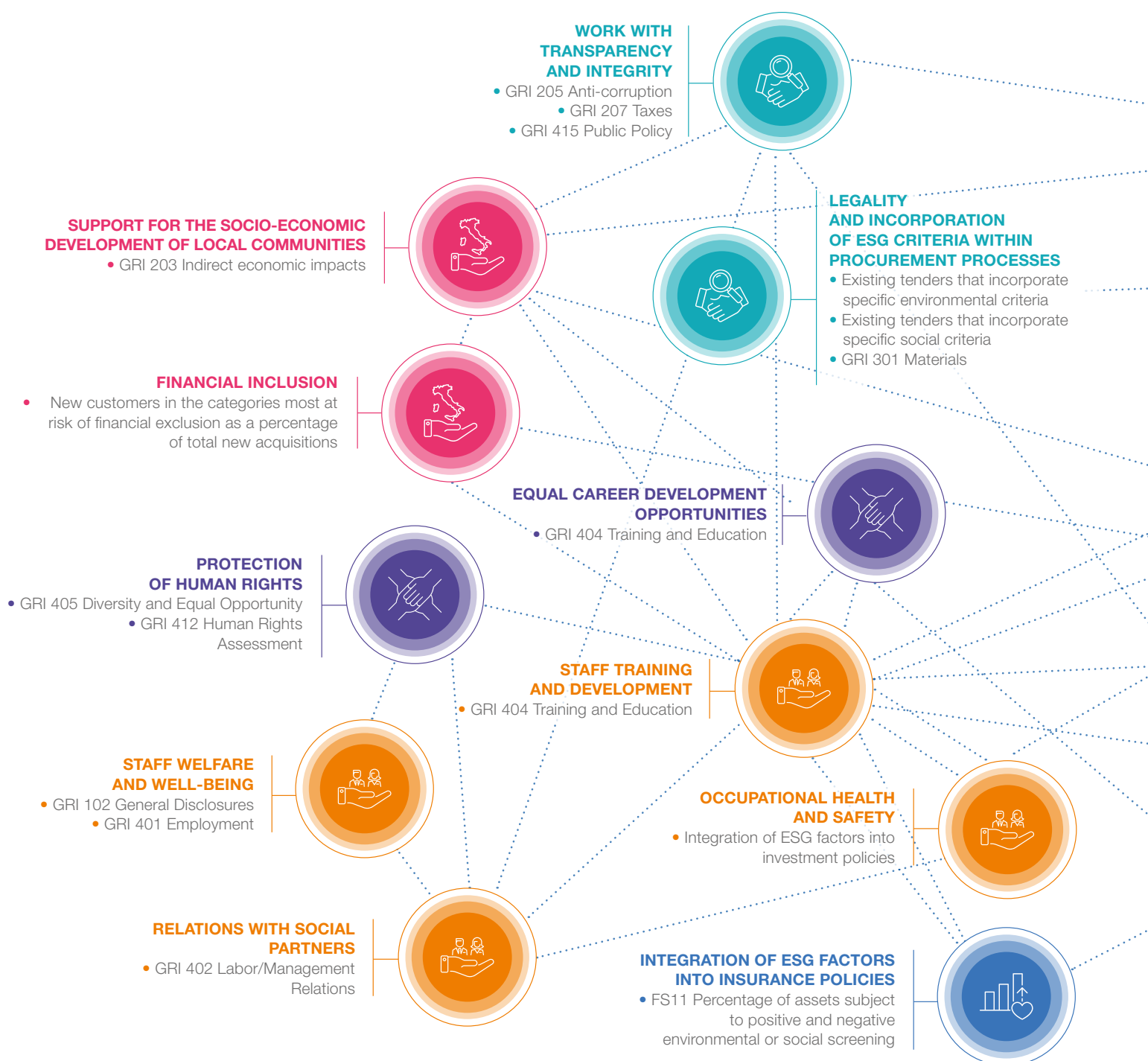
## Description of material topics

MATERIAL TOPICS	WHAT THIS MEANS FOR POSTE ITALIANE
Work with transparency and integrity	Prepare appropriate internal control measures and spread a corporate culture within the organisation based on integrity, professional ethics and honesty in order to build trusting relationships with its stakeholders and conduct its activities correctly and transparently in every single operation, especially in combating active and passive corruption.
Occupational health and safety	Safeguard people's health, safety and psychophysical integrity, also in terms of workplace quality, and foster the development of a robust in-company culture in compliance with the highest national and international standards in this regard.
Protection of human rights	Guarantee the protection of human rights and the promotion of non-discriminatory behaviours within the Group, including through compliance with recognised standards, incorporation of the risk of violation within the Group's risk assessment model, and valorisation of diversity elements (in terms of differences in age, gender, knowledge and experience) which foster the development of a "corporate culture" and a response to new challenges and market opportunities.
Staff training and development	Guarantee our employees ongoing development of their knowledge and skills and the opportunity to reach their full potential through training courses aimed at ensuring growth and strengthening of know-how in line with the needs they and the market have expressed, also with a view to better managing business and organisational changes.
Equal career development opportunities	Ensure equal opportunities in the development of individual careers, by promoting career development paths for all employees regardless of their personal characteristics (age, gender, sexual orientation, disability, ethnic origin, nationality, political opinions and religious beliefs) in accordance with the principles of impartiality and non-discrimination.
Quality and Customer experience	Respect implementation deadlines and procedures for activities (level of service and performance) and provide customers with a quality experience that goes beyond making use of a traditional product or service. In addition, build a relationship of trust by activating customer engagement channels to be always informed on customers' expectations, needs and satisfaction regarding products and services offered, and the correct management of complaints.
Environmental impacts of logistics	Monitor the environmental impact of logistics activities and encourage a process of change aimed at safeguarding the environment by adopting lower-impact solutions regarding the provision of postal and logistics services, including: the use of hybrid/electric vehicles, rationalisation of distances travelled, correct waste management, and development of recharging infrastructure for customers' vehicles.
Support for the socio-economic development of local communities	Contribute to Italy's socio-economic well-being through direct, indirect and induced impacts in local areas (e.g. in terms of GDP and employment), and initiate or support social activities that respond to the needs expressed by society, including those identified through dialogue and collaboration with the third sector.
Innovation and digitisation of products, services and processes	Contribute to the modernisation of Italy and digital and technological evolution through the development of new products and services and the adoption of digital technologies to be incorporated into products, services and business processes, in order to be ready to respond to changes in scenario, new customer needs and opportunities offered by social and environmental changes.
Environmental impacts of real estate facilities	Spread a culture of respect for the environment and adopt concrete solutions for the efficient management of energy resources, water resources and waste, from a circular economy standpoint. For example, procurement of renewable energy, installation of renewable energy production plants, building efficiency projects, organisation of separate waste collection, etc..

MATERIAL TOPICS	WHAT THIS MEANS FOR POSTE ITALIANE
Dialogue and transparency in relations with the authorities	Promote systematic and transparent dialogue with national and local authorities, based on a quest for shared solutions that enables responding to communities' social needs, positively affecting the social fabric in the areas in which the Company operates and, at the same time, increasing competitiveness and business continuity.
Staff welfare and well-being	Provide employees with modern, flexible working tools and models that respond to specific personal needs and ensure work-life balance (e.g. agile working initiatives, improved maternity and paternity arrangements, the provision of benefits in the field of healthcare, etc.).
Cybersecurity, IT Security and Privacy	Guarantee the privacy of customers' data, protect intellectual property and provide an effective management system for IT security and cyber security in order to ensure business continuity, protect the information assets of the Company, customers and other stakeholders, and the security of transactions.
Integration of ESG factors into investment policies	Incorporate ESG aspects within the investment process in order to better manage non-financial risks and consider new investment opportunities that also support sustainable development and a low-carbon future.
Legality and incorporation of ESG criteria within procurement processes	Procurement processes based on pre-contractual and contractual behaviours aimed at achieving complete respect of legality and transparency, and adoption of selection, assessment and monitoring criteria to measure the social and environmental performance of suppliers, in order to guarantee high levels of functionality and quality for supplies and mitigate potential ESG risks.
Integration of ESG factors into insurance policies	Incorporate ESG aspects within insurance policies, insurance product development strategies and customer communications.
Financial inclusion	Extend the financial products and services offering to traditionally excluded categories, in order to guarantee access to services that are essential for economic livelihoods, and make the customer purchasing experience more aware via financial education initiatives, especially with regard to savings, investment, payments, pensions and insurance.
Relations with social partners	Consider dialogue with personnel and labour union representatives as essential in finding shared solutions relating to issues that can have significant impacts on the organisation, the business and above all human capital, a vital corporate asset for the Company.

## Interconnection between material issues and metrics

The integrated decision-making process adopted by Poste Italiane entails specific actions aimed at creating value in the short, medium and long term and taking into account the connections and interdependencies among the many factors affecting the Company's ability to create lasting value over time. This approach involves understanding the degree of combination, correlation and interdependence between issues that significantly impact economic, social and environmental performance. For this purpose, in accordance with the indications of the International <IR> Framework, the interconnections between the material issues for Poste Italiane and the main measurement metrics adopted are shown below.





**Integrity and transparency**



**Green transition**



**Development of people**



**Customer experience**



**Diversity and inclusion**



**Innovation**



**Creating value for the country**

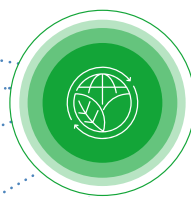


**Sustainable Finance**



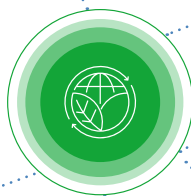
#### **DIALOGUE AND TRANSPARENCY IN RELATIONS WITH THE AUTHORITIES**

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



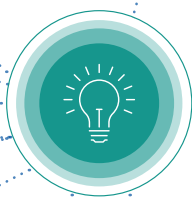
#### **ENVIRONMENTAL IMPACTS OF LOGISTICS**

- GRI 302 Energy
- GRI 305 Emissions



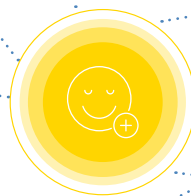
#### **ENVIRONMENTAL IMPACTS OF REAL ESTATE FACILITIES**

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



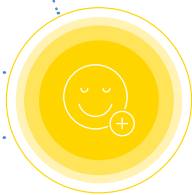
#### **INNOVATION AND DIGITISATION OF PRODUCTS, SERVICES AND PROCESSES**

- Number of digital services offered
- Number of digital transactions



#### **CYBERSECURITY, IT SECURITY AND PRIVACY**

- GRI 418 Customer Privacy



#### **QUALITY AND CUSTOMER EXPERIENCE**

- Quality of Universal Service
- Customer experience in Post Offices
- Customer complaints by type
- Customer satisfaction
- Settlements



#### **INTEGRATION OF ESG FACTORS INTO INSURANCE POLICIES**

- FS11 Percentage of assets subject to positive and negative environmental or social screening

## The Group's Sustainability Policies

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

### Sustainability policies adopted by Poste Italiane

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

POSTE ITALIANE GROUP POLICIES	POLICY OBJECTIVES
Guideline for investment in sensitive sectors of BancoPosta Fondi SGR	The Guideline for investment in sensitive sectors of BancoPosta Fondi SGR defines measures to identify, assess and monitor exposure to activities that present a relevant intrinsic risk from an ESG point of view, thus enabling environmental, social and governance aspects to be incorporated into the investment process.
Guideline on the exercise of voting rights and engagement activities of BancoPosta Fondi SGR	The BancoPosta Fondi SGR's Guideline defines measures and procedures to exercise voting rights in accordance with established national and international reference principles and to promote the proper management of ESG issues through beneficial dialogue with issuers of securities in their financial portfolios.
Policy Guideline for Managing Dialogue with Poste Italiane SpA shareholders – Engagement Policy	The objective of the Policy is to regulate the management of dialogue with investors and other market participants adopted by Poste Italiane, with reference to the many forms of engagement that the Company puts in place, whether these concern activities normally managed by the relevant corporate functions (e.g. website maintenance), or involve direct dialogue with members of the Board of Directors (the so-called "Shareholder-Director Engagement").
Guideline for investment in sensitive sectors of the Poste Vita Group	The Guideline for investment in sensitive sectors of Poste Vita SpA defines measures to identify, assess and monitor exposure to activities that present a relevant intrinsic risk from an ESG point of view, thus enabling environmental, social and governance aspects to be incorporated into the investment process.
Guideline on the exercise of voting rights and engagement activities of the Poste Vita Group	The Company's Guideline defines measures and procedures to exercise voting rights in accordance with established national and international reference principles and to promote the proper management of ESG issues through beneficial dialogue with issuers of securities in their financial portfolios.
Diversity Policy for administrative and auditing bodies of Poste Italiane	The document sets out recommendations regarding aspects of diversity of the members of the Board of Directors and of the Board of Statutory Auditors, such as age, gender, ethnicity, geographical origin, training and professional experience.
Group Policy for the protection of Human Rights	The Policy sets out a clear approach to the issue of human rights, which is broader than legal requirements and enables monitoring and management of risks and opportunities relating to all forms of human rights, and also confirms the Group's commitment to pursuing socially responsible investment and management activities
Policy Diversity and Inclusion	<p>The Policy indicates that Poste Italiane Group is committed to supporting the values of diversity and inclusion through the adoption of corporate, organisational and management mechanisms based on respect for people's rights and freedom.</p> <p>In this direction, the path undertaken aims to evolve the way in which diversity issues are dealt with, moving from an approach aimed at protecting and integrating "diversity" to a proactive strategy to overcome any cultural stereotype and to identify and resolve the factors that prevent people from being included in the labour market.</p>
Guideline on Competition and Consumer Protection Compliance	The Guideline aims to ensure compliance with competition and consumer protection rules, to reinforce awareness of the importance of the relevant regulations, to consolidate an operational and control environment aimed at mitigating the risk of antitrust and anti-competitive offences, to provide a guide to prevent actions, behaviours and omissions that violate competition and consumer protection regulations, and to outline monitoring tools to identify possible violations.

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

Poste Italiane's ESG Strategic Plan is based on 8 Pillars in the ESG areas relevant for the Group. The materiality analysis conducted during the Multi-stakeholder Forum made it possible to identify relevant topics for corporate management and stakeholders to be incorporated into the Group's Sustainability Strategy. Each Pillar has specific objectives and targets that contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). For a discussion of objectives, management methods and performance achieved in the Pillars of the Group's ESG Strategic Plan, see chapter 6 "Value Creation". This ESG Strategic Plan is perfectly integrated within the Group's new Industrial Plan, defined in March 2021 and updated in March 2022 as "2024 Sustain & Innovate Plus", allowing the Company to create shared value for the communities where it operates in the achievement of its own business objectives.

**The 2024 "Sustain & Innovate Plus" Plan** aims to achieve responsible growth and support the country on its path to sustainability and social inclusion. In defining the **investment choices of the Strategic Plan**, the contribution of each intervention to the **Group's 8 Sustainability Pillars** was also assessed

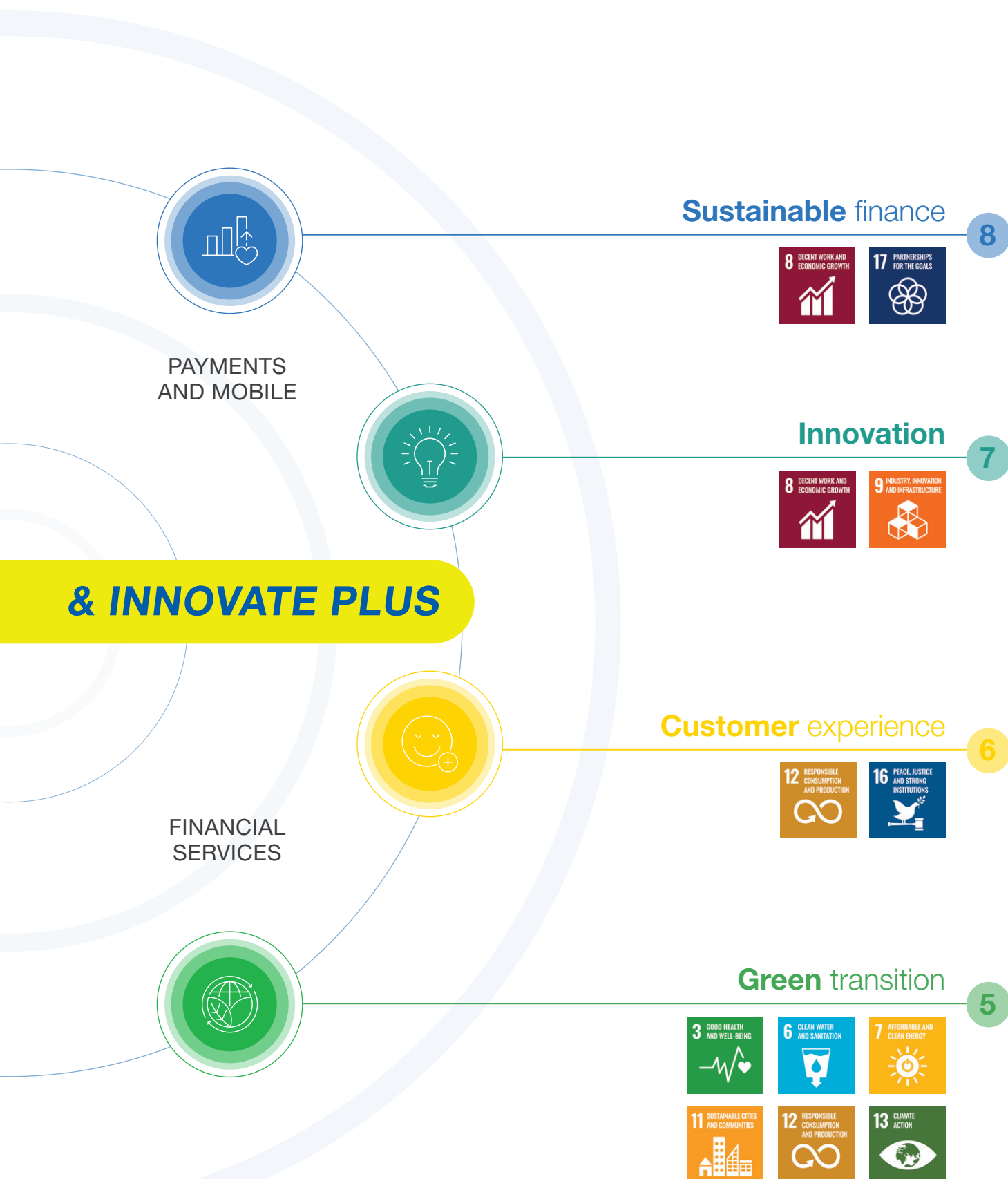
In 2021, Poste Italiane changed the name of two of its Pillars, "Support for local communities and the Country as a whole" and "Decarbonisation of real estate facilities and logistics" in order to better reflect the Group's approach to these two issues. Changing the name of the "Support for local communities and the Country as a whole" pillar to "Creating value for the country" more closely reflects Poste Italiane's commitment. The Group does not merely support the local communities in which it operates but rather is continuously committed to creating and disbursing shared value, including with respect to the achievement of the SDGs. The transition from "Decarbonisation of real estate facilities and logistics" to "Green transition" was made in light of Poste Italiane's new green strategy, which strives to speed up the energy transition process in particular through the so-called "Green Challenge". This includes entering the energy market with a 100% renewable energy offer and the offsetting of CO<sub>2</sub> emissions through the development of ad hoc tools in order to help the country achieve the 2030 carbon neutrality objectives. The new name, "Green transition", better communicates the Group's innovative green business philosophy, a holistic approach that incorporates all Poste Italiane products, services and processes. These changes to the two Pillar names were also made based on the outcome of the fifth edition of the Multi-stakeholder Forum, in light of the greater relevance attributed to environmental topics and topics related to the creation of shared value for the community.



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





In order to propose a strategy that is in step with global ESG changes, Poste Italiane relied on a network of associations operating at the national and international level. The objective of this network is to seek out continuous stimulus and opportunities for discussion on Sustainability issues.



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



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



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



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



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



Sodalitas: established in 1995 on the initiative of Assolombarda, this foundation was the first organisation to promote corporate sustainability in Italy, by contributing to the development of the role of companies as social as well as economic players, and putting the strengths of corporate culture at the service of civil society. It represents a unique reality in the country because it is capable of bringing together the commitment of more than 100 business leaders and a group of volunteer managers and a point of reference for businesses that consider Sustainability a fundamental strategic issue. It has emerged as a partner of European Institutions in implementing the Sustainability Agenda in Italy. It is distinguished by its ability to achieve multi-stakeholder initiatives that generate shared social value.



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



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



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



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

## Poste Italiane's Sustainability Path





For the Poste Italiane Group, sustainability is an integral component of the Company's activities, processes and strategy, representing an essential driver in the Group's strategic and financial decisions.

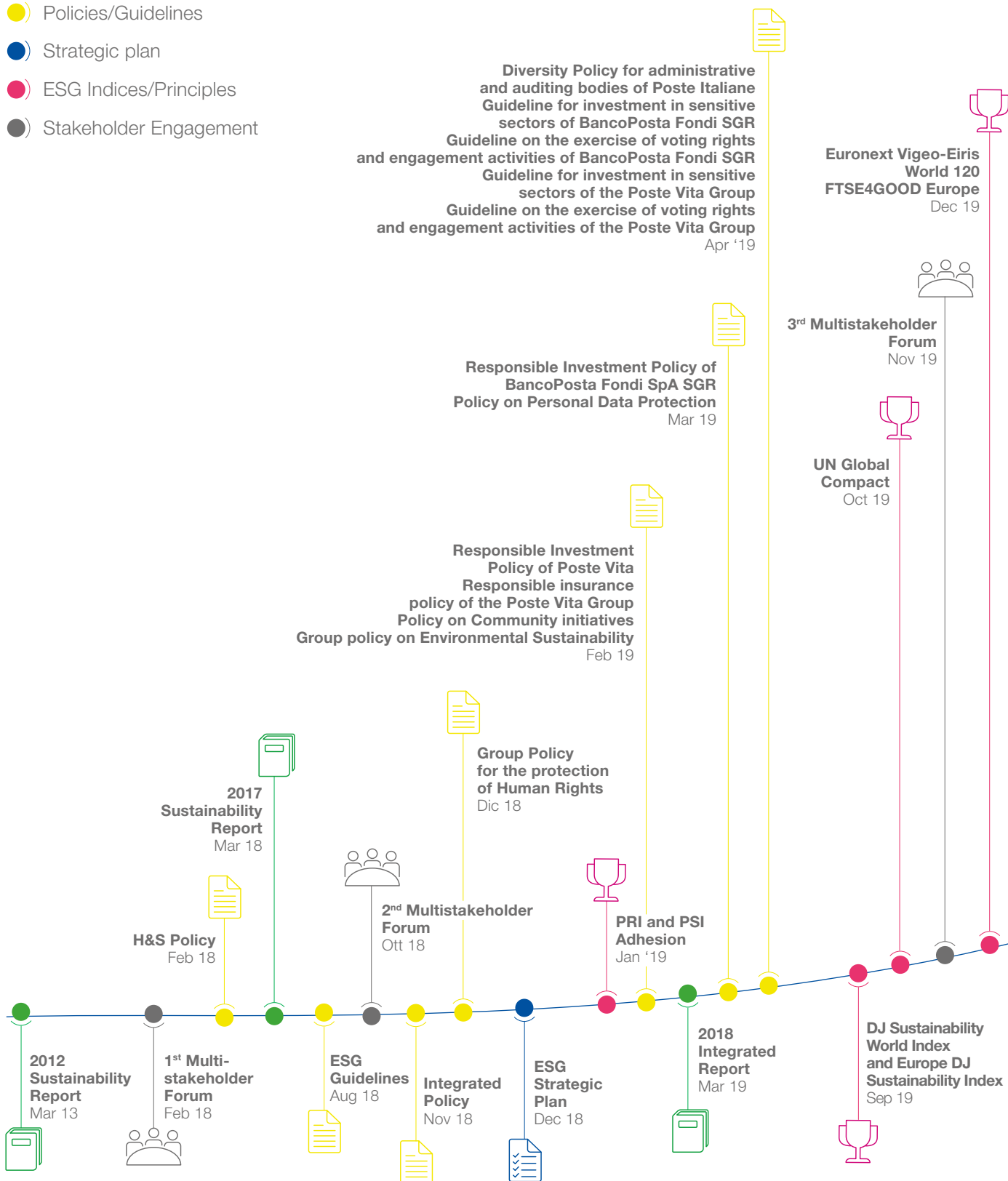
As evidence of the importance assigned to Sustainability, over the years, the Group has embarked on an ambitious journey to consolidate its own Sustainability strategy, focused on the creation of shared value for the Group's stakeholders and the growth of its own reputation.

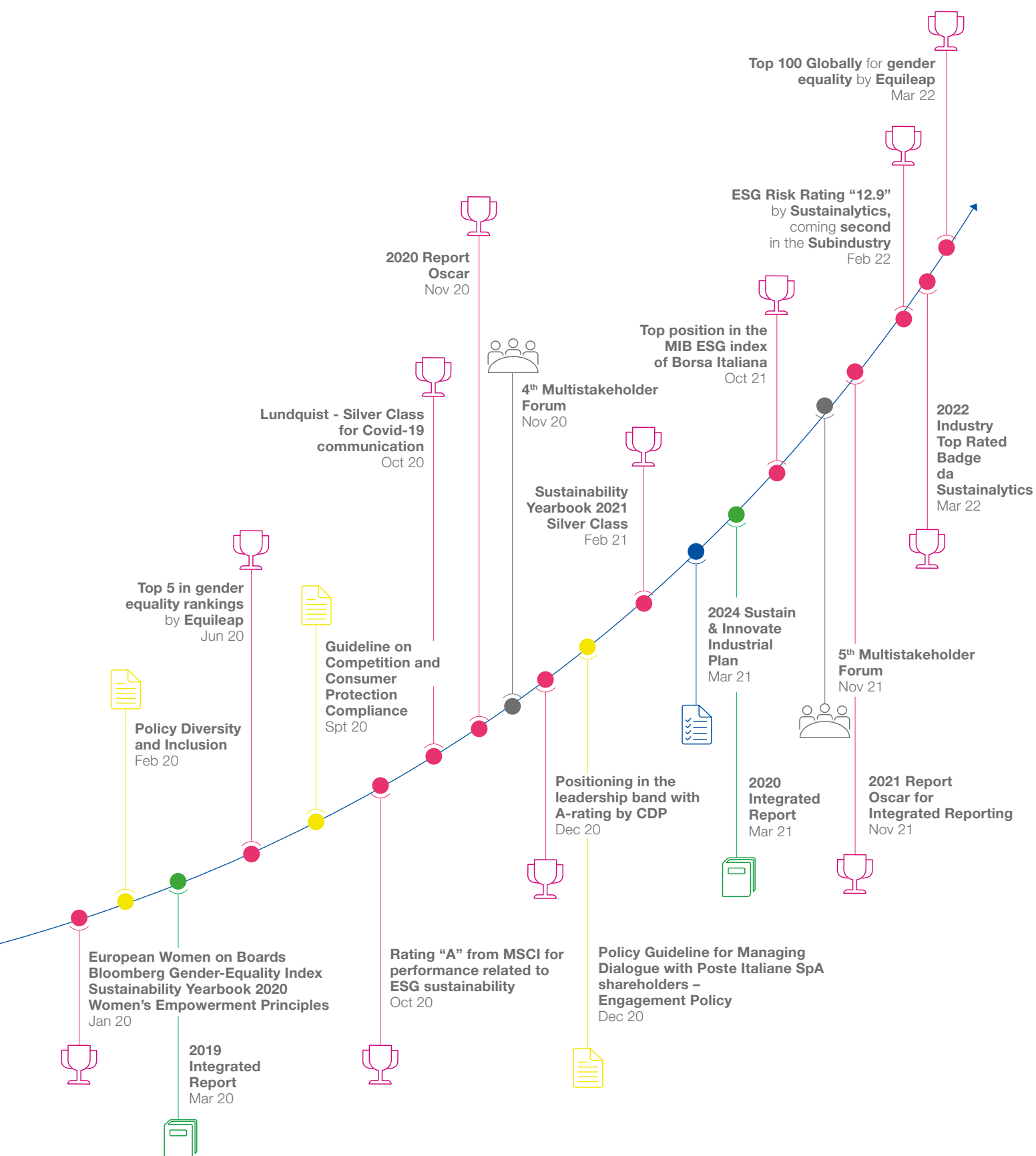
At the same time, Poste Italiane has committed to disseminating a business culture that is steeped in Sustainability themes, a culture which is put into practice through the implementation of three main guidelines – Reporting, Strategy and Governance. Its commitment has made it possible to achieve major evolutionary transformations in a short period of time and win numerous prestigious national and international goals and awards.

### MAIN RELATED TYPES OF CAPITAL



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





2020

2021

2022



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

Aware that value creation is increasingly based on intangible capital, Poste Italiane sees reputation as a fundamental asset that can guide the choices of its stakeholders. A company's good reputation does not only enhance trust but also increases its competitiveness. During the Covid-19 pandemic, one of the most difficult periods in Italian history, the Group confirmed its traditional vocation of community proximity by pursuing a series of exceptional initiatives and initiating many others. For example, the Group continued its early payment of pensions with shifts in alphabetical order, enhancing its electronic channels to facilitate remote pension payments, took action on its agreement with the Carabinieri for the home delivery of pensions for those over 75 years of age and continued working with Institutions to distribute masks to the population.

As evidence of its commitment and the efficiency of its strategic choices, over the past few years, the Group has received numerous awards and acknowledgements, which have contributed to enhancing its image and reputation.

### ESG Awards and Recognitions

#### Top Employer Italia 2022



Poste Italiane is Top Employer Italia 2022, for the third consecutive year. The prestigious award was given to Poste Italiane by the Top Employers Institute, the global certification body for excellence in HR practices.

#### Poste Italiane climb the Brand Finance Global 500



Poste Italiane climbs the Brand Finance Global 500, the classification that ranks the 500 brands with the greatest financial value worldwide. In 2022, Poste Italiane was ranked 266th, a jump of 51 spots, with an increase in value of \$7.8 billion (nearly €7 billion), or +26%, and a 2.5% increase in brand strength in terms of influence, attractiveness and soundness.

#### 1st in the world's Top 100 insurances companies



For the second consecutive year, Poste Italiane earned the top spot for brand strength in "Insurance 100", the global ranking of the insurance sector compiled by Brand Finance, a leader in the economic valuation of brands. Poste Italiane won first place in the global comparison of insurance sector brands with a score of 86.2 (an increase from the previous year) and the corresponding rating of AAA based on the Brand Strength Index (BSI), developed by Brand Finance to analyse image and reputation efficiency, management and investments that impact the brand, customer proximity, employee satisfaction and economic return.

#### Postepay Digital is product of the year



In 2021, "Postepay Digital" won "2021 Elected Product of the Year" in the "smart payment services" category as the first fully digital card, which is easily requested through the Postepay app. This award is an important acknowledgement of the innovative capacity of Poste Italiane, which has been able to create market-leading products that are central to customers' lives.

#### Postepay Digital wins the 2021 Interactive Key Award



The advertising campaign conducted for the commercial launch of Postepay Digital won the Interactive Key Award in the Display Advertising category. This award, one of the most prestigious at the Italian level, is dedicated to "all digital" advertising on Web/Mobile channels and recognises companies that distinguished themselves with creative and innovative communication projects during the year.

#### Leader in media communication



After winning the "Bic-Best in Media Communication" Special Prize in the CSR (Corporate Social Responsibility) category in 2020, in 2021, Poste Italiane is confirmed among one of 21 companies recognised for the impact of their corporate communication with the BIC, the certification created by Fortune Italia and Eikon Strategic Consulting. Poste Italiane won in the "Corporate" category with Tg Poste, which reports on the Company daily and its increasingly central role in support of the country.

**3rd place**

As part of the 20th Italian edition of the “Webranking” research, conducted by Lundquist in collaboration with Comprend, on the quality and transparency of companies’ digital communication activities, Poste Italiane earned third place, advancing to the podium for the first time and jumping 261 spots in 5 years. The Group was also first among companies in the insurance sector, winning “5 stars”, and won second place in the Investor Relations category and in the carrier category.

**Poste Italiane at the top for young**

Poste Italiane was ranked as one of the most attractive companies for students in the job market in Italy in the “Most Attractive Employer 2021 – Students” classifications. In studies conducted by Universum Global, a leading Swedish company in employer branding, the Group is in 20th place in the “Business” segment, 10th place in the legal disciplines category and 18th place in the “Humanities/ Liberal Arts/Education students” ranking.

**Oscar di Bilancio**

Poste Italiane was awarded the Oscar di Bilancio 2021 Special Prize for “Integrated Reporting”, which recognises companies for their efficiency and transparency in integrating business communication with performance reporting in terms of environmental, social and governance (ESG) policies. The award follows the Oscar di Bilancio victory in 2020 in the “Corporate” category recognising Poste Italiane as the most virtuous company in terms of quality and transparency of financial communication and for its relationships with stakeholders.

**First Place in the Financial Innovation-Italian Award**

In 2021, BancoPosta was awarded first place in the “Investment Advisory” category at the “Financial Innovation – Italian Awards” sponsored by the Italian association, Financial Innovation, for the “Consulting 4.0” project. The award, which is based on the principles of independence, objectivity and ethics and is open to all financial institutions, is an observatory and annual recognition designed to promote the role of innovation in the banking, insurance and financial sector.

**European Funds Trophy 2021 to BancoPosta Fondi SGR**

BancoPosta Fondi SGR won the European Funds Trophy 2021 award as “Best Italian Asset Management Company” for categories 4 to 7 funds with FUNDCLASS rating. The award, which is now in its 15th edition, is an award of European mutual funds that is assigned every year by FUNDCLASS, a Parisian quantitative technical analysis company that analyses nearly 80,000 investment funds marketed in Europe, and by a group of European news organisations based on the quality of the management of the funds over a period of at least four years.

**Awarded “Poste Vivere Protetti” by Poste Assicura**

In 2021, the Poste Vivere Protetti product of the Poste Assicura Group company was recognised with the “2021 Celent Model Insurer Award for Customer Experience Transformation” for its ability to offer customers a multi-channel offer that bundles all coverages in a single policy.

**Poste Italiane Group among the best employers for women**

Following the analysis conducted by the German Quality Institute ITQF in collaboration with the media partner La Repubblica Affari&Finanza, Poste Italiane Group has been awarded “Italy's Best Employers for Women 2021”, ranking as one of the 200 best employers for women in Italy.

**First in the di Comscore rankings**

In 2021, Poste Italiane was ranked first in the Italian ranking produced by Comscore for recording the largest number of unique monthly users (33 million in the month of January) who access the financial servers through the Group's website and app. Also in 2021, Comscore recognised Poste Italiane's Ufficio Postale app and Poste ID, ranking them number one in the list of Top 10 apps most used by Italians.

**LinkedIn – Best Talent Acquisition Team**



Poste Italiane was judged “Best Talent Acquisition Team – above 20,000 employees on LinkedIn” in the LinkedIn Talent Awards 2021 due to its adoption of innovative solutions in the search for high-potential resources. Poste was also among the finalists in the “Diversity Champion – above 20,000 employees on LinkedIn” category for distinguishing itself by initiating and inspiring meaningful conversations on topics of diversity and inclusion.

**NoidiPoste awarded by Intranet Italia Champions**



Poste Italiane was recognised as part of “Intranet Italia Champions”, the annual event sponsored and organised by Intranet Management and Ariadne Digital that is dedicated to the most innovative initiatives and features introduced through corporate intranets. The Company's NoidiPoste app was recognised in the “Online Applications and Services” category for its implementation of a series of mobile services and processes, creating a unique point of contact between the Company and its employees.

**Poste Italiane recognised at the Touchpoint Awards 2021**



NoidiPoste won the prize for best project in the mobile marketing category at Touchpoint Awards Engagement. The award, organised by Oltre La Media Group, publisher of Touchpoint, goes to the best communication projects in categories ranging from internal communication to employer branding, from events to social media campaigns. In addition, at the Touchpoint Awards Strategy 2021, Poste Italiane was once again awarded for the Poste Delivery launch campaign in the category of “The Best New Brand”.

**Poste Italiane recognised at the ASCAI Media Awards 2021**



Poste Italiane was recognised for its “Digital multichannel strategy”, the highest honour at the ASCAI Media Awards, sponsored by the Associazione dei Comunicatori d'Impresa and open to all companies that intend to make their communication tools known. Another two awards went to the NoidiPoste app, which took first place in the “social media/customer media” category and to TG Poste, the company newscast, in the “web TV” category.

**NoidiPoste recognised at the Digital Communication Awards**




For 2021, the NoidiPoste app was ranked second in the Internal Channel (Intranet, Digital Workplace & App) category, confirming its ability to innovate and respond to multiple requirements from the corporate population. There were more than 400 candidates for around 30 categories, ranging from brand research to innovation. The Digital Communication Awards, launched in 2011 by the Quadriga University of Applied Sciences, are an online communication competition at both the practical implementation level and academic level.

In 2021, Poste Italiane reaffirmed its presence in important sustainability indices that constitute valid parameters both in terms of communicating the company's results to stakeholders and in terms of assessing and potentially improving the Group's internal performance.

These indices are used as reference tools by shareholders and stakeholders to compare corporate performance in relation to ESG themes with other market players. In addition, corporate management analyses the indices internally with a view to developing sustainable investment plans for the Group.

## Sustainability indices in which Poste Italiane is present

	<p>In 2021, Poste Italiane confirmed its presence for the third year running in the Dow Jones Sustainability World Index (DJSI) and the more selective Dow Jones Sustainability Europe Index.</p>
	<p>Poste Italiane was included for the third year running in the prestigious FTSE4Good sustainability indices. The FTSE4Good Europe and FTSE4Good Developed indices include companies that stand out for their transparent management and application of ESG criteria. The Company distinguished itself in particular in the following categories: Human Rights &amp; Community; Labour Standards; Corporate Governance and Anti-Corruption.</p>
	<p>For the second consecutive year, the company was placed in the "Leadership" band with an A- rating in the annual classification drawn up by CDP (formerly Carbon Disclosure Project), distinguishing itself for its ability to report on emissions and initiatives introduced to reduce its environmental impact and to adopt appropriate strategic planning and management solutions for climate-related risks and opportunities, with reference to the entire value chain.</p>
	<p>Poste Italiane ranks first both in the "Universe" overall ranking and in the "Transport &amp; Logistics" category, consolidating its presence on the Euronext Vigeo-Eiris World 120 and the regional indices Euronext Vigeo Eurozone 120 and Europe 120.</p>
	<p>Since October 2021, Poste Italiane has been present in the new index of Euronext MIB ESG, ranking among the top best performing companies. The MIB ESG represents the first blue-chip index for Italy that is dedicated to Sustainability, combining economic performance elements with Environmental, Social and Governance (ESG) values.</p>
	<p>In February 2022, the Company received an ESG Risk Rating of 12.9 (Low Risk) from Sustainalytics, classifying second at the Universe level in the Air Freight and Logistics sub-industry.</p>
	<p>In 2022, Poste Italiane was recognised by Sustainalytics as a top ESG performer 2021 out of a panel of more than 4,000 companies evaluated at the global level, obtaining the 2022 Industry Top-Rated Badge. The Group is one of the 18 entities at the global level to have obtained this recognition in the Transportation industry.</p>
	<p>For the third year running, Poste Italiane was confirmed in the Bloomberg Gender Equality Index (GEI), the world's leading gender equality index. The Company improved its performance from 2020, once again obtaining a score well above the average score of rated companies on the GEI, which includes 418 companies, belonging to 11 production sectors with a combined market capitalisation of USD 16 trillion and headquarters in 45 countries and regions.</p>
	<p>In 2022, the Group entered the Top 100 global gender equality ranking produced by Equileap. In particular, Poste Italiane is among 19 groups at the international level that have overcome the gender pay gap as well as 5 Italian companies that have been included in the global ranking and the first in the financial sector.</p>
	<p>Poste Italiane confirms its presence in the 2022 edition of the Sustainability Yearbook of S&amp;P Global, which assesses the sustainability performance of leading global companies. Out of 7,500 evaluated companies, the Group was among the 10% selected for the Sustainability Yearbook.</p>
	<p>Poste Italiane Group confirmed its rating of 1, considered to be the highest possible, in the Environment and Social areas, assigned by Institutional Shareholder Services Inc. (ISS).</p>
	<p>Poste Italiane confirmed its "A" rating by MSCI, one of the leading ESG Sustainability performance rating agencies, for major progress achieved in the social sphere.</p>

## 5. Risks and Opportunities

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- Poste Italiane's Corporate Governance
- Poste Italiane's Integrated Internal Control and Risk Management System
- Risks associated with material topics and management methods
- Management of the Covid-19 pandemic
- Poste Italiane's commitment to managing human rights risks
- Managing climate change related risks and opportunities
- Managing emerging risks and the related opportunities

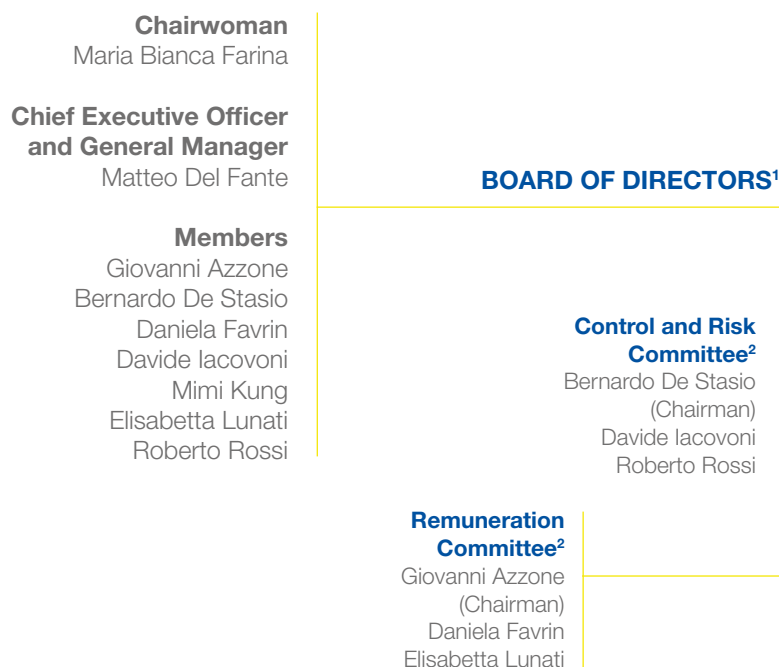
### MAIN RELATED TYPES OF CAPITAL



## Poste Italiane's Corporate Governance

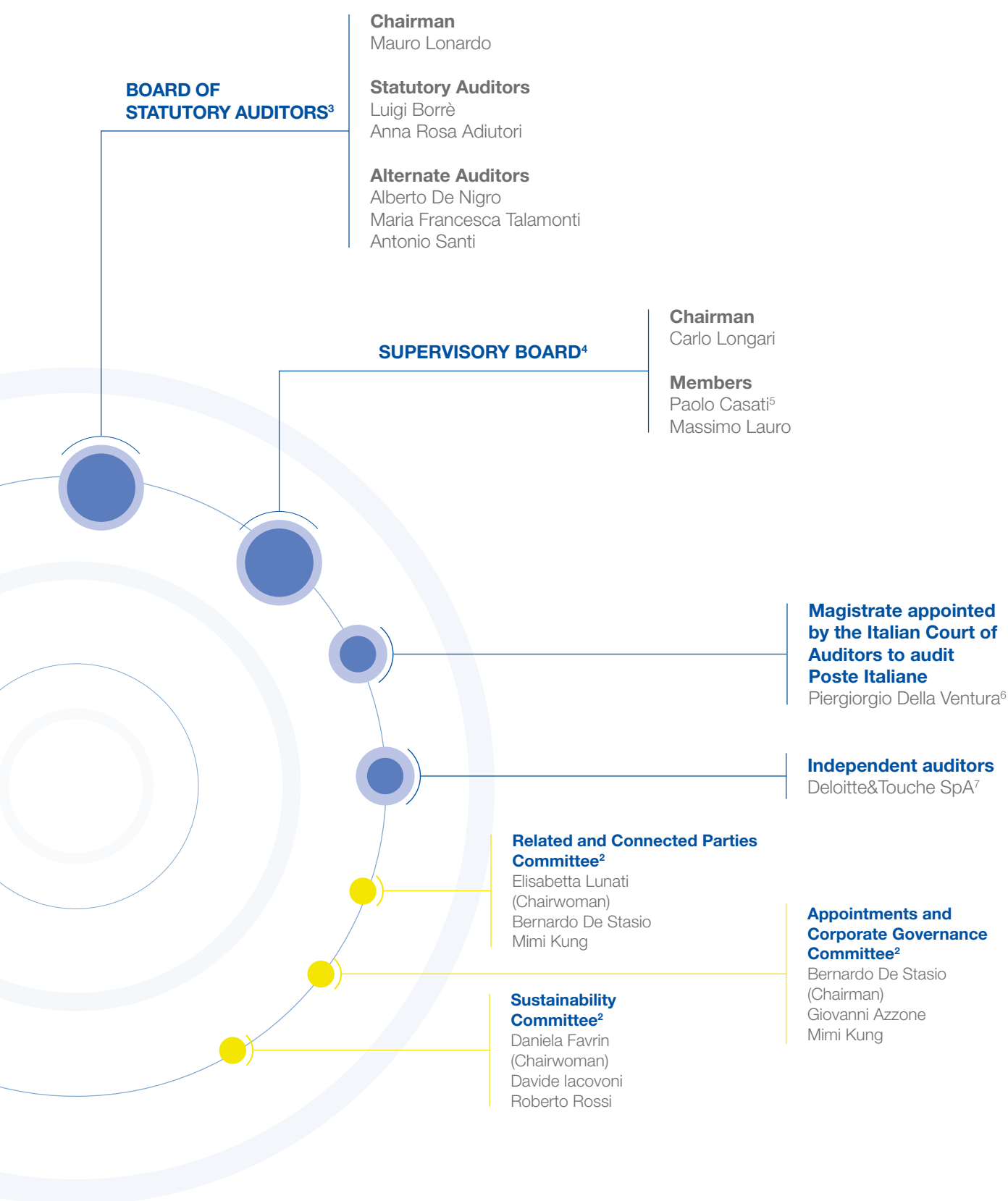
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### Management and supervisory bodies



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

2. Committee members were appointed by the Board of Directors' meeting of 15 May 2020. At its meeting on 26/01/2022, and in order to align the Board Committees with the Bank of Italy's supervisory provisions (Bank of Italy Circular No. 285 of 17/12/2013 – 35th update) on corporate governance, the Board of Directors appointed: Giovanni Azzone as Chairman and Bernardo De Stasio as a member of the Appointments and Corporate Governance Committee. Consequently, with effect from that date, the composition of the Appointments and Corporate Governance Committee is as follows: Giovanni Azzone (Chair), Bernardo De Stasio (member), Mimi Kung (member).



3. The Board of Statutory Auditors was elected by the Ordinary General Meeting of 28 May 2019 to serve for a period of three years and will remain in office until the General Meeting's approval of the financial statements for the year ended 31 December 2021.

4. The Supervisory Board was appointed by the Board of Directors' meeting of 30 July 2019 for a three-year term and will remain in office until 30 July 2022.

5. The only internal member, Head of Poste Italiane SpA's Internal Auditing.

6. Assigned by the Court of Auditors with effect from 1 January 2020.

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



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

**New  
Corporate  
Governance  
Code** effective  
from 1 January  
2021

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

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

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

**The Board of Directors** consists of nine members (eight non-executives and one executive) and normally meets once a month to examine and resolve regarding the operating performance and vote on resolutions regarding the results of operations, proposals relating to the organisational structure and transactions of strategic importance. The Board met 12 times in 2021. Of the nine members of the Board, six meet the independence requirements of the TUF, the By-laws and the new Corporate Governance Code.

In accordance with the provisions of the Italian Civil Code, the Board of Directors has delegated part of its management responsibilities to the Chief Executive Officer and has appointed from among its members, in line with the indications of the Corporate Governance Code and the Bank of Italy's supervisory provisions, five Committees with propositional and advisory functions: the Appointments and Corporate Governance Committee, the Remuneration Committee, the Control and Risk Committee, the Sustainability Committee and the Related and Connected Parties Committee.

**5 Board  
Committees**  
with propositional  
and advisory  
functions

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

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

**The Board of Statutory Auditors** has three standing members and three alternates. The Board verifies compliance with the law, the Company's By-laws and with correct corporate governance principles, also verifying the adequacy of the organisational structure and administrative and accounting systems adopted by the Company and their functionality. During the year, the Board of Statutory Auditors met 40 times, 12 of which jointly with the Control and Risk Committee.

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

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

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

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

For further details on the corporate governance structure, reference is made to the document *"Report on Corporate Governance and Ownership Structure – Year 2021"*.



# Poste Italiane's Integrated Internal Control and Risk Management System

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

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

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

In line with statutory requirements and the related best practices, the SCIGR consists of three levels of control and involves a range of actors within the company organisation. The first level of controls identify, assess, manage and monitor the risks it is responsible for monitoring, and in respect of specific protocols are identified and implemented aimed at ensuring operational compliance. The second-level control units, whose role consists primarily of defining risk management models and carrying out monitoring activities, play a key role in the integration and overall functioning of the Internal Control and Risk Management System. The third-level controls, characterised at Poste Italiane by the Internal Control function, provide independent assurance of the sufficiency and actual operations of the first and second levels of controls and on the SCIGR in general.

## SCIGR assurance activities

The Internal Control function is responsible for third-level controls, and therefore undertakes a significant position in the internal Control and Risk Management System.

The action of the Internal Audit function for the year 2021 continued in line with the approach adopted in the last three years and was inspired by the following strategic lines:

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

At its meeting on 16 February 2021, the Internal Control function presented the “**Group Report on Assessment of the adequacy of the 2020 SCIGR**”, which was approved after some discussion. The Report, which has been prepared in accordance with the requirements of the Corporate Governance Code for listed companies and supervisory instructions, has taken account of the results of audits carried out in 2020 on the basis of the Audit Plans of all the Audit functions involved and the general framework of the Poste Italiane Group's SCIGR, considering the impact of organisational changes adopted, developments and events during the year. The Report provides an overall assessment of the Poste Italiane Group's Internal Control and Risk Management System in terms of “Positive Assurance”, noting that, on the basis of the findings at the date of the report and for the period covered by the report, the system is, on the whole, adequate to mitigate the risks that threaten the pursuit of the Group's objectives.

### MAIN RELATED TYPES OF CAPITAL



At the same time, the Report provided a representation of the main audit outcomes per process, the various interventions to strengthen the SCIGR and summary of the internal auditing actions carried out in the reference year, focusing on the remediation/consolidation activities, management indicators and initiatives supporting audit quality.

At its meeting of 16 February 2021, Poste Italiane's Board of Directors approved the **2021 Audit Plan** of the Internal Audit function, which was prepared, on the basis of a consolidated methodological approach, according to a systemic assessment of the level of potential risk for the main processes (including risks pursuant to Legislative Decree no. 231/01) in line with the Enterprise Risk Management (ERM) framework and corporate objectives.

The 2021 Annual Audit Plan, which responds to the logic of Assurance towards the Governing and Control Bodies and of Support to Management on internal auditing issues, continued to guarantee high levels of coverage for 94% of the processes of the Audit Universe during the three-year period 2019-2021 (High coverage for 84% of processes, many of which with a view to continuous auditing, and Medium coverage for over 10% of processes). Audit coverage and activity planning were further directed at an integrated and independent assessment, particularly in terms of processes characterised by significant regulatory restrictions (Italian Legislative Decree no. 231/01, Law 262/05) and/or specific supervisory requirements (Bank of Italy, CONSOB, IVASS, COVIP, AGCOM).

The audit focused on the provision of insurance, financial and transactional products/services (involving over 1,570 structures), as well as postal and logistics processes (approximately 120 structures). In addition, coverage of the main corporate resource management processes such as IT (with audits of 13 processes/applications), real estate and purchasing (7 structures), human resources (42 structures), administrative-accounting processes (16 structures) and various compliance areas (19 structures) was planned and implemented. Finally, in the context of monitoring the entire Poste Italiane Group Internal Control and Risk Management System, 12 Poste Italiane Group's companies were audited in 2021.



With reference to the 2021 Audit Plan, the function's activities continued during 2021, while successfully balancing the limitations imposed by the health emergency with consolidated operating methods during 2020. All audit activities envisaged in the Plan were carried out, leveraging the support IT instruments that were further strengthened, and where possible, conducting the preliminary analyses and tests remotely so as to limit the impact on audited structures and possible risk of contagion for the staff involved. During 2021, the remote working of preliminary analyses and tests involved around 60% of UP activities and around 75% of activities referring to Corporate territorial structures.

Continuing along the lines adopted over the previous two-year period, the Internal Audit function has further integrated audit activity that will be carried out at Group companies that do not have an internal audit function, in order to strengthen the effectiveness of the Group's control system.

In line with the previous year, for the most significant Group companies that do not have their own internal audit function, these activities are regulated by specific agreements with SDA Express Courier, Poste Air Cargo Srl and Postel SpA.

In compliance with requirements set by the Supervisory Authorities and applicable legislation, Operating Guidelines were signed for the two-year period 2021–2022 between BancoPosta and the Poste Italiane Internal Audit function; based on these Guidelines, Internal Audit is responsible for the audits to be conducted at local network structures (Post Offices, Branches, Territorial Anti-Money Laundering Units, etc.), Poste Italiane's sales channels linked to financial and insurance areas, as well as specific IT audits relating to IT systems and processes supporting the provision of banking and financial products, including Disaster Recovery and Security issues.

The Operating Guidelines also updated the periodic information flows to the BancoPosta Internal Audit function regarding the progress of activities and the related audit outcomes, as well as the monitoring of service levels (KPIs), aimed at achieving efficiency and effectiveness targets. The Guidelines also required a report to be prepared every six months, to assess the design of the Internal Audit System with reference to territorial network processes.

As in the previous two years, the Operating Guidelines also included the audit requirements expressed to the BancoPosta Internal Audit function by the Poste Italiane Group's financial and insurance companies. All activities assigned to the Internal Audit function on the basis of the Operating Guidelines for 2021 have been completed.

## Risk Management and Risk Assessment model

Poste Italiane has adopted a Risk Management model based on the Enterprise Risk Management (ERM) framework, with the aim of providing an organic, integrated vision and an effective, standardised response to the risks to which the Group is exposed. The Group Sustainable Development, Risk and Compliance function (SSRCG), which forms part of the Corporate Affairs function, is responsible for ensuring that these objectives are met. This is primarily done through the definition of an integrated risk management process that relies on the coordinated involvement of all the actors in the Internal Control and Risk Management System, above all the specialist forms of second-level control, the use of standardised models and metrics based on Group-wide criteria, the design and implementation of shared tools for assessing and managing risk. In this latter regard, the Group implemented an integrated Governance, Risk and Compliance (GRC) platform in 2018 to support the integrated risk management process. This IT tool makes it possible to analyse and manage operational risks, pursuant to Legislative Decree no. 231/01, fraud, IT and physical security, strategic, ESG and reputational, corruption, privacy, as well as regulatory compliance, including those relating to the financial and payment services. In addition, during 2021, the platform was further extended with evolutionary implementations and the migration of new risk areas (for example, risks relating to the internal audit system on financial disclosure and business continuity management). This is the tool that has enabled the Group to maximise integration of the risk management process, ensuring that risk assessment methods are shared across all the specialist second-level control functions. At the same time, it has improved communication with senior management and corporate bodies and between the various control functions, minimising the risk of inadequate or redundant information.

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The principal risk categories related to Poste Italiane Group activities and as identified in the Group Risk Model are described below.

### STRATEGIC

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

### OPERATIONAL

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

### COMPLIANCE

Risk of violating existing rules or regulations, such as risks relative to Legislative Decree 231/01, Law 262/05, Data Protection and Market Abuse regulations or the introduction of new legislation or regulations (or new interpretations legislation and regulations) of either general importance (e.g. regarding administrative, accounting, tax matters, etc.) or specific to the sectors in which the Poste Italiane Group operates. This risk category includes the risks linked to the introduction of new regulations governing the management and development of universal postal services and the related rates providing a return for Poste Italiane, and the risk of the failure to meet the service quality standards set by the regulator (the Autorità per le Garanzie nelle Comunicazioni or AGCom).



**GROUP'S**


### REPUTATIONAL

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

### ESG

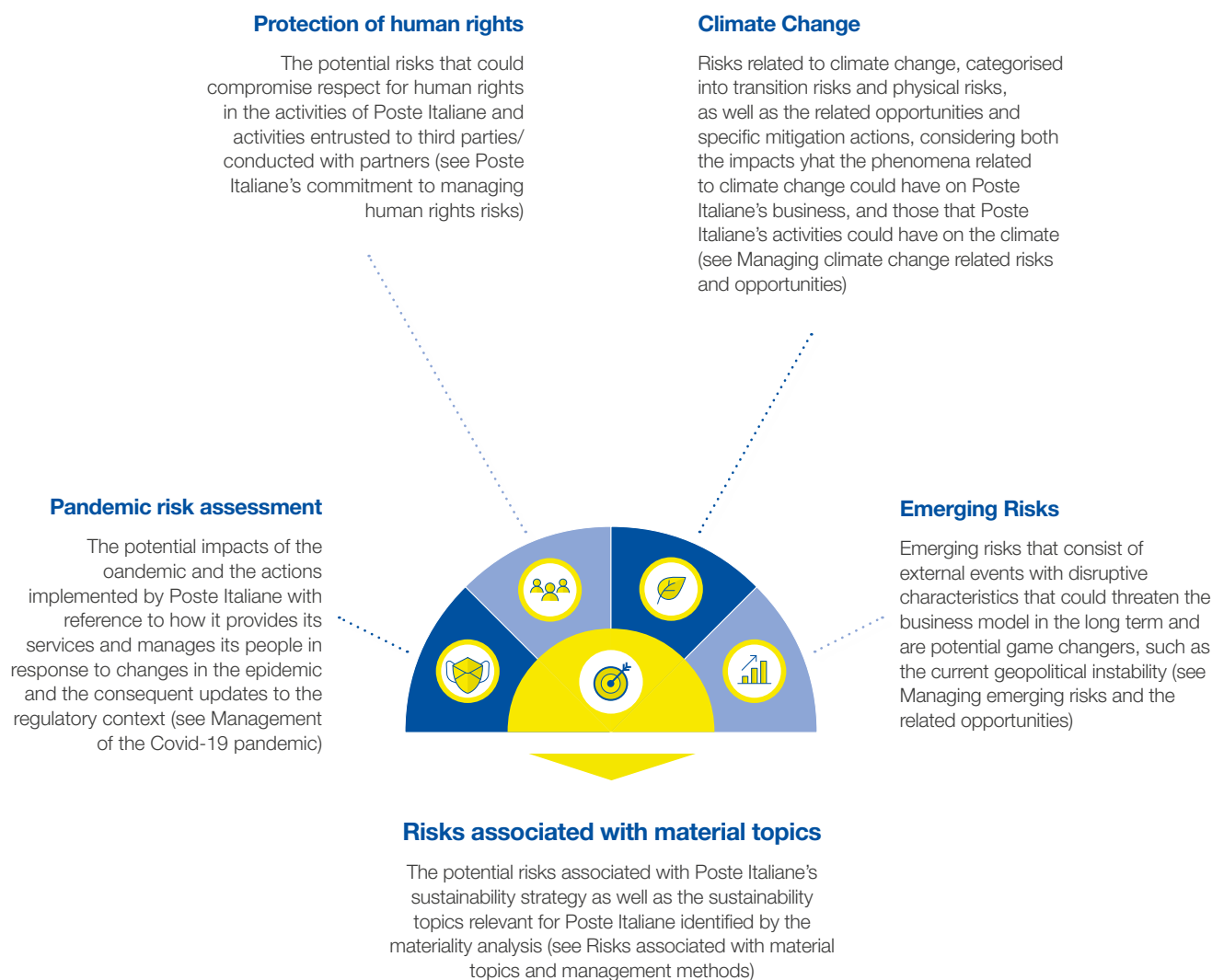
Risks arising from factors related to environmental, social and governance issues (in particular, linked to human rights, climate change and sustainable finance).

### FINANCIAL AND INSURANCE

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

## RISK MODEL

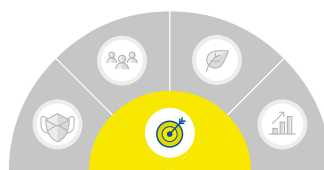
In addition to the usual analysis of the internal environment, Poste Italiane's assessment of the main risks focused particular attention on the external environment, in view of the country's general objectives for sustainable economic recovery, as defined in the guidelines of the Next Generation EU plan. The assessment further considered the current unstable geo-political context, also in view of the recent conflict between Russia and Ukraine. More specifically, risk assessments firstly concentrated on analysing the risks and opportunities associated with managing material issues, and then based on this analysis, certain risks were further investigated that could have a cross-impact on these issues, such as the health emergency, climate change, the protection of human rights and emerging risks. The following was analysed with regard to the various material issues:



The analysis of the main Poste Italiane risks was conducted by taking into consideration the forms of financial and non-financial capital characterising the Poste Italiane's business model. In addition, the analysis was also conducted by adopting the common metrics defined by the WEF in consideration of their impact on the achievement of the SDGs. In particular, each risk was categorised on the basis of these metrics, also highlighting the correlation with Poste Italiane's Sustainability Pillars and the respective material issues. An example of such assessment activity is given in the paragraph on **emerging risks**.



# Risks associated with material topics and management methods



















## MAIN RELATED TYPES OF CAPITAL

























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

## Non-financial risks associated with material topics and management methods

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

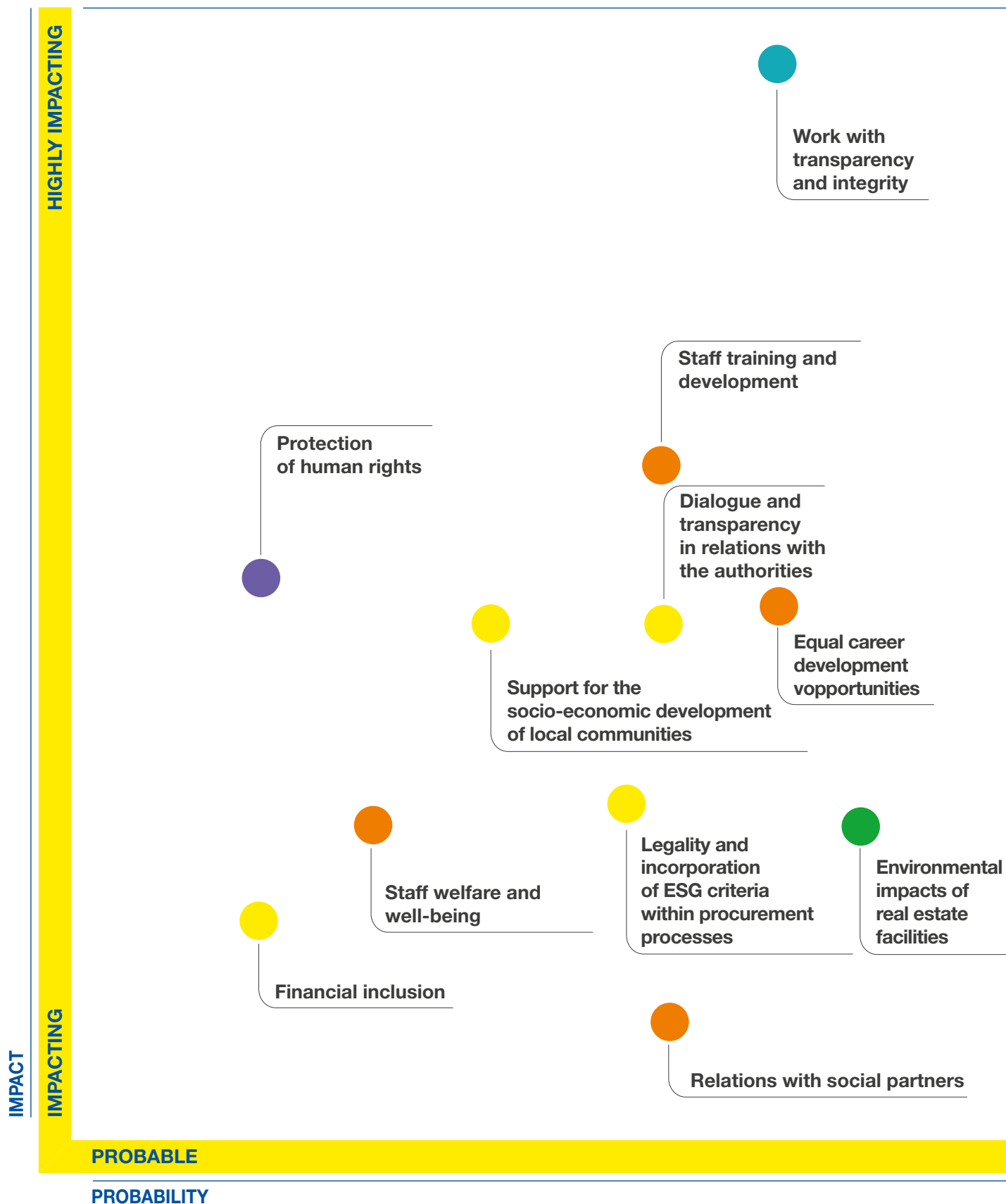
PILLAR	MATERIAL TOPICS	RISK EVENTS	STAKEHOLDERS	POTENTIAL IMPACT ON POSTE ITALIANE	POTENTIAL IMPACT ON STAKEHOLDERS	MAIN MANAGEMENT METHODS	POTENTIAL IMPACT ON CAPITAL
 <b>Development of people</b>	Staff training and development	Inadequate personnel skills	Customers; Poste Italiane people	<ul style="list-style-type: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

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

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

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## Poste Italiane Group's Impact matrix



**Scopes of Legislative  
Decree No.254/16**

Personnel

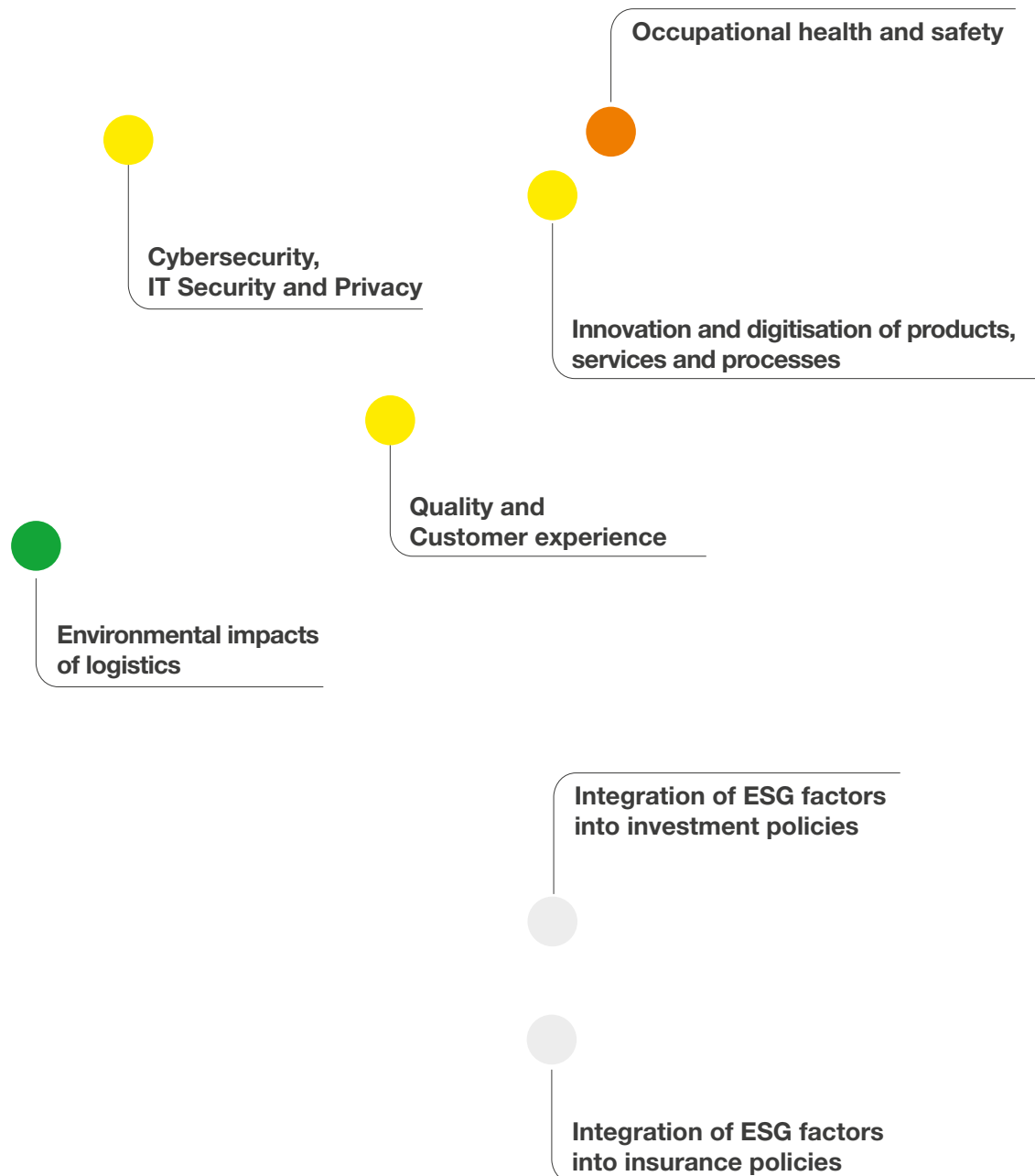
Society

Human Rights

Environment

Corruption

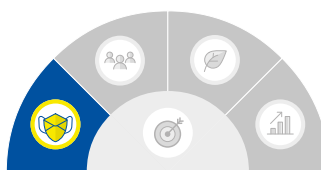
Transversal

**HIGHLY PROBABLE**

# Management of the Covid-19 pandemic



Scan the qr code  
and watch the video.



## MAIN RELATED TYPES OF CAPITAL



Poste Italiane is distinctive in Italy in terms of its size, recognition, capillarity and customer trust, forming an integral part of the economic, social and productive fabric of the country. Its role in relation to the nation makes the Group responsible for the well-being of the communities in which it operates, in the belief that in such a critical period of Italian history, its contribution can represent a valuable tool at the service of citizens and institutions. The Covid-19 pandemic inevitably created a new reality, not only in Italy but throughout the world, requiring significant effort by all economic operators to identify solutions that could safeguard people's health, whilst at the same time, ensuring their business continuity. Consistently with government directives relating to containing the virus and social distancing, Poste Italiane strengthened its commitment to the country with a number of initiatives, which were made possible thanks to the involvement of the entire organisation.

Specifically, the Group adopted procedures for providing its services based on the changing epidemiological situation and consequent amendments to the national regulatory context. The Company worked to deliver pensions in advance, and guarantee service continuity by keeping at least one Post Office open in every small Municipality. In order to safeguard the health of its employees and customers, Poste Italiane provided a billion and a half items of personal protective equipment from the start of the health emergency, distributed 200 thousand anti-Covid tests and adopted flexible working (smart working) for a maximum of 85% of the company workforce. Where smart working was incompatible with the services required, such as post and logistics, the Group provided all personnel with the necessary tools and equipment (e.g. PPE, plexiglass panels, etc.) to conduct their activities in complete safety. As from 4 October 2021, Poste Italiane adopted a "hybrid" working model, promoting both a digital and physical working environment, and managing a return to in-office working for a minimum of 2 days a week. The Company also supported the immunisation campaign, allowing citizens to book for their vaccinations using different channels, including the dedicated portal, call centre, or via ATMs in the regions subscribing to the initiative. The Group also showed its commitment by transporting the vaccines, making available the SDA express courier and ensuring the correct conditions for the serum to be preserved.

The many actions undertaken by the Group are consistent with the values underlying the Group's sustainability strategy, based on eight Pillars, and in line with the recommendations of the Global Compact Network Italy, the UN PRI (Principles for Responsible Investment) guidelines and the additional indications in relation to the impact of the Covid-19 emergency on SDGs<sup>55</sup> provided by the United Nations.

The initiatives implemented by the Group as detailed below, were identified following an appropriate risk assessment analysis with the aim of mitigating the effects of the pandemic crisis and ensuring that material topics were properly managed. These initiatives are dealt with in more detail under the relevant Pillars and are identified in this infographic:



55. «Shared Responsibility, Global Solidarity: responding to the socio-economic impacts of Covid-19», March 2020.







## POSTE ITALIANE PEOPLE



INPUT CAPITAL	INITIATIVE	PILLAR	RELEVANT TOPIC
	Establishing Committee to manage the Coronavirus risk, ensuring standard and coordinated management of containment and prevention measures at national level		Staff training and development
	Introduction of measures to reduce the level of potential contagion (remote working, travel management, provision of training initiatives exclusively online). Resumption of in-office activities for a minimum of two days a week, and reopening of internal coffee shops and company canteens		Occupational health and safety
	Constant distribution of PPEs to exposed personnel and cleaning and sanitising of workplaces and company fleet		
	Extension of employee health policy		Staff welfare and well-being
	Extension of annual agreement with trade union organisations for the payment of a Performance Bonus		Relations with social partners
	Establishment of a dual communication channel to facilitate the flow of information		Relations with social partners
	Extension of agreement with trade union organisations to continue smart working activities		Staff welfare and well-being
	Implementation of agreements with Assidipost-Federmanager for executive solidarity initiatives		Staff welfare and well-being
	Guaranteed that employees will be able to undergo free swabs		Occupational health and safety
	Introduction of paid leave for employees to participate in the vaccination campaign. Start-up of vaccination campaign for employees resident in the Lazio, Piedmont, Veneto, Campania, Lombardy and Calabria regions, with a dedicated platform made available for bookings		Staff welfare and well-being
	Employees reimbursed for swabs done 15 days prior to the first dose of the vaccine		Staff welfare and well-being
	Installation of thermal cameras to detect body temperature		Occupational health and safety
	Introduction of mandatory Green Pass and checking in the workplace		

## CUSTOMERS










INPUT CAPITAL	INITIATIVE	PILLAR	RELEVANT TOPIC
   	Continuity in Post Office remaining open		Quality and Customer experience
	Suspension of mortgages and loans		Support for the socio-economic development of local communities
	Adoption of measures to ensure distancing in Post Offices		Quality and Customer experience
	Multi-channel approach, digital growth and adoption of tools to discourage cash use		Innovation and digitisation of products, services and processes
   	Strengthening of Poste Digital Assistant		Quality and Customer experience
	Communication activities to online and offline customers in order to make them adopt security measures to contain the spread of the virus		Quality and Customer experience
	Simplification of succession claims in order to avoid customers having to go to the Post Office several times		Quality and Customer experience
	Introduction of the possibility of opening a BancoPosta account via app as well		Innovation and digitisation of products, services and processes
  	Installation of approximately 29,400 sustainable plexiglass barriers		Occupational health and safety

## INTERNATIONAL, NATIONAL AND LOCAL AUTHORITIES


















INPUT CAPITAL	INITIATIVE	PILLAR	RELEVANT TOPIC
	Opening of an interactive channel with all the institutions potentially affected by the phenomenon and interaction with the government bodies in charge of crisis management. Constant monitoring of regulatory provisions relating to measures adopted by the authorities		Dialogue and transparency in relations with the authorities
	Close collaboration with Labour Unions and constant updating with respect to the strengthening of measures to limit contagions and measures aimed at ensuring service continuity		Relations with social partners
	Participation in the third edition of the IPC (International Post Corporation) initiative "Green Postal Day"		Environmental impacts of logistics Environmental impacts of real estate facilities
	Agreement between Poste Italiane and Carabinieri for the payment and home delivery of pensions to citizens and the identification of a method of paying pensions in staggered form; synergies for the management of possible crowds outside Post Offices		Support for the socio-economic development of local communities Dialogue and transparency in relations with the authorities Financial inclusion
	Agreements with Local Administrations for the delivery of masks to the population and listening and proximity to institutions to offer solutions to emerging criticalities		Dialogue and transparency in relations with the authorities
	Implementation of the platform to facilitate the vaccination campaign		Support for the socio-economic development of local communities
	Logistical support for vaccine delivery		Dialogue and transparency in relations with the authorities
	Continuous communication activities to national and local institutions aimed at raising awareness		Dialogue and transparency in relations with the authorities

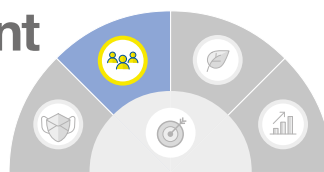
	Provision of Financial Education courses in webinar mode		Support for the socio-economic development of local communities Financial inclusion
   	Continuing implementation of the TG Poste information channel, also via Postenews.it, with the aim of continuing the mission of presence and proximity to its employees		Staff welfare and well-being Relations with social partners
	Offer of solutions for the assignment of tax credits for companies and BancoPosta account holders (110% Superbonus and other tax bonuses)		Support for the socio-economic development of local communities

## SUPPLIERS



INPUT CAPITAL	INITIATIVE	PILLAR	RELEVANT TOPIC
   	Supplier assessment including Covid-19 risk analysis		Legality and incorporation of ESG criteria within procurement processes
  	Transparency in managing and maintaining relations with the supply chain		Work with transparency and integrity
 	Respect for payment methods and times towards suppliers		Work with transparency and integrity
 	Hiring of specialised companies for the sanitation of the premises		Occupational health and safety

## Poste Italiane's commitment to managing human rights risks



### MAIN RELATED TYPES OF CAPITAL



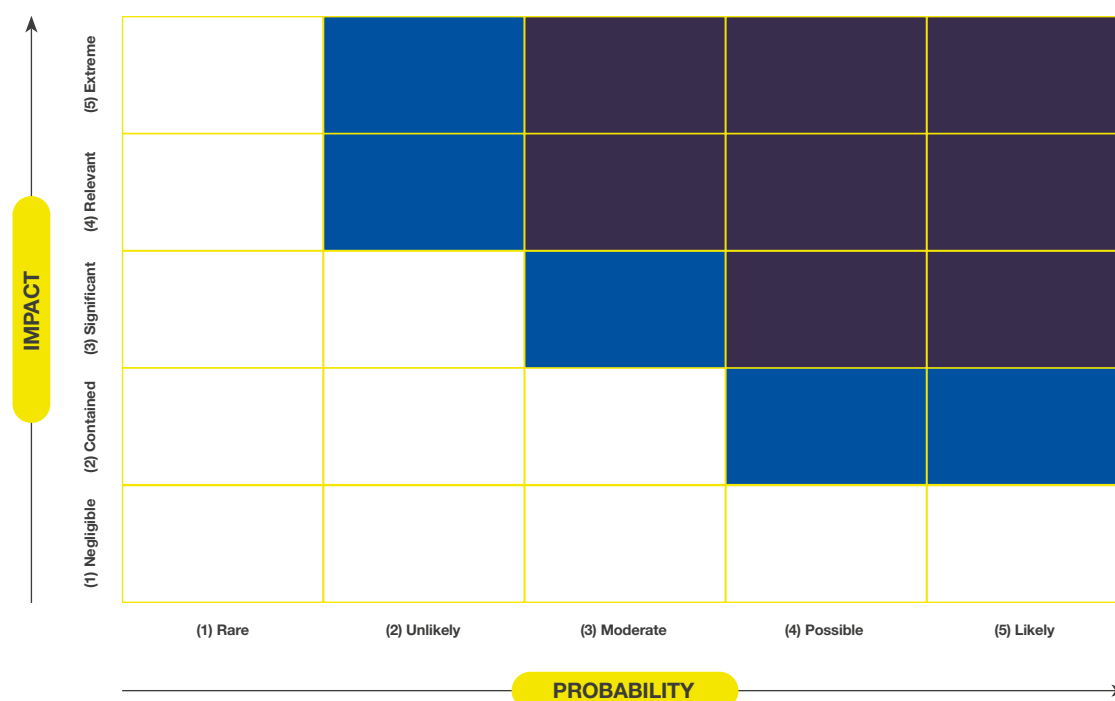
The "Group Policy for the protection of Human Rights" confirms Poste Italiane's commitment to ensuring respect for human rights, both with regard to its own activities and those outsourced to third parties/conducted with partners. The policy aims to define a clear approach to the subject, making it possible to monitor and manage the risks and opportunities relating to human rights in all its forms, with a systematic application at every organisational and functional company level, and also confirms the commitment to undertake socially responsible investments and management.

In line with what has already been stated in the Code of Ethics and Policy for the protection of Human Rights, Poste Italiane has adopted a specific Diversity and Inclusion Policy with the aim of incentivising a corporate culture based on respect and enhancing diversity, and providing a clear and structured focus on the subject. The purpose is also to encourage diversity in all its aspects so as to generate value in the workplace and more effectively assess the risk related to discrimination events within the Company.

Finally, based on the application of risk assessment procedures, the Group's risk management model identifies company activities and organisational areas on a periodic basis, which could result in the risk of human rights violations. This process is conducted at least on an annual basis, and in relation to specific requirements, for example, prior to authorising any company transaction. The process is structured as follows:

- Identifying and analysing the risk drivers relating to the human rights that are more significant in terms of Poste Italiane's business (e.g. freedom of association, dignity and the respect of human rights, discrimination, etc.);
- Conducting an assessment with the aim of:
  - Identifying areas with the most exposure to the risk of human rights' violations;
  - Identifying measures to mitigate this risk (e.g. certifications, guidelines, policies, contract agreements, due diligence, training, audits, etc.);
  - Drawing up potential action plans should these measures be non-existent or inadequate;
  - Monitoring the implementation of the action plans

















The outcome of this activity is reported in the following risk heat map, so as to prioritise any interventions based on the level of risk in each of the areas analysed.
















These activities are carried out in relation to the direct impacts, i.e. generated directly by the Company, and in relation to the indirect impacts, i.e. those generated by third parties working in conjunction with the Company. More specifically, the analyses focus on the one hand on Poste Italiane's own operations, and therefore with reference to protecting the human rights of its employees and other stakeholders, and on the other, on the activities carried out by third parties related to the Company, such as suppliers, sub-suppliers, customers, local, financial communities. Furthermore, the analyses are conducted prior to approving new business relations and corporate transactions, such as mergers, acquisitions, joint ventures and partnerships.

The different drivers considered in identifying and analysing the direct and indirect risks related to human rights are presented below, in relation to the different material topics and financial and non-financial capital, and in order to identify specific mitigation measures.

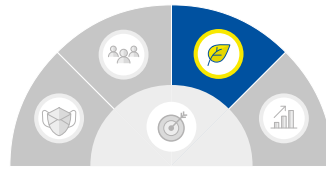


RISK DRIVERS	MAIN RISK MANAGEMENT ACTIONS AND TOOLS	PILLAR	RELEVANT TOPICS	CAPITALS IMPACTED
1. Dignity and respect	<ul style="list-style-type: none"> <li>Group Code of Ethics</li> <li>231 Model</li> <li>Whistleblowing Guidelines</li> <li>Whistleblowing Portal</li> </ul>	 <b>Diversity and inclusion</b>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

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



# Managing climate change related risks and opportunities



## MAIN RELATED TYPES OF CAPITAL



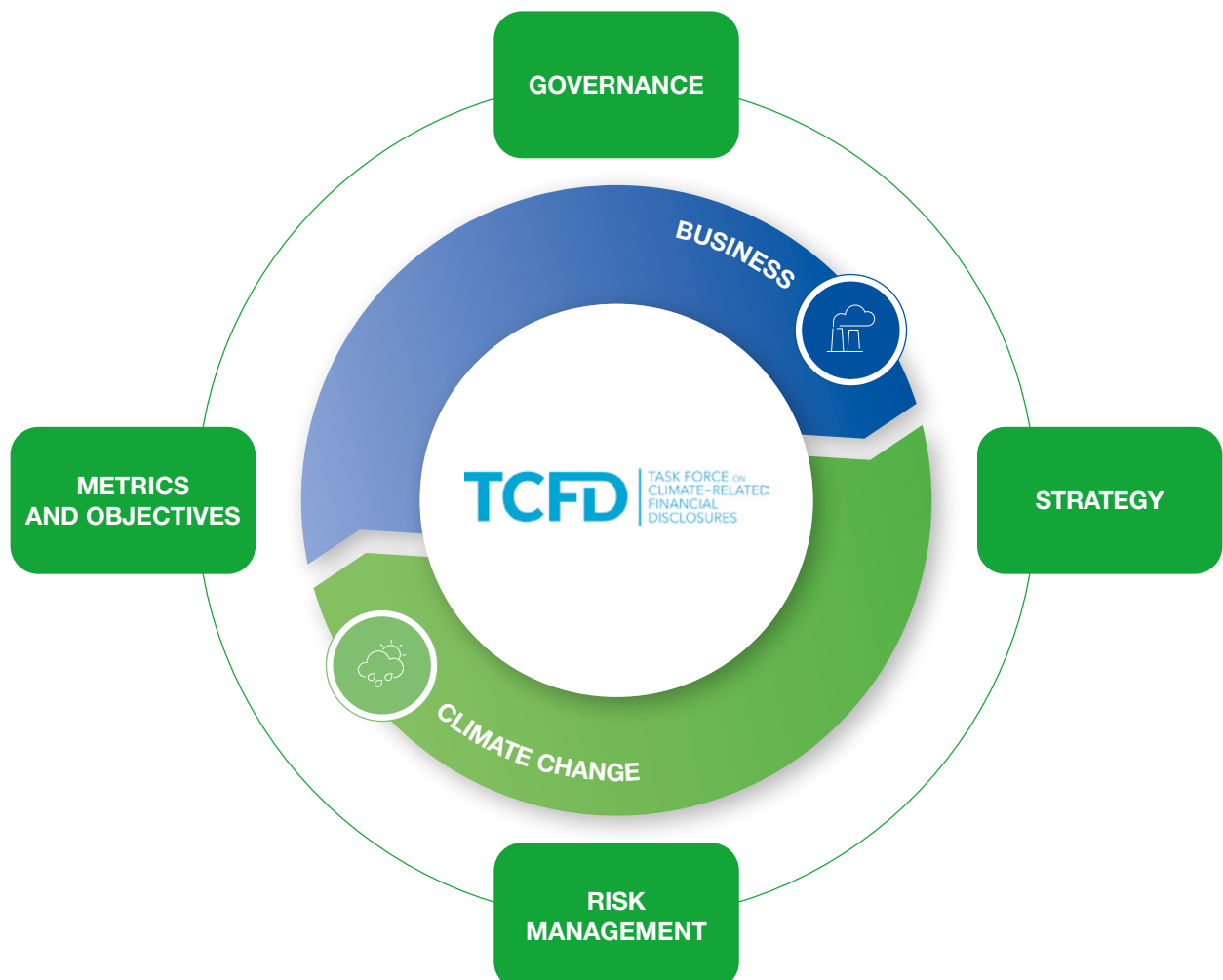
Considering its widespread presence within the country and consequent environmental impact resulting from carrying out its normal activities, Poste Italiane adopts a responsible approach aimed at reducing its environmental footprint and contributing to the country and economy's low-carbon transition.

The Company is aware of the risks related to climate change that are potentially significant for its business activities and therefore considers it important to identify the resulting potential economic impacts.

This commitment is in line with the new edition of the Global Risks Report published by the World Economic Forum in January 2022. The document outlines perceptions on global risks among experts in the field and world leaders at various levels, reviewing these under five categories: economic, environmental, geopolitical, social and technology. The report reveals that the first three global risks that need to be dealt with over the next decade all fall within the environmental category. The classification of the 5 Top Global Risks identified in the Report are shown alongside.



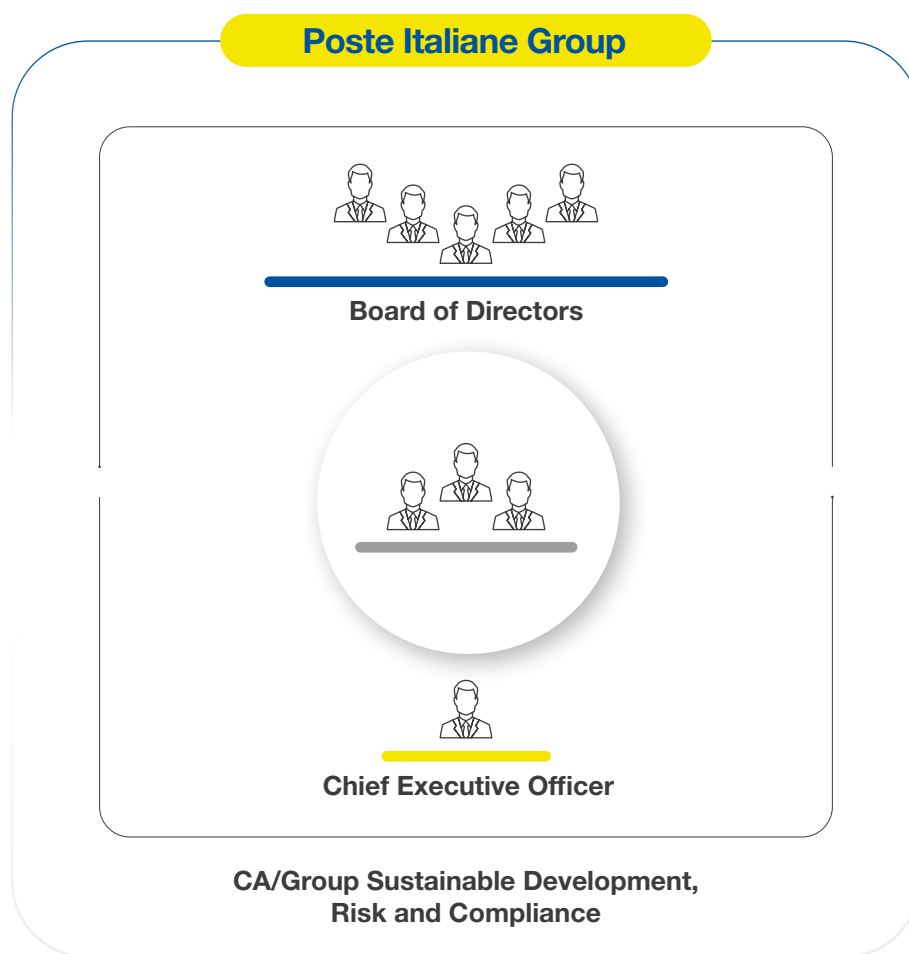
## Top 5 Global Risk



The Task Force on Climate-related Financial Disclosures (TCFD), established in 2015 by the Financial Stability Board (FSB), published a series of recommendations with the objective of supporting companies when disclosing information in a transparent and comprehensive manner, on the risks and opportunities that climate change could mean for company performance. In line with the main regulatory trends and in response to growing demands from the financial community and key stakeholders, Poste Italiane reports climate change information according to the areas defined by the TCFD: Governance, Strategy, Risk Management, Metrics and Objectives.

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

## Governance



The company organisational and governance structures have defined specific roles and responsibilities to manage environmental issues.

- The Board of Directors of Poste Italiane SpA approves the sustainability strategies and guidelines, based on assessments that take into account, among other things, risks and opportunities related to climate change that may be relevant to a more effective reputational positioning for the Group.
- The Sustainability Committee (CSost) has the role of supporting, through investigative, propositional and advisory functions, the evaluations and decisions of the Board of Directors on the Company's internal control and risk management system, including those related to climate change.

Specifically, as part of its functions, CSost carries out an activity specifically dedicated to climate change. The Committee analyses, monitors and processes the Company's environmental strategy, social and governance related strategies (the latter with

reference to Sustainability), including the strategies relating to climate change, the annual targets and results that need to be achieved, taking into consideration potential projects relating to these issues and monitoring their implementation over time. In addition, in conjunction with the Control and Risk Committee, the CSost monitors the risks and opportunities related to climate and all the initiatives undertaken by the Company to address these issues, reporting to the Board of Directors in this regard. At managerial level, the main roles specific to environmental issues are covered by the Chief Executive Officer and the Group Sustainable Development, Risk and Compliance function. The CEO of Poste Italiane SpA is tasked with the establishment, maintenance and monitoring of an effective Internal Control and Risk Management System (SCI GR), and formulating strategies relating to environmental issues, supervising their implementation, continually checking on their adequacy and effectiveness, whilst always considering the related risks and opportunities.

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

- in conjunction with the departments involved, defines the guidelines and objectives of sustainability and corporate social responsibility for the Company, identifying the set of indicators for monitoring sustainability performance, including specific metrics used to monitor environmental risks and opportunities, in line with best practices and international guidelines on the subject;
- at Group level, establishes the single point of reference for the governance and management of all risks, making use of the specialised units that report directly to the CEO (so-called direct controls), as well as other risk controls (so-called indirect controls) present in Poste Italiane and in Group companies.

Lastly, additional controls have been established to correctly identify and manage climate-related risks and opportunities with regard to investment and insurance processes. Referring specifically to investments, BancoPosta Fondi SGR and Poste Vita have set up committees that are responsible for periodically reviewing and assessing the ESG (and therefore also environmental) risk of portfolios and the criteria for assessing the ESG profiles of issuers. With regard to the insurance segment on the other hand, the Risk Office function of Poste Vita is tasked with identifying, analysing and assessing the signs of change from the different aspects of the external environment and, in particular, factors related to climate change. The identification of these signals takes place in conjunction with the "Product Committee – ESG Assessments" which is responsible for periodically reviewing and evaluating the criteria for the definition of ESG profiles and the Company's product catalogue.

In order to classify climate-related risks and opportunities, Poste Italiane takes different drivers into consideration referring to two macro-areas (transition and physical risks), detailed below. The Group linked the relative material topics and impacted capitals in relation to the risks identified and associated with each driver, defined potential negative impacts and the related opportunities and identified specific mitigation measures to put in place. Poste Italiane defined a perimeter in the risk assessment process that takes into consideration not only direct activities, but also downstream and upstream operations, including customers in the final analysis, given that they are the main beneficiaries of Group products. The Company further considered a time frame from 2019-2030, defining measures for the business and activities in relation to short-term (0-3 years), medium-term (3-5 years) and longer term (5-10 years) prospects. The Company's support in the transition to a low carbon emission economy is guided by the commitment of setting emission reducing targets for its commercial operations in line with the Business Plan, reaching carbon neutrality by 2030 and in this way supporting the ambitious Paris Agreement targets of limiting global warming to 1.5°C.

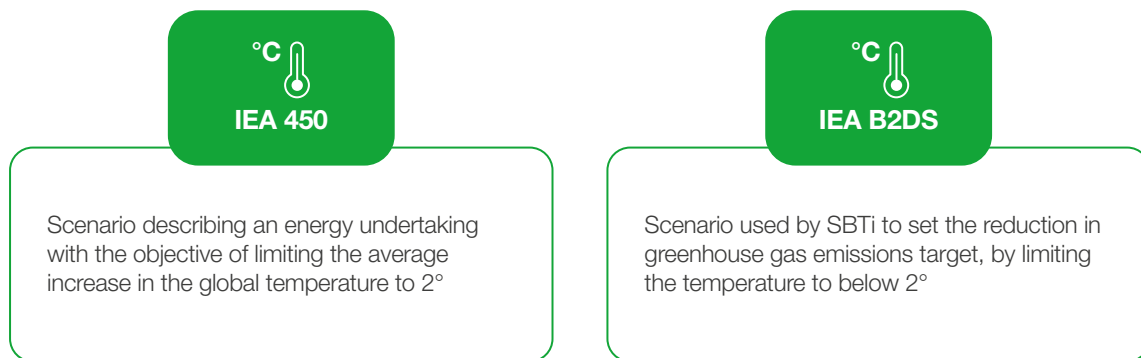
With regard to transition risks, taking the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC) and leading literature on the subject as references, the Group has mapped out different scenarios to reflect potential future development in this area. In particular, in comparing the possible alternatives, Poste has decided to adopt two scenarios, IAE 450 and IEA B2DS, considered as the most consistent with the expected life of goods and assets, thus most appropriate to the Group's business and ambition of aligning itself to maintaining the global temperature at 1.5°C.

The IEA 450 scenario outlines an energy pathway consistent with the objective of limiting the average increase in the global temperature to 2°C, thus limiting the concentration of greenhouse gases in the atmosphere to around 450 parts per CO<sub>2</sub> million equivalent. The scenario envisages significant penetration of renewable energy in the energy sector by 2030, a net improvement in vehicle and process efficiencies, and the widespread replacement of coal with natural gas in the electricity generation segment. From this perspective, the Group has implemented a Renewal Plan since 2019, which envisages the total replacement of the entire vehicle fleet with new generation models with electric, hybrid and endothermic propulsion with low emissions by 2022, thus ensuring a reduction in energy consumption. To measure the value generated by the change in the fleet, Poste Italiane adopted a methodology for assessing investments that combines the traditional financial and sustainability prospective, the so-called "True Value bridge", with the purpose of formulating integrated strategic planning, which creates shared value between the Company and territory, by identifying the net impact of a green fleet compared to a traditional fleet<sup>56</sup>.

The IEA B2DS scenario was taken into consideration, given the relevance attributed by the SBTi (Science Based Target Initiative)

56. For additional information, reference is made to the document "Sustainability and its impacts": <https://www.posteitaliane.it/files/1476526944361/Report-impatti.pdf>

of setting greenhouse gas emission reduction targets. The focus is based on assumptions of climate policy developments and technology to reduce greenhouse gas emissions. Poste Italiane has officially committed to setting science-based targets for its greenhouse gas emissions.







The scenario analysis undertaken by the Company, in addition to considering the basic model assumptions, also looked at trends in the transport sector and the estimates for forecasts and developments in coming years. The Group then drew up projections for its own business aimed at identifying the associated risks and opportunities. The scope of analysis involved the logistics sector, therefore including transport, buildings and structures, the key assets for the Company's business and Carbon Neutrality targets.

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









## 1. REGULATORY DEVELOPMENTS

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












## 2. MARKET DEVELOPMENTS

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












### 3. TECHNOLOGICAL DEVELOPMENTS AND INNOVATION

RISK	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT ACTIONS AND TOOLS
<p>Failure to adjust its business model in line with the technological developments needed to contain climate change related phenomena</p> <p><b>Time frame:</b> Long term</p> <p><b>Pillars impacted:</b></p> <p> <b>Green transition</b> Environmental impacts of logistics</p> <p> <b>Creating value for the country</b> Support for the socio-economic development of local communities</p> <p> <b>Innovation</b> Innovation and digitisation of products, services and processes</p> <p> <b>Customer experience</b> Quality and Customer experience. Cybersecurity, IT Security and Privacy</p> <p><b>Capitals impacted:</b></p> <p> <b>Intellectual</b></p> <p> <b>Financial</b></p> <p> <b>Physical-Structural</b></p> <p> <b>Social-relational</b></p> <p> <b>Natural</b></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>Limited availability of “green” vehicles suitable for carrying out Poste Italiane’s logistics and delivery activities</li> <li>The use of polluting vehicles that could have negative impacts on the environment and on Poste Italiane’s reputation</li> <li>Investments in innovative solutions that nonetheless could have negative impacts on the environment, in terms of polluting emissions and energy consumption</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>Leaner and more efficient management of operations</li> <li>Reduce the Group’s total energy consumption from non-renewable sources (e.g. fossil fuels)</li> <li>Reduction of emissions related to the use of the vehicles that make up the company fleet</li> <li>Cost reduction</li> </ul>	<p>Poste Italiane’s support in the transition to a low carbon emission economy is guided by the commitment of setting emission reducing targets for its commercial operations in line with the Industrial Plan, reaching carbon neutrality by 2030 and in this way supporting the ambitious Paris Agreement targets of limiting global warming to 1.5°C. From this perspective, the Group has implemented a Renewal Plan since 2019, which envisages the total replacement of the entire vehicle fleet with new generation models with electric, hybrid and endothermic propulsion with low emissions by 2022, thus ensuring a reduction in energy consumption.</p> <p>Among companies in the utility sector, Poste Italiane has one of the largest fleets of 100% electric commercial vehicles in the country. A pilot project has been implemented in certain cities, which involves the delivery of vehicles and packages using fully electric vehicles, namely with zero emissions. The zero-emissions delivery project has also been completed in 15 city centres.</p> <p>There are more than 8,000 ecological vehicles or low emission vehicles currently being used by Poste Italiane.</p> <p>The Group is also introducing the use of new three-wheeled electric motorcycles in several cities, to make the delivery of parcels and correspondence by Poste Italiane environmentally friendly, easy and safe. The new tricycles are completely electric-powered, with a capacity of 4 kW that guarantees a maximum speed of 45 km/h in line with the limits imposed by the Highway Code in towns and cities, and energy self-sufficiency of about 60 km that enables postmen to complete their daily delivery round with a single charge.</p> <p>For each new vehicle, Poste Italiane will also install a new electric recharging station, confirming its desire to ensure environmental sustainability in territories and allow its electric fleet to spread increasingly throughout all Italian regions.</p>



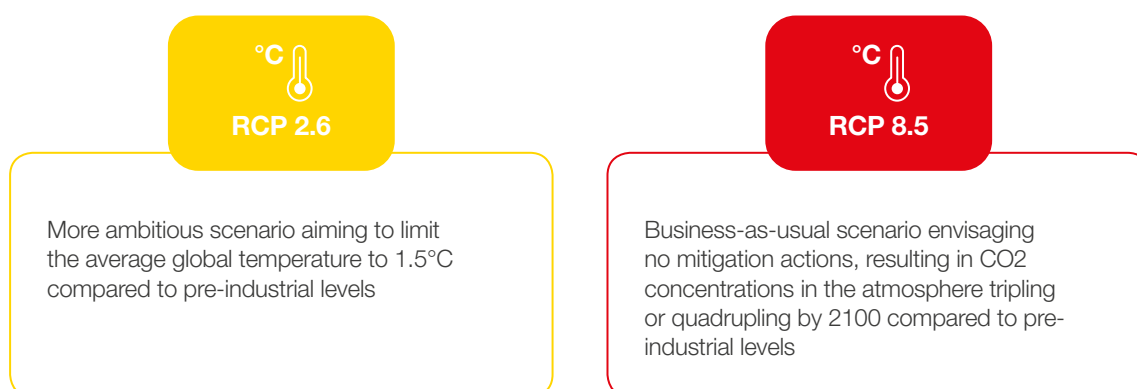
## 4. REPUTATION

RISK	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT ACTIONS AND TOOLS
<p>Activities carried out by the Company or counterparties that could impact negatively on climate, with consequent damage to its reputation</p> <p><b>Time frame:</b> Long term</p> <p><b>Pillars impacted:</b></p> <p> <b>Integrity and transparency</b></p> <p>Working with integrity and transparency</p> <p>Legality and incorporation of ESG criteria within procurement processes</p> <p> <b>Creating value for the country</b></p> <p>Support for the socio-economic development of local communities</p> <p>Dialogue and transparency in relations with the authorities</p> <p> <b>Green transition</b></p> <p>Impatti ambientali degli immobili</p> <p><b>Capitals impacted:</b></p> <p> <b>Human</b></p> <p> <b>Intellectual</b></p> <p> <b>Financial</b></p> <p> <b>Physical-Structural</b></p> <p> <b>Social-relational</b></p> <p> <b>Natural</b></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>Investments that could have negative impacts on the environment</li> <li>Using suppliers that provide goods/services with negative impacts on the environment</li> <li>Focusing attention on the development of the pandemic, with reputational impacts due to reduced commitment to environmental issues</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>Subscribing to international initiatives aimed at climate change related issues</li> <li>Better reaction time compared to competitors in keeping the focus on environmental issues, even in the context of the pandemic</li> </ul>	<p>The risk management model adopted by the Group considers both the possible impacts that climate change-related phenomena may have on the business of Poste Italiane (indirect impact) and those that Company's activities may have on climate (direct impact). The process of identifying and assessing risks and environmental management methods also extends to counterparties (suppliers, business partners, other companies), impacting the procurement processes and any extraordinary finance transactions, providing, among other things, for the identification of suppliers and partners that may present risks related to environmental protection, also through a multi-dimensional analysis that takes into account parameters such as: possession of environmental, quality and energy performance certifications and adoption of environmental management systems, ethical standards of conduct and Minimum Environmental Criteria (MEC).</p> <p>The correct identification and assessment of climate-related risks and opportunities is also ensured by listening to stakeholders who are periodically involved in the Multi-stakeholder Forums organised by Poste Italiane. A reporting system has also been set up, making it possible to bring any perceived risks to the Company's attention.</p> <p>In line with its decarbonisation strategy and in implementing the guidelines to exercise voting rights and engagement activities and for investment in sensitive sectors, Poste Italiane, through its subsidiaries Poste Vita and BancoPosta Fondi SGR, has joined Climate Action 100+, an international collaborative engagement initiative to raise awareness on climate change issues among the world's largest greenhouse gas emitters.</p> <p>While managing the health emergency, Poste Italiane is focused on pursuing sustainable development by continuing to invest in projects aimed at strengthening ESG initiatives. In order to reduce the direct impact that the Company's activities may have on climate, Poste Italiane is making constant progress in using energy sources that do not use fossil fuels (e.g. solar energy from photovoltaic panels on buildings) and in reducing energy consumption (e.g. replacing neon lights and using LEDs), partly in order to deal with potential sudden changes in energy prices. Among other things, Poste Italiane, in line with its adhesion to the Paris Agreement and the New Green Deal, has set itself the ambitious goal of making its contribution to the achievement of international carbon neutrality objectives by 2030, well ahead of the timeframe defined by the European Union.</p>



With regard to the physical risk assessment, Poste Italiane Governance focusing on risks and sustainability, in line with IPCC developments on a world scale relating to climate projections, recently updated its climate and water risk assessment methodology so as to better understand not only the risks, but also assess potential physical risks and opportunities. The Group conducted a thorough assessment from this perspective, including in the analysis all Group production and disposal sites located throughout Italy.

Specifically, after a broad-based analysis process assessing the primary greenhouse gas Representative Concentration Pathways (RCP), and how these pathways correspond with expected life of goods and assets, Poste Italiane selected two scenarios: RCP 2.6 and RCP 8.5. Poste Italiane selected RCP 2.6 as the reference scenario, due to its ambitious targets of mitigating the risks envisaged in the Business Plan in relation to the panorama identified by the IPCC. The RCP 2.6 scenario envisages a peak in emissions during an initial phase, which will then come down due to the active removal of carbon dioxide from the atmosphere. RCP 2.6 is also referred to as RCP 3PD, with regard to the half-century peak of  $\sim 3\text{W}/\text{m}^2$  that will be followed by a consistent reduction. In terms of zero greenhouse gas emissions by 2100, this scenario is based on concerted intervention on the regulations and policies front, resulting in an almost immediate reduction in greenhouse gas emissions (GHG). The Group has also considered the IPCC “RCP 8.5” scenario, as this is an example of the worst-case scenario, namely conditions with continually increasing emissions during the XXI century. The RCP 8.5 pathway is the outcome of little effort to reduce emissions and represents a failure in cutting back warming by 2100. With regard to climate projections for the two scenarios, in terms of RCP 8.5, the areas around the Mediterranean will experience increased temperatures and reduced rainfall, which will become more intense in the second half of the century, with the trend rising up until 2100. Based on the RCP 2.6 scenario on the other hand, there will be similar effects that will be less intense during the first half of the century, with the trend coming down in the second half. This will result in a significant difference between the two scenarios by 2100.



The Group has conducted a risk assessment so as to assess the potential impact of physical events related to climate change developments in relation to its business. The risk assessment considered the extent of the existing risk at sites and the future risk up until 2024 (medium-term scenario), from a RCP 2.6 and RCP 8.5 scenario perspective. In addition to the base assumptions for the selected models, the Company also conducted a study relating to data extracted from the main rainfall and temperature parameters for these scenarios, comparing them with current data, so as to determine the importance of the change compared to the existing risk at the sites examined, in line with the RCP 2.6 scenario and taking into consideration the implications of the worst-case RCP 8.5 scenario. Future projections for changes to the physical risk levels associated with natural disasters are significant in strategic terms, even though in most cases, there still remains some uncertainty. On the other hand, we must also avoid placing too much trust in what is already apparent from climate science. The Poste Italiane risk assessment is therefore sufficient in relation to the increasing level of risk for its business and operations. The physical risk assessment covered all revenue generated by the Group, equalling € 11.2 billion in 2021 referring to existing operations, mainly Post Offices and hubs, which are potentially the sites that will be most impacted by extreme climatic conditions. Furthermore, from a long-term perspective, in line with the Business Plan and Carbon Neutrality target for 2030, all new operations undergo a risk assessment that also takes into consideration physical climate risks.








The product result of the risk assessment is then translated into the potential days of interruption to operations and then multiplied by the value of lost revenue (euro) for one day of interrupted operations. The main risks emerging from the scenario analysis are therefore extreme weather events and changes in rainfall trends. The more serious extreme weather events like rain, storms, snowstorms and possible floods or frost, with the resulting landslides and flooding, could cause interruptions to production, sorting and also logistics activities, with damage to sites and higher logistics costs. This serious physical damage and the interruption to the electricity supply would result in a negative impact on the Company's financial performance, and therefore on the results

and cash flow, as well as damage the corporate reputation with a consequent loss in customer confidence. An example of this are the floods experienced in Genoa in 2016, 2019 and 2020, when the Group worked in conjunction with local and national authorities. Flooding was caused by the excessive rain that peaked well above 500 mm in just a few hours in different areas of the city of Genoa and province, causing floods and swollen rivers. The violent storm resulted in rivers overflowing, generating a huge wave of muddy water mixed with detritus, which swept through half the city causing fatalities and injuries, and considerable damage to infrastructure. The Poste Italiane Post Offices were among the buildings damaged, with services consequently suspended. A similar natural disaster also occurred in Sicily, with a series of floods in 2018, 2020 and 2021. In particular, in October 2021, when the equivalent of 6-months of rainfall fell in 48 hours, causing significant damage in the Catania region, many Post Offices had to suspend their services.

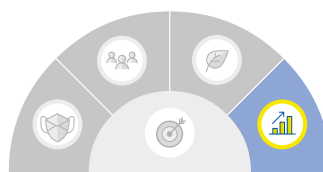
As noted above, Poste Italiane conducted an analysis based on its production and sorting facilities in different areas of Italy, in consideration of a possible interruption to services. The Group was thus able to assess the potential financial impact of climate events in relation to 2024. The sites with the highest potential financial impact due to flooding in 2024 are located in the northern Italian regions. More specifically, the new hubs in Bologna and Landriano were identified as high-risk sites and which could cause significant losses in revenue, due to interruptions in the significant service levels they provide. The Group has put in place specific mitigation measures in relation to the physical risks caused by extreme climate conditions (e.g. landslides, avalanches, flooding, etc.), which are set out in the table below.



## 5. EXTREME WEATHER CONDITIONS

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

# Managing emerging risks and the related opportunities



## MAIN RELATED TYPES OF CAPITAL



Given the pervasiveness of emerging risks, Poste Italiane considered it necessary to incorporate and manage them within its risk management processes. Emerging risks considered are exogenous, disruptive events that can threaten the business model over a long-term horizon (10-20 years) and are potential game changers for the industry and the context in which organisations operate. They are usually characterised by elements, such as:



- uncertainty and visibility: lack of data to analyse the phenomenon and difficulty in finding skills, knowledge and awareness of the potential effects that emerging risks have on a business model;
- timing of changes: changes derive from radical changes in the external context of reference (socio-environmental, legislative, technological, habits, etc.) altering routines in a destructive way on different fronts and with unpredictable time escalations;
- management complexity: increasing complexity of management methods. There are no immediate response actions as the events are derived from highly interconnected exogenous factors with strong systemic dependencies and time accelerations.

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



## AGEING POPULATION:

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





MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The process of ageing population is a phenomenon that is already clearly visible in the economies of the Eurozone and is destined to become more accentuated in the coming decades, with a reduction in the working-age population compared with the older population, which will instead tend to increase.</p> <p>Ageing could also significantly affect economic growth and have a negative impact on productivity. This aspect is also accentuated by the change in the balance between the active population and the retired population as well as by the irregular and low income capacity of younger people with consequent unfavourable effects on the social security system.</p> <p>However, the rise in life expectancy and the increase in average age could support the emergence of new markets and new businesses.</p> <p><b>Trend: Increasing</b></p> <p><b>Risks impacted:</b></p> <ul style="list-style-type: none"> <li>• Operational</li> <li>• Financial and Insurance</li> </ul> <p><b>SBU's impacted:</b></p> <ul style="list-style-type: none"> <li>• Insurance Service</li> <li>• Mail, Parcels and Distribution</li> <li>• Payments and Mobile</li> <li>• Financial Services</li> </ul> <p><b>Pillars and relevant topics impacted:</b></p> <p> <b>Diversity and inclusion</b></p> <p>Protection of human rights Equal career development opportunities.</p> <p> <b>Innovation</b></p> <p>Innovation and digitisation of products, services and processes</p> <p><i>Continued</i></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>• Inadequacy of product offers (e.g., mobile phone price plans) and postal services (e.g., excessive digitisation of services) for changing consumer needs</li> <li>• Increase in insurance costs borne by the Group relating to care, assistance and welfare expenses for the elderly</li> <li>• Difficulty in developing reliable forecasting models that allow the Group to predict market developments</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Increased business opportunities due to changes in consumer needs, based on meeting the needs of the more mature population</li> <li>• Increased demand for life and non-life insurance products</li> </ul>	<p>Aware of the opportunities linked to the ageing of the population and considering the strong impact of demographic trends on its services, the Group has developed specific products for segments of the population with evolving needs, such as, for example, the insurance product Postaprotezione Infortuni Senior Più specifically dedicated to people aged between 59 and 79. Each product offered by the Company is accompanied by clear and usable information to all types of customers in order to allow them to always choose consciously.</p> <p>Poste Italiane also launched the “Silver Economy” Programme designed for senior citizens, with the aim of managing all the Group's actions dedicated to this important segment of the population in a single synergistic framework. It is a package of financial and savings services, insurance, telephony, shipping and delivery, ideal solutions tailored to specific customers, making Poste Italiane a single point of contact able to meet different needs. The programme aims to help improve knowledge of financial and digital tools, through a training course led by Poste Italiane's financial and digital experts.</p> <p>Poste Italiane promotes integrated strategies that promote dialogue and an exchange between generations within the Company, on the basis of demographic forecasts and the relative impact on turnover. In this respect, the Group promotes the contamination of different social, cultural and work experiences, as well as different skills, knowledge bases and expertise typical of each generation, encouraging discussion from a complementary perspective and open approach needed to facilitate the exchange of experiences to support inclusion and possible adoption. In particular, in the scope of the actions supporting an inter-generational exchange within the organisation, promotes the “Connected generations” survey, an initiative that continues the “FishBowl generation” project, which aims to focus on languages, work styles and the needs of the different generations in the Company in order to identify and enhance shared actions that can promote a generational alliance.</p> <p>Induction &amp; Onboarding programmes have also been promoted with mentoring and knowledge transfer activities. A motivational support programme for seniors was introduced, with multi-generational team management models.</p> <p>Poste Italiane has started up a programmes for computer literacy and digital education, aimed at seniors, so that they can make full and conscient use of the tools at their disposal.</p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p> <b>Creating value for the country</b> Support for the socio-economic development of local communities</p> <p> <b>Customer experience</b> Quality and Customer experience</p> <p> <b>People development</b> Staff training and development</p> <p><b>Capitals impacted:</b></p> <p> <b>Financial</b></p> <p> <b>Human</b></p> <p> <b>Physical-Structural</b></p> <p> <b>Social-relational</b></p> <p> <b>Intellectual</b></p>		



## REGULATORY AMENDMENTS:


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

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



## PANDEMIC RISK:

Negative effects for Poste Italiane's business resulting from the global spread of the pandemic


MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>In an increasingly globalised world, the emergence or mutation of viruses and bacteria can have serious impacts on the macroeconomic environment, disrupting national economies and undermining the health of the population, with consequent impacts on business operations and consumer behaviour.</p> <p><b>Trend: Stable</b></p> <p><b>Risks impacted:</b></p> <ul style="list-style-type: none"> <li>• Strategic</li> <li>• Operational</li> <li>• Compliance</li> <li>• Reputational</li> <li>• Financial and Insurance</li> <li>• ESG</li> </ul> <p><b>SBU's Impacted:</b></p> <ul style="list-style-type: none"> <li>• Mail, Parcels and Distribution</li> <li>• Payments and Mobile</li> <li>• Financial Services</li> <li>• Insurance Services</li> </ul> <p><b>Pillars and relevant topics impacted:</b></p> <p> <b>Innovation</b></p> <p>Innovation and digitisation of products, services and processes</p> <p> <b>Creating value for the country</b></p> <p>Dialogue and transparency in relations with the authorities</p> <p>Support for the socio-economic development of local communities</p> <p> <b>Customer experience</b></p> <p>Quality and Customer experience</p> <p> <b>People development</b></p> <p>Occupational health and safety</p> <p>Staff training and development.</p> <p><b>Capitals impacted:</b></p> <p> <b>Financial</b></p> <p> <b>Human</b></p> <p> <b>Physical-structural</b></p> <p> <b>Social-relational</b></p> <p> <b>Intellectual</b></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>• Possible economic repercussions from a global recession, resulting in a reduction in consumption of the products offered by Poste and difficulties in dealing with recovery</li> <li>• Adoption of new work models, which can create greater exposure to cyber attacks and fraudulent use of data</li> <li>• Difficulties in the timely management of new pandemics and inability to guarantee business continuity in the provision of its services</li> <li>• Amplification and acceleration of the effects of the main existing or emerging risks (e.g., disruption of the supply chains needed to carry out Poste Italiane's business activities and remote management of personnel)</li> <li>• Focusing attention on the development of the pandemic, with reputational impacts due to reduced commitment to ESG issues (e.g. reduction of environmental investments)</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Increased efficiency and productivity due to the adoption of remote working models and digital solutions to support the business</li> <li>• Acceleration of the transition to digitisation, with a consequent increase in demand for the digital products offered by Poste Italiane</li> <li>• Increased business opportunities due to changes in consumer needs, based on meeting the needs determined by the effects of the pandemic on the evolution of the socioeconomic context</li> <li>• Cost reduction (e.g. travel; property management)</li> </ul>	<p>The experience gained in the management of the health emergency resulting from the spread of Covid-19, has allowed the Group to develop operating methods that have significantly reduced the potential impact on business continuity (e.g. organisational measures to reshape operations for the branch network and logistics-postal activities; purchase of laptops and software to carry out activities in remote working mode; expansion and strengthening of tools for remote connection, managing travels). In particular, the Group has been actively involved in constantly monitoring the evolution of the virus, which has allowed proactive management of its effects, also in the long term, through investments in new technologies, in the security of IT infrastructures and in personnel training, making it possible to provide services in compliance with the security protocols necessary to combat the spread of Covid-19. In this respect, a Committee was established to manage the Coronavirus risk, ensuring standard and coordinated management of containment and prevention measures at national level.</p> <p>Furthermore, Poste Italiane opened an interactive channel with all the institutions potentially affected by the phenomenon and interacted with the government bodies in charge of crisis management, as well as implementing a platform to facilitate the vaccination campaign.</p> <p>These structures, which are now part of the Group's organisation and operations, may represent useful resources for the management of any future emergency conditions.</p> <p>With regard to the management of a new emergency measures and/or a new pandemic, the Group can leverage its specific strengths linked to the diversification of its activities, its multichannel approach and the growth of its digital business, which ensure the service is also provided outside traditional post offices. The majority of the Group's overall revenue will not be linked to shortterm commercial activities and the business model of BancoPosta is capital light, not assuming credit risk.</p> <p>In addition, the current pandemic has accelerated the Group's digitisation path, which has therefore not only developed digital products and services, sustainable over time, in the postal, insurance, financial and payment areas, but also introduced new ways of selling and communicating with customers, improving the performance of Poste's Digital Assistant, for example, through the introduction of the voicebot, which is able to address numerous standardised and repetitive service requests, giving valuable time to employees in the Customer Service area to manage more complex and emerging situations.</p> <p>While managing the health emergency, Poste Italiane focuses on pursuing sustainable development by continuing to invest in projects aimed at strengthening ESG initiatives, as highlighted in the Sustainability Strategy.</p>










## TECHNOLOGICAL INNOVATIONS:

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







MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Digital transformation and technological advances have not only created a wide range of benefits for companies, but have also amplified the risks that need to be understood and managed. In particular, the development of technology is a process that generates impacts that move in a twofold direction: positive, for the innovations that allow to pursue more efficient and sustainable solutions; negative, for the consequences that robotics and data centres can have on the environment, in terms of polluting emissions and energy consumption.</p> <p>Moreover, in view of the activities carried out by Poste Italiane, it is necessary to consider that the e-substitution is drawing a new market perimeter, produced by the exceedance of the digital market (electronic communications) and the Parcels segment (especially due to the spread of e-commerce), as well as changes in the habits and behavioural patterns of the population.</p> <p><b>Trend: Increasing</b></p> <p><b>Risks impacted:</b></p> <ul style="list-style-type: none"> <li>• Operational</li> <li>• Strategic</li> <li>• Compliance</li> <li>• Reputational</li> </ul> <p><b>SBU's impacted:</b></p> <ul style="list-style-type: none"> <li>• Payments and Mobile</li> <li>• Financial Services</li> <li>• Insurance Service</li> <li>• Mail, Parcels and Distribution</li> </ul> <p><b>Pillars and relevant topics impacted:</b></p> <p> <b>Innovation</b></p> <p>Innovation and digitisation of products, services and processes</p> <p> <b>Creating value for the country</b></p> <p>Support for the socio-economic development of local communities</p> <p><i>Continued</i></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>• Inability to maintain attractiveness, due to the excessive digitisation of the products and services offered, towards part of Poste Italiane's traditional customers and/or potential target customers not reachable due to the digital divide</li> <li>• Inadequacy of standard products for changing consumer needs</li> <li>• Difficulty in responding in a timely manner to the digital drive in the sectors in which Poste Italiane operates</li> <li>• Interruption of digital services provided by Poste Italiane</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Development of technological products corresponding to customers' needs</li> <li>• Development of new technologies to strengthen Poste Italiane processes</li> <li>• Great ability than competitors to understand customer needs, also with reference to targets in the "digital divide"</li> <li>• Increased demand for the products offered by Poste Italiane, thanks to customer confidence in its handling of privacy and sustainability issues</li> </ul>	<p>The digital revolution undertaken by Poste Italiane has not only impacted on its own offering, but also company processes through the evolution of its distribution model in an omni-channel perspective that allows the Company the possibility to provide services in an agile manner and in step with the needs of its customers.</p> <p>Through a path of digitisation of services, Poste Italiane intends to make available integrated digital solutions. In particular, a "Digital Platform of Integrated Communication" will be realised to support the process of digital communication between citizens, companies and PA, safeguarding citizens in digital divide.</p> <p>Poste Italiane and Microsoft signed a partnership that aims to continue the digital transformation path started by Poste Italiane and that promotes the provision of advanced digital services. The new agreement revolves around three strategic areas of collaboration: 1) the creation of an "Ecosystem Platform for SMEs" aimed at promoting the digital transformation of companies that drive the country's economy; ii) the development of a National Hybrid Cloud Platform that combines the pillars of Poste Italiane Data Centre architecture with Microsoft Azure cloud solutions to enable the world of private companies and Public Administration to undertake digital transformation and modernisation of public services and iii) the adoption of Modern Workplace cloud platforms for collaboration and information sharing with all corporate figures in order to drive cultural change on the front of new working models, also in light of the needs that emerged with the Covid-19 emergency.</p> <p>The channels of communication with customers are also constantly evolving, leading to the development of Artificial Intelligence solutions, such as the creation of chatbot services to respond more efficiently and promptly to customer requests (for example, making it possible for customers to request data for the submission of their Equivalent Economic Situation Index [ISEE] with Poste Italiane's digital assistance). Among the actions aimed at reducing the digital divide, in recent years, Poste Italiane has undertaken a path to digitally educate citizens, carried out through the organisation of several training sessions with the aim of providing a valuable contribution to the digitisation of Italy, as well as by extending the dedicated section on the internet site with video clips, games, infographics podcasts and glossaries.</p> <p>Through the programme, the Group has adopted a highly inclusive approach to facilitate and simplify the use of new technologies to all its customers and beyond.</p> <p><i>Continued</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p> <b>Customer experience</b></p> <p>Quality and Customer experience Cybersecurity, IT Security and Privacy</p> <p><b>Capitals impacted:</b></p> <p> <b>Financial</b></p> <p> <b>Physical-structural</b></p> <p> <b>Social-relational</b></p> <p> <b>Intellectual</b></p>		<p><i>Continued</i></p> <p>Poste Italiane has introduced the “Smart Letter Box” project in conjunction with A2A, to renew the traditional post office boxes and equip them with IoT technologies and sensors. In addition to sensors detecting the arrival of correspondence, the new Poste Italiane Smart Letter Boxes are equipped with temperature and humidity sensors and pollution sensors, to become intelligent collection points of information on the territory and environment. This collaboration has already resulted in 50 smart boxes being installed, with a target of 11 thousand smart boxes by 2022.</p> <p>In addition, Poste Italiane has invested in infrastructure and innovation, focusing on technological knowledge and digitisation. In particular, Poste Italiane is one of the 10 operators engaged in Italy in providing digital identity to citizens, the so-called “SPID”, the Public Digital Identity System. This service has made it possible to bridge the gap between citizens and the Public Administration and make many claims easier and faster. Furthermore, the Group is committed to facilitating the transition from physical to digital payments by organising digital literacy programmes for citizens.</p>



## CYBER RISK:

Risk of incurring economic/financial losses and/or reputational damage subsequent to accidental events or malicious actions pertaining to the information system's security (hardware, software, data banks, sensitive data, etc.)




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







MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
		<p><i>Continued</i></p> <p>Poste Italiane has obtained the following cybersecurity related certifications:</p> <ul style="list-style-type: none"> <li>• ISO/IEC 27001/2013, standard for establishing and managing an information security management system. The standard also includes the requirements for assessing and dealing with IT security risks, which are customised according to the needs of each organisation.</li> <li>• ISO 2000-1/2018, the international standard for the management of IT services (IT Service Management), focusing on the quality of these services. This is based on risk management, with the aim of reconciling the risks associated with increasingly tough reactions by customers to “discrepancy” situations to a minimum with the expectations, needs and requirements, including the management of incidents, requests, continuity, accessibility, service levels, the catalogue of services and service capacity.</li> </ul> <p>In order to guarantee Group-wide supervision of cybersecurity and data protection activities, and to actively combat cybercrime, in 2021, Poste Italiane set up CERT (Computer Emergency Response Team). The team includes a number of IT security experts that carry out their functions in real time, 24 hours a day, for risk prevention, the management of IT incidents affecting company systems and the development of actions in response to cyber events, thus strengthening the defence capacity of the entire Company. Furthermore, Poste Italiane collaborates with CNAIPIC (National Centre Against Cybercrime for the Protection of Critical Infrastructure) of the Postal Police.</p> <p>In order to ensure adequate levels of confidentiality, integrity and availability of data, information and services provided to customers, Poste Italiane has further developed and adopted a specific Privacy framework. The Privacy Function provides a single point of control on regulatory compliance at Group level for all issues in relation to privacy and steers the development of the abovementioned framework. Poste Italiane has set up the figure of the Data Protection Officer, as a privacy expert who assumes responsibility for observing, evaluating and directing the management of personal data processing, as required by the GDPR. The Privacy Service Centre operates within the function, representing a single point of reference for customers in matters of privacy and to efficiently and centrally collect and manage all requests received from customers.</p>



## CLIMATE CHANGE:

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








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

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p><b>Capitals impacted:</b></p> <ul style="list-style-type: none"> <li> Financial</li> <li> Human</li> <li> Natural</li> <li> Physical-structural</li> <li> Social-relational</li> <li> Intellectual</li> </ul>		<p><i>Continued</i></p> <p>In line with its decarbonisation strategy and in implementing the guidelines to exercise voting rights and engagement activities and for investment in sensitive sectors, Poste Italiane, through its subsidiaries Poste Vita and BancoPosta Fondi SGR, has joined Climate Action 100+, an international collaborative engagement initiative to raise awareness on climate change issues among the world's largest greenhouse gas emitters.</p> <p>The portfolios of BancoPosta Fondi SGR and Poste Vita are periodically subjected to ESG analysis to assess their degree of social responsibility, and carbon footprint, with the aim of mitigating any risks. The results obtained both for BancoPosta Fondi SGR and Poste Vita, are higher than the ESG performance of these reference benchmark.</p> <p>As part of the Poste Italiane Group's strategy for pursuing its sustainability objectives, the integration of ESG principles into its investment processes is also of particular importance, with investments in sectors that contribute to the Sustainable Development Goals ("SDGs") (e.g. investments in bonds in the "Green", "Social" and "Sustainable" categories in line with the standards and principles defined by the International Capital Market Association).</p> <p>In line with the main regulatory trends and in response to growing demands from the financial community and key stakeholders, Poste Italiane reports climate change information according to the areas defined by the TCFD: Governance, Strategy, Risk Management, Metrics and Objectives. For further details, please refer to the paragraph "Managing climate change related risks and opportunities".</p> <p>In order to reduce the direct impact that the Group's activities may have on climate, Poste Italiane is making constant progress in using energy sources that do not use fossil fuels (e.g. solar energy from photovoltaic panels on buildings) and in reducing energy consumption (e.g. replacing neon lights and using LEDs), partly in order to deal with potential sudden changes in energy prices (currently, 95% of the Poste Italiane Group's electricity requirement comes from renewable sources).</p> <p>Among other things, in line with having subscribed to the Paris Agreement and the New Green Deal, Poste Italiane has committed to reducing its emissions by 30% by 2025 and has set itself the ambitious goal of making its contribution to achieving the international carbon neutrality objectives by 2030, well ahead of the timeframe defined by the European Union.</p>



## EVOLUTION OF THE PAYMENT SYSTEM:

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









MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Internet access and the use of electronic payments is spreading worldwide. Consumers who shop online are also looking across borders for the products and services they want, and are developing new habits and needs geared towards the use of electronic payment solutions.</p> <p><b>Trend: Increasing</b></p> <p><b>Risks impacted:</b></p> <ul style="list-style-type: none"> <li>Operational</li> <li>Strategic</li> <li>Reputational</li> <li>Compliance</li> </ul> <p><b>SBU's impacted:</b></p> <ul style="list-style-type: none"> <li>Payments and Mobile</li> </ul> <p><b>Pillars and relevant topics impacted:</b></p> <p> <b>Innovation</b></p> <p>Innovation and digitisation of products, services and processes</p> <p> <b>Customer experience</b></p> <p>Quality and Customer experience</p> <p><b>Capitals impacted:</b></p> <p> <b>Financial</b></p> <p> <b>Physical-structural</b></p> <p> <b>Social-relational</b></p> <p> <b>Intellectual</b></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>Poste Italiane's untimely response to emerging payment trends resulting in loss of market share</li> <li>Inability to maintain attractiveness to traditional customers, potentially more averse to digital channels, for Poste Italiane's electronic payment services</li> <li>Increase in Poste Italiane's competitors in the payments sector (e.g. organisations introducing new payment systems)</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>Adoption of strategies to increasingly personalise the offer of payment services</li> <li>Adoption of new technologies that can be extended to the current customer target of Poste Italiane</li> <li>Segmentation and differentiation of the offer, through the expansion of Poste Italiane's customer target (e.g. young people)</li> <li>Creation of a specific offer for Poste Italiane's digitally evolved customers</li> <li>Launch of new products (e.g. platforms and instruments for cryptocurrency payments)</li> </ul>	<p>In order to provide new payment solutions and respond to the changing needs of its customers, Poste Italiane is developing new digital payment services, intercepting and driving customer habits in the context of digital transformation, through the creation of innovative products and services that simplify everyday life, such as:</p> <ul style="list-style-type: none"> <li>Postepay Connect, first integrated payment and mobile product that allows managing, through a single app, telephony and payment services in an intuitive and secure way;</li> <li>Postepay app, the e-wallet that allows paying for purchases directly with a smartphone in all stores that accept contactless payments, thanks to the recent introduction of the Google Pay service in the app;</li> <li><b>Codice Postepay</b> , an app that allows buying in stores using a qr code and getting discounts and benefits at affiliated partners. The proposal of a fully digital acquiring offer, using qr codes, will help accelerate Italy's transformation from using cash in payments to digital solutions, using a technology well known in major Asian markets;</li> <li>Collaboration agreements with start-ups for the development of innovative solutions in the financial services and payments area.</li> <li>From the perspective of extending its services, Poste Italiane has made it possible to make contactless payments for customers using iPhones, Apple Watch, iPads and Mac via Apple Pay, with the possibility of adding their prepaid or debit Postepay card associated with their BancoPosta current account, in the Apple wallet.</li> </ul>





## MOBILITY REVOLUTION:

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

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The transport sector is undergoing significant transformation, driven primarily by technological innovations and the impact from digital on the habits, needs and preferences in terms of mobility from passengers and companies.</p> <p>In addition, the shift towards more sustainable modes of transport, the control of polluting emissions, the environmental sustainability of major works are issues that increasingly guide the preferences of citizens and the choices of transport operators.</p> <p><b>Trend: Increasing</b></p> <p><b>Risks impacted:</b></p> <ul style="list-style-type: none"> <li>Operational</li> <li>Reputational</li> <li>Compliance</li> </ul> <p><b>SBU's impacted:</b></p> <ul style="list-style-type: none"> <li>Mail, Parcels and Distribution</li> </ul> <p><b>Pillars and relevant topics impacted:</b></p> <p> <b>Integrity and transparency</b></p> <p>Legality and incorporation of ESG criteria within procurement processes</p> <p> <b>Creating value for the country</b></p> <p>Support for the socio-economic development of local communities</p> <p> <b>Green transition</b></p> <p>Environmental impacts of logistics</p> <p><b>Capitals impacted:</b></p> <p> <b>Financial</b></p> <p> <b>Human</b></p> <p> <b>Natural</b></p> <p> <b>Physical-structural</b></p> <p> <b>Social-relational</b></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>Restrictions on Poste Italiane's operations, with particular reference to deliveries, due to traffic restrictions (e.g. restrictions on polluting vehicles)</li> <li>Limited availability of "green" vehicles suitable for carrying out Poste Italiane's logistics and delivery activities</li> <li>Negative impacts on the environment and on Poste Italiane's reputation due to the use of polluting vehicles</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>Reduce the Group's total energy consumption from non-renewable sources (e.g. fossil fuels)</li> <li>Reduction of emissions related to the use of the vehicles that make up the company fleet</li> <li>Leaner and more efficient management of operations</li> <li>Cost reduction</li> </ul>	<p>Poste Italiane, aware that the vehicles used to carry out its logistics and delivery activities do not lend themselves to any type of optimisation, has been replacing them with equivalent electric-powered vehicles in recent years, improving its fleet in order to reduce atmospheric pollution. Among companies in the utility sector, Poste Italiane has one of the largest fleets of 100% electric commercial vehicles in the country.</p> <p>In addition, the Group is introducing in several cities the use of new three-wheeled electric motorcycles, to make the delivery of parcels and correspondence by Poste Italiane environmentally friendly, easy and safe. The new tricycles are completely electric-powered, with a capacity of 4 kW that guarantees a maximum speed of 45 km/h in line with the limits imposed by the Highway Code in towns and cities, and energy self-sufficiency of about 60 km that enables postmen to complete their daily delivery round with a single charge.</p> <p>For each new vehicle, Poste Italiane will also install a new electric recharging station, confirming its desire to ensure greater environmental sustainability throughout the country and allow its electric fleet to spread throughout all Italian regions.</p> <p>A pilot project has been implemented in certain cities, which involves the delivery of vehicles and packages using fully electric vehicles, namely with zero emissions. The zero-emissions delivery project has also been completed in 15 city centres.</p> <p>There are more than 8,000 ecological vehicles or low emission vehicles currently being used by Poste Italiane.</p> <p>In the scope of the objectives set in the "2024 Sustain &amp; Innovate Plus" Strategic Plan, Poste Italiane aims to replace the entire vehicle fleet in coming years with 27,800 new generation green vehicles, with electric, hybrid and endothermic propulsion with low emissions, thus reducing polluting emissions by 40%.</p> <p>With regard to purchasing logistics services, Poste Italiane adopts behaviour that is consistent with sustainability issues, selecting and rewarding suppliers in line with the environmental, social and governance issues that the Poste Italiane Group promotes. In particular, for transport services there is a score that rewards eco-sustainability for suppliers who provide vehicles with lower CO<sub>2</sub> emission classes.</p>














## EVOLUTION IN CONSUMER BEHAVIOUR:

Changes in customer needs and expectations not corresponding to the products and services offered by the Poste Italiane Group, which need to incorporate these changes over the short term, and respond with significant operational and production adjustments



MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>Purchasing logic and habits are continually changing and so too are consumers' needs and requirements: extending the range of product and service offerings to the market and making these immediately accessible thanks to technological innovation, requires companies to make a greater effort in securing customer loyalty and responding to their changing needs in terms of preferences and product experiences.</p> <p>In particular, there is a radical change emerging where a purchase is no longer limited to an assessment, choice and eventual acquisition of a product or service based on its characteristic and price, but rather an actual experience, where the consumer is personally involved. In addition, consumers are paying increasing attention to social and environmental issues in their purchasing decisions and are prepared to pay a premium to ensure the products and services they buy are sustainable.</p> <p>In a constantly evolving scenario, permeated by mobile devices, social networking platforms, e-commerce and multi-channel, it is necessary for companies to establish relationships of trust and complicity with their customers, in order to intercept any change in their needs and behaviours.</p> <p><b>Trend: Increasing</b></p> <p><b>Risks impacted:</b></p> <ul style="list-style-type: none"> <li>• Strategic</li> <li>• Operational</li> </ul> <p><b>SBU's impacted:</b></p> <ul style="list-style-type: none"> <li>• Insurance Service</li> <li>• Mail, Parcels and Distribution</li> <li>• Payments and Mobile</li> <li>• Financial Services</li> </ul> <p><i>Continued</i></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>• Loss of customers due to Poste Italiane products and services failing to meet customer requirements</li> <li>• Difficulty in developing reliable forecasting models that allow the Group to predict market developments</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Adoption of new technologies to speed up and simplify access to Poste Italiane products/services</li> <li>• Increasing business opportunities due to changes in consumer needs, also by adopting a strategy with more personalised offerings</li> <li>• Greater ability than competitors to understand customer needs</li> <li>• Developing products and services focusing on social and environmental issues</li> </ul>	<p>Poste Italiane focuses special attention on the quality of the products and services it offers from the perspective of constantly improving customer satisfaction levels, undertaking to comply with the execution times and procedures for its activities (service and performance levels). In this sense, it guarantees the confidentiality of the data it holds, the protection of intellectual property and effective management system for IT security and cybersecurity.</p> <p>The Company conducts dual-level monitoring, considering both the quality provided and the quality perceived. Specifically, there is a system of KPIs, based on individual business units, which constantly monitors the objectives and service performance provided, and furnishes management with improvements and trends in periodic reports. Thanks to the evolution of the target setting methodology, Poste Italiane identifies important aspects for each macro-area of the Group which are to be considered for Customer Experience measurements, in order to include all important interactions with customers.</p> <p>To simplify processes, streamline administrative workflows and improve submission times of administrative documents to Public Administration, Poste Italiane has developed a new "Poste in Pratica" service aimed at Public Administration bodies and citizens for submitting, checking, digitalising and sending administrative documents.</p> <p>In addition, to improve the Customer Experience and quality of the service provided, Poste Italiane uses listening methods to identify the most important actions to be implemented. Specifically, Poste Italiane analyses verbatim accounts – spontaneous feedback from customers regarding critical areas collected during the customer journey with Poste Italiane's products and services, which are then translated into a Net Promoter Score, a measurement of satisfaction that asks customers whether they would recommend the product or services of the Company to somebody else. The continuous listening process is based on a Customer Feedback Management tool that allows surveys to be sent to customers regarding perceived quality, making the responses obtained quickly available to the relevant departments and highlighting the most recurrent issues pointed out by customers.</p> <p><i>Continued</i></p>

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p><i>Continued</i></p> <p><b>Pillars and relevant topics impacted:</b></p> <p> <b>Innovation</b></p> <p>Innovation and digitisation of products, services and processes</p> <p> <b>Customer experience</b></p> <p>Quality and Customer experience Cybersecurity, IT Security and Privacy</p> <p> <b>Sustainable Finance</b></p> <p>Integration of ESG factors into investment policies Integration of ESG factors into insurance policies</p> <p><b>Capitals impacted:</b></p> <p> <b>Financial</b></p> <p> <b>Human</b></p> <p> <b>Natural</b></p> <p> <b>Physical-structural</b></p> <p> <b>Social-relational</b></p> <p> <b>Intellectual</b></p>		<p><i>Continued</i></p> <p>During the year, Poste Italiane acquired a Web Opinion Monitoring (WOM) service, which allows users to collect and analyse data from specific sources, such as social networks, app stores, Google Maps reviews of Post Offices, online public information websites, blogs and forums, with the aim of achieving real-time reporting of all the concerned topics. The areas of improvement identified during the customer listening process are an important stimulus for assessment activities and process reviews, together with support activities aimed at maintaining quality certifications and certifications identified by the “interfunctional communities”.</p> <p>Poste Italiane also attaches fundamental importance to interaction with Consumer Associations, adopting an approach aimed at constructive and transparent discussions. The “Cantiere Consumatori” (Construction site for consumers) was set up in this regard (a permanent working and consultation group made up of a single representative from each Association and Group representatives). In the course of the experience with Cantiere, many successful initiatives have been created, such as the newsletter “Dialogando con i consumatori”, providing information on new features in the Poste Italiane world, and serving to collect new ideas and reporting.</p> <p>The offering of investment products from BancoPosta and Poste Vita has been increased to respond to consumers’ growing sensitivity to environmental issues, with investments focusing on assets with significant sustainability characteristics.</p> <p>The objective of BancoPosta Fondi SGR in terms of developing the range, is to progressively transform existing funds from an ESG perspective, integrating environmental, social and governance criteria in each of their investment policies.</p> <p>At an organisational level and referring specifically to investments, BancoPosta Fondi SGR and Poste Vita have set up committees that are responsible for periodically reviewing and assessing the ESG risk of portfolios and the criteria for assessing the ESG profiles of issuers. With regard to the insurance segment on the other hand, the Risk Office function of Poste Vita is tasked with identifying, analysing and assessing the signs of change from the different aspects of the external environment. The identification of these signals takes place in conjunction with the “Product Committee – ESG Assessments” which is responsible for periodically reviewing and evaluating the criteria for the definition of ESG profiles and the Company’s product catalogue.</p>

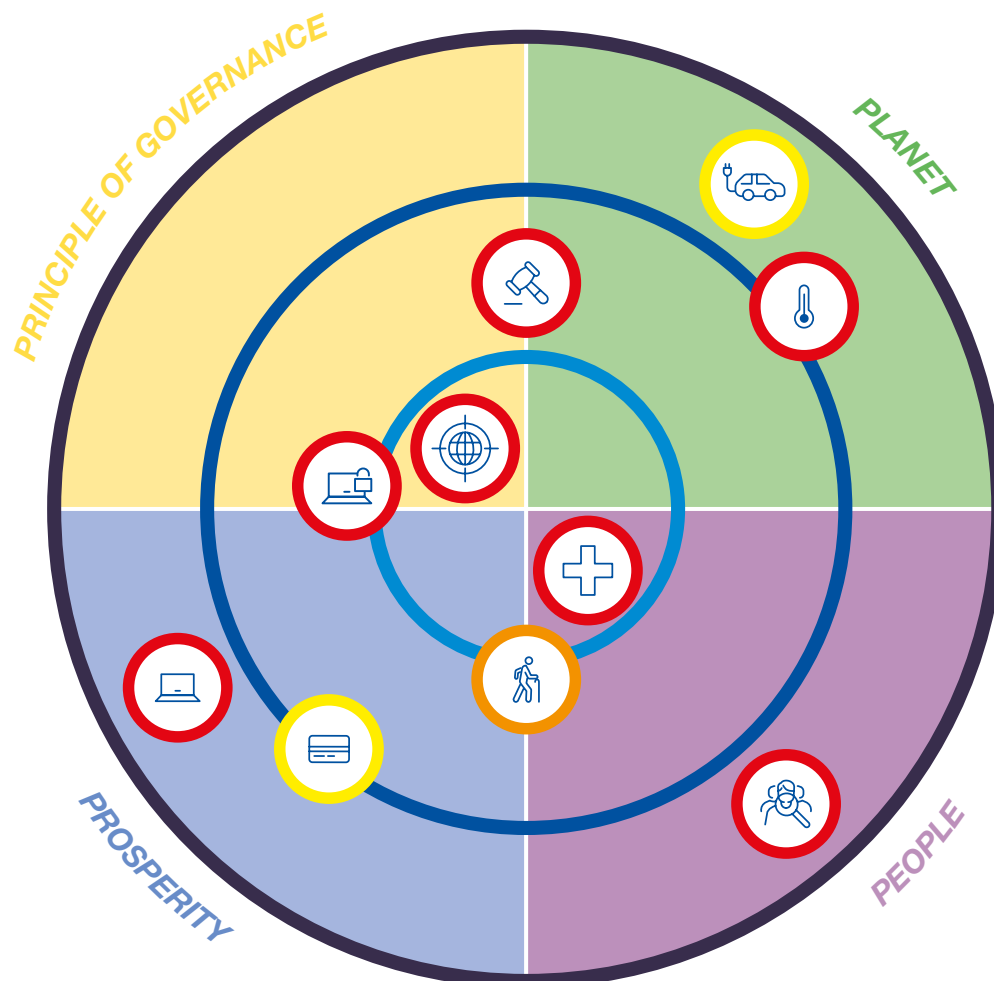


## GEOPOLITICAL INSTABILITY:

Possible negative impacts on Poste Italiane business due to geopolitical tensions and international conflicts

MAIN TRENDS	POTENTIAL SIGNIFICANT IMPACTS FOR POSTE ITALIANE	MAIN RISK MANAGEMENT METHODS
<p>The geopolitical context, characterised by phenomena such as the revival in protectionism, military conflicts, large-scale migration, the increased perception of social inequality and populism, are causing the development of extremist movements, and potentially putting at risk international cooperation, which in the most extreme scenarios, could result in military (also in light of the recent conflict in Ukraine) biological, chemical, cyber and/or physical attacks.</p> <p><b>Trend: Increasing</b></p> <p><b>Risks impacted:</b></p> <ul style="list-style-type: none"> <li>• Strategic</li> <li>• Operational</li> </ul> <p><b>SBU's impacted:</b></p> <ul style="list-style-type: none"> <li>• Insurance Service</li> <li>• Payments and Mobile</li> <li>• Financial Services</li> </ul> <p><b>Pillars and relevant topics impacted:</b></p> <p> <b>Integrity and transparency</b></p> <p>Working with integrity and transparency</p> <p><b>Capitals impacted:</b></p> <p> <b>Social-relational</b></p>	<p><b>Negative impacts:</b></p> <ul style="list-style-type: none"> <li>• Difficulty in developing reliable forecasting models that allow the Group to predict market developments</li> <li>• Increased raw material costs and procurement difficulties (e.g. oil, gas)</li> <li>• Business activities being suspended in areas involved in the conflict (e.g. international shipments stopped)</li> <li>• Substantial changes to aggregated market demand due to possible price inflation, making forecasts in company strategic plans less remunerative</li> <li>• Poor company cash flows due to difficulties in securing credit lines or it becoming impossible to utilise existing loans</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Acceleration in the energy transition</li> </ul>	<p>Poste Italiane continually monitors the political, social and macro-economic context and regulatory aspects that could impact on its business, so as to identify and prioritise the response measures to be undertaken based on the different macro-economic scenarios and geopolitical projections.</p> <p>Poste Italiane checks on counterparties, in order to assess their financial stability and identify the variables that could impact on revenue and costs, also from the perspective of the geopolitical scenarios.</p>

Emerging risks that could potentially impact on Poste Italiane's business are presented below, subdivided according to the common metrics defined by the WEF in relation to achieving SDGs, with reference to the time frame when the more significant effects of these risks could manifest (now, near future, distant future), and in relation to the potential pervasiveness of the impact of these effects on individual SBUs (high, medium-high and medium-low).



#### Time frame key



Now (0-3 years)



Near Future (3-10 years)



Distant Future (10-20 years)

#### Impact key



High



Medium-High



Medium-Low

**Evolution in consumer behaviour****Regulatory amendments****Pandemic risk****Technological innovation****Cyber risk****Climate change****Ageing population****Evolution of the payment system****Mobility revolution****Geopolitical instability****Principle of Governance**

A company's responsibility to define within its strategies and operations a purpose that integrates social, economic and environmental topics

- Management objectives
- Quality of corporate bodies
- Stakeholder Engagement
- Ethical behaviour
- Monitoring risks and opportunities

**Planet**

The role of a company in protecting the planet, to support the needs of current and future generations

- Climate change
- Environmental damage
- Water availability
- Air and water pollution
- Waste
- Availability of resources

**Prosperity**

Role of the company in promoting economic, technological and social progress for the community

- Employment and wealth creation
- Innovation and creation of new products and services
- Community and social momentum

**People**

A company's responsibility towards its employees in creating inclusive and safe workplaces

- Dignity and equality
- Health and well-being
- Skills development

## 6. Creation of Value

- Performance of Poste Italiane shares
- Financial impacts of the Covid-19 pandemic
- Group operating results and Strategic Plan progress
  - Summary of Operating Results by Strategic Business Unit
    - Mail, Parcels and Distribution Strategic Business Unit
    - Financial Services Strategic Business Unit
    - Insurance Services Strategic Business Unit
    - Payments and Mobile Strategic Business Unit
- Omni-channel service, digital transformation and main KPIs
- Group financial position and cash flow
- Performance of Poste Italiane SpA and report on operations of BancoPosta RFC
- The ESG Value (Environmental, Social and Governance)
- Integrity and transparency
- People development
- Diversity and inclusion
- Creating value for the country
- Green transition
- Customer experience
- Innovation
- Sustainable finance
- Indicators tables

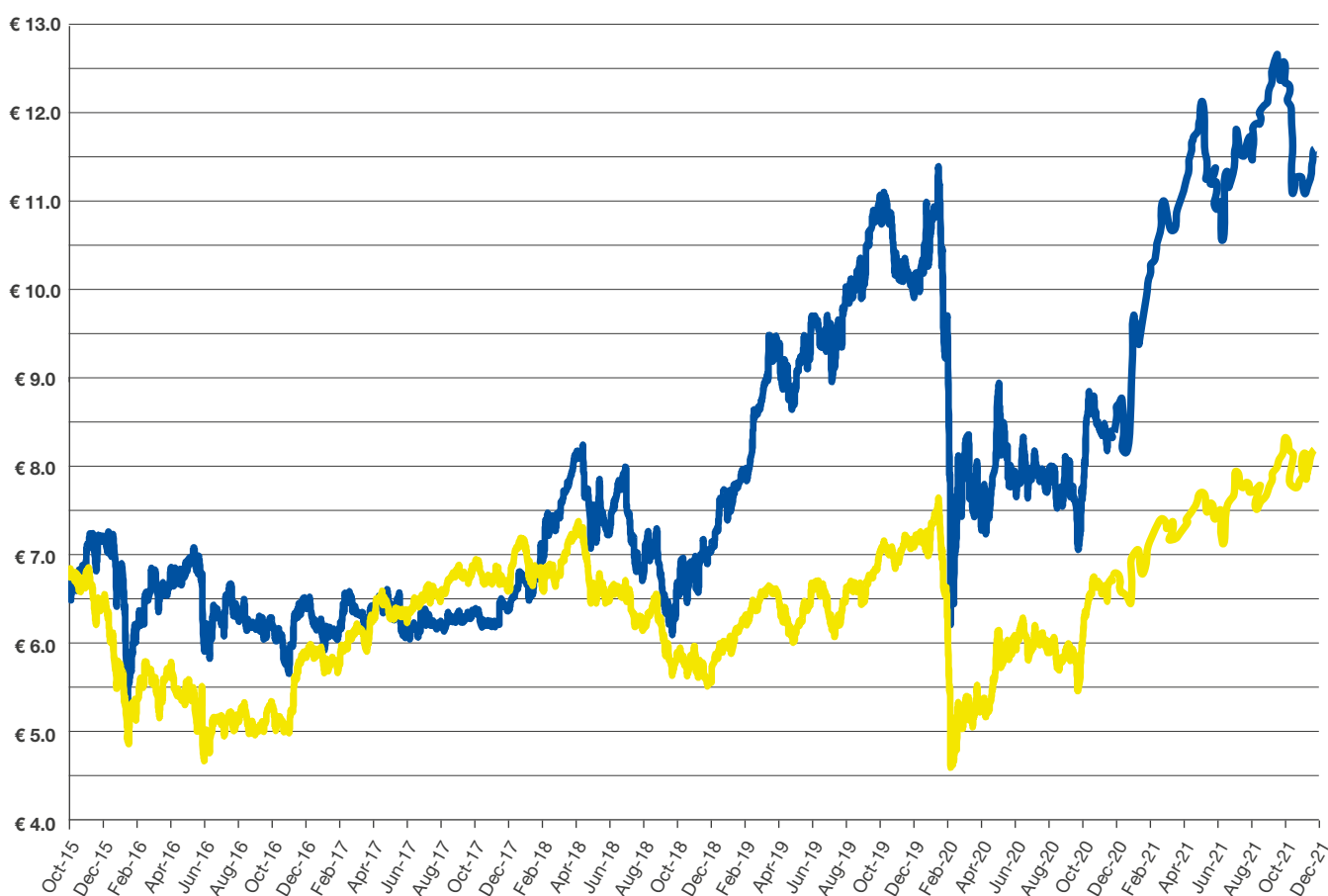
## Performance of Poste Italiane shares

During 2021, Poste Italiane shares increased by 38.3% on the stock market, from € 8.34 at the beginning of the year to € 11.54 at the end of December. The stock reached an all-time high since it was listed at € 12.675 in October 2021. Over the same period, the FTSEMIB increased 22.5%.

From the date of listing on the stock exchange (27 October 2015) to 31 December 2021, Poste Italiane's share price increased by 71% (while the FTSEMIB index increased by 20.8% in the same period), guaranteeing an overall return for shareholders (TSR) of +137% while the main Italian stock exchange index recorded an increase of 47%.

**Poste Italiane SpA**  
**TSR:**  
**+137% vs October 2015**

**FTSE MIB INDEX**  
**TSR:**  
**+47% vs October 2015**



The table below shows the main information on the stock and on the Company's dividend policy as well as the relative performance recorded during the period compared to previous periods.

**DPS 2021 Growth  
+21% YoY**

**DPS  
+21%**

Share KPIs	FY 2021	FY 2020	FY 2019
Closing price at the end of the period (€)	11.540	8.320	10.120
Minimum price of the period (€)	8.076	6.144	6.970
	29/01/2021	(12/03/2020)	(02/01/2019)
Maximum price of the period (€)	12.675	11.510	11.205
	26/10/2021	(19/02/2020)	(12/11/2019)
Average price of the period (€)	10.996	8.364	9.292
Stock exchange capitalisation at the end of the period (€ m)	15,072	10,867	13,218
TSR of the period (%)	44.83	(13.03)	53.94
TSR FTSE MIB of the period (%)	26.81	(3.34)	33.80
Earnings per share (€)	1.214	0.927	1.032
Dividend per share (€)	0.590	0.486	0.463
Payout ratio (%)*	56	52	45
Dividend Yield (%)**	5.1	5.8	4.6

Source: Bloomberg.

\* It is calculated as the ratio of the total dividend and the Group's net profit. The 2021 Payout Ratio is calculated from the gains due to the revaluation in SIA equal to € 0.2 billion.

\*\* Calculated as the ratio of DPS to the stock price on the closing date of the period.

On 10 November 2021, Poste Italiane's Board of Directors, in light of the financial position and results of operations of Poste Italiane SpA at 30 June 2021, the performance for the following months, the business outlook and the related expected economic prospects at 31 December 2021, and in line with the Group's dividend policy approved in 2021, resolved to bring forward, as an interim dividend, part of the ordinary dividend for 2021. To this end, the Company has prepared a Report and Financial Statements pursuant to article 2433-bis of the Italian Civil Code, which show that the Company's financial position, results of operations and cash flows allow such distribution. The opinion of the independent auditors was obtained on these documents. The interim dividend of € 0.185 per share, gross of any legal withholding taxes, was made with effect from 24 November 2021, with "ex-dividend date" of coupon no. 9 coinciding with 22 November 2021 and record date (i.e. the date on which the dividend was entitled to be paid) coinciding with 23 November 2021.

**the 2021  
interim dividend**

**€241  
million**

Based on the number of shares outstanding at 10 November 2021, which amounted to 1,300,877,079, the total amount of the interim dividend was € 241 million.





## Financial impacts of the Covid-19 pandemic

According to ESMA recommendations issued in 2021<sup>57</sup>, following are the main effects on the Group due to the Covid-19 pandemic.

With reference to the business, trends stabilised that over the last financial year had increased due to restrictions imposed by the pandemic (e.g. development of digital payments and *e-commerce*). In 2021, these trends stabilised at a “new normal” growth level.

On an economic level, the Group recorded solid performance throughout 2021, with significant growth of the economic results both compared to 2020 and to pre-pandemic levels.

The Group’s financial solidity and liquidity have allowed financing investments that reached € 754 million over the year and guaranteed the 2021 advance dividend.

As regards developments in the current year, the reference context is still characterised by some degree of uncertainty.

Even given the improvement in the economic picture which is partly due to the diffusion of vaccines, the Group constantly monitors the evolution of the reference scenario to promptly assess the potential effects on operations and adjust behaviour and lines of action. The resilience of its businesses, high financial integrity and capital strength, and substantial reputational capital ensure business continuity.

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57. Public Statement ESMA 32-63-1186 on 29 October 2021 “European common enforcement priorities for 2021 annual financial reports”.

## Group operating results and Strategic Plan progress

- Summary of Operating Results by Strategic Business Unit
- Mail, Parcels and Distribution Strategic Business Unit
- Financial Services Strategic Business Unit
- Insurance Services Strategic Business Unit
- Payments and Mobile Strategic Business Unit

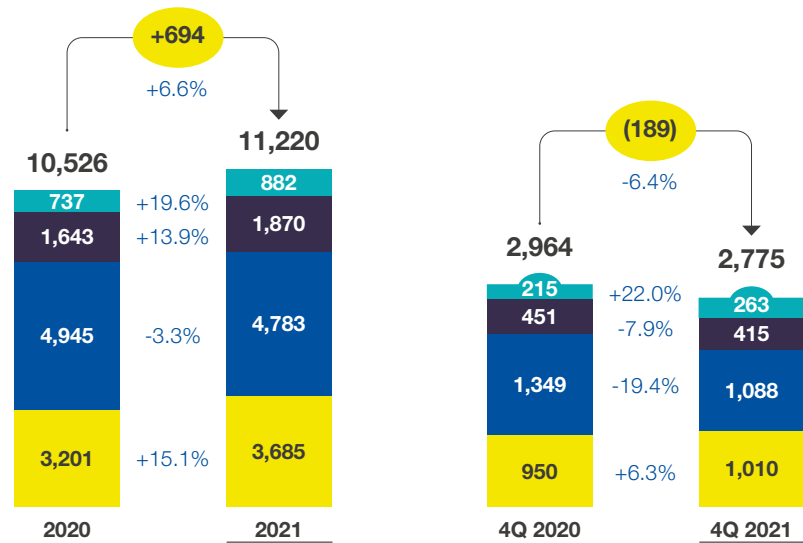
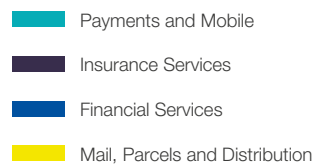
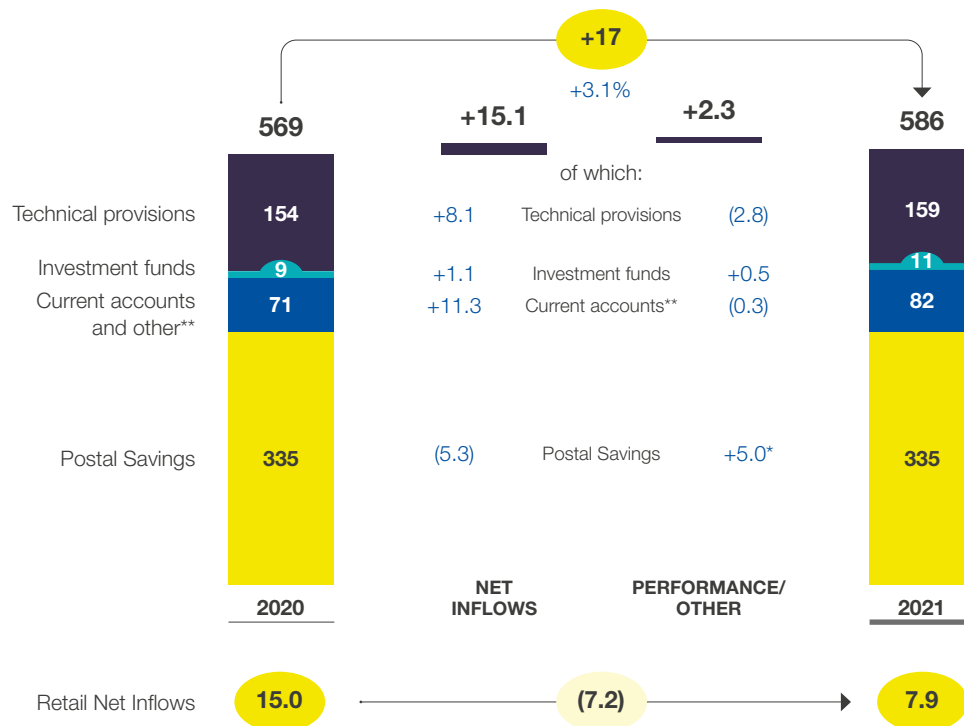
Group performance in 2021 showed growth compared to 2020 levels, with respect to both pre-pandemic levels in terms of revenues, EBIT and net profit. This confirms the efficacy of the strategic guidelines defined in the “24SI” plan and their execution in a more favourable economic scenario than 2020.

In 2021, Group revenues rose in all segments grew compared to the previous year, and operating profit showed improvement despite the increase in variable costs incurred to grow the businesses.

**Historical record**  
Revenue  
**€ 11.2 bn**  
EBIT **€ 1.8 bn**  
Net profit  
**€ 1.6 bn**

(€ m)	2021	2020	CHANGES		4Q 2021	4Q 2020	CHANGES	
<b>EXTERNAL REVENUE</b>	<b>11,220</b>	<b>10,526</b>	<b>+694</b>	<b>+6.6%</b>	<b>2,775</b>	<b>2,964</b>	<b>(189)</b>	<b>-6.4%</b>
<b>TOTAL COSTS</b>	<b>9,375</b>	<b>9,002</b>	<b>+372</b>	<b>+4.1%</b>	<b>2,545</b>	<b>2,685</b>	<b>(140)</b>	<b>-5.2%</b>
<b>EBIT</b>	<b>1,846</b>	<b>1,524</b>	<b>+322</b>	<b>+21.1%</b>	<b>230</b>	<b>280</b>	<b>(49)</b>	<b>-17.6%</b>
EBIT Margin %	16.5%	14.5%			8.3%	9.4%		
<b>NET PROFIT</b>	<b>1,580</b>	<b>1,206</b>	<b>+373</b>	<b>+31.0%</b>	<b>405</b>	<b>308</b>	<b>+97</b>	<b>+31.7%</b>
<b>NET EARNINGS PER SHARE</b>	<b>1.21</b>	<b>0.93</b>	<b>+0.29</b>	<b>+31.0%</b>	<b>0.31</b>	<b>0.24</b>	<b>+0.07</b>	<b>+31.7%</b>
<b>NET PROFIT (excluding SIA revaluation)</b>	<b>1,361</b>	<b>1,206</b>	<b>+154</b>	<b>+12.8%</b>	<b>186</b>	<b>308</b>	<b>(122)</b>	<b>-39.5%</b>
<b>CAPEX</b>	<b>754</b>	<b>680</b>	<b>+74</b>	<b>+10.9%</b>	<b>299</b>	<b>310</b>	<b>(11)</b>	<b>-3.6%</b>
% of revenue	6.7%	6.5%			10.8%	10.5%		

The Group profits total € 11.2 billion, which is an increase of € 694 million compared to 2020 (+6.6%) with the positive contribution of the following *Strategic Business Units*: Mail, Parcels and Distribution (+€ 484 million, +15.1%), Insurance Services (+€ 228 million, +13.9%), and Payments and Mobile (+€ 144 million, +19.6%). Financial Services Strategic Business Unit recorded a drop in revenue compared to 2020 of -€ 162 million (-3.3%). The fourth quarter of 2021 showed a drop in revenue of -€ 189 million (-6.4%) compared to the same period in 2020. This can be traced to the lower performance of the Financial Services Strategic Business Unit (-€ 261 million, -19.4%) that was primarily due to the different timing for realising the capital gains within the active portfolio management and the Insurance Services Strategic Business Unit (-€ 35 million, -7.9%) due to the lower contributions from the Life (-€ 30 million) and P&C (-€ 6 million) businesses. The profit performance for the fourth quarter as shown in the operating profits of € 230 million for this period, down € 49 million (-17.6%) compared to the same quarter the previous year.

**EXTERNAL REVENUE**  
(€ m)**TOTAL FINANCIAL ASSETS**  
(€ bn)

\* Includes capitalisation of interest.

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

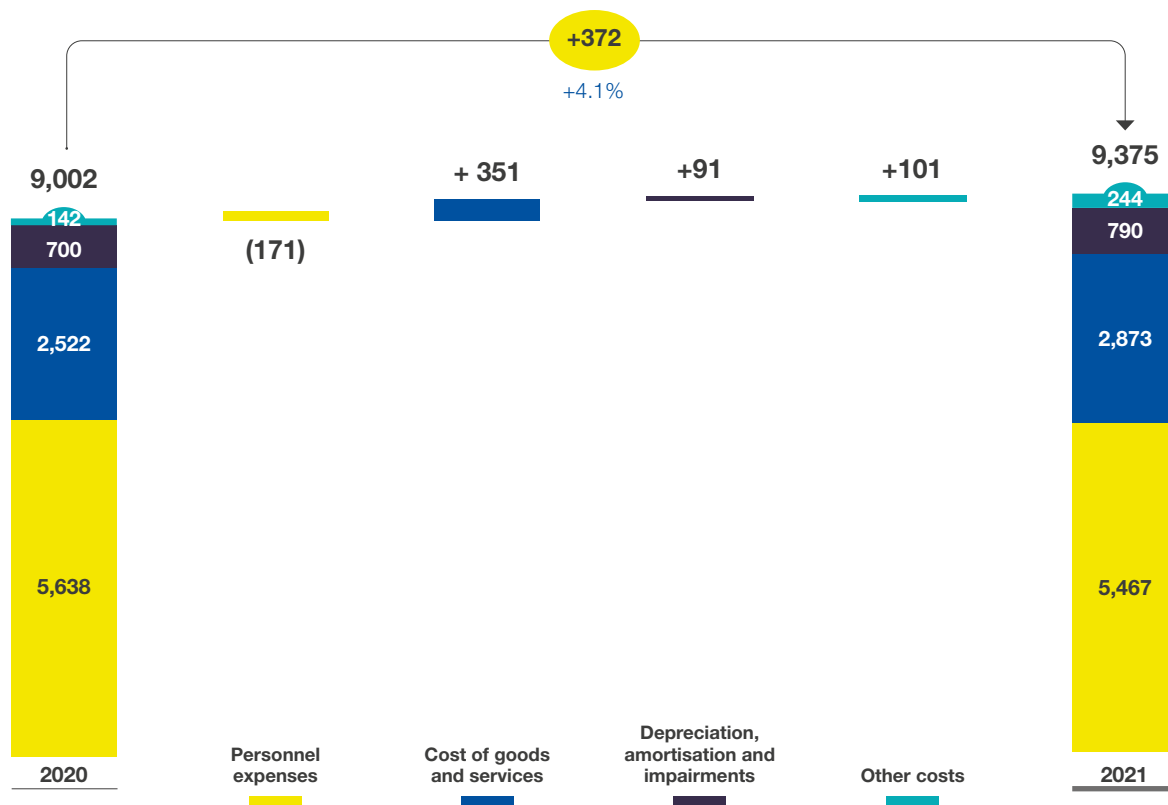
During 2021, **total financial assets**, which totalled € 586 billion, increased by 3.1% (+€ 17 billion) compared to € 569 billion at 31 December 2020, due to both net inflows (+€ 15.1 billion) and the performance effect (+€ 2.3 billion). In particular, the positive performance of net inflows from current accounts (+€ 11.3 billion) and technical provisions (+€ 8.1 billion) are worthy of note.

**total financial assets**

**€ 586 billion**

## TOTAL COSTS

(€ m)



Total costs amounted to € 9,375 million, an increase compared to the € 9,002 million of 2020 (+€ 372 million), essentially due to higher costs for goods and services (+€ 351 million), related to the increase in variable costs mainly of the parcel, telecommunications and monetics businesses and the consolidation as of 1st January 2021 of the Nexive Group.

The value on 31 December 2021 for goods and services also includes expenses incurred to deal with the health emergency, which amounted to € 85 million (€ 106 million in 2020).

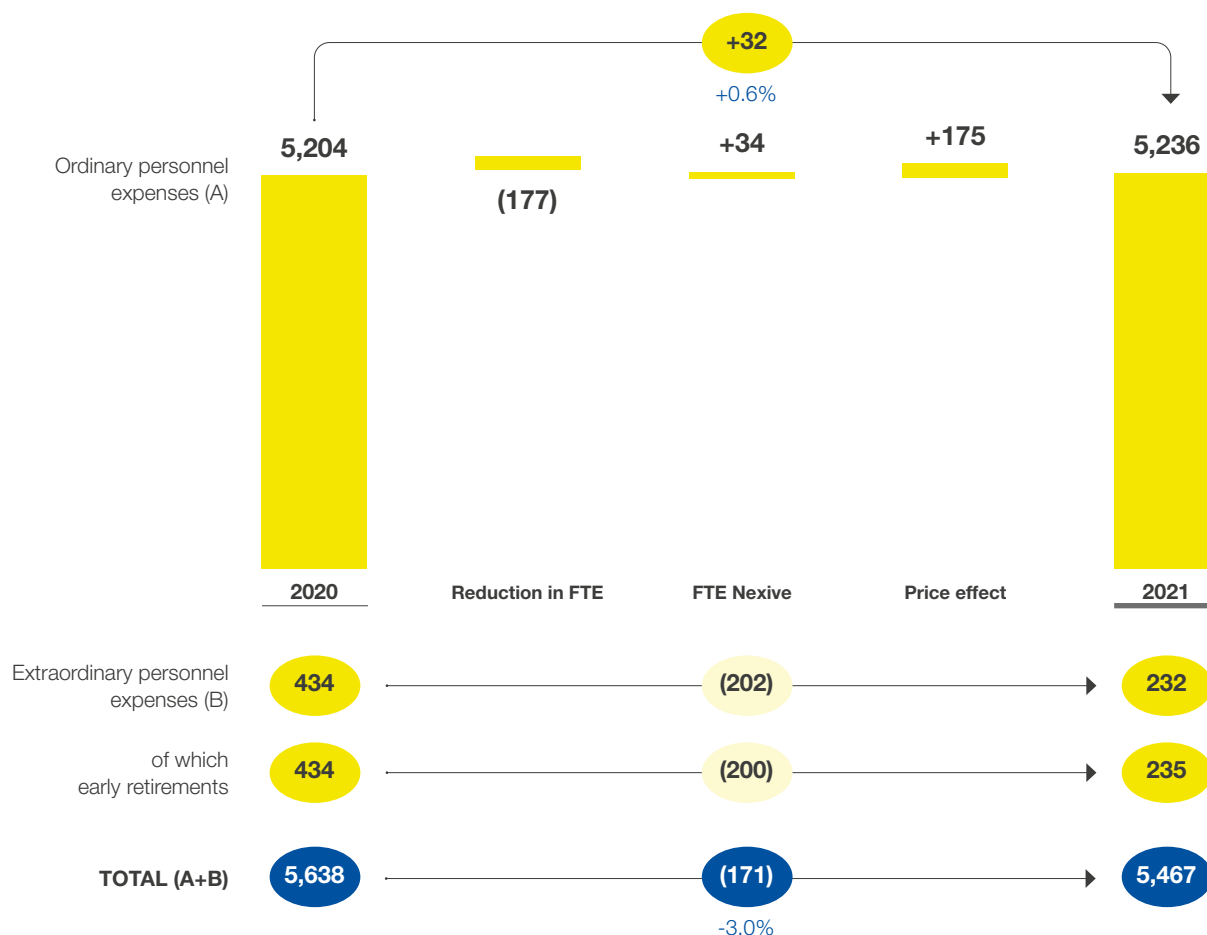
Also contributing to the growth in total costs were the components of depreciation and amortisation, and other operating expenses. Greater amortisation and depreciation were correlated with higher investments made or entering into operation compared to 2020, mainly in the ICT segment. The reduction in personnel expenses is due mainly to the reduction of the extraordinary component related to the provisions for future retirements, partially mitigated by the one-off savings recorded in 2020 related to the emergency situation described in detail in the following paragraph. The variation in other costs mainly reflects greater net provisions to the risk funds and fees, and, in particular, compromising *una tantum* positive components in 2020, that is the revised estimate of certain risks associated with the distribution of postal savings products and the conclusion of voluntary protection initiatives undertaken for the “Europa Immobiliare 1” and “Obelisco” funds.

For more information, please see the paragraph “Economic performance of the Financial Services *Strategic Business Unit*”.

Further information is provided in the Notes to Poste Italiane Financial Statements for the year ended 31 December 2021.

**PERSONNEL EXPENSES****(€ m)**

The total personnel expenses decreased by € 171 million (-3.0%) compared to 2020. This change is attributable to the decrease of the extraordinary component, which fell from € 434 million in 2020 to € 232 million in the corresponding period of 2021, only partially balanced by the growth of the ordinary component.



The change in the ordinary component compared to the prior year mainly derives from lower costs recorded in 2020 during the health emergency (Solidarity Fund, lower costs for MBO managerial and sales force commercial incentives, and other miscellaneous allowances such as overtime and night work for the reduced activity carried out during the *lockdown*). The price effect is partly counter-balanced by the reduction in the number of resources deployed in the period (approximately 3,300 FTE less than in 2020), notwithstanding the entry of Nexive resources (approximately 1,200 FTE) following acquisition by the Group which occurred in January 2021.

The decrease in the extraordinary component is mainly due to the lower provision for the 2021 retirement plan to support the exits in 2022 and 2023 given the remaining liquidity of the retirement fund, which reacted positively to the application of the so-called Quota 100<sup>58</sup> regulation.

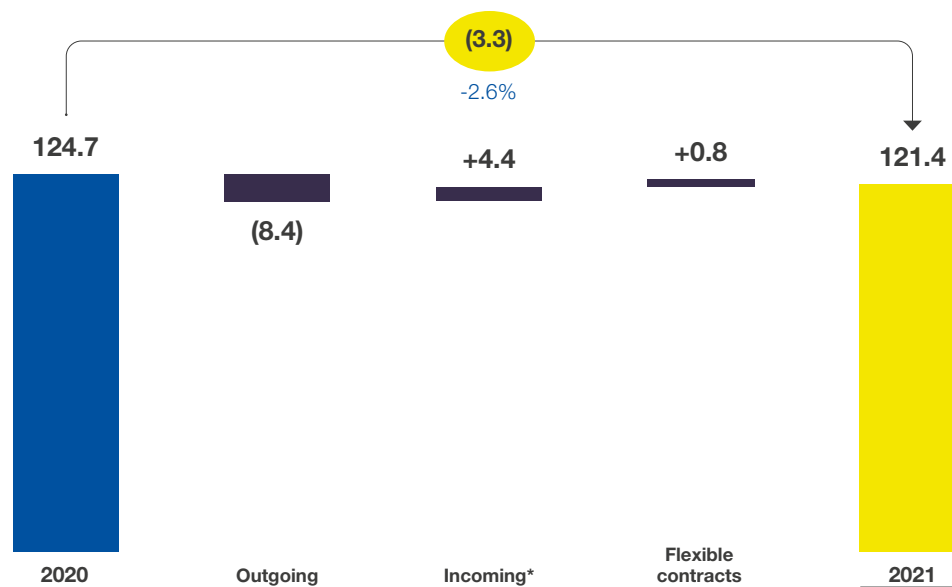
In June 2021, the National Collective Labour Agreement for non-executive staff of Poste Italiane and Group companies falling within its scope of application was signed, effective until 31 December 2023. Economic improvements are envisaged and will be recognised during the term of the contract. For further information, please refer to the other sections of the 2021 Annual Report.

**Collective bargaining agreement renewed for non-executive staff valid until 31 December 2023**

58. Economic measures pursuant to Law Decree no. 4 of 28 January 2019, to support the pre-retirement of employees and self-employed workers who possess, in the period between 2019 and 2021, an age of not less than 62 years and a contribution period of not less than 38 years.

## WORKFORCE (average Full Time Equivalent in thousands)

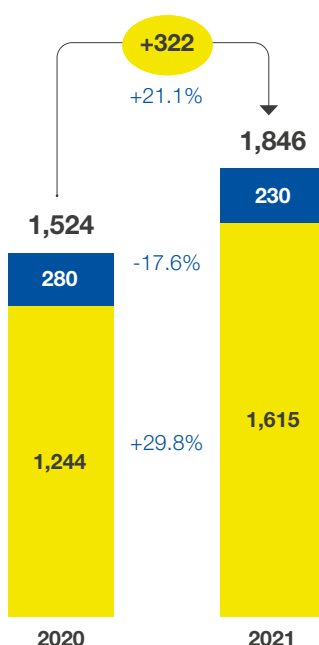
The reorganisation and rationalisation of internal processes continued in the current year; exits in 2021 were 8.4 thousand (FTE) against entries of 4.4 thousand (FTE) on permanent contracts and approximately 800 (FTE) on fixed-term contracts.



\* Including approximately 1,150 FTE (permanent employment) incoming from Nexive Group

## EBIT (€ m)

9M  
4Q



The **consolidated EBIT** of € 1,846 million and records a growth of € 322 million (+21.1%) compared with the previous year (€ 1,524 million). The significant performance of profits realised in a more favourable economic scenario than 2020 and lower personnel expenses have driven the consolidated EBIT for the year to higher levels than the previous year, to the pre-pandemic levels of 2019, and in line with the 2021 updated guidance communicated in November.

The trend for the fourth quarter 2021 was penalised mainly by the timing for realising the capital gains for the pro-active management of the portfolio by the Financial Services Strategic Business Unit (-€ 130 million compared to the same quarter in 2020).

**Profit for the period** amounted to € 1,580 million, up 31% compared to 2020 (€ 1,206 million) and takes into account taxes for the period equal to € 588 million (€ 370 million in 2020, which also included the positive effect of € 96 million relative non-recurring € 81 million of the Patent box<sup>59</sup> and € 15 million for the Aid to Economic Growth<sup>60</sup> ACE tax relief). The period profits benefit from the non-recurring gross capital gains of € 225 million, registered among the financial income and recognised following the SIA-Nexi operation described in the “Company Operations” paragraph.

The fourth quarter 2021 profit amounted to € 405 million and recorded a growth of € 97 million (+31.7%) compared to the fourth quarter of the previous year.

## Summary of Operating Result by Strategic Business Unit

The main economic results by Strategic Business Unit are shown below.

### EXTERNAL REVENUE (€ m)



Over the 12-month period, there was a positive change in revenue from the Strategic Business Units compared to 2020: Mail, Parcels and Distribution amounting to € 484 million (+15.1%), Insurance Services amounting to € 228 million (+13.9%), and Payments and Mobile amounting to € 144 million (+19.6%). The Financial Services Strategic Business Unit recorded a drop in revenue compared to the previous year of € 162 million (-3.3%).

59. A five-year tax benefit introduced into Italian law in 2015 that consists in the exclusion from the formation of total taxable income of a portion of income deriving from the use of certain intangible assets.

60. The ACE (Aid to Economic Growth) scheme consists in the possibility of deducting from the company's income each year an imputed charge equal to the return related to the increase in capital compared to that existing at the end of the financial year in progress at 31 December 2010.

External revenue of the **Mail, Parcels and Distribution** Strategic Business Unit amounted to € 3,685 million in 2021, compared to € 3,201 million in 2020 (+15.1%) thanks to significant growth in the parcels business, the increase in revenue from traditional mail (+€ 185 million, +9.7% compared to 2020) and thanks also to consolidation of the revenues of the Nexive Group.

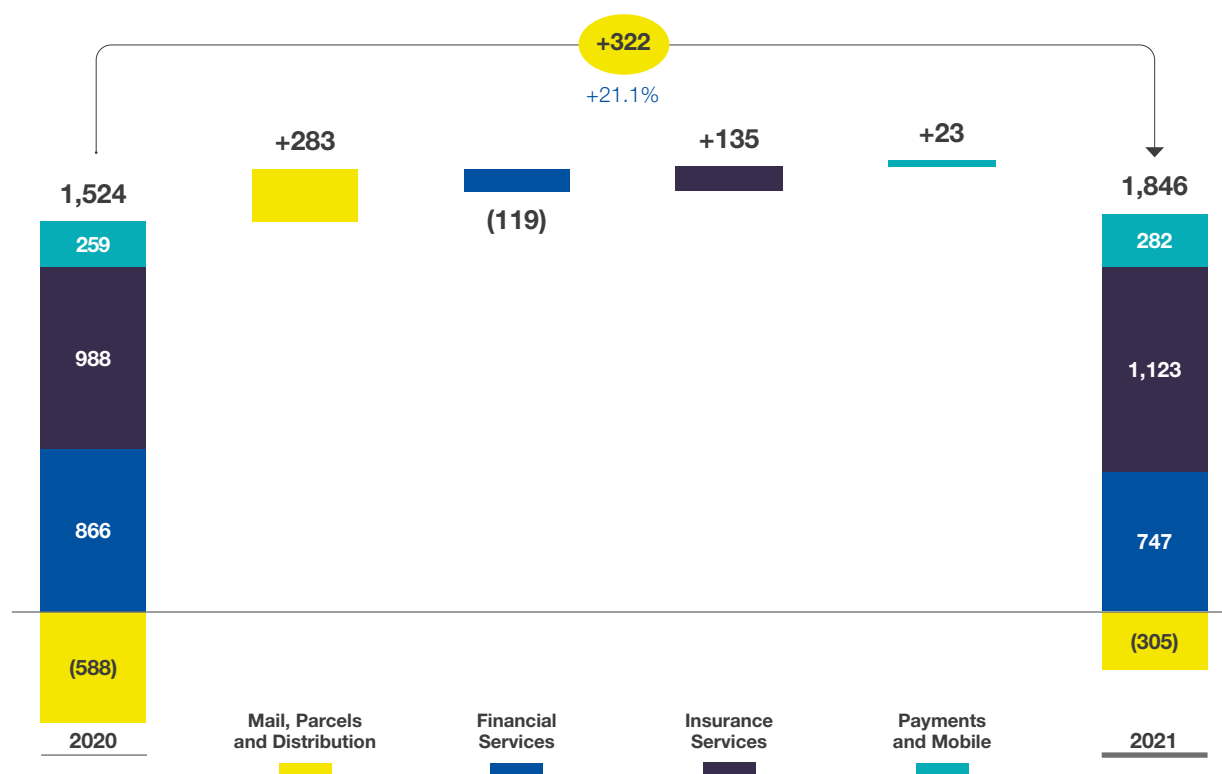
External revenue of the **Financial Services** Strategic Business Unit amounted to € 4,783 million, down € 162 million from € 4,945 million in 2020 (-3.3%) primarily due to lower volumes in payment slips and lower profits from the postal savings collection and management service.

The **Insurance Services** Strategic Business Unit contributed € 1,870 million to Group revenue in 2021, up 13.9% on the previous year. The revenue generated can be traced to the Life business, which contributed € 1,740 million, an increase of € 240 million compared to 2020 mostly due to the positive contribution of the financial margins; whereas the contribution of the Non-Life business was € 130 million, down € 12 million compared to 2020.

External revenue of the **Payments and Mobile** Strategic Business Unit in 2021 amounted to € 882 million and marked an increase of € 144 million (+19.6%) compared to 2020. Specifically, Electronic Money, and Collection and Payment services departments grew respectively € 84 million (+22.4%) and € 36 million (+45.3%) thanks to the increased operations of card payments, the growth of acquiring transactions, and increased profits from the PagoPA service.

The Telecommunications business showed revenue growth of € 25 million (+8.8%).

## EBIT (€ m)



In 2021, the Group's operating profit stood at € 1,846 million, and shows a growth of € 322 million from last year. The growth in operating performance impacted all the Strategic Business Units except the **Financial Services** Strategic Business Unit, which recorded operating income of € 747 million in 2021, a decrease of € 119 million compared with the previous year.

The operating profit of the **Mail, Parcels and Distribution** Strategic Business Unit was negative for € 305 million, an improvement (+€ 283 million) compared to the negative value in the first half of 2020 (-€ 588 million).

Growth in performance also for the **Insurance Services** and for **Payments and Mobile** Strategic Business Units, which respectively recorded an operating profit of € 1,123 million (+€ 135 million compared to 2020) and € 282 million (+23 million compared to 2020) in 2021.



For more detailed information on the performance of the individual Strategic Business Units, please refer to the dedicated paragraphs later in the chapter.

## Mail, Parcels and Distribution Strategic Business Unit

### “2024 Sustain & Innovate” Strategy



#### MAIL, PARCELS AND DISTRIBUTION

Logistic player market leader, with the objective of growing in the parcels and express courier sector

- Evolution of the logistics network
- B2C market leadership
- Growth in C2X and B2B markets

#### “24SI” Objectives and KPIs

#### “24SI” Target

#### 2021 Progress



#### Nexive integration

Operating company for the management of the new delivery network with the implementation of cost synergy

€ 100 million synergy when fully operational

in line



#### Automating and Streamlining the Logistics Network

- Double the volume of automatically sorted parcels.
- % distribution centres that operate “lean”
- Road-based transportation cost reduction
- Increase the parcel delivery productivity

2x by 2024 vs 2019

in line

100% by 2024  
-10% by 2024 vs 2019  
+20% by 2024 vs 2019

in line  
-6%  
in line



#### Green Delivery

- Implement zero emissions delivery in two cities
- Low-emissions vehicle fleet
- Install electric charging points
- Implement zero-emissions delivery lines in 35 major city centres and 800 small municipalities

By 2021  
From 4 K in 2019 to 28 K by 2024  
From 1 K in 2019 to 6 K by 2024  
By 2024

Completed  
10 K  
~2 K  
15 city centres



#### Business Development

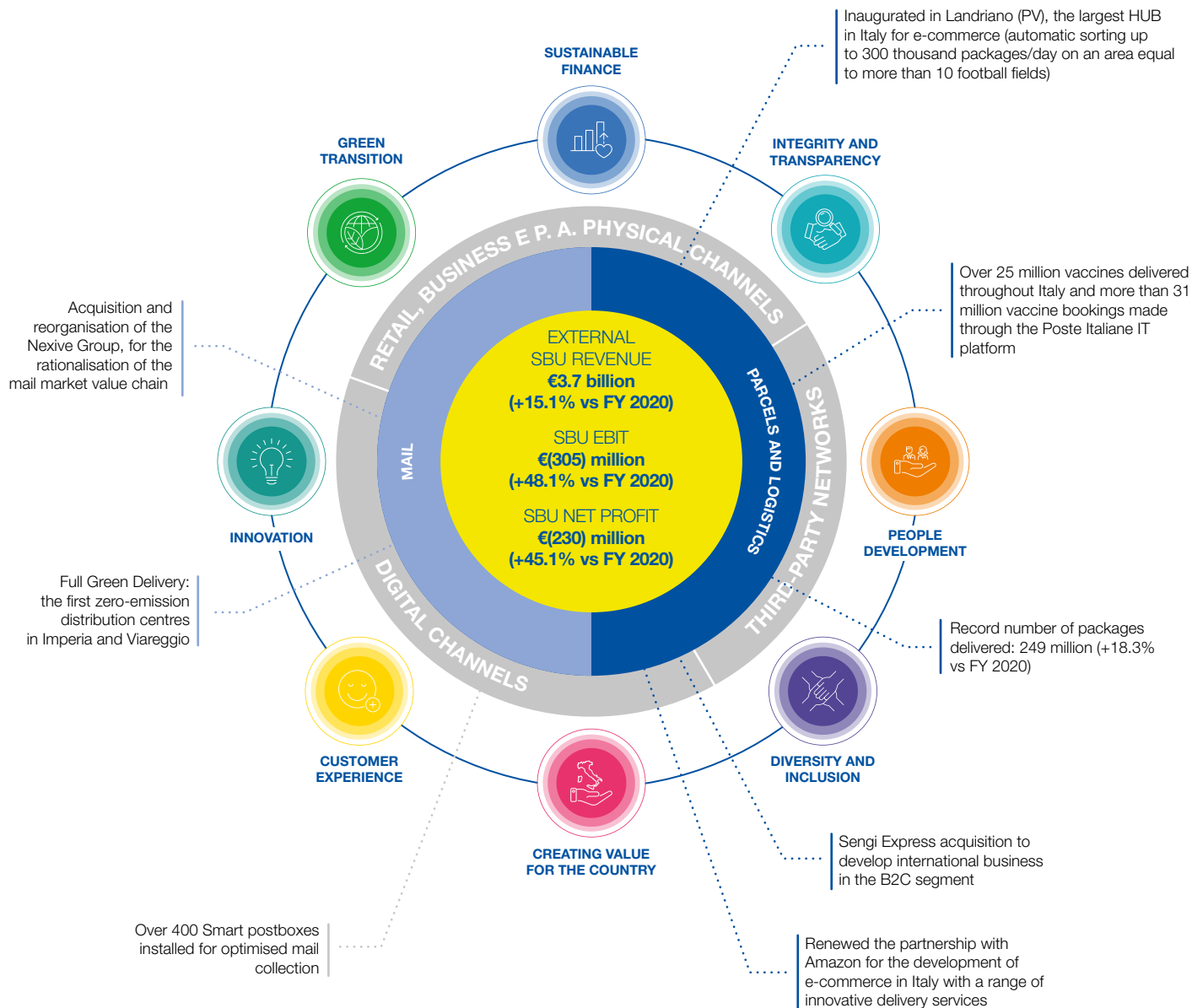
Consolidate *B2C leadership* and grow B2B and C2X using dedicated offers and initiatives aimed at improving the user experience.

- Double profits from “Key merchants”
- Cover the population using the Rete Punto Poste
- B2C Revenue
- C2X Revenue and “B2B revenue + Integrated Logistics”

2x by 2024 vs 2019  
From 40% in 2019 to 80% in 2024  
From € 0.4 billion in 2019 to € 1 billion in 2024  
From € 55 million – € 0.3 billion in 2019 to € 76 million – € 0.4 billion in 2024

In line  
~60%  
€ 0.7 billion  
€ 60 million – € 0.4 billion

Following are the annual highlights of the operational terms and economic results for the Mail, Parcels and Distribution Strategic Business Unit.



The positive performance of the Strategic Business Unit in 2021 reflects growing revenue in both segments, mail and parcels, driven by the significant development of the latter. Positive contribution from the mail segment thanks to the recovery of production activities compared to 2020 and the integration of the Nexive Group.

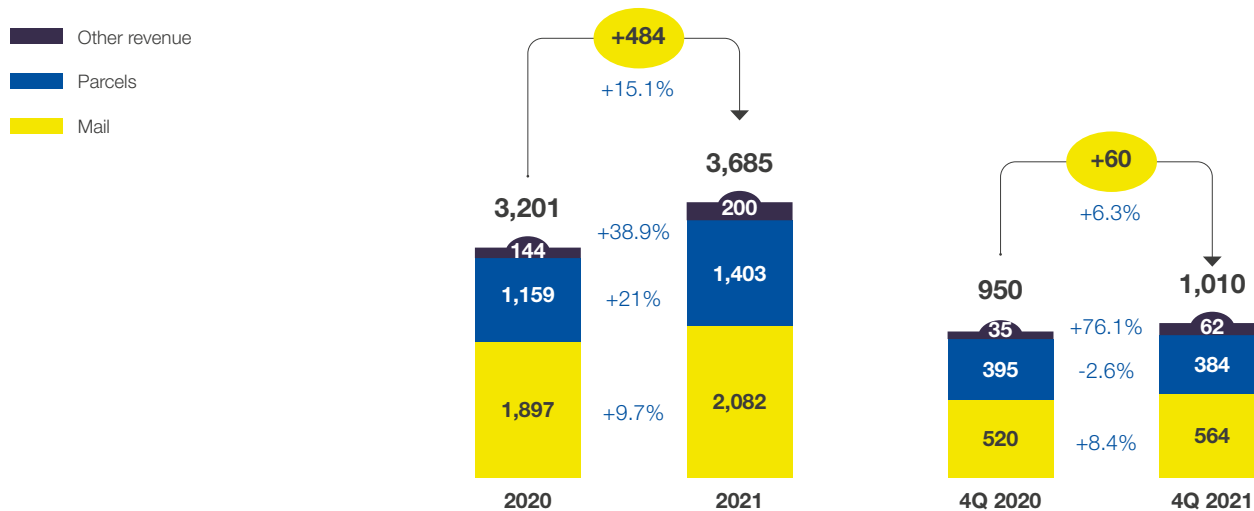
MAIL, PARCELS AND DISTRIBUTION (€ m)	2021	2020	CHANGES	
<b>External revenue</b>	<b>3,685</b>	<b>3,201</b>	<b>+484</b>	<b>+15.1%</b>
Revenue from other sectors	4,694	4,633	+62	+1.3%
<b>Total revenue</b>	<b>8,380</b>	<b>7,833</b>	<b>+546</b>	<b>+7.0%</b>
Costs	8,607	8,349	+258	+3.1%
Costs vs other sectors	78	73	+5	+6.7%
<b>Total costs</b>	<b>8,685</b>	<b>8,422</b>	<b>+263</b>	<b>+3.1%</b>
<b>EBIT</b>	<b>(305)</b>	<b>(588)</b>	<b>+283</b>	<b>+48.1%</b>
<b>EBIT Margin %</b>	<b>-3.6%</b>	<b>-7.5%</b>		
<b>NET RESULT</b>	<b>(230)</b>	<b>(419)</b>	<b>+189</b>	<b>+45.1%</b>

Operating KPIs	2021	2020	CHANGES	
<b>Mail and Parcels</b>				
Revenue/FTE (€ k)	70	63	+6	+9.8%
Parcels that can be delivered as standard mail (volumes in m)	80	74	+6	+8.7%
New Punto Poste Network (number of lockers and alternative collection points)	13,504	10,799	+2,705	+25.0%
Incidence of parcels delivered using alternative channels* (%)	2.6%	1.2%		
<b>Distribution</b>				
Number of customers (m)	35.1	35.0	+0.1	+0.4
Number of Post Offices	12,761	12,765	(4)	-0.0%
Rooms dedicated to consultancy	6,979	6,782	+197	+2.9%
Postamat ATM network	8,107	7,957	+150	+1.9%
<b>ESG</b>				
Green fleet (electric vehicles)	1,737	1,319	+418	+31.7%
Charging points installed	1,402	952	+450	+47.3%
Smart post boxes	405	347	+58	+16.7%
No. of buildings involved in the Smart Building project**	652	45	+607	n.s.

\* Third-party networks. Calculated as volumes of packages delivered on Punto Poste Network (*Lockers*, tobacconists and other *collect points*) of the total volumes of B2C parcels.

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

## EXTERNAL REVENUE (€ m)

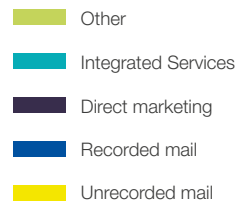


Segment revenue rose from € 3,201 million in 2020 to € 3,685 million in 2021 (+€ 484 million, +15.1%), continuing to confirm in the fourth quarter of 2021 the growth seen in the previous quarters of the year, even if with a business trend that reflects a partial post-pandemic normalisation.

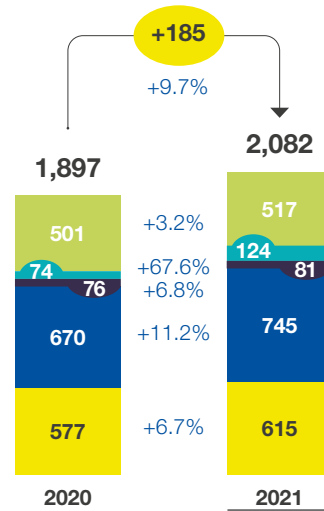
The positive change seen in 2021 is due to increased revenues from traditional mail (+€ 185 million, +9.7% compared to 2020), thanks to the recovery of activities that had been impacted by the restrictive lockdown measures in the first part of 2020, as well as the positive contribution from the Nexive Group (+€ 107 million) relative to business mail.

Revenues also benefited from the particularly strong performance of the parcel segment (+€ 243 million in revenues, +21% with respect to 2020). The growth in the parcels segment was driven by the B2C segment and development of international business relative to inbound flows (+€ 24 million, +36% compared to 2020), thanks in part to the acquisition of the Chinese operator Sengi Express. The parcels segment also benefited from the contribution of the contract to provide delivery of personal protective equipment to public administrations.

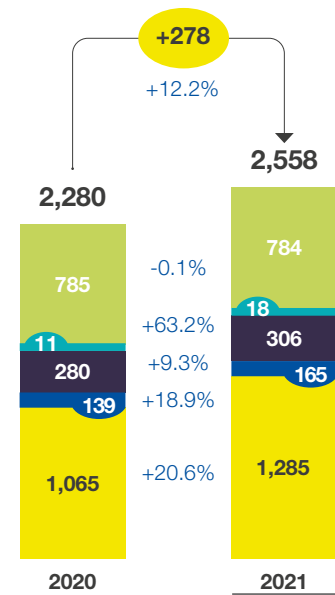
## Mail



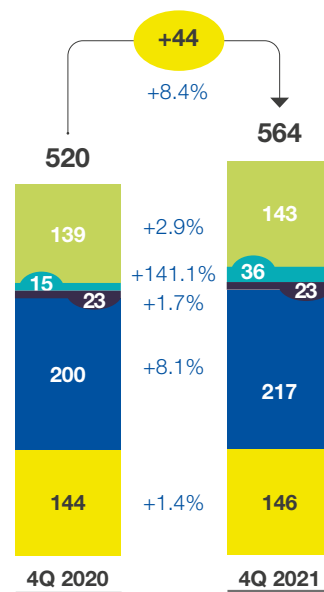
## REVENUE (€m)



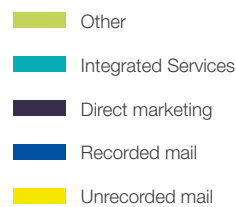
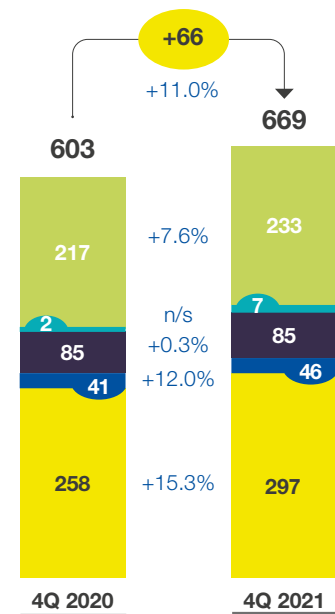
## VOLUMES (m)



## REVENUE (€m)



## VOLUMES (m)



**Unrecorded Mail:** standard mail service with mailbox delivery.

**Recorded Mail:** delivery to the person with proof of delivery and tracking for retail and business customers. This category includes in particular: registered mail, insured mail and judicial documents.

**Direct Marketing:** service for the sending by companies and Public Administration entities of communications with advertising, promotional or informative content.

**Integrated services:** integrated and customised offers for specific customer segments, in particular Public Administration, large companies and professional firms. The most relevant integrated service is the Integrated Notification Service, for the management of the entire process of notification of administrative and judicial documents (e.g. violations of the Highway Code).

**Other:** services for publishers, multi-channel services, printing, document management, other basic services. This item also includes tariff subsidies relating to external revenue earned on products and services discounted in accordance with the law and the Universal Postal Service Compensation (also includes compensation relating to ordinary parcels).

The performance of Mail services recorded by the Group in 2021 showed growth in both volumes and revenue of +12.2% (+278 million items) and +9.7% (+€ 185 million) respectively compared to the same period of the previous year.

Recorded Mail registered a volume growth of 18.9% (+26 million items) accompanied by an increase in revenue of 11.2% (+€ 75 million), mainly concentrated in the second quarter. As in the previous quarters, in the fourth quarter, growth continued to be attributable to the recovery in registered mail and court documents compared to the same period in 2020.

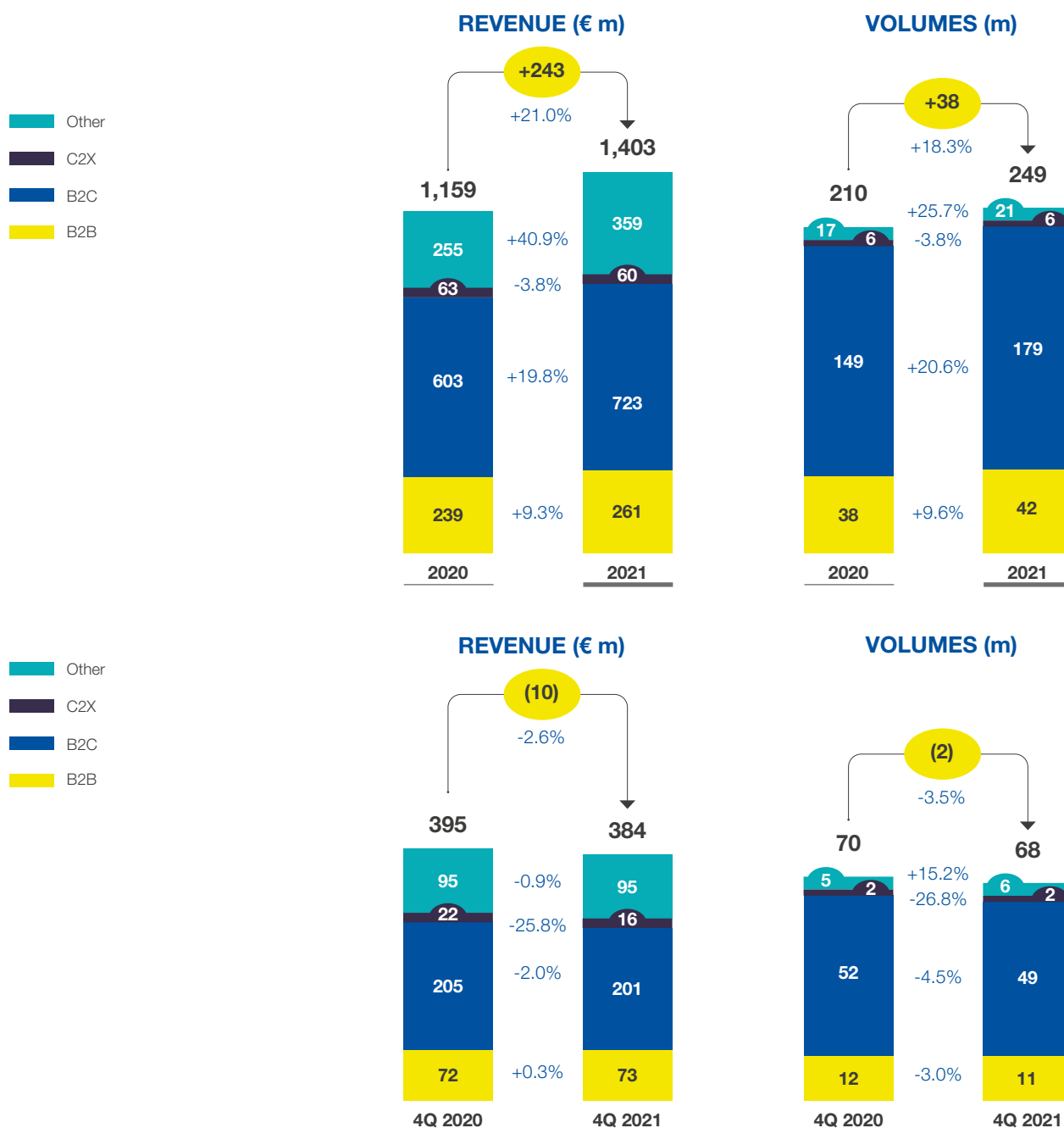
The recovery in volumes for Unrecorded Mail recorded in the first part of the year continued into the fourth quarter of 2021, resulting in growth in volumes and revenue of +20.6% (+220 million items) and +6.7% (+€ 39 million), respectively, compared to 2020.

Integrated Services also saw volumes and revenues grow with respect to 2020, respectively, by +63.2% (+7 million items) and +67.6% (+€ 50 million), thanks to the positive contribution coming from the recovery of notification activities, including products such as administrative and court documents and the recovery in tax collection notices.

Direct Marketing shows in 2021 an increase in volumes of 9.3% (+26 million items), which determines a positive change in revenue of approximately € 5 million (+6.8%). This growth, mainly concentrated in the second quarter of the year (+34 million items or +€ 9 million in revenue), is related to the increase in commercial shipments from customers following the recovery in economic activity.

Other, which also includes the services marketed by Postel, thanks to a significant improvement of the volume trend recorded in the last quarter of 2021 (+16 million items, +7.6% compared to the same period of 2020), shows a substantial alignment with the volumes recorded in 2020 (-0.1%). The item also includes the fee for the Universal Service Compensation (€ 262 million) and the tariff subsidies in the publishing service: both items show results in line with those of the same period of the previous year.

## Parcels



**B2B:** acronym for Business to Business. Company to company shipping services. Offer that focuses on quality and reliability, with delivery options with defined delivery times, mainly multi parcel shipments.

**B2C:** acronym for Business to Consumer. A modular offer created for e-commerce with a choice of additional services.

**C2X:** identifies Consumer-to-Consumer/Business parcels i.e. parcels sent by consumers both to other consumers and to businesses.

**OTHER:** includes international revenues and shipments, and from partnerships with other logistics operators. This item also includes revenues from dedicated services (highly customised services designed for the specific requirements of banks, insurance companies, public administrations or customers with the same technical/operational features), from integrated logistics services (warehouse management), included as part of the fee for the contract awarded by the Ministry of the Interior for distribution of personal protective equipment. Finally, it includes the long-haul road transport service operated by the subsidiary sennder Italia.

In 2021, the parcels business continued to show significant development in performance, with a positive change in both volumes and revenue respectively of +18.3% (+38 million items) and +21% (+€ 243 million) compared to 2020.

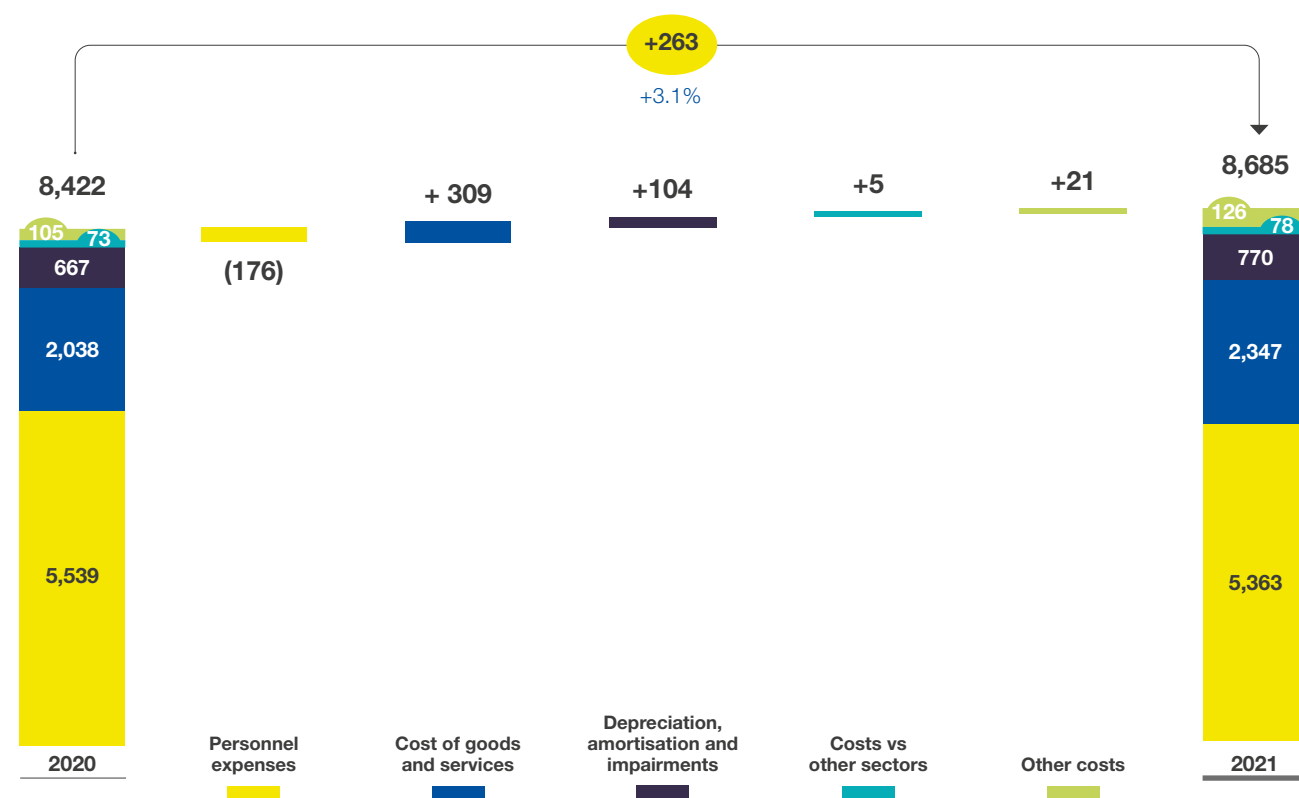
Growth is particularly concentrated in the B2C segment, thanks to the strong development of e-commerce. This process, which had already been gradually taking place over the previous years and which was greatly accelerated by the pandemic, continues to manifest its effects even as the economy recovers and physical access points to the various economic activities reopen. In particular, the B2C sector generated revenue of € 723 million, up 19.8% (+€ 119 million) compared to 2020, against 179 million shipments (+20.6%, +31 million items).

Positive performance also for the B2B segment, which in 2021 achieved revenue of € 261 million, up 9.3% (+€ 22 million compared to the same period of 2020), against 42 million shipments handled (+4 million items, +9.6%).

The performance of the Other item, which registered in 2021 an increase of € 104 million (+40.9%) compared to the previous year, was mainly the consequence of the integrated logistics contract awarded to Poste Italiane in May 2020 for the delivery of personal protective equipment to Public Administrations (+€ 63 million compared to 2020) and the development of *international business* (+€ 24 million, +36%), which benefited from the integration of the Chinese operator, Sengi, into the Group as of March 2021.

In the fourth quarter of 2021, parcel volumes slowed from the growth trend begun in the first half of the year compared to the same period in 2020 trending towards a post-pandemic “new normal” level. The slowdown in the growth of volumes coming from China contributed to this trend, after the European Directive “Low Value Consignment” took effect on 1 July 2021 which introduced the obligation for end-customers to pay VAT even for the purchase of goods of modest value.

## COSTS (€ m)



Costs, including depreciation and amortisation for 2021, amounted to € 8,685 million, an increase of € 263 million (+3.1%), compared to 2020. This performance is attributable to the € 309 million (+15.2%) increase in the cost of goods and services, mainly due to variable costs incurred to support the development of the parcels business, call centre activities, IT services required to support the Group's digital transformation, and for the IT services needed to support the digital transformation of the Group, the costs of renting the spaces needed in terms of the integrated logistics order assigned to Poste Italiane for delivery of personal protective equipment to the Public Administrations. In addition, the cost of goods and services is affected also by expenses related to the Covid-19 emergency and expenses to support the vaccination campaign, for a total value of € 85 million (€ 106 million incurred in 2020).



Personnel expenses amounted to € 5,363 million, a decrease of € 176 million compared to 2020 that can be traced back to the reduction of extraordinary items (–€ 202 million, –46.7%), predominantly due to the lower cost for retirement incentives, practically compensated by the increase in cost of ordinary employment (+€ 26 million, +0.5%). The change in the ordinary component mainly derives from minor costs recorded in 2020 during the health emergency (Solidarity Fund, lower costs for MBO managerial and sales force commercial incentives, and other miscellaneous allowances such as overtime and night work for the reduced activity carried out during the lockdown), partially mitigated by the reduction of the organisation through work in 2021 (approximately 3,200 FTE less compared to 2020).

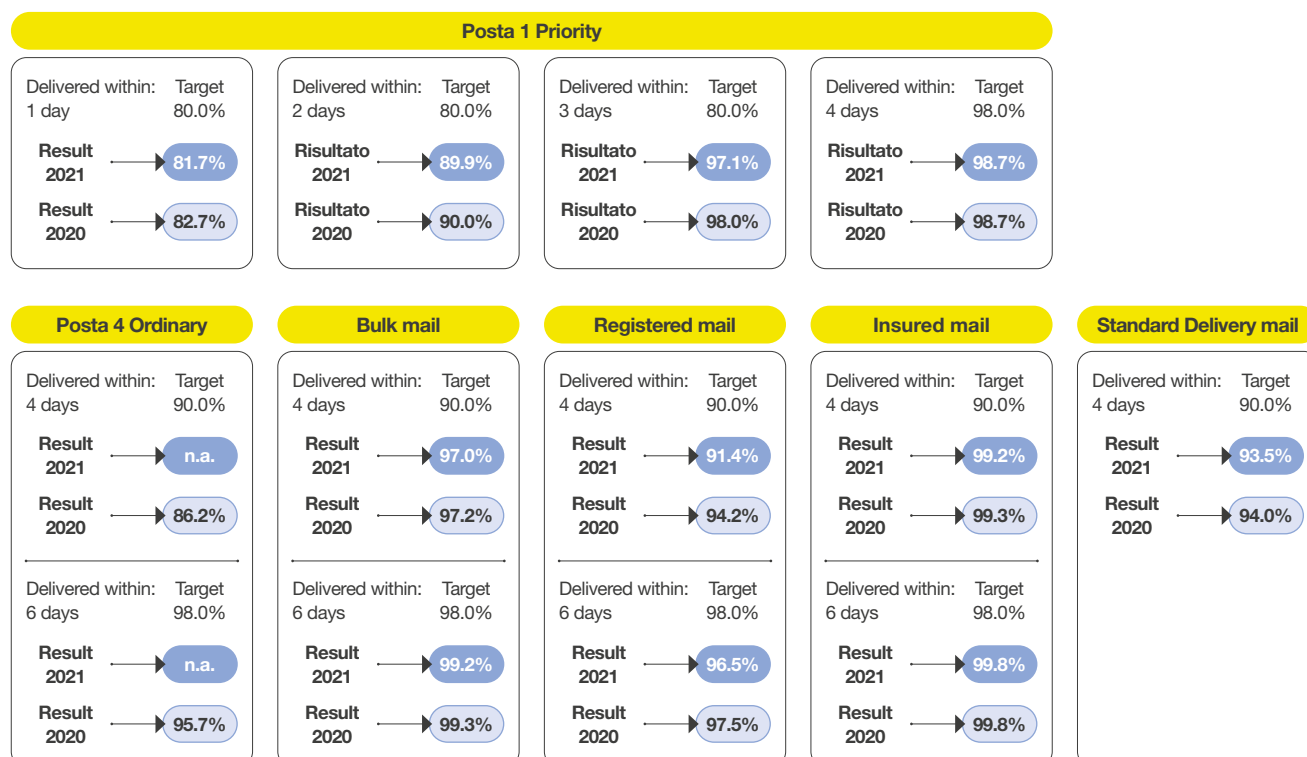
Depreciation, amortisation and impairments increased by € 104 million (+15.6% compared to 2020), mainly due to higher investments in the period compared to the previous year.

In light of everything illustrated, the Mail, Parcels and Distribution Strategic Business Unit reported a negative EBIT of € 305 million, a € 284 million improvement compared to the previous year (+48.1%).

## Quality of the Universal Postal Service

The quality results achieved for the Universal Service, whose objectives are defined by AGCom, are shown below. The regulator verifies compliance with the objectives and publishes the results annually.

The quality trend for the 2021 year overall shows good performance, exceeding the reference *targets* for almost all products for the year. In comparison to the previous year, the trend felt the effects of both the process of integrating Nexive in the Group which is being completed, and the entry into force of restrictive measures for accessing places of work to protect the employees related to the continued Covid-19 health emergency. Furthermore, larger volumes for management over the year compared to the previous year affected the quality trend, requiring greater commitment to the postal logistic network.



## Financial Services Strategic Business Unit

### "2024 Sustain & Innovate" Strategy



#### FINANCIAL SERVICES

Most trusted financial institution in Italy, benefiting from an omni-channel approach

- Promoting diversification of **asset allocation**
- Expansion of omni-channel for the Customer
- Integration of non-life coverage into the investment offering

#### "24SI" objectives and KPIs

#### "24SI" Target

#### 2021 Progress



#### Optimise customer wealth management through:

- The diversification of customer portfolios and further segmentation
- The launch of new products to maximise the risk-return profile
- The extension of the investment product range with a focus on ESG

*For details on the activities of the 2021 business, please refer to the Operating Review found under the "Strategic Business Unit Financial Services" paragraph.*

TFA from € 536 billion in 2019 to € 615 billion in 2024

€ 586 billion

*Fees per client* from € 252 in 2019 to > € 290 in 2024

€ 249



#### Expansion of omni-channel that is focused on the Customer

- Evolution of the service model based on people and developed around the different needs of the customer in order to improve profiling and the proposal of offers
- New consulting methods that complement those offered in person with the evolution of skills for products with a significant customer service component
- Digitisation of the customer base through the expansion of channels used to join services

*For details on the service model and developments of the omni-channel area, please refer to the paragraph "Omni-channel, Digital Transformation and main KPIs"*

Consultants from around 8k in 2020 to around 10k by 2024

7.9 k

BFP issued on digital channels: from € 0.9 billion in 2019 to € 4 billion in 2024\*

€ 2 billion

\* KPI not presented during Capital Market Day in March 2021



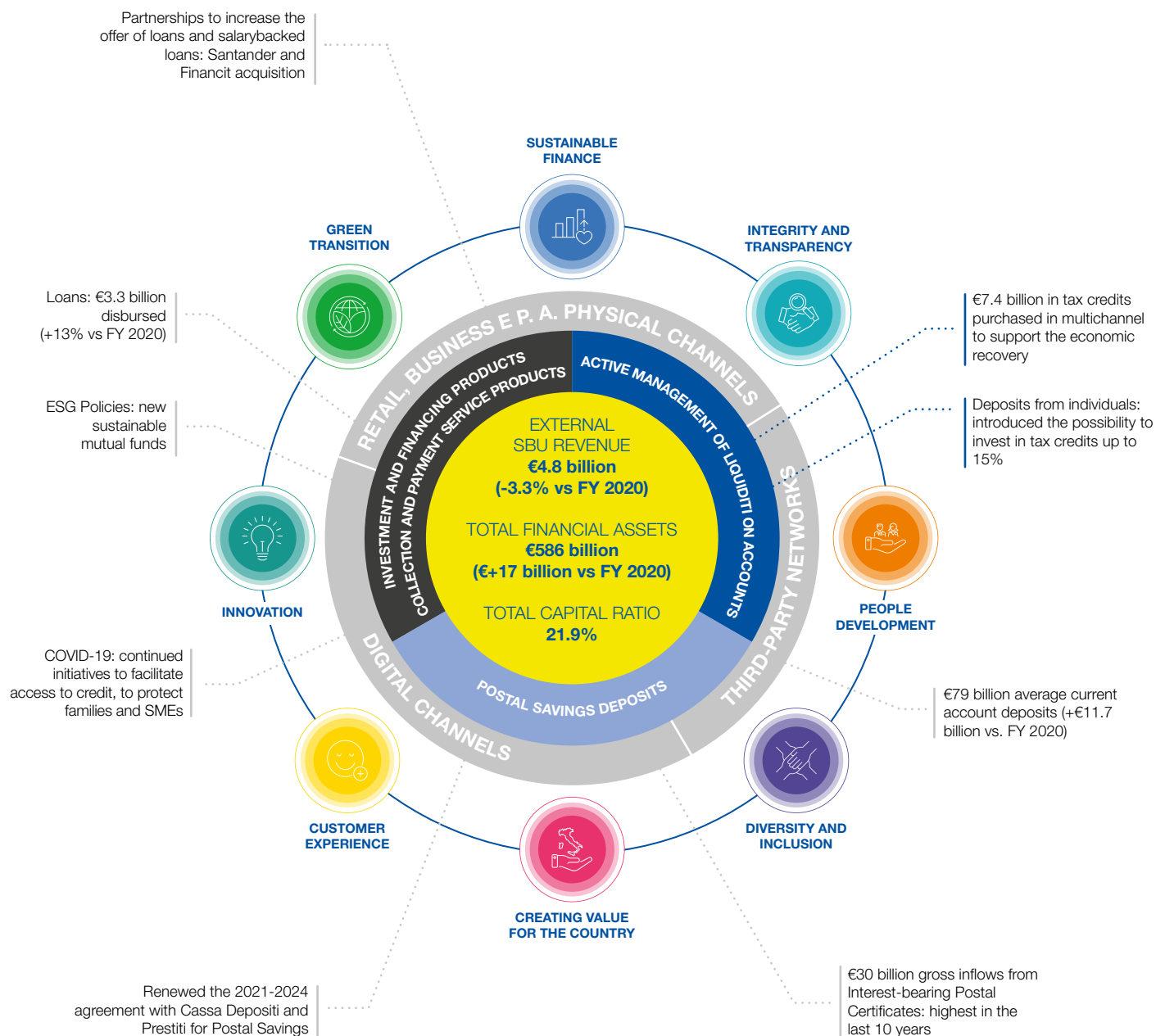
#### Significant growth in the volumes of loans and mortgages through:

- Partnerships to increase the offer of loans, mortgages and salary-backed loans
- Increasing the loan offer on digital channels

From € 3.6 billion in volumes in 2019 to € 6 billion in volumes in 2024

€ 3.3 billion

Following are the annual highlights of the operational terms and economic results for the Financial Services Strategic Business Unit.



The SBU's operating results for the year continued to be solid, albeit lower than in the previous year. In December 2021, the Total Capital Ratio amounted to 21.9%, confirming the financial solidity of BancoPosta.

FINANCIAL SERVICES (€ m)	2021	2020	CHANGES	
<b>External revenue</b>	<b>4,783</b>	<b>4,945</b>	<b>(162)</b>	<b>-3.3%</b>
Revenue from other sectors	759	665	+94	+14.1%
<b>Total revenue</b>	<b>5,542</b>	<b>5,610</b>	<b>(68)</b>	<b>-1.2%</b>
Costs	161	87	+75	+86.4%
Costs vs other sectors	4,634	4,658	(24)	-0.5%
<b>Total costs</b>	<b>4,796</b>	<b>4,745</b>	<b>+51</b>	<b>+1.1%</b>
<b>EBIT</b>	<b>747</b>	<b>866</b>	<b>(119)</b>	<b>-13.8%</b>
<b>EBIT margin %</b>	<b>13.5%</b>	<b>15.4%</b>		
<b>NET PROFIT</b>	<b>556</b>	<b>647</b>	<b>(91)</b>	<b>-14.0%</b>

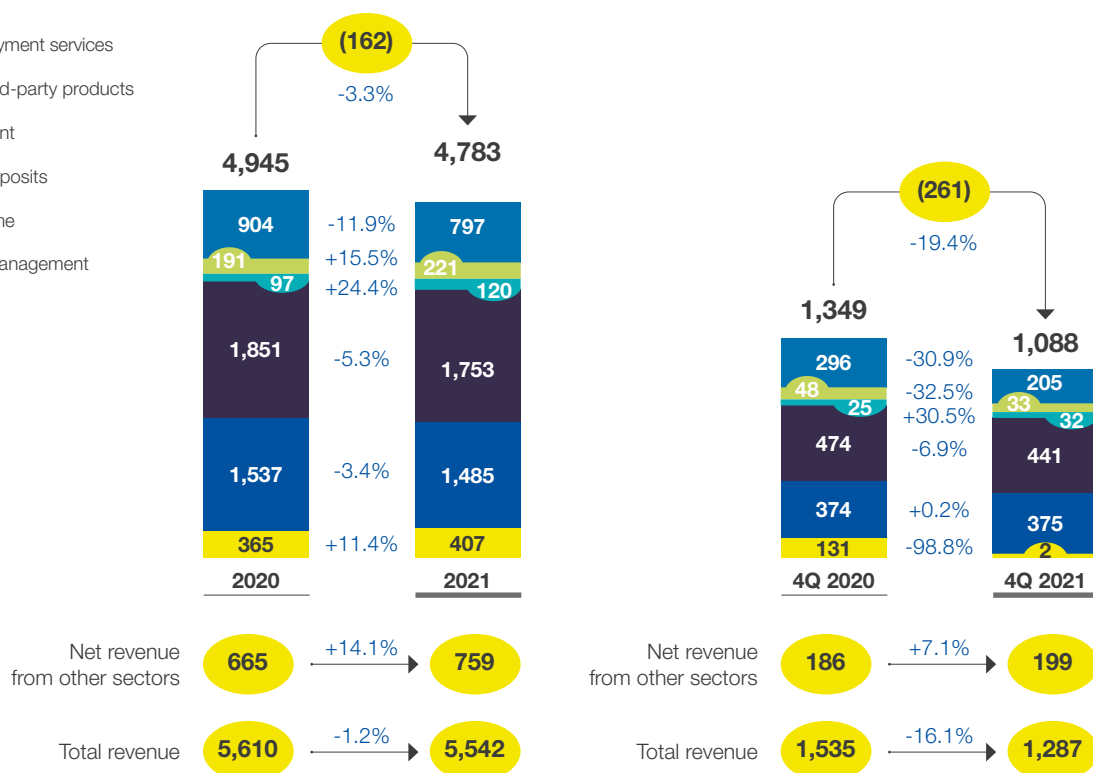
Operating KPIs	2021	2020	CHANGES	
Total financial assets (€ bn)	586.1	568.6	+17.5	+3.1%
Net inflows (€ m)	15,137	17,827	(2,690)	-15.1%
Unrealized capital gains/losses (€ m)	2,096	4,653	(2,557)	-55.0%
Current accounts (average deposits for the period in € bn)	79.1	67.4	+11.7	+17.3%
Investment portfolio return*	1.9%	2.3%		
Postal savings (average deposits in € bn)	318.1	315.6	+2.5	+0.8%
Loans (disbursed in € m)	3,321	2,932	+389	+13.3%
Tax credits acquired at the end of the period (in billions of euro)**	6.5	0.035	+6.5	n/s

\* Excluding capital gains.

\*\* Paid value.

## EXTERNAL REVENUE (€ m)

- Collection and payment services
- Distribution of third-party products
- Asset management
- Postal savings deposits
- Net interest income
- Active portfolio management



**Distribution of third-party products:** Distribution of products disbursed/issued by third-party partners (financing, mortgages, loans, credit cards, etc.).

**Collection and payment services:** slips, collections and payments PP.AA., transfer of funds and ancillary services for current accounts.

**Asset management:** collective asset management through mutual investment funds and management of individual portfolios relating to institutional mandates attributable to the Group.

**Postal savings deposits:** savings deposits through Interest-bearing Postal Certificates and Postal Savings Books issued by Cassa Depositi e Prestiti.

**Net interest income:** income from investment of liquidity revenue via postal current account deposits, net of interest expense and other financial transaction costs. Including profits from tax credits.


**Active portfolio management:** gains from the sale of securities in the BancoPosta Portfolio, net of losses.

External revenue in 2021 amounted to € 4,783 million and recorded a decrease of € 162 million (-3.3%) compared to € 4,945 million achieved in the previous year.

More specifically, the period in question shows: (i) Net interest income down compared to 2020 (-€ 52 million, -3.4%), essentially due to the expected lower returns caused by continuing falling market rates, only partially mitigated by the increase in loans consequent to greater stocks of customer deposits (€ 59 million); (ii) Capital gains realised through active portfolio management totalling € 407 million, an increase of € 42 million (+11.4%) compared to the € 365 million in the previous year.

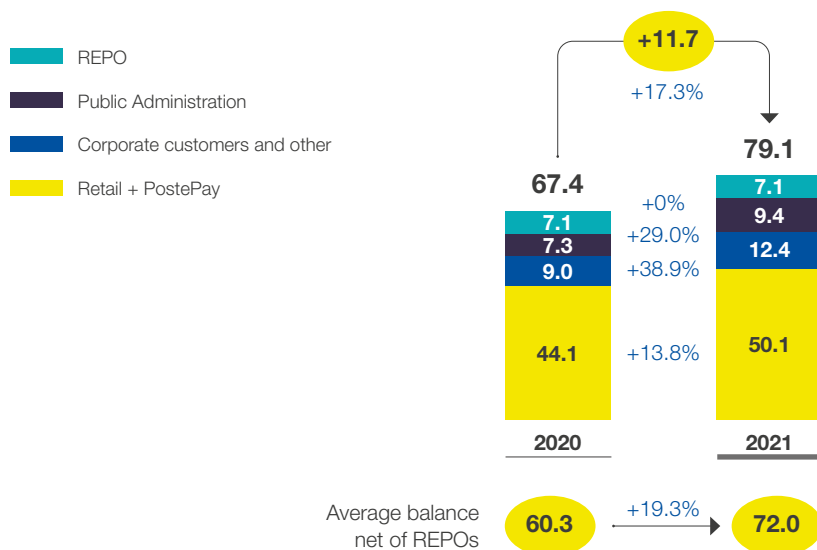
Revenue from the Postal Savings collection and management service amounted to € 1,753 million (down by € 97 million, -5.3% compared to 2020) reflecting the conditions regulated by the new convention signed on 24 December 2021. Revenues from collection and payment services amounted to € 797 million, an 11.9% decrease (-€ 108 million) with respect to the previous year, mainly attributable to a few non-recurring items from 2020, deriving from the final preparation of items previously registered among the losses, following an overall review of estimates, as well as lower volumes in bills (-€ 30 million compared to the 2020 value). With reference to revenue from the distribution of third-party products, which amounted to € 221 million, up € 30 million (+15.5%) compared to 2020 (€ 191 million), the change is mainly attributable to higher volumes of personal loans and salary-backed loans, which were significantly impacted in 2020 by lower operations due to the lockdown.

Revenue from Asset Management saw growth of € 24 million (+24.4%) compared to the previous year, mainly due to management and placement commissions for mutual funds thanks to new funding associated with ESG funds.

Revenue from other sectors amounted to € 759 million (+14.1% compared to 2020). The positive change is mainly due to the growth in the policy **management commissions**  and the growth of the PostePay Electronic Money business.

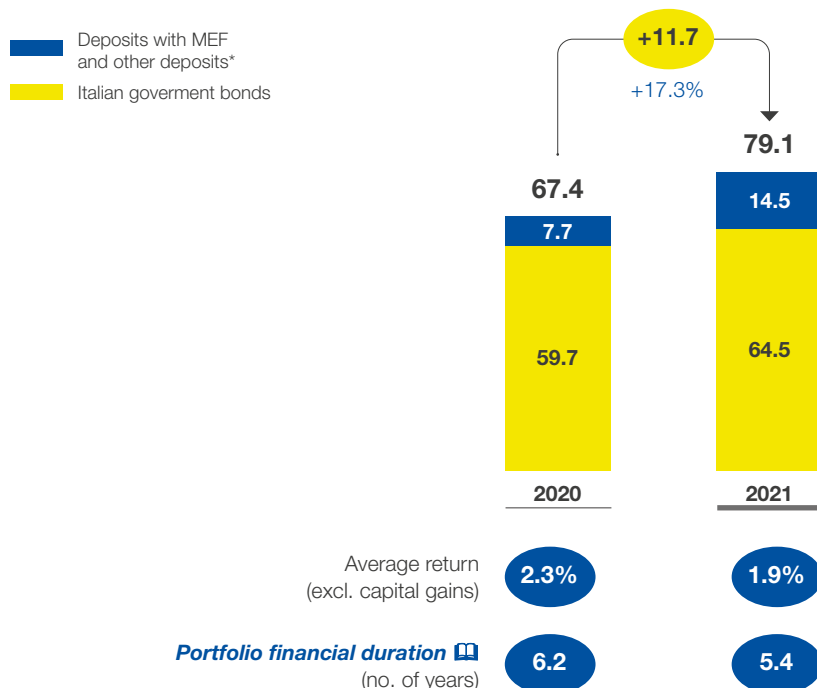
The third quarter of 2021 saw market revenues down by € 261 million (-19.4%) with respect to the same period in 2020, mainly driven by the increase in revenues derived from capital gains realised through active portfolio management (-€ 130 million, -98.8%) and from collection and payment services (-€ 91 million, -30.9%), mostly due to the non-recurring items that occurred in the fourth quarter of 2020. This change is partially mitigated by greater returns relating to Asset Management.

## AVERAGE CURRENT ACCOUNT DEPOSIT (€ bn)



In 2021, the Average Balance of current accounts increased compared to the previous year, increasing from € 67.4 billion to € 79.1 billion. This increase, of € 11.7 billion, can be traced to the growth seen in all business segments and mainly to the positive contribution coming from Retail and PostePay customers (+€ 6 billion, +13.8%), as well as from Corporate customers (+€ 3.4 billion, +38.9%) and the Public Administration (+€ 2.1 billion, +29%).

## COMPOSITION OF INVESTMENT PORTFOLIO (AVERAGE BALANCE in € bn)



\* Includes liquidity on the [Buffer](#), deposits with other financial institutions, additional short-term lending (< 12 months) average deposit used to acquire tax credits and excludes liquidity of Poste Italiane.

The average balance of the investment portfolio consists primarily of Italian government securities and debt securities issued by Cassa Depositi e Prestiti and guaranteed by the Italian State (approximately € 64.5 billion), in which funding from private customers on postal current accounts is invested, and deposits with the MEF (approximately € 9.4 billion) represented by funding from postal current accounts belonging to public customers.

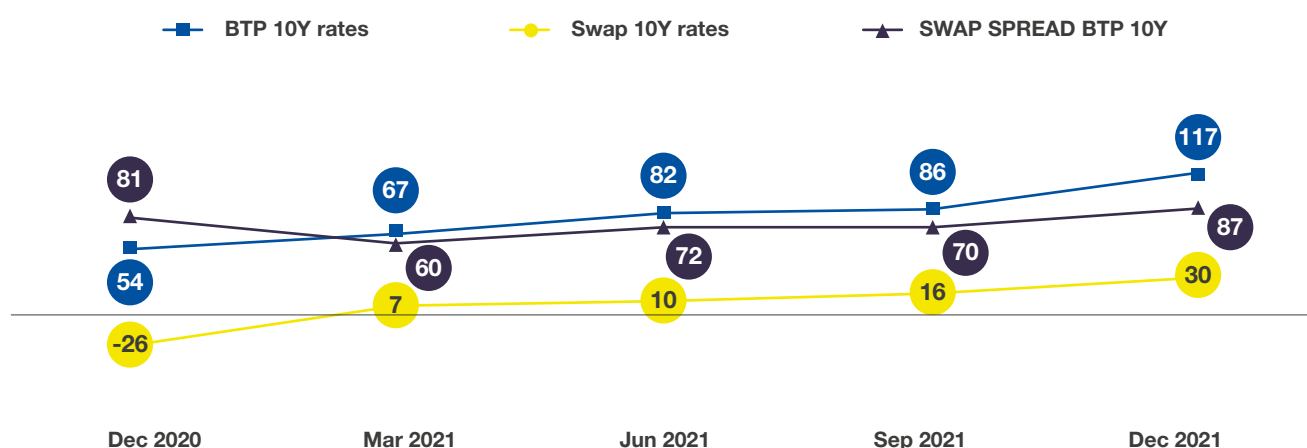
Within the “Deposits with MEF and other deposits” item, the investment portfolio also includes average deposits used by BancoPosta to acquire tax credits which, at 31 December 2021, amounted to approximately € 1.5 billion.

In the first quarter of 2021, the financial market was predominantly affected by the exacerbation of the second wave of the Covid-19 pandemic and, in Italy, political tensions in January-February 2021 led to an increase in the BTP-Bund spread, which reached 125 bps. In terms of the investment portfolio, in the first quarter 2021 most of the purchases of securities planned for the year were performed, mostly in medium and long term. The securities acquired have been covered from the rate risk using the Interest Rate Swap.

In April and May 2021, the spread again experienced a period of tension due to the high volumes of issues on the primary market and then falling to around 100 bps as the pressure on the primary market eased. In this situation, management of the portfolio featured the purchase and renewal of securities maturing in 2021 (during the period in which the spread increased). Thereafter, beginning in June 2021, with the relief of pressure on the primary market, a shrinking process began that led the BTP-Bund spread to the range of 100-110 bps until the end of October 2021. In this period, a securities forward sales programme was begun, with implementation expected in the third quarter 2021, capital gains planned for 2022 and it was completed the 2021 portion.

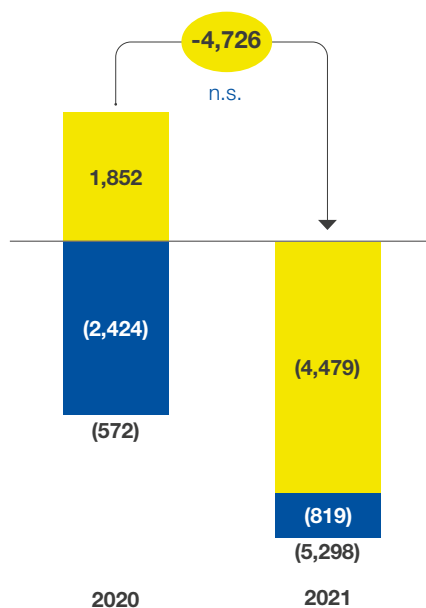
In 2021, funding transactions were carried out for the early renewal of part of the **RE.PO.** portfolio, in multiple steps, to finance portfolio structural leverage in view of favourable market funding conditions.

The increase in inflation that occurred at the end of 2021 led to an increase in nominal rates along the entire curve. The increase returns that comes from it has had a positive influence on the variable rate component for remunerating the collection relative to the Public Administration (Deposit with the MEF), while it had no impact of the portfolio's average return.



## POSTAL SAVINGS NET INFLOWS (€ m)

■ Saving Books  
■ BFP



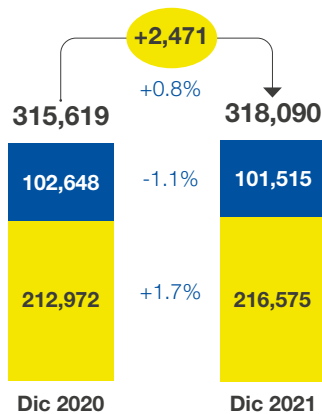
On 31 December 2021, Postal Savings Net Inflows amounted to -€ 5.3 billion, about € 4.7 million less compared to the previous year value. However, this negative change did not involve both products in the segment. There was a decrease of approximately € 6.3 billion in savings books compared to 2020, due to a greater propensity to invest compared to the previous year, partly as a result of the improvement in the economic scenario. Furthermore, the comparison with the previous year is not constant: during 2020, due to instructions related to the health emergency, thirteen pension payments were accredited compared to the twelve in 2021. Relative to BFP, the change with respect to the figure in 2020 was up for about € 1.6 billion; this change benefited from new subscriptions of € 30.2 billion, up by 8% with respect to the 2020 amount, notwithstanding an amount of BFPs maturing similar to that of the previous year.

**gross inflows on BFP:**  
(record high in last 10 years)

**€ 30 billion**

## POSTAL SAVINGS AVERAGE DEPOSIT\* (€ m)

■ BFP  
■ Saving Books

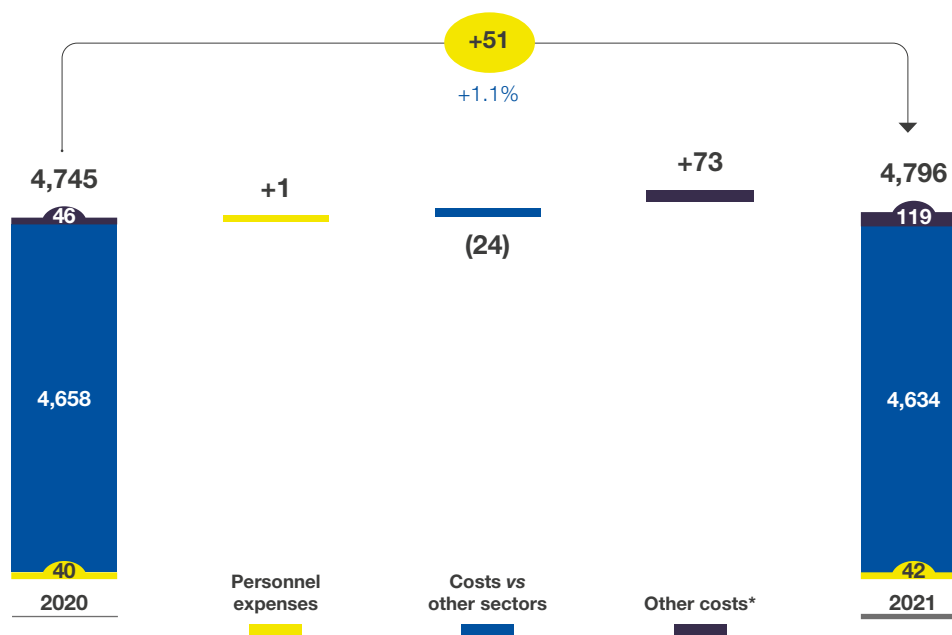


\* Calculation of interest is done at the beginning of the year relative to interest maturing the previous year. Average deposit value excludes both capitalisation of interest for the period and interest accrued, but not yet due, on interest-bearing Postal Certificates that have not expired at the reporting date.



The Postal Savings Average Deposit saw an increase of over € 2.5 billion compared to 2020; the amount for Savings Books is linked to the lower preference for liquidity in the face of a more favourable macroeconomic situation and the switch towards investment products. Whereas the Average Deposit of Interest-bearing Postal Certificates (BFP) is mainly attributable to the capitalisation of the interests.

## TOTAL COSTS (€ m)



\* This item includes costs for goods and services, adjustments/reversals and other costs and expenses.

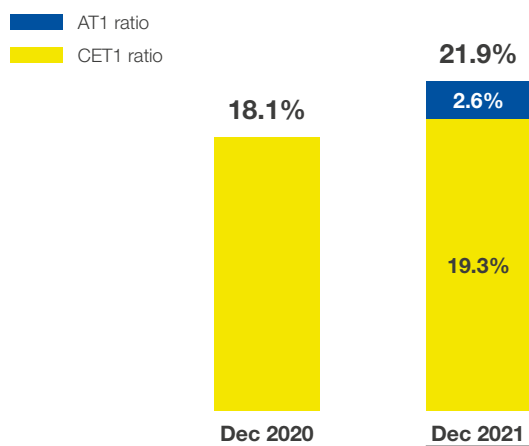
The total costs of the sector are € 4,796 million, up € 51 million (+1.1%) compared to the € 4,745 million of 2020, mostly due to the effect of greater provisions for risk Funds deriving from operative risks due to BancoPosta operations and the release of risk funds recorded in the same period of 2020, deriving from the revised estimates of some risks relating to the distribution of postal saving products and legal disputes with third-parties, as well as the conclusion of the voluntary protective initiatives undertaken in favour of the customers who undersigned the “Europa Immobiliari 1” and “Obelisco” real-estate funds. This increase is partially mitigated by lower costs to other sectors of the Poste Italiane Group.

The operating profit (EBIT) of the sector for 2021 amounted to € 747 million, down 13.8% compared to the same period of the previous year (–€ 119 million).

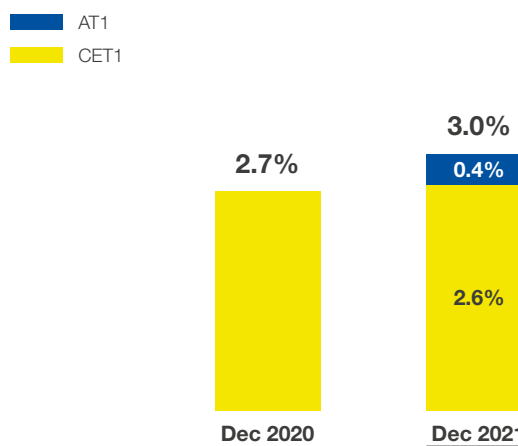
Taking into account financial management (positive for € 10 million) and taxes for the period (€ 200 million), the Financial Services Strategic Business Unit closed 2021 with a net result of € 556 million, down € 91 million compared to € 647 million in 2020 (–14%).

€ m	Dec 2020	Dec 2021
CET1 CAPITAL	2,449	2,633
TOTAL CAPITAL	2,449	2,983
TOTAL ASSETS	103,981	109,072
RWA – Risk Weighted Assets	13,502	13,613

### TOTAL CAPITAL RATIO



### LEVERAGE RATIO



With regard to the BancoPosta capital structure, on 30 June 2021, the capital increase of € 350 million via *Additional Tier 1* was completed. At the end of 2021, the Leverage Ratio value was positioned at 3.0% even following further increases of the Financial Position assets related, mostly, to the increase in investments. The CET 1 Ratio on 31 December 2021 was 19.3%, while the Total Capital Ratio including Additional Tier 1 was 21.9%, confirming the financial solidity of BancoPosta. The specified coefficients take into account the calculation of € 200 million, as they are the same concerned by the resolution passed by Poste Italiane's Board of Directors regarding the proposed allocation of profit for FY 2021 and respecting the regulations of Art. 26 of Regulation (EU) No. 575/2013.

Details of the various areas of risk and the methods used for their measurement and prevention are provided in other sections of the Annual Report 2021.

# Insurance Services Strategic Business Unit

## "2024 Sustain & Innovate" Strategy



### INSURANCE SERVICES

Market-leading insurance company with comprehensive and sustainable product portfolio

- Life products at the heart of the group's investment offering
- Profitable growth in the non-life market
- Full integration of ESG principles and reduction of "under-insurance" in Italy

## "24SI" objectives and KPIs

## "24SI" Target

## 2021 Progress



### Life Segment

Meet the growing demand for investment products through a mix of sustainable products under the profile of capital absorption, profitable and that integrates the ESG components.

- Gross Life premiums
- Average mathematical provisions
- % Impact on Multi-class products
- % ESG products\*

\* Newly released product

From € 16.7 billion in 2020  
to € 26.5 billion in 2024

€ 17.6 billion

From € 130 billion in 2020  
to > € 170 billion in 2024

€ 139 billion

From 34% in 2020 to >60% in 2024  
100% by 2024

58%  
50%



### P&C Segment

Profitable growth of the sector driven by the modular offer and by motors with the objective of reducing the gap of sub-insurance on the Italian market.

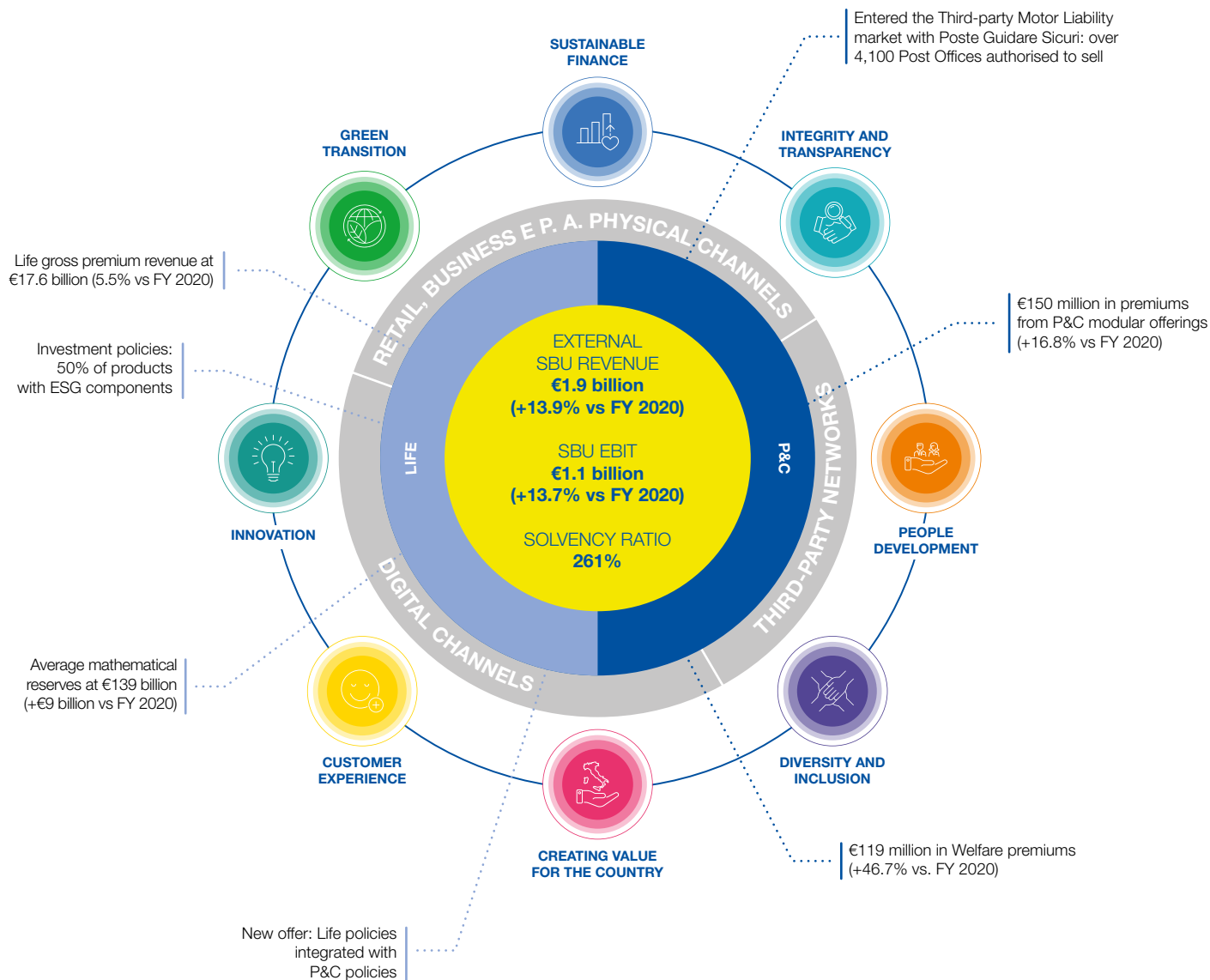
- Life/P&C integrated offer (premiums)
- Protection gross premiums\*

\* Including intermediate volumes on the Third-Party Motor Liability sector

> € 50 million by 2024  
5x by 2024 vs 2020


€ 7.6 million  
€ 411 million

Following are the annual highlights of the operational terms and economic results for the Insurance Services Strategic Business Unit.



The SBU performances for the year are solid and show growth compared to the results in 2020. The operative margin and net result also amounted to pre-pandemic levels. The Solvency Ratio of 261% at the end of the year confirms the solvency of the insurance Group.

INSURANCE SERVICES (€ m)	2021	2020	CHANGES	
<b>External revenue</b>	<b>1,870</b>	<b>1,643</b>	<b>+228</b>	<b>+13.9%</b>
Revenue from other sectors	3	1	+1	+87.6%
<b>Total revenue</b>	<b>1,873</b>	<b>1,644</b>	<b>+229</b>	<b>+13.9%</b>
Costs	146	133	+13	+9.9%
Costs vs other sectors	604	523	+81	+15.4%
<b>Total costs</b>	<b>750</b>	<b>656</b>	<b>+94</b>	<b>+14.3%</b>
<b>EBIT</b>	<b>1,123</b>	<b>988</b>	<b>+135</b>	<b>+13.7%</b>
<b>EBIT margin %</b>	<b>60.0%</b>	<b>60.1%</b>		
<b>NET PROFIT</b>	<b>828</b>	<b>784</b>	<b>+44</b>	<b>+5.6%</b>

Operating KPIs	2021	2020	CHANGES	
Net technical provisions Poste Vita Group (€ bn)	159.0	153.7	+5.3	+3.4%
Solvency Ratio	261%	267%		
Life business	2021	2020	CHANGES	
Gross premium revenue - Life (€ m)*	17,574	16,661	+913	+5.5%
of which: Classes I-IV-V	13,749	14,661	(913)	-6.2%
of which: Class III**	3,826	2,000	+1,826	+91.3%
Incidence of Multi-class premiums on total	58%	34%		
Unrealized capital gains (€ bn)	13.2	17.9	(4.7)	-26.4%
Lapse rate	3.1%	2.5%		
% of ESG products on investment products***	50%	14%		
P&C business	2021	2020	CHANGES	
<b>Gross premium revenue</b>  - non-life (€ m)****	319	240	+79	+33.0%
Average daily premiums - modular offer (€t)*****	205	98	+107	+108.9%
Intermediated premiums on motor (€t)	5,843	n/a	n/s	n/s
Combined ratio (net reinsurance)*****	91.1%	79.5%		
Loss ratio	59.5%	48.0%		

n/a not applicable

n/s not significant

\* Includes gross premium revenue before outward reinsurance premiums and intra-group portions.

\*\* Gross class III premium revenue includes the target portion of the new multi-class products, with "linked" portion definition.

\*\*\* For products being placed, the presence of an ESG component is enhanced. Product campaigns are excluded with gross annual inflows that are less than € 100 million.

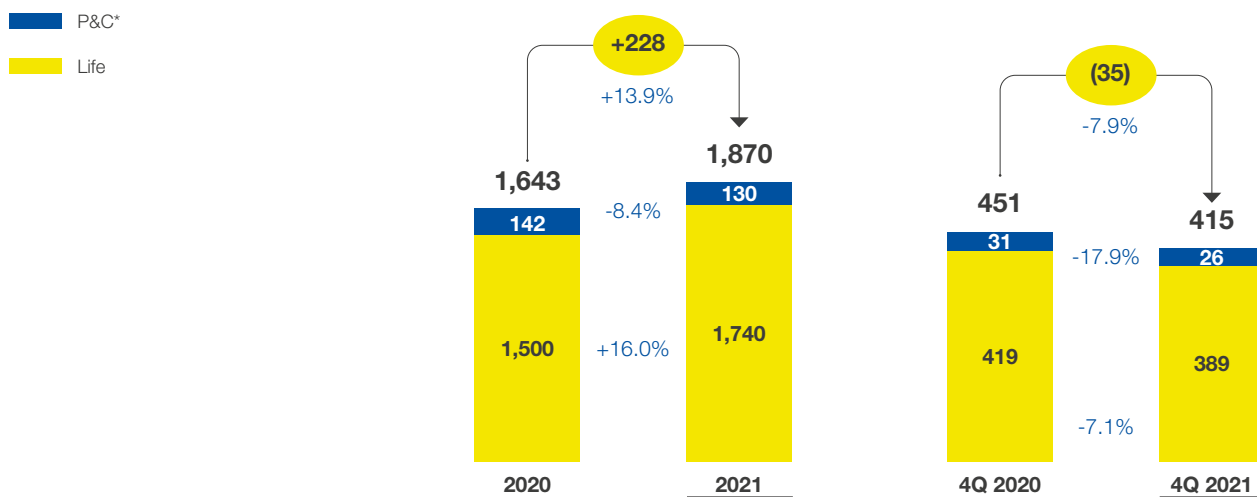
\*\*\*\* Includes gross premium revenue before the **premium reserve** , outward reinsurance premiums and intra-group portions.

\*\*\*\*\* Calculated on net annual premiums, including Property and Casualty policies.

\*\*\*\*\* Corresponds to the ratio between the total amount of costs incurred (commissions for the year + charges relating to claims + balance of business ceded + operating costs + other technical expenses and income) and gross premiums earned.

## EXTERNAL REVENUE

(€ m)



\* Includes Poste Welfare Servizi, Poste Insurance Broker and other revenue.

**Life revenue:** placement commissions on the sale of Class I, III and V policies; management commissions on Class I and III policies; protection margins on the sale of protection products (Credit Protection Insurance policies (CPI), Temporanea Caso Morte (TMC) and Long Term Care (LTC) policies) and changes in other technical provisions on life policies.

**P&C revenue:** revenue from retail (Modular and Payments) and group (Welfare) protection policies, as well as revenue from services relating to the management of health funds, the sale of motor policies and other revenue.

External revenue went from € 1,643 million in 2020 to € 1,870 million in 2021 (+13.9%) and are essentially attributable to the Life business, which contributed € 1,740 million, while the contribution from the P&C business amounted to € 130 million, including the revenue of Poste Welfare Servizi (mainly for services relating to the management of health funds), Poste Insurance Broker (relating to the sale of motor policies) and other revenue.

Specifically, Life net revenue increased by 16% (+€ 240 million) with respect to 2020, mainly due to the positive contribution of the financial margin (which rose from € 1,144 million in 2020 to € 1,455 million in 2021, up +€ 312 million); the latter benefited from both an increase in profitability (+€ 231 million), due to the effect of the more favourable product mix<sup>61</sup> and the growth of returns on separately managed accounts<sup>62</sup>, which has a volume effect (+81 million) related to the increase in the average assets under management (higher total average reserves up by € 9.2 billion, of which € 7.2 billion for class I and € 2 billion for class III, compared to 2020).

The returns gained during the year by Separately Managed Accounts (2.64% for the management of PostaPensione and 2.35% for PostaValorePiù) are positively influenced, for a total equal to € 351 million, from the increase in rate of inflation with reference to the so-called **"Inflation Linked"** held in the Poste Vita portfolio (for a nominal value of approximately € 9.4 billion on 31 December 2021). This income, realised by the Company, have been recognised to the insured for the most part through the revaluation of the commitments to the same representatives to the value of the technical reserves.

61. Proportion 2021 of the Multi-class policies equal to 58% compared to 34% in 2020.

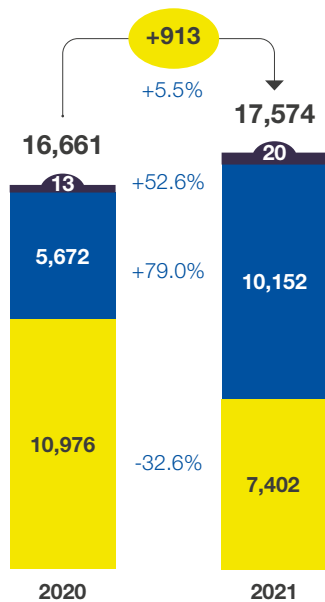
62. PostaValorePiù return 2021 equal to 2.35% compared to 2.16% in 2020.

The P&C net revenue, net the Poste Welfare Servizi, Poste Insurance Broker, and other revenues, amounted to € 119 million, down compared to the same period of 2020 (-€ 13 million, -10.2%). More specifically, gross premium revenue grew by € 71 million (+30.1%) with respect to last year, while charges for claims, which registered an increase of € 67 million (+65.5%) compared to 2020, were influenced by the greater development from Welfare business (with associated premiums accounting for 39% compared to 34% in 2020) as well as non-recurring components for approximately € 16 million, of which € 10 million in Covid-19 guarantees for Poste Italiane employee health policies and € 6 million in charges for claims related to dormant policies. The Combined Ratio, net of reinsurance, was 91.1%, up 11.6% compared to the 2020 value. Net the non-recurring components equal to € 16 million, the Combined Ratio for 2021 stood at 85.8%.

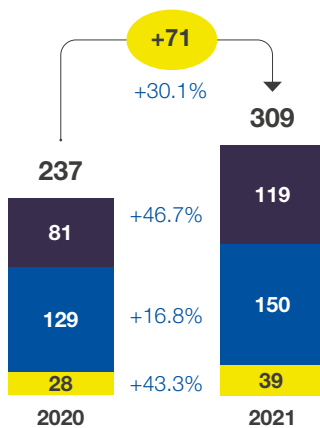
The fourth quarter of 2021 showed a drop in Life net revenue of € 30 million (-7.1%) compared to the same period of the previous year, mainly due to the change in other technical reserves (-€ 53 million) that reflects the change recorded in that period on the loadings expense reserve (-€ 19 million, -23.7%) against the reduced collection. These variations are partially compensated by the increases in the Life financial margins (+€ 43 million, +13.7% compared to the same period in 2020) mostly due to the more favourable product mix with respect to the same period in 2020. A slight decrease in revenue capital gains was seen in the last quarter of the year (-€ 5 million compared to the fourth quarter of 2020) notwithstanding a growth of the gross premium revenue of € 17 million (+33%) compared to the same quarter of 2020.

## GROSS PREMIUM REVENUE (€ m)

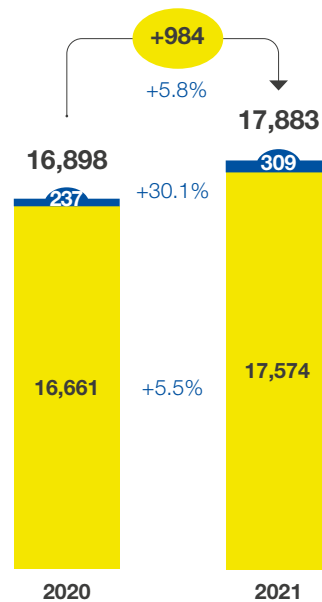
### LIFE



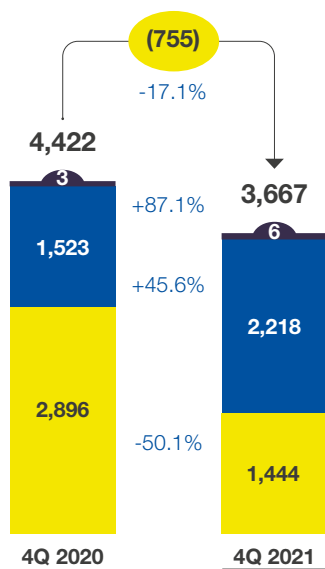
### P&C



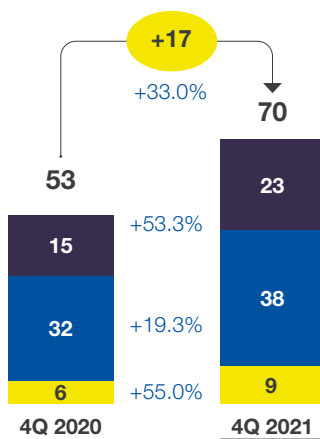
### TOTAL



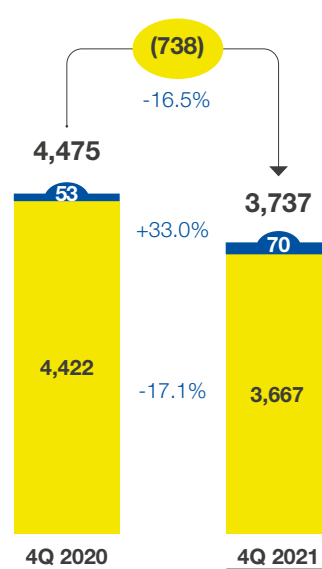
### LIFE



### P&C



### TOTAL



Unit linked  
Multi-class  
Build-up

Welfare  
Modular  
Payment protection

P&C  
Life

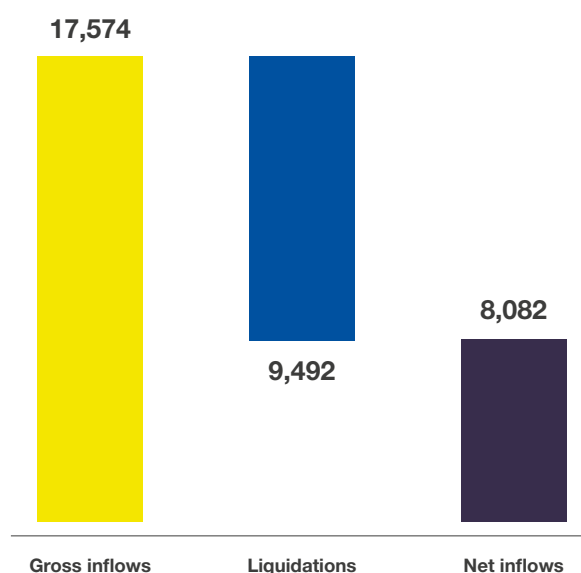


The gross inflows of the Life business amounts to € 17.6 billion, growing by 5.5% compared to 2020, specifically thanks to the growth in the premiums relative to the Multi-class products, which increased from € 5.7 billion at the end of December 2020 to € 10.2 billion recorded at the end of 2021, with an effect on the total collection that increased from 34% in 2020 to 58% in 2021.

The gross profits<sup>63</sup> of the P&C business total € 309 million, recording a growth of € 71 million (+30.1%) compared to 2020 thanks to the contribution of all sectors: i) the Welfare sector, in which the premiums rose from € 81 million in 2020 to € 119 million in 2021 (+46.7%) mainly supported by new distribution agreements undersigned with corporate customers (Employee Benefit), ii) Payment Protection policies with a growth of the relative premiums by € 12 million (+43.3%), ii) the Modular offer, with a positive variation of € 22 million (+16.8%).

During the year, the new integrated Life/P&C offer was successfully launched, generating approximately € 8 million in premiums.

### LIFE NET INFLOWS AT 31 DECEMBER 2021 (€ m)



Life business net inflows<sup>64</sup> amounted to € 8.1 billion (€ 5.6 billion in 2020) and remained positive on all the Separately Managed<sup>65</sup> and Internal Fund<sup>66</sup> portfolios. The redemption rate was 3.1%, up from the last year (2.5%) but still well below the market average (6.08%)<sup>67</sup>.

63. This includes the intermediate volumes related to the Third-Party Motor Liability policies.

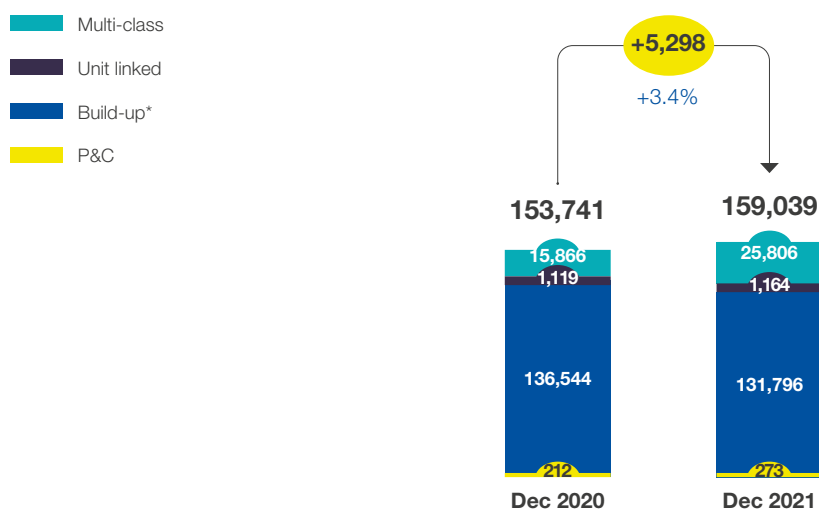
64. It is determined from the total of the gross premium revenue and paid claims for the period.

65. The separately managed accounts identify an investment portfolio, specifically created by the insurance company, in which the premiums of customers who subscribe to a life insurance policy (Class I products) are invested and revalued on the basis of the account results.

66. The Internal Fund represents a type of investment management within a company in which the premiums invested flow into the company's assets (shares). The premiums, net of costs, are converted into units, invested in shares or bonds.

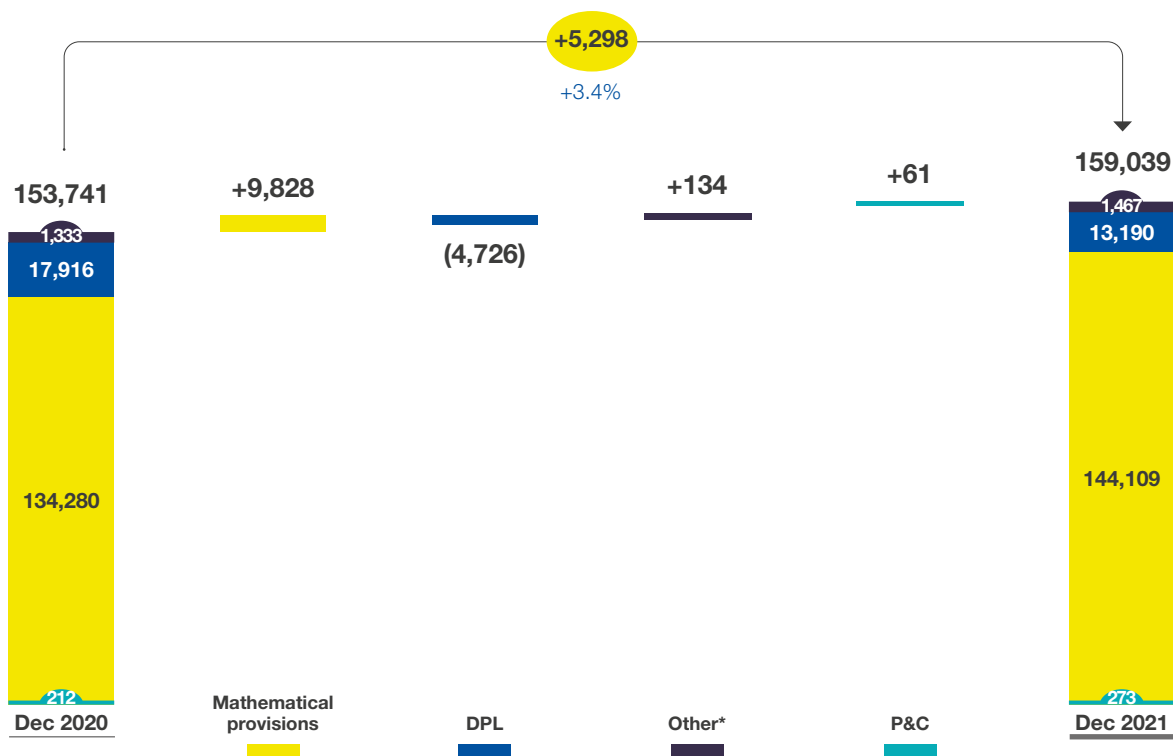
67. Source: *Ania Trends* – Life flows and provisions – Publication No. 4, February 2022 (updated 31 December 2021).

## NET TECHNICAL PROVISIONS (€ m)



\* Includes Protection and Welfare.

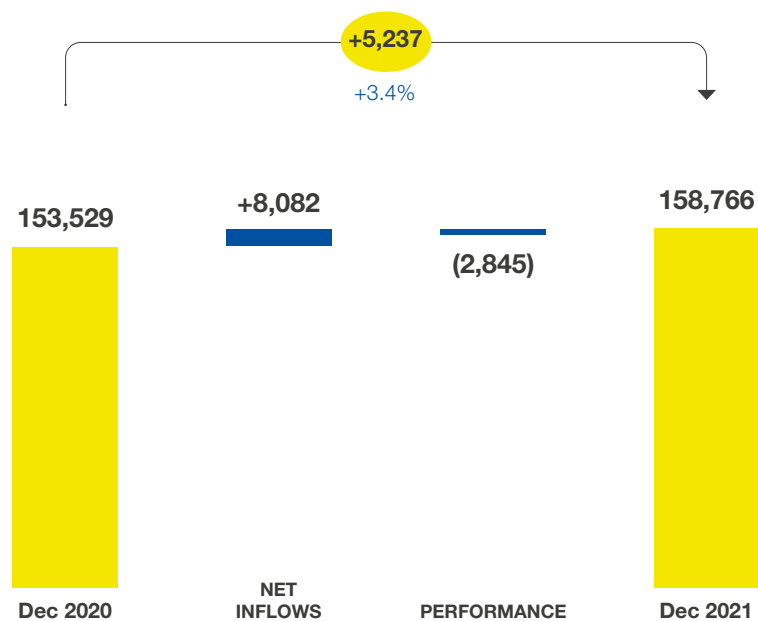
## NET TECHNICAL PROVISIONS TREND (€ m)



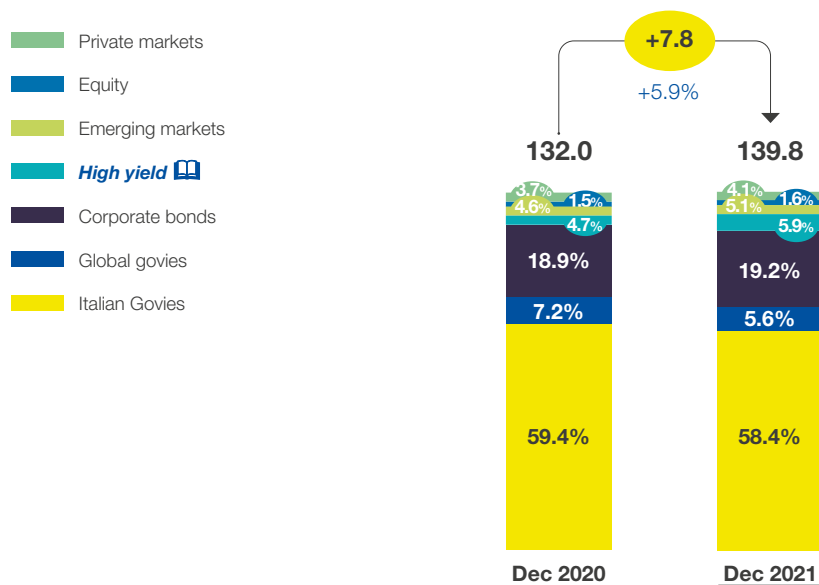
\* Includes provisions for outstanding claims, as well as reinsurance and expense reserves.

Life business technical provisions amounted to € 158.8 billion and increased by € 5.2 billion compared to 31 December 2020, mainly as a result of growth in mathematical provisions (+€ 9.8 billion), supported by positive net inflows, as well as accrual of technical interest recognised to the insured parties mainly correlated to greater returns realised with Separately Managed Accounts. This variation is only partially compensated by the trend, given the less favourable dynamics of the financial market, of the **Deferred Policy holder Liabilities** (-€4.7 billion) that includes the fair value variations of the financial instruments for covering the issued policies. Technical provisions for the P&C business, net of the portion ceded to reinsurers, amount to € 273 million at the end of the period, up +29% (+€ 61 million) compared to 31 December 2020 (€ 212 million).

## CHANGES IN NET TECHNICAL PROVISIONS FOR LIFE BUSINESS (€ m)



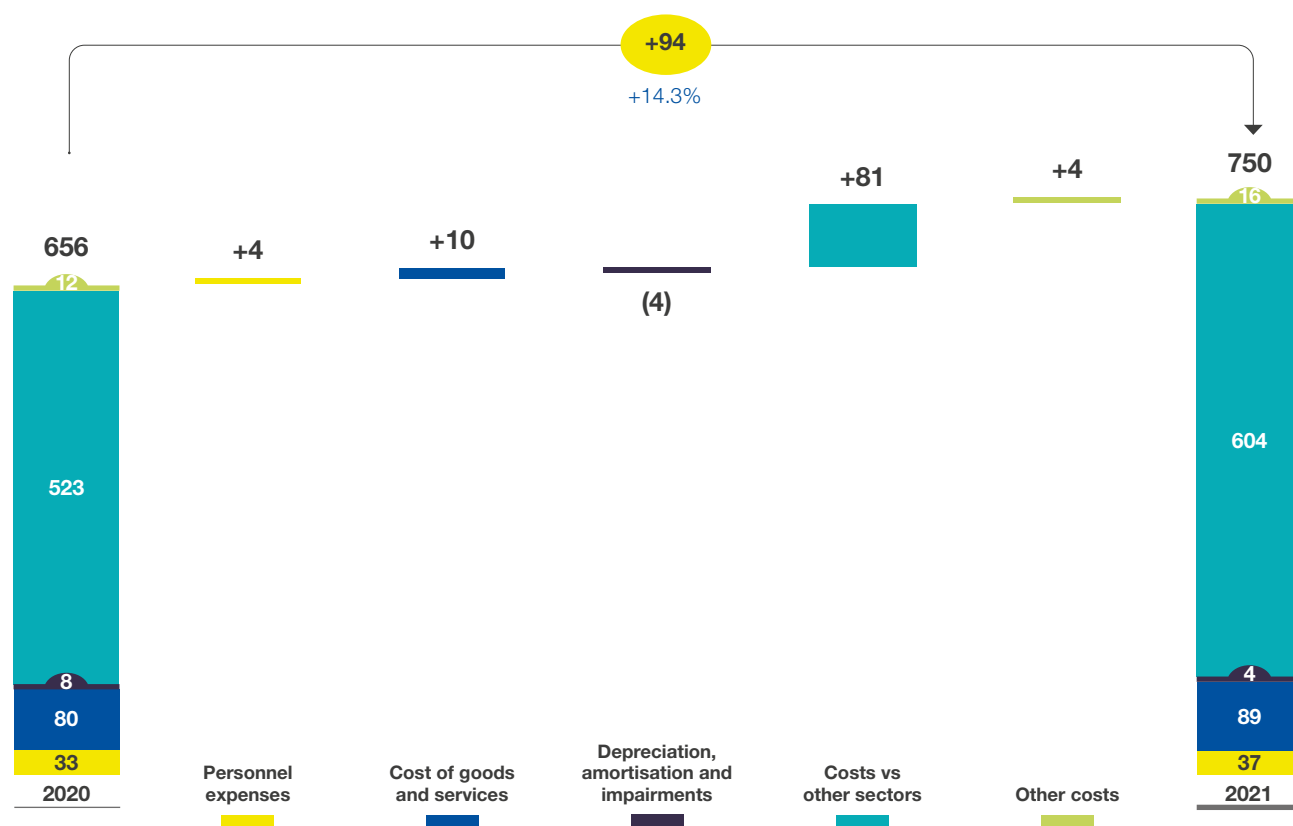
## BREAKDOWN OF THE INVESTMENT PORTFOLIO (€ bn)



In 2021, in line with the latest [asset allocation](#) approved by the Company, the process of portfolio diversification continued, with the aim of reducing the concentration of Italy risk, in favour of [asset classes](#) with a lower correlation to the risk associated with Italian government securities<sup>68</sup> (e.g. [Investment Grade](#) Corporate and [High Yield](#) securities).

Within investment funds, diversification has been evident with a reduction in the concentration of risk associated with government securities.

68. Included within the Italy Govies asset class is the Company's financial liquidity (cash awaiting transfer to the asset class managers). In 2020, the incidence of this liquidity on the entire portfolio was approximately 0.43%, while in 2021, this incidence was 0.38%. The value of the investment portfolio on 31 December 2021 differs from the Life technical provisions represented in the previous diagram. The difference is due to the different assessment of the individual items ("cost" principle in the investment portfolio representation, IFRS ("market value") in the reserves representation), as well as a different reference perimeter; specifically, the value of the investment portfolio does not include the value of the Class D (Branch III) investments and also considers the total of the free capital.

**TOTAL COSTS**  
(€ m)

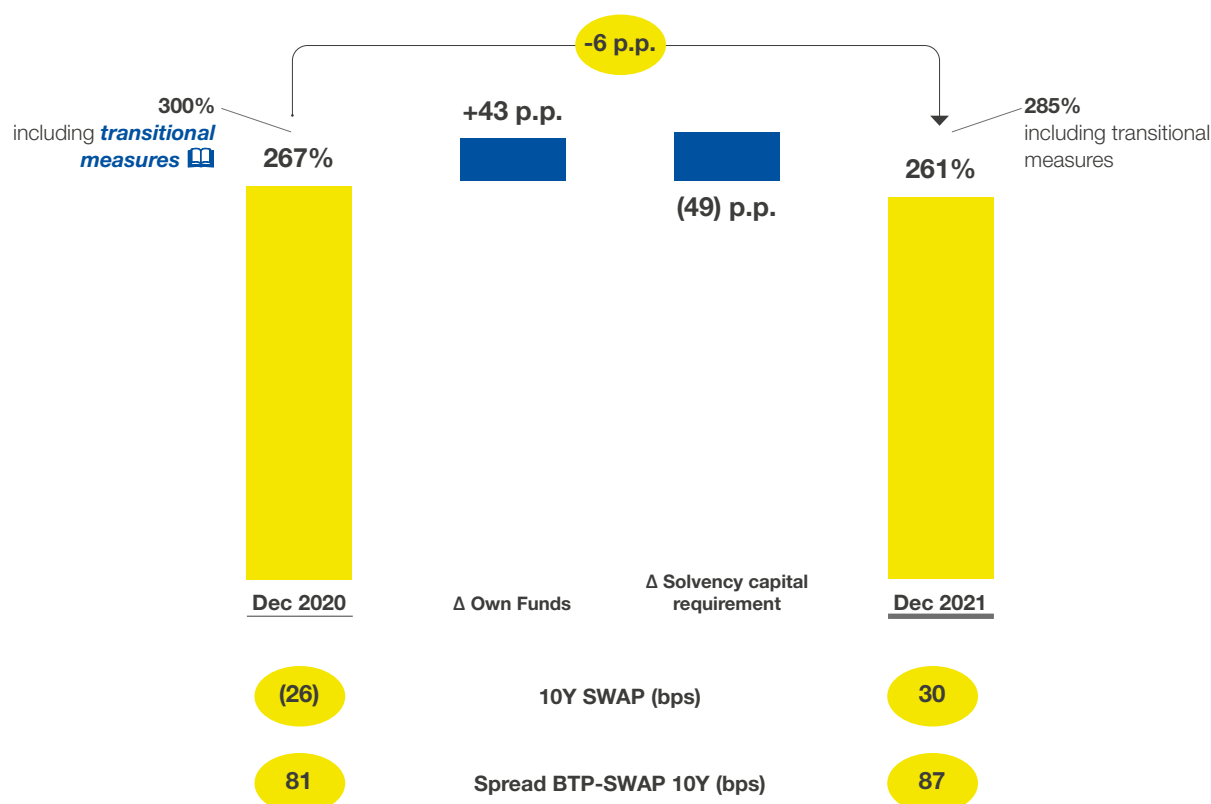
Total costs amount to € 750 million, up € 94 million (+14.3%) compared to 2020, primarily due to the increase in inter-segment costs (up € +81 million compared to 2020) mostly due to higher commissions paid to the Financial Services Strategic Business Unit (up +€ 57 million) for distribution, collection and maintenance activities as a result of growth in gross inflows, as well as higher services provided by the Parent Company (up +€ 18 million) due to increased IT services deriving from the sale of the Poste Vita, Poste Assicura and Poste Welfare Servizi ICT management business units to Poste Italiane, which took effect on 1 March 2020, and the existing additional service contracts (e.g. for Purchasing, Anti-money-laundering, etc.).

In light of the results illustrated, the *Insurance Services Strategic Business Unit* generated EBIT of € 1,123 million in 2021, an increase of 13.7% (+€ 135 million) compared to 2020 (€ 988 million).

Taking financial management into account (positive for € 54 million), as well as taxes for the period<sup>69</sup> (€ 349 million), the Insurance Services Strategic Business Unit registered a net result € 828 million in 2021, up 5.6% (+€ 44 million) compared to the same period of 2020.

69. The 2020 net profit benefited from the positive tax effect of € 58 million due to adhesion to the "Patent Box" subsidised taxation scheme.

## SOLVENCY RATIO PERFORMANCE



The Poste Vita Group's Solvency Ratio stood at 261% on 31 December 2021<sup>70</sup>, down compared to the 267% reported in December 2020 (-6%), and remains well above the regulatory requirements and management's expectations (200%).

The change in the period is due to the increase in available capital (+43%) following the positive dynamics of the interest rate trend (+56 bps 10-year swap rate), partially offset by the negative dynamics of the *BTP-Swap spread* (+6 bps 10-year spread) and by an increase in the capital requirement. The increase in the capital requirement (-49%) is due to higher underwriting, counterparty, market and operational risks, not offset by the increase in diversification between risks<sup>71</sup>.

The inclusion of the transitional measures on technical provisions approved in 2019 has resulted in an increase in eligible own funds bringing the Solvency Ratio to 285% at 31 December 2021 (300% at 31 December 2020).

On 26 July 2021, the Parent Company further increased the capital provided to Poste Vita by subscribing a subordinated, non-convertible capital instrument with a perpetual duration and a 10-year non-call period, amounting to € 300 million, on terms and conditions that enable it to be included in the core capital ("Restricted Tier 1" or "RT1"), in order to strengthen the Solvency Ratio. This strengthening of capital, in line with the "24SI" Plan, is designed to support the future development of the Poste Vita Group's business by taking advantage of the current favourable market conditions.

Furthermore, considering the potential risk related to the trend of a few key economic factors (BTP spread and/or interest rates) that could influence the Solvency Ratio of the Poste Vita Group, the Company cautiously introduced an additional "recovery option" which can be activated in the event of a crisis, which calls for an increase in the share capital through the issue of new stocks to be undersigned by the sole shareholder, Poste Italiane.

70. The figure takes into account the dividend that the Company will pay to the Parent Company following the annual audit process and that will be communicated to IVASS by 20 May 2022.

71. The standard formula provides for a diversification among the risks considered in the capital requirement (SCR) that allows for a reduction in the requirement.

## Payments and Mobile Strategic Business Unit

### "2024 Sustain & Innovate" Strategy



#### PAYMENTS AND MOBILE

Innovative digital platform for an integrated payment, telephony and energy offering

- Strengthening leadership in digital payments
- New TLC offer, for both mobile and fixed lines
- Energy services from 2022, leveraging market liberalisation and customer trust

### "24SI" objectives and KPIs

### "24SI" Target

### 2021 Progress



#### Electronic money

Evolution and digitalisation of the prepaid and debit card offer to support the payments business and the Group's green strategy.

- Total transactions with debit and prepaid cards (on- and off-us)\*
- Payment card stock
  - of which PostePay EVO stock
  - of which eco-sustainable card stock
- Digital e-wallets stock

\* Transactions relating to payments made with Postamat and Postepay on internal and external payment circuits.

From € 41.9 billion in 2019 to € 83.2 billion in 2024	€ 61.1 billion
From € 28.7 million in 2019 to € 29.6 million in 2024	28.6 million
From € 7.2 million in 2019 to € 11.6 million in 2024	8.4 million
16 million by 2024	1.1 million
From € 5.4 million in 2019 to € 10.7 million in 2024	9.1 million



#### Telecommunications

Reinforcement of the distinct position in the mobile market and increase in acquisitions from the digital channel. Market expansion through the new Fibra offer and migration to a new Mobile Host Operator for optimised management of customers voice and data traffic.

- Fixed and Mobile Lines stock
  - of which Fixed Lines stock

From 4.4 million in 2019 to 5.1 million in 2024	4.7 million
From 200 K in 2019 to 545 K in 2024*	298 K
* KPI not presented during Capital Market Day in March 2021.	

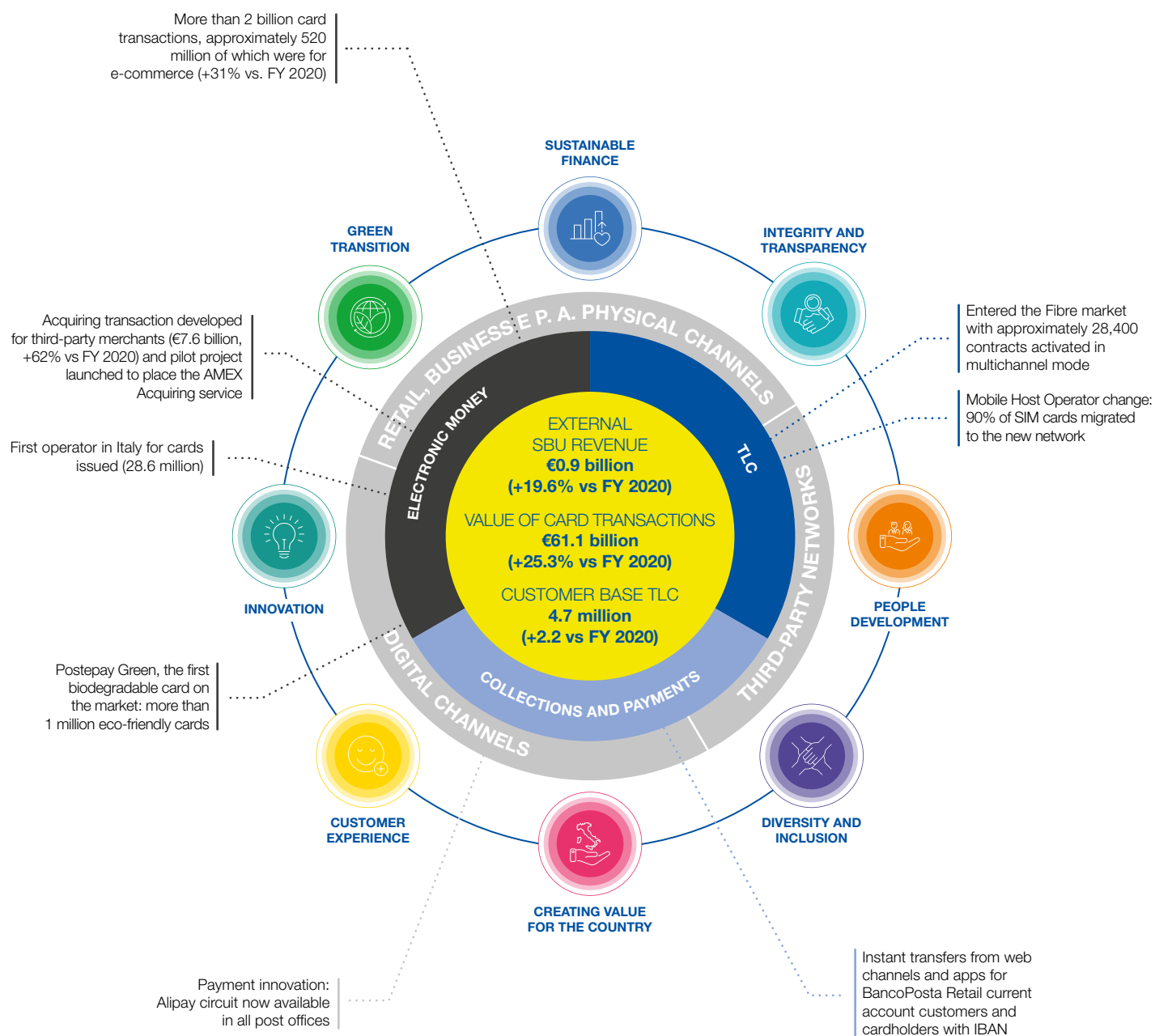


#### Energy

Entry in the energy market, subordinate to the market conditions, through an 100% green offer on the italian national electricity and gas market.

Launch in 2022	in line
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Following are the annual highlights of the operational terms and economic results for the Payments and Mobile Strategic Business Unit.



<b>PAYMENTS AND MOBILE</b> <b>(€ m)</b>	<b>2021</b>	<b>2020</b>	<b>CHANGES</b>	
<b>External revenue</b>	<b>882</b>	<b>737</b>	<b>+144</b>	<b>+19.6%</b>
Revenue from other sectors	319	341	(22)	-6.4%
<b>Total revenue</b>	<b>1,201</b>	<b>1,079</b>	<b>+123</b>	<b>+11.4%</b>
Costs	461	435	+26	+6.1%
Costs vs other sectors	459	385	+73	+19.0%
<b>Total costs</b>	<b>920</b>	<b>820</b>	<b>+100</b>	<b>+12.2%</b>
<b>EBIT</b>	<b>282</b>	<b>259</b>	<b>+23</b>	<b>+8.8%</b>
<b>EBIT margin %</b>	<b>23.4%</b>	<b>24.0%</b>		
<b>NET PROFIT</b>	<b>425</b>	<b>194</b>	<b>+231</b>	<b>+119.2%</b>

<b>Operating KPIs</b>	<b>2021</b>	<b>2020</b>	<b>CHANGES</b>	
<b>Electronic Money</b>				
Total value of card transactions ("on us" and "off us") (€ m)*	61,086	48,761	+12,325	+25.3%
Total value of card transactions ("off us") (€ m)**	49,448	38,563	+10,885	+28.2%
Number of cards (m)***	28.6	28.9	(0.4)	-1.3%
of which Postepay cards (m)	21.1	21.7	(0.6)	-2.8%
of which Postepay Evolution cards (m)****	8.4	7.7	+0.7	+9.3%
of which Postepay Green (thousands)	30.1	n/a	n/s	n/s
of which Postepay Connect (thousands)	418.1	272.6	+145.5	+53.4%
Number of card transactions (m)	2,013	1,561	+452	+28.9%
of which number of e-commerce transactions (m)*****	520	397	+123	+31.0%
Instances of payments slips accepted on alternative channels**(%)	40%	34%		
Instances of Postepay top-ups made on alternative channels**(%)	80%	76%		
<b>TLC</b>				
SIM PosteMobile landlines and mobile telephones (stock in thousands)	4,725	4,623	+102	+2.2%
of which mobile Sim (stock in thousands)	4,427	4,380	+47	+1.1%
of which Casa Sim (stock in thousands)	298	243	+56	+22.9%
MNP (Mobile Number Portability) terminations (in thousands)	435	528	(93)	-17.6%
DATA usage (GB per active SIM per month)	7.9	5.7	+2.1	+37.5%
VOICE usage (min per active SIM per month)	438.2	444.8	(6.6)	-1.5%
Fibre contracts (activations in thousands)*****	28.4	n/a	n/s	n/s

n/a: not applicable

n/s: non significant

(\*) Includes transactions made on Poste Italiane Retail and Business properties and on other digital channels.

\* Transaction relating to payments made with Postamat and Postepay on internal and external payment circuits ("on us" and "off us").

\*\* Transactions relating to payments made with Postamat and Postepay on external payment circuits ("off us").

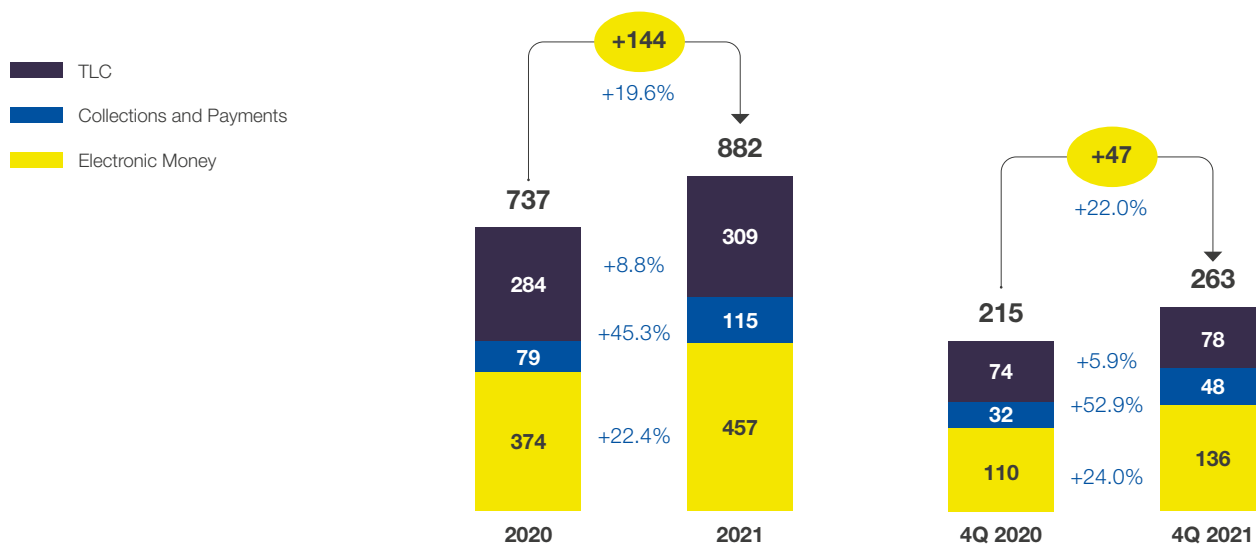
\*\*\* Includes Postepay cards and debit cards.

\*\*\*\* Includes business customers and Postepay Connect cards.

\*\*\*\*\* Includes e-commerce transactions + web (on Poste Italiane's digital properties).

\*\*\*\*\* Customer base Fibra.



**EXTERNAL REVENUE**  
(€ m)

**Collections and payments:** Tax payment service by acceptance of the F23 and F24 forms; transfer of funds to send money abroad through Moneygram and Western Union, postagiato transfers and direct debit by Postepay Evolution, payments on the PagoPA system.

**Electronic Money:** prepaid cards (top-ups, payments, withdrawals, fees, issuance), debit cards (postamat and postpay debit - interchange fees on card transactions; from October 2021 also withdrawals, P2P top-ups and instalments to customers); acquiring services (fees on transactions, fees and services) related to the provision of POS (mobile, physical, and virtual) for the acceptance of card payments (debit, credit, and prepaid).

**TLC:** mobile phones (revenue from traffic, and the sale of mobile phones and routers from PO corners) and fixed line (PosteMobile Casa and Poste Casa Ultraveloce).

Market revenue in 2021 amounted to € 882 million and showed growth of € 144 million with respect to December 2020 (+19.6%) attributable to the positive contribution of the Telecommunications segment as well as the performance of the Card Payments segment and the Collection and Payment services.

In detail, revenue from the Card Payments segment show a growth of € 84 million (+22.4%), increasing from € 374 million in the first half of 2020 to € 457 million in 2021 due to higher revenue generated by payment card operations as well as the sustained growth in revenue from Acquiring services due to the increase in transactions.

Collection and payment services returns equal to € 115 in December 2021 demonstrate a positive change of € 36 million compared to 2020 (+45.3%), mostly attributable to greater returns in the PagoPa<sup>72</sup> payment services to the Public Administration (active since May 2020), from instant payments<sup>73</sup> from Postepay Evolution and from F24 payments.

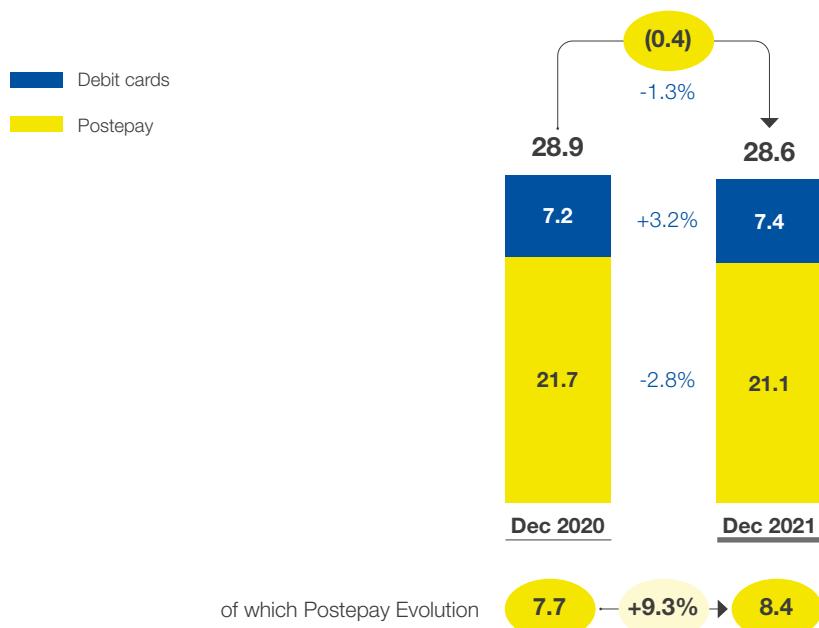
External revenue in the Telecommunications segment amounted to € 309 million, up from € 284 million in December 2020 (+8.8%). The positive result was due to the increase in both Mobile and Fixed Telephony revenue, mainly due to a larger customer base active in both segments.

The performance of the fourth quarter 2021 was also positive, with market revenues growing by 22.0% (+€ 47 million) compared to the same period the previous year, from € 215 million in the fourth quarter of 2020 to € 263 million in the fourth quarter December 2021. The positive result for the period is due to all sectors: the increased profits in Collection and payment services are driven by the positive contribution of the PagoPA payment service, those of card payments for the greater operations in payment cards, whereas the growth in the Telco sector is due to a larger customer base for fixed and mobile telephony.

72. PagoPA is a new way to perform, through the Payment Service Providers (PostePay SpA), payments to the Public Administration in a standardised way.

73. Bank transfers completed within a few seconds from the availability of the transaction, using the pan-European platform, TIPS (TARGET Instant Payment Settlement), dedicated to real-time realisation of instant payments. Source: [www.bancaditalia.it](http://www.bancaditalia.it)

## CARDS STOCK (€ m)



On 31 December 2021, the total stock of prepaid cards and debit cards amounted to 28.6 million, with payment transactions on off-us and on-us circuits equal to € 61.1 billion, up by approximately € 12.3 billion (+25.3%) compared to 31 December 2020.

Postepay cards amounted to 21.1 million on 31 December 2021 (-2.8% compared to 31 December 2020) and of these approximately 8.4 million are represented by Postepay Evolution cards, with stock up by 9.3% on 31 December 2021. In 2021, the sale of Postepay Connect continued, with approximately 267 thousand activations during the year.

During 2021, there was an increase in payment card transactions of 28.9% (equal to 452 million transactions) compared to 2020, driven by the strong impulse of e-commerce and online transactions (+31%).

In 2021, the growth of the Postepay top-ups using alternative channels to the Post Office continued (80% impact compared to 76% in 2020), confirming the importance of the omni-channel service model.

In the Acquiring area, against a number of POS installed at 31 December 2021 of approximately 256 thousand (+69% compared to 31 December 2020, an increase of 104 thousand POS installed), transactions amounted to € 22.9 billion (+€ 4 billion, +21% compared to 2020).

**the card stock  
in 2021**

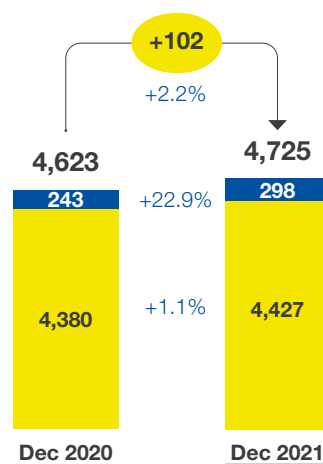
**28.6  
million**

**e-commerce  
transaction growth  
in 2021**

**+31%**

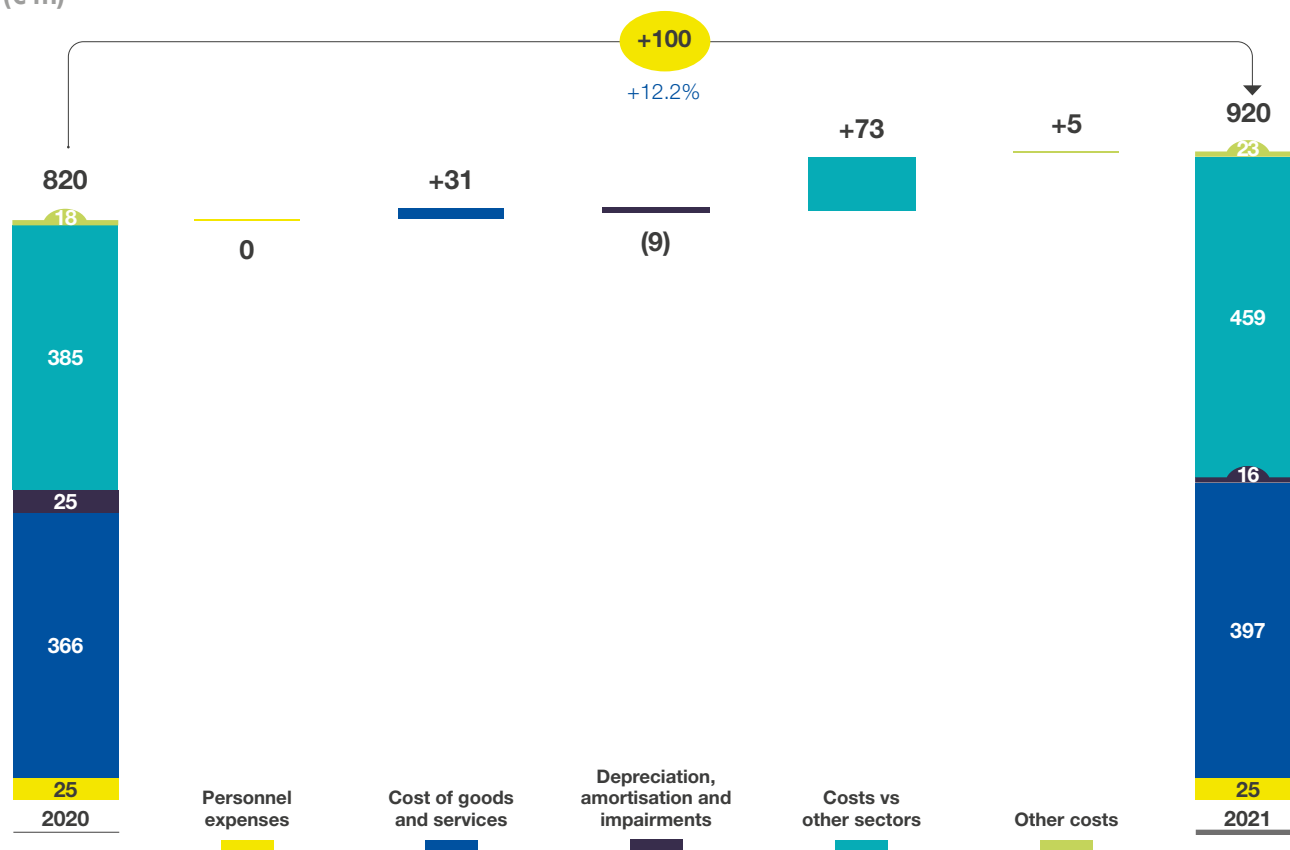
**SIM STOCK  
(€t)**

■ Fixed SIM  
■ Mobile SIM



In Telecommunications, the customer base related to mobile telephony, at 31 December 2021, is represented by approximately 4.4 million lines, up 1.1% compared to the end of 2020. With reference to Fixed Telephony services, the “PosteMobile Casa” offer and the new offer for optical fibre “Poste Casa Ultraveloce” show an overall growth of 23% (298 thousand lines in December 2021 compared to 243 thousand lines in December 2020). With reference to the Group’s entry into the fibre optic market, at 31 December 2021, the related customer base amounts to approximately 28.4 thousand lines.

In 2021, the growth of the data and voice volumes continued, which began in 2020 during the initial lockdown period. On 31 December 2021, the volumes relative to traffic have reached € 227.9 thousand terabyte (-54% compared to 2020) and the voice volumes developed over 2021 amounted to approximately € 13 billion minutes, a growth of 10% compared to 2020.

**TOTAL COSTS  
(€ m)**

Total costs, including depreciation, amortisation and impairments, amounted to € 920 million, an increase of € 100 million (+12.2%), compared to the value of € 820 million in 2020.

In detail, the increase in costs for goods and services totalling € 31 million is primarily attributable to the higher variable costs related to card operations and high traffic costs inherent to telecommunications services, in part mitigated by the reduction in IT costs following the sale to the Parent Company, effective 1st October 2020, of the ICT branch, as well as lower communications costs.

Starting from the second half of 2021, telecommunications services recorded a decrease compared to the same period in 2021, due to efficiencies achieved after migration to the new Mobile Host Operator network.

The cost of services provided by Poste Italiane's other functions has increased by €73 million (+19%) compared with the previous year due to the higher cost of outsourcing telecommunications services as a result of the sale of ICT business unit to the Parent Company, as well as greater distribution and back office services.

During the year, operative costs for € 16 million were sustained relative to the start-up of the energy business, of which € 12.5 million to the other Poste Italiane functions, for the preparation of the technology infrastructure to support its launch, expected during this current year, for electricity and gas energy services sales.

Depreciation, amortisation and impairments decreased by € 9 million mainly due to the aforementioned sale of the ICT business unit.

In light of the results described, the Payments and Mobile Strategic Business Unit reported EBIT of € 282 million at 31 December 2021, an increase of 8.8% compared to 31 December 2020.

Net the start-up costs of the Energy business, the EBIT would amount to € 297 million, up 14% compared to the previous year.


Financial management shows an increase of € 221 million compared to the last year, mostly due to the non-recurring income of € 225 million attributable to the fusion operation that involved the Nexi, Nets, and SIA companies. For more information, refer to the information in the **"Main corporate actions"**.

The profit in 2021 amounted to € 425 million, an increase of 119.2% compared to the corresponding value in 2020.

# Omni-channel service, digital transformation and main KPIs

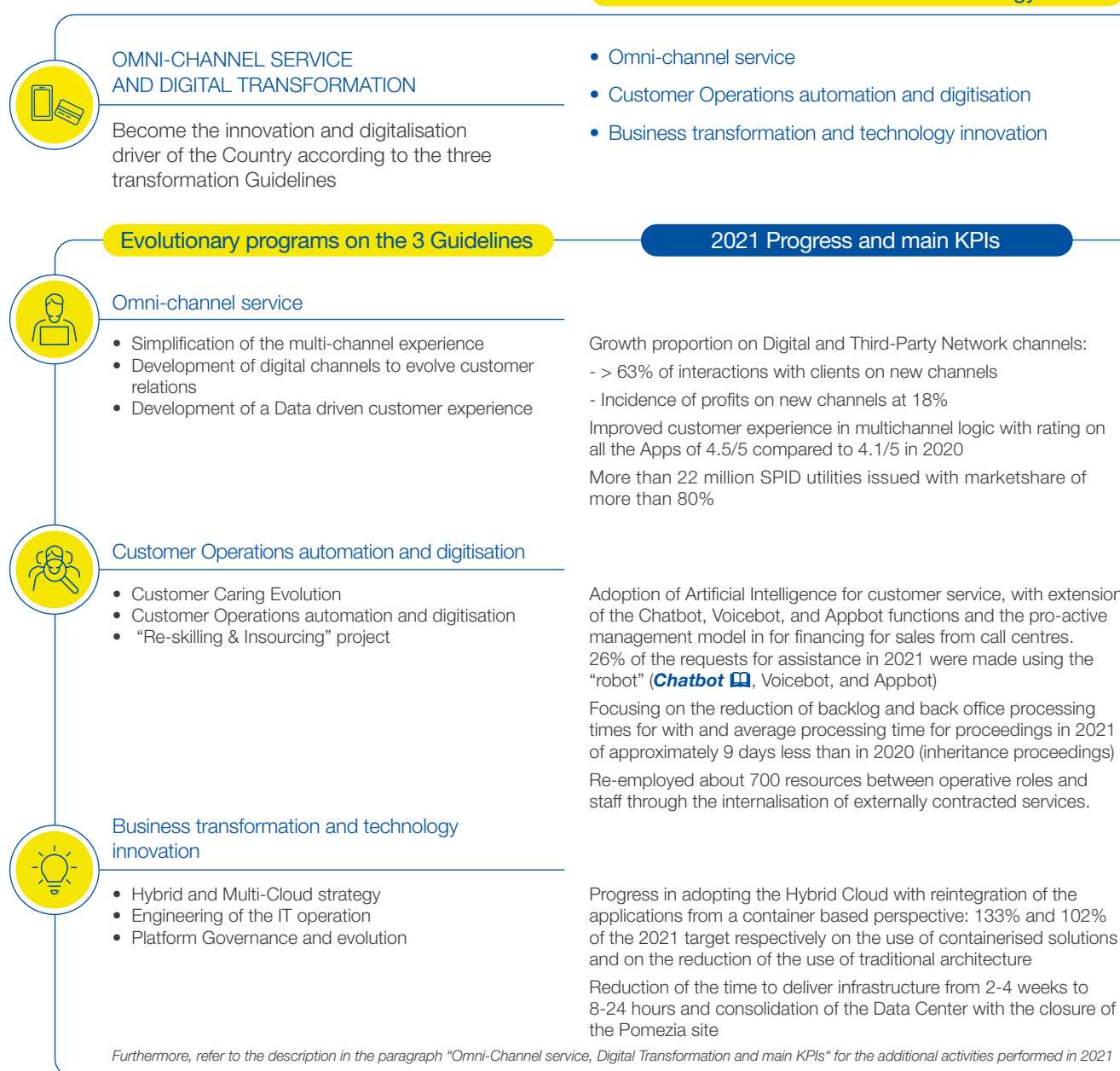
The Group, in line with the new strategic lines of the “24SI” Business Plan, acts as a driver of innovation and digitalisation of the country, guaranteeing the accessibility and functionality of its offer to all citizens.

In this context, the Company aims to connect Italian SMEs, Public Administration and citizens also through the strengthening of partnerships in order to provide innovative digital services.

The Group's omni-channel strategy aims to create an “ecosystemic” and multichannel platform model that thanks to cutting-edge physical and **digital**  channels and simplified processes for serving customers, aims to guarantee an excellent customer experience “without differences” in all contact points.

To support digitalisation, a technology engine based on hybrid **cloud** , **open API**  and exponential technologies has been implemented and applied to all the Group's activities and infrastructures.

## “2024 Sustain & Innovate” Strategy



Within the year's business defined by the company to address the health emergency, a platform was developed, dedicated to vaccine booking.

#### VACCINE PLATFORM TO SUPPORT THE HEALTH EMERGENCY

Starting from January 2021, Poste Italiane has provided the Regions of Italy with a **Computer Platform** that implements a specific set of functions needed to support the Logistics and Traceability, Request Reservation and Vaccine Administration Management processes at Vaccine Centres.

To date, eight Regions are licensed (Abruzzo, Basilicata, Calabria, Lombardia, Marche, Sardegna, Sicilia, and Val D'Aosta) as well as the management of the vaccine process for the Defence, for a total in 2021 of **19 million interactions with citizens, 31.33 million reservations and 37.66 million administrations**.

**vaccine bookings** made  
through the Poste Italiane IT  
platform

**>31  
million**

## Digital Properties

The Group has implemented a programme of "digital transformation" of all its service and offer models in order to guarantee its customers full digital contact experiences. This programme was significantly accelerated in 2021, in view of the effects of the current health emergency, in order to make the Group's products available to customers in conditions of absolute safety.

#### DIGITAL MARKET

**Digital Market** With reference to the Digital Market<sup>74</sup>, in Italy more than 51 million people are accessing it online and 43 million are present and active on social channels (an increase of almost 5.4% compared to 2020). 97% of Italians use a smartphone and 75% a desktop or laptop computer, while the growth of smartwatches (+13.3%) and smart home devices (+23.4% compared 2020) continues. As for e-commerce, 6.9% more money was spent in 2021 in Italy than in 2020 in the consumer goods world.

74. Source: <https://wearesocial.com/it/blog/2022/02/digital-2022-i-dati-italiani>

Key KPIs Digital and Third-Party Networks (B2B2C)	2021	2020	CHANGES	
KPIs Digital + B2B2C				
Digital+contact center+B2B2C interactions/Total daily interactions(*)	63.6%	62.1%		
Digital transactions + B2B2C/Total transactions	32%	27%		
KPIs Digital				
Customers registered on Poste Italiane's digital channels (websites and apps) (m)	33.8	27.1	+6.7	+24.6%
Daily users (website and apps) (m)*	4.3	3.0	+1.3	+42.9%
Number of digital – consumer transactions (m)	124.7	90.6	+34.1	+37.7%
App downloads (m)	70.3	48.1	+22.2	+46.1%
Poste Italiane Digital e-Wallets (m)	9.1	7.4	+1.7	+23.4%
Active digital identities (m)	21.2	12.2	+8.9	+73.2%
Private active digital identities (m)	11.8	6.6	+5.2	+79.7%
Digitally enabled customers (%)**	67.5%	57.7%		
Customers who use Poste services digitally (%)***	18.7%	14.9%		
PO ticket booking through App (m)	27.8	7.7	+20.1	n/s
KPIs Third-Party Networks (B2B2C)				
Payslip volumes (m)	68.3	64.3	+4.0	6.2%
Postepay top-ups (m)	53.5	48.9	+4.6	+9.4%
Postemobile top-ups (m)(*)	10.9	10.6	+0.3	+2.9%
Parcels delivered (m)	4.7	1.8	+2.8	+152.2%

n/s: not significant

<sup>(\*)</sup> During 2021 the reference scope was revised and the 2020 value adjusted to the new scope.

\* Average daily values during reference period.

\*\* Customers who have access credentials to digital channels.

\*\*\* Customers who have made a payment on digital channels using Poste's payment instruments.

Traffic growth in visits and visitors of digital channels continues in 2021, rising from 4.7 million average daily visits in 2020 to 6.7 million average daily visits in 2021. In particular, web traffic went from an average of around 1.04 million visitors in the period March-December 2020 (post-pandemic emergency) to 1.22 million visitors in 2021; for the same period, apps also saw growth from 2.06 million to 3.04 million daily visitors. The average number of monthly transactions carried out on digital channels was approximately 10.4 million (+38% compared to 2020) with a monthly transaction value of approximately € 2.76 billion (+47% compared to 2020).

At 31 December 2021, there are more than 11.8 million active Private Digital Identities (Poste Italiane accounts). The **Private Digital Identity**  is intended to provide functional and secure access to all digital properties (data, internet accounts and other rights in the digital world) of the Group.

Poste Italiane retains a market share of over 80%, with a customer base of around 22.35 million public Digital Identities issued, of which 21.2 million active, against an additional 9.32 million new activations during the year.

In November 2021, Poste Italiane started to apply an activation fee to those citizens who request the SPID through the identification of an operator in presence or remotely.

**daily contacts on the Group's digital channels**

**6.7 million**

**the digital identities issued with more than 80% market share**

**>22 million**

## STRENGTHENING OF DIGITAL CHANNELS

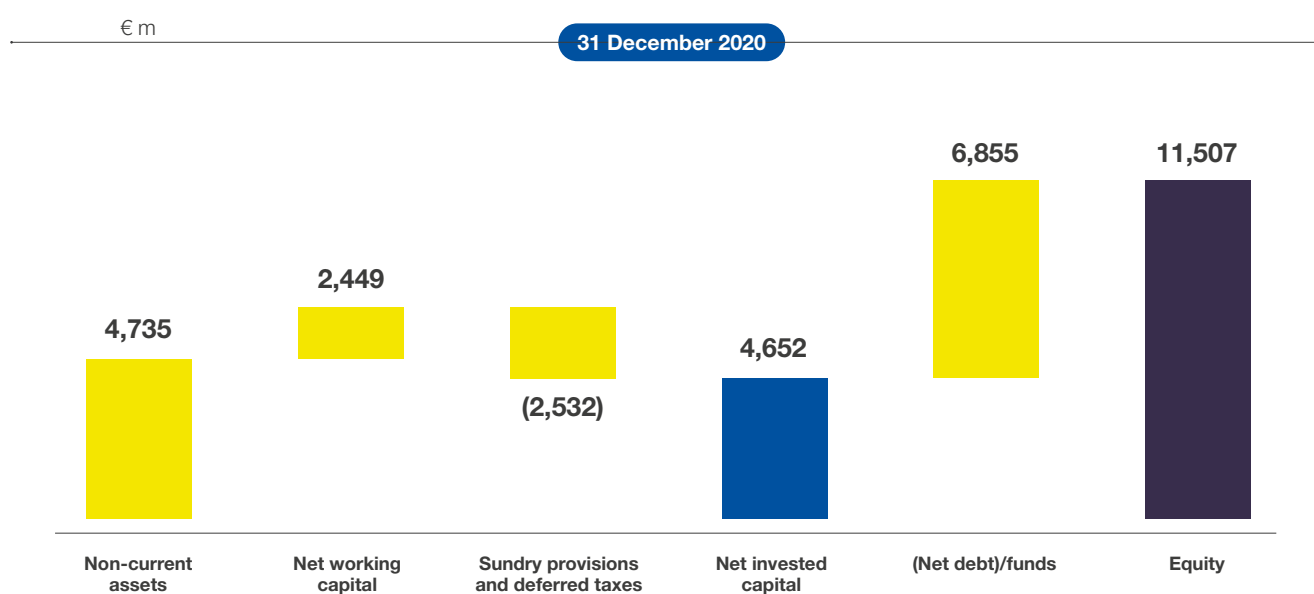
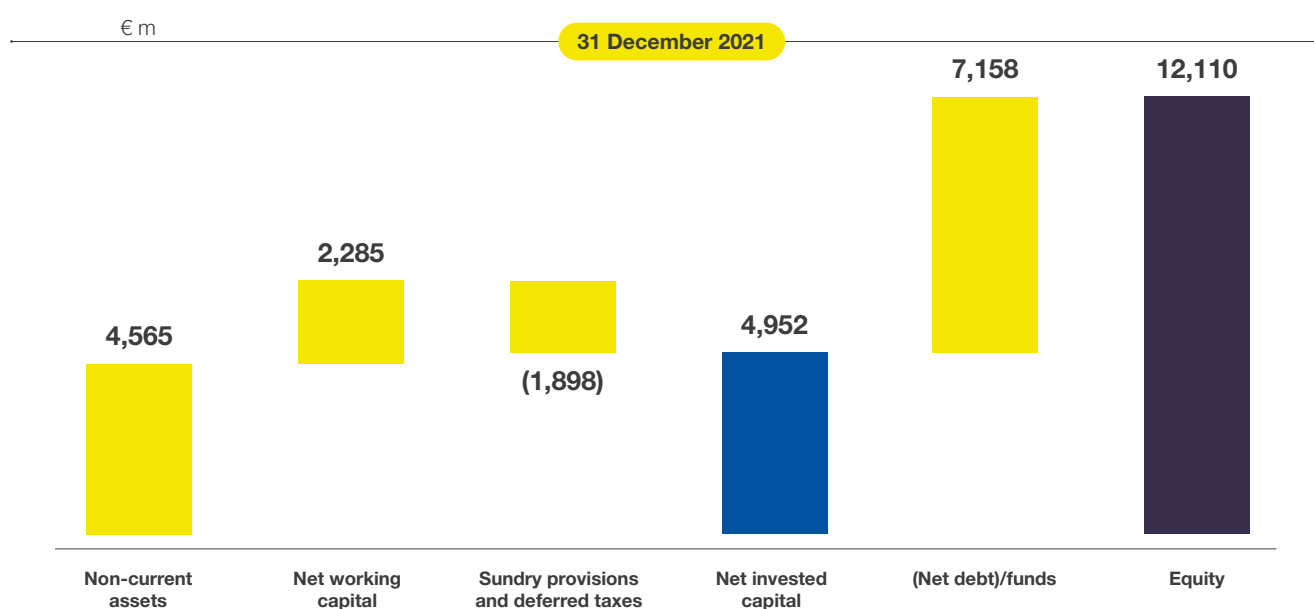
Nel During 2021, important services were implemented that strengthen Poste Italiane's presence on digital channels:

- on the BancoPosta and PostePay apps, as well as the website in the reserved area, users can now easily consult and manage their **residential utility bills** (**Sepa Direct Debit or SDD** ⓘ mandates) active on their account or PostePay Evolution, and can also make use of **instant bank transfers** (**SCT-SEPA Credit Transfer-Instant** ⓘ);
- in line with the opportunities offered by **open banking** ⓘ under the PSD2 regulations, the **Account Information Service (AIS)** ⓘ was set up, enabling account holders to connect their accounts with other financial institutions via the BancoPosta app to obtain an up-to-date picture of their liquidity in a simplified manner.
- the **"PostePay Open"** service was launched that allows topping-up the PostePay prepaid card from a current account held at another bank (Payment Initiation Service Providers – **PISP** ⓘ) and to view the balance and list of recent transactions for the current account selected directly in the Postepay App;
- from May 2021, the purchase and management service on digital channels **of the fibre offer** was enabled.
- in July 2021, the possibility to activate **financial products in app** (current accounts, smart savings books, Postepay cards) directly at the post office was added, with operator assistance and activating a **QR-Code** ⓘ on the **PAD** ⓘ;
- as part of the proactive analysis of the customer experience on **digital touchpoints** ⓘ, improvement actions were carried out in order to eliminate identified friction points and anticipate customer reports on digital channels, which led to an increase in the average **app** rating value from 4.1 in December 2020 to 4.5 in December 2021;
- the cardless **withdrawal** service was launched in the BancoPosta and Postepay apps. This allows the holders of prepaid and debit cards to withdraw cash at Postamat ATMs with their smartphones, without using their cards. The customer can withdraw by focusing on the qr code shown on the ATM display and authorizing the operation in the app.
- in the BancoPosta and Postepay apps, **contactless payments** have been extended with prepaid and debit cards, even on iOS smartphones with the Apple Pay service enabled;
- new services were enabled in the **reserved area of the business portal**: for management of the BPLink current account, the Postepay Debit card and the introduction of the Transparency Area where it is possible to access contracts and information documents regarding financial products; furthermore, using the PosteBusiness App, it is possible to manage integrally all of the collection and payment services with Postepay Code and the financial services (BPLink accounts and debit cards).



## Group financial position and cash flow

(€ m)	31 December 2021	31 December 2020	Changes	
NON-CURRENT ASSETS	4,565	4,735	(170)	-4%
NET WORKING CAPITAL	2,285	2,449	(164)	-7%
GROSS INVESTED CAPITAL	6,850	7,184	(334)	-5%
SUNDRY PROVISIONS AND OTHER ASSETS/LIABILITIES	(1,898)	(2,532)	+634	+25%
NET INVESTED CAPITAL	4,952	4,652	+300	+6%
EQUITY	12,110	11,507	+603	+5%
NET DEBT/(FUNDS)	(7,158)	(6,855)	(303)	-4%
Net debt/(funds) of the Mail, Parcels and Distribution SBU	1,303	1,839	(536)	-29%



The Poste Italiane Group's **non-current assets** at 31 December 2021 amount to € 4,565 million, an decrease of € 170 million compared with the end of 2020. In addition to an increase of € 10 million resulting from the first-time consolidation of the Nexive Group and the recognition of goodwill for the acquisitions of Nexive for € 36 million and Sengi Express for € 16 million, investments of € 754 million and an increase of € 197 million in rights of use for new contracts, renewals and contractual changes within the scope of IFRS 16 contributed to the formation of non-current assets. This change was partially offset by depreciation and amortisation of € 790 million. The balance of the item also includes investments accounted for using the equity method totalling € 277 million, mainly relative to the equity interest held in Anima Holding SpA and new investments in Financit SpA finalised by Poste Italiane (previously known as BNL Finance SpA), relative to which a stake equal to 40% of the company was acquired for € 40 million, and investments in Replica SIM SpA, in which a 45% stake is now held by the Parent Company, acquired for € 10 million. At 31 December 2021, the Group no longer holds any equity interest in FSIA Investimenti Srl, following the completion of its spin-off carried out under the more extensive scope of the merger that involved the companies SIA and Nexi.

The Group's **investment** amounted to € 754 million in 2021, an increase of 11% compared with December 2020 (+€ 74 million). Investments classified as ESG, e.g. complying with the reference principles of the Group's 8 Pillars of Sustainability, represent over 65% of the total value. The main projects include energy efficiency measures for real estate, the introduction of three-wheeled vehicles for deliveries, improving the customer experience of products and services offered to customers from a multi-channel and digital perspective, and the adoption of management systems, equipment and infrastructure for health and safety.

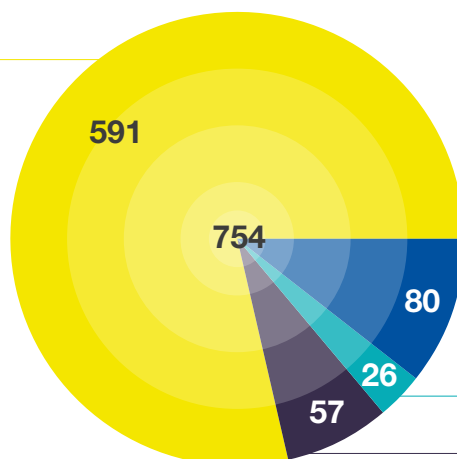
**record for Group  
investments  
in 2021**

**€ 754  
million**

€ m

2021

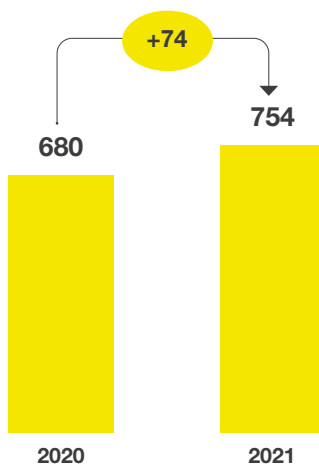
● **Mail, Parcels  
and Distribution**



● **Payments  
and Mobile**

● **Insurance Services**

● **Financial Services**



In line with the investment programme for the period 2021-2024, designed to support the objectives of the “24SI” Strategic Plan, around 78% of the Group’s investments (€ 591 million) focused on the automation and modernisation of the **Mail, Parcels and Distribution Strategic Business Unit**. More specifically, renewal of the new delivery fleet continued, with the introduction of more than 4,000 new vehicles, most of which are low-emission endothermic three-wheeled scooters. In 2021, the first two “full green” distribution centres were inaugurated (Imperia and Viareggio), where the vehicles used by letter carriers to deliver mail and parcels are zero-emission (electric), thus confirming the Group’s focus on investments to protect the environment. Overall, at 31 December 2021, over 1,700 electric vehicles have been added to the fleet (including three-wheeled and four-wheeled scooters and cars), and zero-emission delivery lines have been implemented in 15 city centres.

**Full Green Delivery:**  
the first zero-emission distribution centres in Imperia and Viareggio

During the year, all the technological investments necessary to the logistics integration of the Poste Italiane network with that of Nexive, were completed, with the latter, from 01 October 2021, taking on the role of Operating Company to manage the new Group’s delivery network specialised in parcels and the correspondence described.

>10,000

**Low-emissions vehicles**  
available in the fleet, of which  
approximately **1,700** are **electric**

Activities continued related to the ordinary management of safety in the workplace, in particular with the distribution of safety equipment at the territorial structures, and IT security through threat prevention activities and the combat against cyber attacks. Poste Italiane’s video surveillance service was further extended to include sites not yet served and existing systems were upgraded by gradually replacing obsolete digital video recorders (DVRs) and intrusion detection units. In particular, more than 600 new cameras were installed, replacing more than 730, and 44 new Intrusion Control Panels were installed, replacing around 600. The implementation of physical security measures was also completed at 3 Sorting Centres and 4 Distribution Centres, in order to obtain certification according to the TAPA – FSR (Transported Asset Protection Association – Facility Security Requirements) standard<sup>75</sup>.

>379  
thousand

**LED lamps**  
**installed at**  
**31 December 2021**

Property investments concerned remodelling of Post Offices and the creation of new spaces for commercial specialists and mobile consultants. Restructuring works have been completed on some floors of the central office, the “Tower” situated at 190 via Europa, Rome, with the adoption of a new “smart” layout. This initiative will successfully optimise spaces in the property thanks to a “more efficient” layout<sup>76</sup> and will enable insourcing of Group companies, today leased to third parties, within the owned spaces. With regard to the containment of environmental impact, work continued on replacing traditional lamps with LED technology (more than 90,000 replacements in 2021), automation and remote control of plant management (approximately 600 buildings involved in 2021) in order to reduce electricity consumption and CO2 emissions.

Technological Transformation and Engineering continued with the development of the Hybrid Cloud technology platform, designed to uniformly manage both Poste Italiane’s proprietary resources and those activated by public providers, and to host applications re-engineered in a Native Cloud logic. 2021 saw a major shift in computing power from traditional infrastructure to the Hybrid Cloud environment.

Around  
650

**buildings involved in the**  
**Smart Building project at**  
**31 December 2021**

In the **Financial Services Strategic Business Unit**, investments regarded the development of the remote offering and the expansion of the range of postal savings, insurance savings and mutual investment funds.

A new process was introduced for the assignment of one-fifth of salary or pensions (“CQ Credits”) product for the management of customer requests for settlement at post offices, in order to promote and manage customer retention initiatives.

75. The Facility Security Requirements (FSR) define the minimum security standards and the best industry practices for structures holding and managing HVTT (High-Value Theft Targeted) resources.

76. The “more efficient” or “smart” layout is a modern design that optimises the space occupied by making greater use of open space environments and having fewer individual rooms.

The “AIS” (Account Information System) function has been released in the BancoPosta App for BancoPosta account holders and further investments have been made in the instant issue and receipt of transfers, as well as for the digitisation of the customer base and to expand access channels to on-line services.

With regard to the **Insurance Services Strategic Business Unit**, design activities continued to support industrial development and the continuous functional/infrastructural improvement of the most important business support systems. In 2021, the Life business saw an expansion of the Multi-class products range, including through the introduction into the portfolio of ESG financial products. Finally, work continued on upgrading systems to comply with regulatory requirements.

The investments that involved the **Payments and Mobile Services Strategic Business Unit** involved all business areas: in TLC, the new Fibre offer was launched, on sale both via the web channel and from the Post Office. In the last quarter of 2021, again in the PosteCasa Ultraveloce area, additional work was carried out in a bid to optimise the customer experience (simplified web access to the purchasing funnel for customers with Strong Customer Authentication – SCA – and the public digital identity system – SPID).

In the collections area, activities in 2021 were oriented towards consolidating the role of Poste Italiane in the PagoPA. Activities to create the PAC (Central Public Administration) Platform continued, to manage spontaneous PAC payments using a public administration slip, as well as projects to adjust the PagoPA acceptance system to handle multi-beneficiary payments, on both the payment service and intermediary sides.

Finally, investments were made with a view to launching the gas and electricity offer on the domestic market in 2022.

For further details on initiatives aimed at accelerating digitalisation processes, see the section on “**Strengthening of digital channels**”.

**Net working capital** at 31 December 2021 amounted to € 2,285 million and increased by € 164 million compared to the end of 2020. The following mainly contributed to this change:

- an increase in Trade receivables of € 136 million and an increase in Trade payables of € 192 million;
- an increase in Other receivables and assets for € 265 million and in Other liabilities for € 288 million, for a total net decrease of the items concerned of € 23 million (mainly due to a change in tax items relative to the operations of the Insurance Services and Financial Services Strategic Business Units and, to a residual extent, of the items regarding personnel and connected with the renewal of the National Collective Bargaining Agreement and other sundry payables);
- Net current tax assets decreased by € 75 million mainly due to the recognition of taxes for the period, partially offset by the payment of advances for the current year and the balance for the previous year.

The balance of **Sundry provisions and Other assets/liabilities** at 31 December 2021 amounted to € 1,898 million and decreased by € 634 million compared to 31 December 2020 mainly due to decreases in provisions for risks and charges and employee termination benefits of € 128 million and € 108 million, respectively, and greater net deferred tax assets of € 398 million, largely attributable to the negative change in fair value and sales made during the period of financial instruments classified in the FVTOCI category.

The balance of provisions for risks and charges contributed to this item, which amounted to € 1,268 million (€ 1,396 million at the end of December 2020) and includes Provisions for early retirement incentives of € 518 million (€ 576 million at 31 December 2020). The balance also includes the provisions for operational risks relating primarily to liabilities arising from the Financial Services Strategic Business Unit's operations amounting to € 145 million (€ 139 million at 31 December 2020) and the provisions for disputes with third parties amounting to € 298 million (€ 267 million at 31 December 2020).

**Equity** amounted to € 12,110 million at 31 December 2021, an increase of € 603 million compared with 31 December 2020. The change in the period reflects primarily the profit for the period of € 1,580 million and the issuing of the perpetual subordinated hybrid bond with a total nominal value of € 800 million, the purpose of which is to strengthen the Group's equity structure.

Following this issue, on 30 June 2021, there was an injection of capital into BancoPosta RFC, via the granting of a € 350 million perpetual subordinated loan with an 8-year non-call period, on terms and conditions that allow it to be counted as Additional Tier 1 (“AT1”) capital, designed to strengthen its leverage ratio.

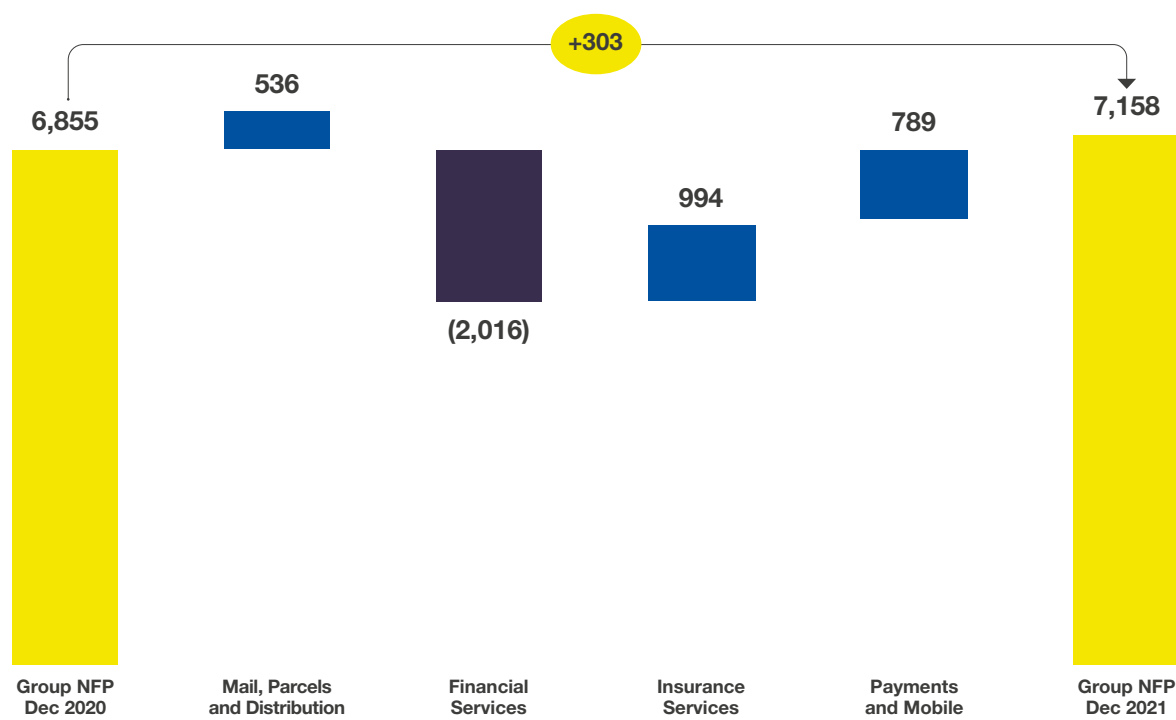
first issue  
of a Hybrid Bond

€ 0.8  
billion

In addition, on 26 July 2021, the Parent Company recapitalised Poste Vita by subscribing to a subordinated, non-convertible capital instrument with a perpetual duration, amounting to € 300 million, on terms and conditions that enable it to be included in basic own funds ("Restricted Tier 1" or "RT1"), in order to strengthen the Solvency Ratio.

These positive effects are partially offset by the distribution of dividends totalling € 662 million, of which € 421 million for 2020 profit and 241 by way of interim ordinary dividend for FY 2021, the reduction in the fair value reserve of € 987 million and the cash flow reserve of € 132 million.

### Group (Net Debt)/Funds (€ m)



The total **(Net Debt)/Funds** at 31 December 2021 shows a surplus of € 7,158 million, an increase of € 303 million with respect to the amounts at 31 December 2020 (surplus of € 6,855 million). The following mainly contributed to this change:

- a positive operating result of € 1,927 million (of which € 1,580 million attributable to the profit for the period);
- the decrease in the fair value reserve (as a result of the combined effect of negative oscillations in value and sales made during the period, net sales made during the period of investments classified as FVTOCI, held mainly by the Financial Services Strategic Business Unit) of € 1,587 million;
- the positive effect of the change in working capital and taxes amounting to approximately € 228 million;
- investments for € 754 million;
- the positive cash flow deriving from the effect of the issue of the perpetual hybrid bond loan for an amount, net of transaction costs, of € 796 million;
- the negative effects deriving from the distribution of dividends for € 662 million (of which € 241 million relative to the interim ordinary dividend envisaged for FY 2021), from the acquisitions of Nexive and Sengi for a total of € 61 million (total investment of € 47 million, in addition to the net debt/(funds) acquired of € 14 million), investments in the associates Financit SpA for € 40 million and Replica SIM SpA for € 10 million and the increase in financial liabilities for leases for € 171 million falling under the application regime of IFRS 16;
- finally, changes include the positive effect due to the merger that involved the companies SIA and Nexi for a total of € 632 million, deriving from the posting amongst financial assets of the equity interest in Nexi SpA for € 651 million, partially offset, following completion of the de-merger of FSIA Investimenti Srl, by the closure of the receivable previously entered in respect of FSIA, net of the net debt/(funds) acquired, for a total of € 19 million.

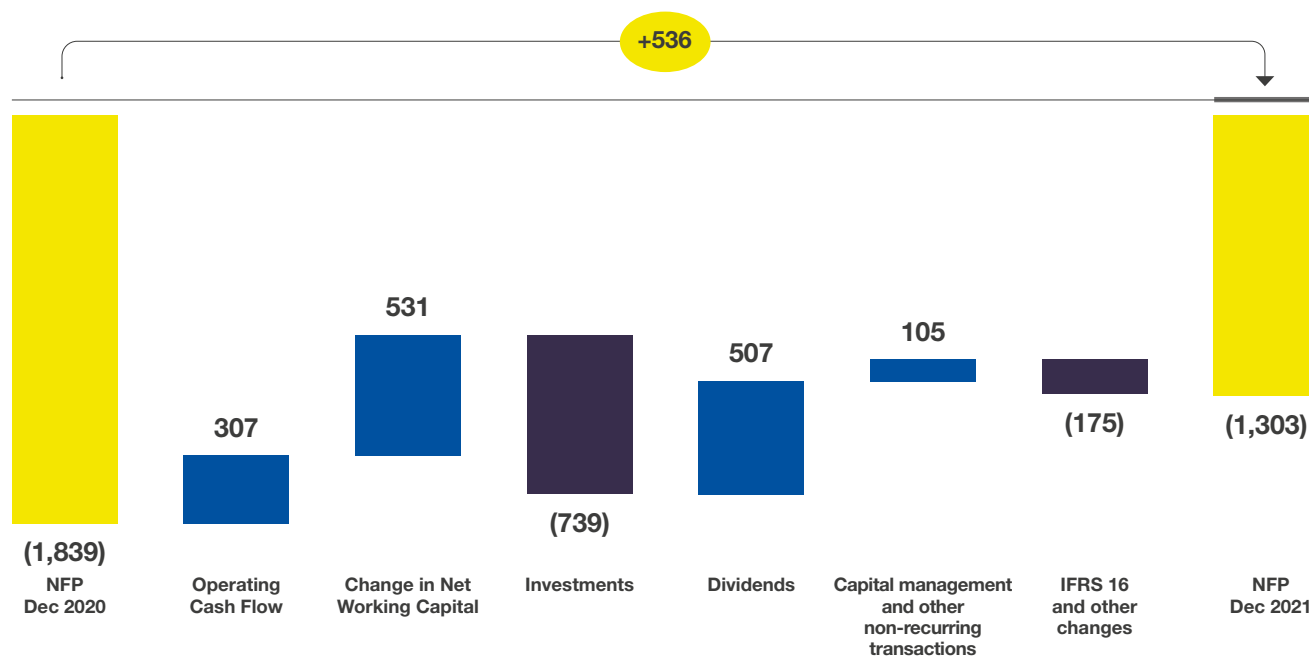
With regard to financial instruments held by the Financial Services Strategic Business Unit, the overall fair value fluctuation during the year was negative by approximately € 3.7 billion and was recognised in a specific equity reserve for negative € 1.0 billion for the portion not hedged by fair value hedges, and through profit or loss for negative € 2.7 billion for the portion hedged, offset by the negative fair value change of fair value hedging derivatives.

At 31 December 2021, the total balance of derivatives in fair value hedge was negative for € 4.4 billion (€ 8.1 billion at 31 December 2020). In addition, as part of these hedging transactions, as a result of the positive change in derivatives, the Parent Company decreased guarantee deposits in favour of counterparties by approximately € 3.3 billion.

At 31 December 2021, the Financial Services Strategic Business Unit financial position also included the following equity changes with regards to 31 December 2020:

- an increase in postal current account deposits of € 9.8 billion;
- an increase in deposits with the MEF of € 5.4 billion, due to the increase in postal current account deposits made by public customers;
- a decrease in amounts due to financial institutions of € 1.1 billion, mainly attributable to the progressive improvement in the *fair value* of derivatives, which reduced the need for liquidity on the repurchase agreement market to cope with guarantee deposits;
- a net decrease of € 0.1 billion in fixed income instruments measured at amortised cost (including the negative change of € 1.5 billion in profit or loss relating to the portion hedged by fair value hedges);
- a net decrease in fixed income instruments classified as FVTOCI by € 5.0 billion; the total fair value fluctuation of the period was negative for € 2.2 billion;
- an increase in tax credits pursuant to Law no. 77/2020 for € 6.0 billion.

#### Analysis of the (net debt)/funds of the Mail, Parcels and Distribution Strategic Business Unit (€ m)



**Total (net debt)/funds of the Mail, Parcels and Distribution Strategic Business Unit** at 31 December 2021 showed a debt of € 1,303 million, with an improvement of € 536 million compared to 31 December 2020 (when there was a net debt of € 1,839 million). Net of the financial lease liabilities provided for by IFRS 16 for € 1,163 million, (net debt)/funds showed debt of € 140 million (at 31 December 2020, it showed debt of € 628 million).

The movement reflects:

- positive operating income of € 307 million, including depreciation and amortisation of € 770 million, offset in part by the period loss of € 230 million, by a negative change of € 162 million in provisions for risks (due largely to a reduction in the provisions for early retirement incentives and for personnel expenses) and severance indemnity for € 128 million;
- positive effects relative to the change in net working capital of € 531 million, mainly due to the decrease in net trade receivables and payables of around € 479 million (also thanks to the adjustment of payment times of intersegment transactions with BancoPosta RFC) and the net increase of Other assets and liabilities, due to greater tax receivables due from other operating segments for more than € 90 million, net of the positive contribution made by the change in tax for approximately € 103 million and, to a residual extent, other minor items.
- new investments for € 739 million;
- a positive cash flow of € 507 million from dividends, which takes into account the dividends paid to shareholders for a total of € 662 million (of which € 241 million relative to the interim ordinary dividend envisaged for FY 2021);
- a positive effect deriving from capital management operations and other non-recurring transactions for € 105 million, which reflects:
  - a positive cash flow of € 446 million deriving from the combined effect of the issue of the perpetual hybrid bond, amounting to € 796 million, net of transaction costs, partially offset by the subsequent injection of capital into BancoPosta RFC, via the granting of a perpetual subordinated loan of € 350 million;
  - monetary outflows due to the recapitalisation of Poste Vita through the subscription of a subordinate non-convertible equity instrument, with a perpetual duration, for € 300 million;
  - the negative effect of the acquisitions of Nexive and Sengi for € 41 million (total investment of € 47 million, net of cash acquired for approximately € 6 million).
- other decreases in debt totalling € 175 million, mainly attributable to the following items:
  - an increase in financial liabilities for leases which fall under the scope of IFRS 16 for € 189 million;
  - an increase in the valuation reserves for a total of € 29 million, mainly due to the increase in fair value of the equity interest held in Moneyfarm, classified under financial instruments at FVTOCI;
  - the negative effect deriving from the net debt/(funds) acquired (with the exception of cash) following the first consolidation of Nexive and Sengi for a total of € 20 million.

The **payables** shown in the (net debt)/funds of the Mail, Parcel and Distribution Strategic Business Unit primarily relates to:

- use of uncommitted credit line for short-term loans for a total of € 550 million;
- an EIB loan of € 173 million maturing in March 2026;
- an EIB loan of € 400 million maturing in October 2026;
- an EIB loan of € 150 million, disbursed in May 2021 and maturing in May 2028;
- private placement of about € 50 million maturing in October 2023;
- two senior unsecured bonds issued on 10 December 2020 with a total nominal value of € 1 billion, the first of € 500 million maturing in December 2024 and the second of € 500 million maturing in December 2028.

It should also be noted that a medium-term bank loan of € 250 million was repaid earlier than expected in January 2021.

## Analysis of the ESMA Net Debt/(Funds) of the Mail, Parcels and Distribution Strategic Business Unit

(€ m)	At 31 December 2021	At 31 December 2020	Changes	
A. Cash	(2,121)	(2,254)	133	+5.9%
B. Cash equivalents	-	-	-	n.s.
C. Other current financial assets	(8)	(425)	417	+98.1%
<b>D. Liquidity (A + B + C)</b>	<b>(2,129)</b>	<b>(2,679)</b>	<b>550</b>	<b>+20.5%</b>
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	785	894	(109)	-12.2%
F. Current portion of the non-current financial payable	-	-	-	-
<b>G. Current financial debt (E + F)</b>	<b>785</b>	<b>894</b>	<b>(109)</b>	<b>-12.2%</b>
<b>H. Net current financial debt (G + D)</b>	<b>(1,344)</b>	<b>(1,785)</b>	<b>441</b>	<b>+24.7%</b>
I. Non-current financial debt (excluding current portion and debt instruments)	1,705	1,873	(168)	-9.0%
J. Debt instruments	1,047	1,046	1	n/s.
K. Trade payables and other non-current payables	22	25	(3)	-12.0%
<b>L. Non-current financial debt (I + J + K)</b>	<b>2,774</b>	<b>2,944</b>	<b>(170)</b>	<b>-5.8%</b>
<b>M. Total financial debt (H + L)</b>	<b>1,430</b>	<b>1,159</b>	<b>271</b>	<b>+23.4%</b>

n/s: not significant

## ESMA Financial Debt Reconciliation with Net Debt/(Funds) Including Intersegment Transactions

(€ m)	At 31 December 2021	At 31 December 2020	Changes	
<b>M. Total financial debt (H + L)</b>	<b>1,430</b>	<b>1,159</b>	<b>271</b>	<b>+23.4%</b>
Non-current financial assets	(76)	(98)	22	+22.4%
K. Trade payables and other non-current payables	(22)	(25)	3	+12.0%
Tax credits Law no. 77/2020	(448)	(35)	(413)	n/s
<b>Net debt/(funds)</b>	<b>884</b>	<b>1,001</b>	<b>(117)</b>	<b>-11.7%</b>
Intersegment financial receivables and payables	419	838	(419)	-50.0%
<b>Net debt/(funds) including intersegment transactions</b>	<b>1,303</b>	<b>1,839</b>	<b>(536)</b>	<b>-29.1%</b>

n/s: not significant

**Existing cash and credit lines** are amply sufficient to cover expected financial requirements. More specifically, at 31 December 2021, cash and cash equivalents for the Mail, Parcels and Distribution Strategic Business Unit amounted to € 2.1 billion (of which € 2.0 billion relating to the Parent Company), while unused committed and uncommitted lines to support liquidity totalled approximately € 2.5 billion.

The table below provides details of the credit lines at 31 December 2021 and 31 December 2020.



Description (€m)	Balance at 31.12.2021	Balance at 31.12.2020
<b>Committed credit lines</b>	<b>1,750</b>	<b>1,750</b>
Short-term loans	1,750	1,750
<b>Uncommitted credit lines</b>	<b>2,357</b>	<b>1,893</b>
Short-term loans	1,309	1,017
Current account overdrafts	145	148
Unsecured loans	903	728
<b>Total</b>	<b>4,107</b>	<b>3,643</b>
<b>Committed uses</b>	<b>-</b>	<b>-</b>
Short-term loans	-	-
<b>Uncommitted uses</b>	<b>975</b>	<b>633</b>
Short-term loans	550	250
Unsecured loans	425	383
<b>Total</b>	<b>975</b>	<b>633</b>

# Performance of Poste Italiane SpA and report on operations of BancoPosta RFC

- [Operating Results of Poste Italiane SpA](#)
- [Financial Position and Cash Flow of Poste Italiane SpA](#)
- [Report on Operations of BancoPosta RFC](#)

## Operating Results of Poste Italiane SpA

### Reclassified statement of profit or loss

(€ m)	2021	2020	Changes	
Revenue from sales and services	8,488	8,226	262	3.2%
Other income from financial activities	523	516	7	1.4%
Other operating income	680	299	381	127.4%
<b>Revenue</b>	<b>9,691</b>	<b>9,041</b>	<b>650</b>	<b>7.2%</b>
Total personnel expenses	5,235	5,446	(211)	-3.9%
Other operating expenses	2,856	2,644	212	8.0%
<b>Costs</b>	<b>8,091</b>	<b>8,090</b>	<b>1</b>	<b>0.0%</b>
<b>EBITDA</b>	<b>1,600</b>	<b>951</b>	<b>649</b>	<b>68.2%</b>
Depreciation, Amortisation and impairments	715	622	93	15.0%
<b>EBIT</b>	<b>885</b>	<b>330</b>	<b>555</b>	<b>168.2%</b>
<b>EBIT MARGIN %</b>	<b>9.1%</b>	<b>3.7%</b>		
Finance income/(costs)	12	2	10	n/s
<b>Gross profit</b>	<b>897</b>	<b>333</b>	<b>564</b>	<b>169.4%</b>
Taxes	100	8	92	n/s
<b>Net profit</b>	<b>797</b>	<b>325</b>	<b>472</b>	<b>145.2%</b>



**Total revenue** booked by Poste Italiane SpA in 2021 amounted to € 9,691 million, an increase of 7.2% compared with previous year (€ 9,041 million in 2020). The item "Revenue from sales and services" records growth of € 262 million (+3.2%) on 2020, very much impacted by the health emergency that has involved the country and has had a significant effect on normal operations. The increase in Other operating income is mainly due to the greater dividends distributed by subsidiaries, partly offset by the net positive effect booked in FY 2020, following conclusion of the comprehensive audit of estimated previous items deriving from BancoPosta operations.

**Total costs**, net of depreciation, amortisation and impairment, go from € 8,090 million in 2020 to € 8,091 million in 2021. The increase in other operating expenses for € 212 million on the previous year is mainly due to growth of the cost of goods and services (+€ 168 million), mainly relating to the growth of the parcels and telecommunications services business. The change in other operating expenses is essentially offset by the reduction in the cost of labour (-€ 211 million) on 2020.

Depreciation, amortisation and impairments rose by € 93 million on the previous year, mainly due to greater amortisation of intangible assets deriving from investments in software applications that have become available for use and new applications obtained from IT business units sold by Group companies.

The **total personnel expenses** decreased by € 211 million (-3.9%) compared to 2020. This change is mainly attributable to a reduction in the extraordinary component, only partly offset by the growth of the ordinary component.

The change in the ordinary component compared to the previous year mainly derives from minor costs recorded in 2020 during the health emergency (Solidarity Fund, lower costs for MBO managerial and sales force commercial incentives, and other miscellaneous allowances such as overtime and night work for the reduced activity carried out during the lockdown). The effect is partly offset by the reduction in the number of resources employed during the year (approximately 4,100 FTEs fewer than in 2020), despite the entrance of the Nexive Group resources (approximately 300 FTEs on average per year), following the 1 October 2021 corporate reorganisation.

The reduction in the extraordinary component is mainly due to the lesser provision made for early retirement incentives.

**Income tax expense** went from € 8 million in 2020 to € 100 million in 2021, increasing by € 92 million. The FY 2021 balance includes the positive effect for € 25 million, of which € 11 million relative to the tax benefit connected with the Aid to Economic Growth (ACE) referring to FY 2014 and € 14 million relative to a petition filed in respect of the taxation of items of income deriving from the management of balances on postal current account deposits.

Poste Italiane SpA's net profit for the year ended 31 December 2021 was € 797 million (€ 325 million in 2020).

## Financial Position and Cash Flow of Poste Italiane SpA

### Net Invested Capital and Related Funding

(€ m)	31 December 2021	31 December 2020	Changes	
Tangible fixed assets	2,142	2,017	125	6.2%
Intangible fixed assets	828	718	110	15.3%
Right-of-use assets	945	1,034	(89)	-8.6%
Investments	2,598	2,215	383	17.3%
<b>Non-current assets</b>	<b>6,513</b>	<b>5,984</b>	<b>529</b>	<b>8.8%</b>
Trade receivables and Other receivables and assets	5,583	5,449	134	2.5%
Trade payables and Other liabilities	(5,041)	(5,111)	70	1.4%
Current tax assets/(liabilities)	105	137	(32)	-23.4%
<b>Total net working capital</b>	<b>647</b>	<b>475</b>	<b>172</b>	<b>n/s</b>
<b>Gross invested capital</b>	<b>7,160</b>	<b>6,459</b>	<b>701</b>	<b>10.9%</b>
Provisions for risks and charges	(1,169)	(1,309)	140	10.7%
Employee termination benefits	(896)	(1,003)	107	10.7%
Prepaid/deferred tax assets/(liabilities)	0	(403)	403	n/s
<b>Net invested capital</b>	<b>5,095</b>	<b>3,744</b>	<b>1,351</b>	<b>36.1%</b>
<b>Equity</b>	<b>7,034</b>	<b>7,239</b>	<b>(205)</b>	<b>-2.8%</b>
of which profit for the period	797	325	472	145.2%
of which fair value reserve	1,192	2,191	(999)	-45.6%
Financial liabilities	106,259	99,285	6,974	7.0%
Financial assets	(90,213)	(92,325)	2,112	2.3%
Tax credits Law no. 77/2020	(6,456)	(35)	(6,421)	n/s
Cash and deposits attributable to BancoPosta	(7,659)	(6,391)	(1,268)	-19.8%
Cash and cash equivalents	(3,870)	(4,029)	159	3.9%
<b>Net debt/(funds)</b>	<b>(1,939)</b>	<b>(3,495)</b>	<b>1,556</b>	<b>44.5%</b>

n/s: not significant

Poste Italiane SpA's net invested capital amounted to € 5,095 million at 31 December 2021 (€ 3,744 million at 31 December 2020).

**Non-current assets** amounted to € 6,513 million, an increase of € 529 million on 2020. Investments in tangible and intangible assets of € 708 million also contributed to the formation of non-current assets, partly offset by amortisation, depreciation and impairments of € 532 million. The decrease of € 89 million in Right-of-use assets reflects primarily purchases for the year for € 70 million, positive adjustments for € 68 million and contractual changes during the year and depreciation for the period of € 199

million. The value of equity interests shows an increase of € 383 million on 31 December 2020, mainly due to the combined effect of: i) the 26 July 2021 recapitalisation of Poste Vita SpA, through the subscription of a subordinate, non-convertible capital instrument, with perpetual duration and a non-call period of 10 years, for a total of € 300 million, aimed at strengthening the solvency ratio; ii) the 1 July 2021 purchase of an equity interest of 40% in the company BNL Finance for a total of € 40 million, starting 1 July 2021, the company changed its business name to Financit SpA; the 1 March 2021 purchase of 51% of the voting capital (40% of the total capital) of Sengi Express Limited, a full subsidiary of Cloud Seven Holding Limited for a total of € 16 million; the 29 July 2021 subscription of the share capital increase in exchange for payment of Replica SIM SpA for a total of € 10 million, with the consequent acquisition of an equity interest of 45% of the company's capital; payment in the favour of Nexive Network Srl<sup>77</sup> of a total of € 16 million to cover losses incurred through to 30 September 2021, with the reduction and simultaneous reconstitution of the share capital and establishment of an unrestricted reserve.

**Net working capital** at 31 December 2021 came to € 647 million and rose by € 172 million on end FY 2020, mainly due to the reduction of the payable due from Poste Italiane to subsidiaries under the tax consolidation.

The balance of **Provisions for risks and charges** amounted to € 1,169 million (€ 1,309 million at the end of December 2020) and mainly includes provisions for early retirement incentives of € 515 million (€ 574 million at 31 December 2020); this reflects the estimate of liabilities that the Company committed to irrevocably incur, under the current arrangements agreed with the unions, as a result of a certain number of personnel taking voluntary early retirement by 31 December 2023.

The balance also includes Provisions for disputes with third parties for € 265 million (€ 237 million at 31 December 2020) regarding the present value of expected liabilities deriving from different types of legal and out-of-court disputes with suppliers and third parties, the related legal expenses, and penalties and indemnities payable to customers. Movements during the year primarily regard updated estimates of liabilities and uses to cover liabilities settled.

Provisions for operational risks relating to liabilities arising from transactions conducted within BancoPosta amounted to € 134 million at 31 December 2021, and saw a net increase of € 3 million compared with the balance of € 131 million at 31 December 2020. Provisions for the year totalling € 17 million mainly reflect the revision of the estimated risks linked to the distribution of postal savings products and adjustments and balance calculations of profits from previous years.

The balance also includes Provisions for personnel expenses for € 120 million (€ 227 million at the end of December 2020) to cover expected liabilities arising in relation to the cost of labour, which are certain or likely to occur but whose estimated amount is subject to change. They have increased (€ 112 million) to reflect the estimated value of new liabilities and decreased as a result of past contingent liabilities that failed to materialise (€ 44 million) and settled disputes (€ 176 million).

The net balance of **deferred tax assets/liabilities** at 31 December 2021 shows no significant values (net positive balance of € 403 million at 31 December 2020); the change is largely attributable to the net positive tax effect on the change in the fair value reserve for investments in available-for-sale securities.

**Equity** amounted to € 7,034 million and decreased by € 205 million mainly in relation to changes in the fair value reserve (€ 999 million), which reflect the fluctuations (positive and/or negative) in the valuation of investments classified as FVTOCI as well as the net profit for the year of € 797 million.

77. On 29 January 2021, Poste Italiane acquired 100% of the share capital of Nexive Group Srl from PostNL and Mutares Holding for a total of € 31 million. On 11 May 2021, the Board of Directors of the Parent Company approved the proposed merger and demerger involved in the company reorganisation operation, which consisted of the following steps:

- Merger by incorporation of Nexive Group and Nexive Servizi into Poste Italiane SpA;
- Partial demerger of Nexive Network (i) in favour of Poste Italiane, as regards the mail delivery business, which includes the shareholding in Nexive Scarl, and (ii) in favour of Postel SpA, as regards the printing business unit.

The transaction, effective as of 1 October 2021, was carried out on a going concern basis and generated goodwill of € 33 million and a merger deficit of € 10 million, which was recognised in the relevant equity reserve.

## ESMA Financial Debt Unallocated Ring-Fenced Capital of Poste Italiane SpA

(€ m)	At 31 December 2021	At 31 December 2020
A. Cash	(2,028)	(2,159)
B. Cash equivalents	-	-
C. Other current financial assets	(52)	(495)
<b>D. Liquidity (A + B + C)</b>	<b>(2,080)</b>	<b>(2,654)</b>
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	1,935	1,585
F. Current portion of non-current debt	1	1
<b>G. Current financial debt (E + F)</b>	<b>1,936</b>	<b>1,586</b>
<b>H. Net current financial debt (G + D)</b>	<b>(144)</b>	<b>(1,068)</b>
I. Non-current financial debt (excluding current portion and debt instruments)	1,532	1,707
J. Debt instruments	1,047	1,046
K. Trade payables and other non-current payables	22	25
<b>L. Non-current financial debt (I + J + K)</b>	<b>2,601</b>	<b>2,778</b>
<b>M. Total financial debt (H + L)</b>	<b>2,457</b>	<b>1,710</b>

## Reconciliation of Financial Debt ESMA

(€ m)	At 31 December 2021	At 31 December 2020
<b>M. Total financial debt (H + L)</b>	<b>2,457</b>	<b>1,710</b>
Non-current financial assets	(407)	(377)
K. Trade payables and other non-current payables	(22)	(25)
Tax credits Italian Law no. 77/2020	(448)	(35)
<b>Net Debt/(Funds)</b>	<b>1,580</b>	<b>1,273</b>
Intersegment financial (receivables)/payables	175	898
<b>Net debt/(funds) for capital outside ring-fence including intersegment transactions</b>	<b>1,755</b>	<b>2,171</b>

# Report on Operations of BancoPosta RFC

## Corporate Governance at BancoPosta RFC

With regard to BancoPosta RFC's governance, the rules governing the organisation, management and control of BancoPosta's operations are contained in the specific BancoPosta RFC Regulation approved by the Extraordinary General Meeting of 14 April 2011 and recently amended by the Extraordinary General Meeting of 29 May 2018. As a result of the issuance by the Bank of Italy on 27 May 2014 of an update to the Prudential Supervisory Provisions for Banks, the provisions for banks on the organisational and governance structure, the accounting and control system and the capital adequacy and risk containment institutions apply to BancoPosta RFC.

Further information regarding the corporate governance structure is provided in Poste Italiane's "Report on Corporate Governance and the Ownership Structure", approved over time by the Board of Directors and published in the "Governance" section of the Company's website.

BancoPosta also has an "**Organisational and Operational Regulation**" (ROF) approved by the Board of Directors of Poste Italiane, the latest update of which dates back to 24 June 2021. These regulations describe BancoPosta's operating model, its organisational structure and the related responsibilities assigned to the various functions, as well as the processes for assigning BancoPosta's business functions to Poste Italiane and for outsourcing BancoPosta RFC. The process of "Governance of Assignments and Outsourcing" of BancoPosta RFC, already subject to review in 2018, was further strengthened in most recently in 2021 with reference to the regulatory, organisational and monitoring of the activities assigned and/or outsourced, with a view to improving the quality of processes.

**Renewed  
Operating  
Guidelines  
for  
2021-2022**

In January 2021, following completion of the authorisation process, with the October 2020 sending of preventive communication to the Bank of Italy for the Operating Guidelines of essential or important functions (EIFs) and Control Functions, the new Operating Guidelines came into force and will remain valid until December 2022.

For the two-year period 2021-2022, in particular, a new set of Guidelines was introduced regarding the assignment of **Business Continuity Management** (BCM) services to the Corporate Affairs function and a significant expansion of the activities carried out by the Human Resources and Organisation function was put in place, the assignment of which was reclassified, starting from 2021, as an EIF. In addition, the Guidelines with the two Commercial Networks (Private and Business) have been combined to form a single Guideline, with a view to increasing the efficiency of management.

**"Addendum"  
to the new  
Guidelines  
for non-relevant  
changes**

In revising all Guidelines, the **Key Performance Indicators** (KPIs) were refined and new indicators added. The number of KPIs envisaged has increased significantly on the total of 271 present in the 2020 Guidelines, coming in at 385, of which 22 refer to the new BCM Guidelines.

During the first period of application of the new Operating Guidelines, some contractual amendments and supplements were shared with the entrusted Functions, deriving from both requests made by the Bank of Italy and operating requirements (e.g. the introduction of specific "**warning**" values for each performance indicator or the introduction of new KPIs). In addition, following organisational changes, for the Finance and Control and Digital Technology & Operations (Customer Operations) Guidelines, the relative contents have also been updated.

Finally, the remuneration of the Commercial Networks has been updated in connection with the evolution of the commercial offer (transfer of tax credits) and the remuneration of the Real estate component of the Corporate Affairs No EIF Guidelines (for the revision of BancoPosta spaces, also in relation to the reorganisation of the secondary site for business continuity). These changes, which are classified as "not relevant" in accordance with the current "Regulations governing the process of awarding and outsourcing of BancoPosta RFC" have been made by means of an "**Addendum**".

In 2021, the **Operating Committees** continued on the functions assigned (adding a dedicated committee to dealing with activities assigned to the Business and Public Administration Market) and those outsourced to Group companies: BancoPosta Fondi SGR and PostePay, with the aim of overseeing and strengthening the methods of monitoring.

In line with the provisions of the Bank of Italy **34th update to Circular Letter No. 285 of 17/12/2013**, in 2021 an analysis was performed to identify the contracts currently in force that required adjustment to comply with the new minimum contents required. For contracts found to be non-compliant, either specific supplements have been added in the form of Addenda, or the

contents supplemented at a renewal of the contract during the year. Only as regards a contract relative to Back Office Automation services will the contents be supplemented at its expiry in March 2022, as it was considered best to proceed with stipulating a new contract directly and notification had been given to the Supervisory Authority. In addition, for the individual investment portfolio management contract on behalf of third parties with BancoPosta Fondi SGR, the contents to be supplemented will be signed during the first half of 2022, with effect starting 1 January 2022.

## BancoPosta RFC Financial Review

Main indicators	2021	2020
CET 1 CAPITAL*	2,633	2,449
TOTAL CAPITAL**	2,983	2,449
CET 1 RATIO***	19.3%	18.1%
TOTAL CAPITAL RATIO****	21.9%	18.1%
ROA*****	0.5%	0.6%
ROE*****	20.8%	26.2%
Net interest income/Net interest and other banking income*****	27.8%	29.0%
Operating expenses/Net interest and other banking income*****	86.6%	83.5%

\* CET 1 Capital includes the initial equity reserve and non-distributable profit reserves (Tier 1 capital), taking into account the transitional regime (Regulation 2017/2395 EU).

\*\* The TOTAL CAPITAL includes CET 1 CAPITAL, as well as Additional Tier 1 (AT 1) capital.

\*\*\* The CET 1 Ratio represents the adequacy of Tier 1 capital in terms of Pillar 1 capital requirements (operational, credit, counterparty and market risks).

\*\*\*\* The TOTAL CAPITAL RATIO measures the adequacy of own funds (Total Capital) with respect to weighted exposure to Pillar 1 risks (operational, credit, counterparty and market risks).

\*\*\*\*\* Return On Assets. Represents the ratio of profit for the period and total assets.

\*\*\*\*\* Return On Equity represents the ratio of profit for the period and equity after deducting profit for the period and the valuation reserves.

\*\*\*\*\* Represents the contribution from net interest income as a ratio of net interest and other banking income.

\*\*\*\*\* Cost/income ratio is the ratio between Operating expenses and Net interest and other banking income.

The above indicators reflect the particular nature of BancoPosta RFC and the fact that amounts payable to Poste Italiane functions are classified in "Administrative expenses". These indicators should not, therefore, be considered in absolute terms or in comparison with the market, but only over time.

## Operating results

### Profit or Loss

(€ m)	2021	2020	Changes	
Interest and similar income	1,533	1,587	(54)	-3.4%
Interest expense and similar charges	(91)	(89)	(2)	-2.2%
<b>Net interest income</b>	<b>1,442</b>	<b>1,498</b>	<b>(56)</b>	<b>-3.7%</b>
Fee income	3,588	3,582	6	0.2%
Fee expenses	(267)	(292)	25	8.6%
<b>Net fee and commission income</b>	<b>3,321</b>	<b>3,290</b>	<b>31</b>	<b>0.9%</b>
Profits/(Losses) on trading	(2)	6	(8)	-133.3%
Profits/(Losses) on hedging	5	(2)	7	350.0%
Gains (losses) on sale of financial assets or liabilities	407	365	42	11.5%
Profits/(losses) on financial assets and liabilities measured at fair value through profit or loss	7	2	5	250.0%
<b>Net interest and other banking income</b>	<b>5,180</b>	<b>5,159</b>	<b>21</b>	<b>0.4%</b>
Administrative expenses	(4,446)	(4,444)	(2)	n/s
Other operating income/(expense)	8	67	(59)	-88.1%
<b>Net operating expenses</b>	<b>(4,438)</b>	<b>(4,377)</b>	<b>(61)</b>	<b>-1.4%</b>
<b>Net operating result</b>	<b>742</b>	<b>782</b>	<b>(40)</b>	<b>-5.1%</b>
Net provisions for risks and charges	(48)	69	(117)	-169.6%
Net impairment losses/reversals of impairment losses on receivables	4	(22)	26	118.2%
<b>Current pre-tax result</b>	<b>698</b>	<b>829</b>	<b>(131)</b>	<b>-15.8%</b>
Period income tax	(189)	(200)	11	5.5%
<b>Net profit</b>	<b>508</b>	<b>629</b>	<b>(121)</b>	<b>-19.2%</b>

Net interest income comes to € 1,442 million, down 3.7% (-€ 56 million), mainly due to the reduction in returns achieved on financial instruments, only partly offset by the presence, as compared with last year, of interest in tax credits.

Interest income of € 1,533 million, down 3.4% from € 1,587 million of the previous year (-€ 54 million), includes income from commitments in securities, interest-bearing deposits held with the MEF, tax credits, repurchase agreements and collateralisation of derivatives.

Interest expense, on the other hand, essentially regards interest paid to current account holders, interest on repurchase agreements and collateralisation of derivatives, amounting to € 91 million, basically in line with the figure recorded for the equivalent previous period (€ 89 million, -2.2%).

Net fee and commission income came to € 3,321 million, showing 0.9% growth on the € 3,290 million recorded for the equivalent previous period (+€ 31 million). Fee and commission income came to € 3,588 million, up € 6 million (+0.2%) on 2020 and the positive movement mainly reflects the improvement in the dynamics of listing loan products, insurance products and the contract stipulated with the company PostePay SpA; it is mitigated by a lesser contribution of commission on bulletins and postal savings. Determination of the latter's revenue reflects the conditions governed by the new agreement signed on 24 December 2021. Fee and commission expenses came to € 267 million, down on the € 292 million recorded in 2020 (-€ 25 million, -8.6%). The negative change is essentially due to lesser costs accrued under the scope of the service agreement signed with PostePay SpA.

Net profit from the sale of financial assets amounted to € 407 million, up from € 365 million in 2020 (+€ 42 million, +11.5%).

Profits/(Losses) on financial assets and liabilities measured at fair value through profit or loss of € 7 million includes approximately € 5 million for the positive change in fair value relative to Visa Incorporated shares (Series C Convertible Participating Preferred Stock) and another € 2 million for the positive effect relative to the sale of 2,199 Visa Incorporated Series A Preferred Stock preference shares (corresponding to 220,000 ordinary shares) in second quarter 2021.



Again with reference to the Visa Incorporated shares, 1 March 2021 marked the expiry of the forward sale contract of 400,000 ordinary shares stipulated in first half 2019, without any exchange of underlying assets. The Company has also stipulated two separate forward sale contracts; the first was settled on 03 June 2021, at the same time as the sale of the above shares; the second, which is still in place and concerns 198,000 ordinary Visa Incorporated shares, has a settlement date of 1 March 2023.

Net operating expenses, which total € 4,438 million, include administrative expenses for € 4,446 million and operating income for a positive total of € 8 million. Administrative expenses are essentially in line with the previous year; operating income comes in lower than last year, mainly due to higher income recorded in 2020 following the conclusion, in FY 2020, of a comprehensive audit of previous item estimates.

Net provisions for risks and charges showed a negative balance of € 48 million, as compared with a positive € 69 million last year. This negative change mainly reflects the absorption on the Income statement recorded during FY 2020 following the audit of estimates of certain risks connected with the distribution of postal savings products and legal disputes with third parties, as well as the conclusion, in FY 2020, of the voluntary initiatives taken to protect customers subscribing to the “Europea Immobiliare 1” and “Obelisco” real estate funds.

The item net losses/recoveries due to credit risk came to € 4 million (-€ 22 million at 31 December 2020, with a positive movement of € 26 million). This change is mainly reflected on the credit risk assessment.

Considering period tax of € 189 million (€ 200 million at 31 December 2020), net income of BancoPosta RFC came to € 508 million, down € 121 million (-19.2%) on the previous year (€ 629 million).

## BancoPosta RFC's Workforce

Average number in full-time equivalent terms	2021	2020
Executives	27	33
Middle managers	291	296
Operational staff	72	81
<b>Total</b>	<b>390</b>	<b>410</b>

At 31 December 2021, the BancoPosta function has 9 second-level functions, including 2 Marketing functions: Private customers and Enterprises and Business and Public Administration; 1 function dedicated to training commercial channels for supplying financial and insurance services: Product support for the channels; 3 staff functions: Administration, Planning and Control, Operating Processes and Technical Secretariat; 3 Control Functions: Compliance, Internal Audit, Risk Management and Outsourcing Governance. The BancoPosta HR Business Partner function has been centralised under the scope of the Human Resources and Organisation function.

The first half of 2021 was characterised by a comprehensive review of the organisational structure of BancoPosta, which, in line with the Poste Italiane Group “24SI” Plan, seeks to evolve the organisational model to provide a more effective response to the constantly changing preferences and conduct of customers, exploiting the distinctive strengths and assets of the Group with an omnichannel approach.

The various interventions include the establishment of the following functions:

- private customer marketing, responsible for defining and ensuring the integrated implementation of the offer solutions and service models for retail customers of BancoPosta products and coordinating the marketing functions of the other business lines and Group companies for placement of products on the retail networks;
- operating processes, to guarantee the continuous improvement of processes to the benefit of the customer experience, according to an omnichannel logic and assuring consistency between the digital and physical channel processes.

There were no further organisational manoeuvres in the second half of 2021.

In 2021, BancoPosta staff were delivered approximately 31,600 hours of technical-specialist, regulatory/mandatory and behavioural/managerial training via webinars or the e-learning platform.

During the year, the measures adopted by the Parent company with a view to protecting the health and safety of BancoPosta staff continued (smart working, constant supply of personal protection equipment, extraordinary sanitation of management offices, etc.). Starting October 2021, staff returned to the office for at least two working days per week, guaranteeing the constant

supply of medical devices and the continued use of temperature scanners in all areas of mandatory access to the management offices. For further information on the initiatives taken by the Poste Italiane Group to protect its employees, please refer to the section “**Management of the Covid-19 pandemic**” in chapter 5 “Risks and opportunities”.

## Financial Position and Cash Flow

### Statement of Financial Position

Assets (€ m)	31 December 2021	31 December 2020	Changes	
Cash and cash equivalents*	7,680	6,408	1,272	19.9%
Financial assets measured at fair value through Profit or loss	39	72	(33)	-45.8%
Financial assets measured at fair value through other comprehensive income	37,626	42,638	(5,012)	-11.8%
Financial assets measured at amortised cost*	53,733	52,024	1,709	3.3%
Hedging derivatives	873	78	795	n/s
Tax assets	283	130	153	117.7%
Other assets	8,838	2,631	6,207	235.9%
<b>Total assets</b>	<b>109,072</b>	<b>103,981</b>	<b>5,091</b>	<b>4.9%</b>

n/s: not significant

Liabilities (€ m)	31 December 2021	31 December 2020	Changes	
Financial liabilities measured at amortised cost	95,799	86,110	9,689	11.3%
Financial liabilities held for trading	2	20	(18)	-90.0%
Hedging derivatives	5,461	8,243	(2,782)	-33.7%
Tax liabilities	670	979	(309)	-31.6%
Other liabilities	2,535	3,153	(618)	-19.6%
Employee termination benefits	3	3	(0)	n/s
Provisions for risks and charges	229	213	16	7.5%
Valuation reserves	1,118	2,278	(1,160)	-50.9%
Equity instruments	350	-	350	n/s
Reserves	2,397	2,353	44	1.9%
Net profit	508	629	(121)	-19.2%
<b>Total liabilities and equity</b>	<b>109,072</b>	<b>103,981</b>	<b>5,091</b>	<b>4.9%</b>

n/s: not significant

\* Values as at 31 December 2020 have been reclassified following the update of the 262 Bank of Italy regulation.

Assets are represented by cash and cash equivalents, financial assets and hedging derivatives, tax assets and other assets.

Cash and cash equivalents amounted to € 7,680 million at 31 December 2021 (€ 6,408 million at 31 December 2020, +€ 1,272 million) and included, for a total of € 2,906 million, cash at Post Offices and at cash transportation companies, as well as balances on the account with the Bank of Italy for interbank settlements of € 4,757 million.

Financial assets measured at fair value through profit or loss of € 39 million mainly relate to the fair value of 32,059 Visa Incorporated preference shares (series C Convertible Participating Preferred Stock); the change in the item is due to the sale of 2,199 Visa Incorporated shares (Series A Preferred Stock), as described in the previous paragraph.

The item Financial assets measured at fair value through other comprehensive income amount to € 37,626 million (€ 42,638 million at 31 December 2020, -€ 5,012 million) and are attributable to investments in Italian government securities. The reduction in this item is mainly due to approximately -€ 2,190 million for the change in fair value of securities held in the portfolio and approximately -€ 3,064 million the ratio of sales/redemptions of securities as compared with new purchases.

Financial assets at amortised cost came to € 53,733 million (€ 52,024 million at 31 December 2020, +€ 1,709 million) and relate to investments in securities issued by the Italian government and those guaranteed by the Italian government, totalling € 33,110 million (€ 33,255 million at 31 December 2020, -€ 145 million) and sundry deposits and receivables of € 20,623 million (€ 18,769 million at 31 December 2020, +€ 1,854 million).

With reference to Financial assets relative to investments in securities issued by the Italian government and those guaranteed by the Italian government, the reduction in question is the combined result of the increase in operations in securities during the period under review (net balance of purchased as compared with sales/redemptions of securities and other effects for approximately +€ 1,337 million) and the reduction in the change in fair value relative to securities hedged by fair value hedges (for approximately -€ 1,513 million).

Financial assets represented by sundry deposits and receivables primarily include: (i) amounts deposited with the MEF of € 14,697 million (€ 9,327 million at 31 December 2020, +€ 5,370 million); (ii) guarantee deposits of € 4,858 million (€ 7,494 million at 31 December 2020, -€ 2,636 million); (iii) trade receivables of € 818 million (€ 987 million at 31 December 2020, -€ 169 million); (iv) receivables relating to the balance of amounts resulting from the processing of payments to and from third parties via Poste Italiane for € 175 million (€ 898 million at 31 December 2020, -€ 723 million).

The change in loans and deposits held at the MEF is mainly due to greater funding collected from the Public Administration; the reduction in guarantee deposits is mainly due to the improvement seen in the fair value of hedging derivatives, posted both under the assets and liabilities of the Balance Sheet.

Hedging derivatives with positive fair value at 31 December 2021 came to € 873 million (€ 78 million at 31 December 2020, +€ 795 million).

Tax assets came to € 283 million, up by € 153 million (+117.7%) on the € 130 million of 31 December 2020; this is mainly due to the change in deferred tax assets of Equity, e.g. the dynamics seen in the Valuation reserves.

Other assets, of € 8,838 million (€ 2,631 million at 31 December 2020, +€ 6,207 million) show an increase that is essentially due to the purchases of tax credits (acquired by Poste Italiane SpA in compliance with the provisions of the "Decreto Rilancio" – Law Decree no. 34/2020, thereafter converted by Law no. 77/2020 – and transferred to BancoPosta RFC), posted at 31 December 2021 for a value of approximately € 6 billion (for a nominal value of approximately € 6.9 billion).

The principal liabilities are represented by financial liabilities, hedging derivatives, tax liabilities, other liabilities and provisions.

Financial liabilities measured at amortised cost amounted to € 95,799 million (€ 86,110 million at 31 December 2020, +€ 9,689 million) and include: (i) amounts due to customers of € 85,098 million (€ 75,295 million at 31 December 2020, +€ 9,803 million) attributable to deposits through current accounts and repurchase agreements; (ii) amounts due to banks of € 10,701 million (€ 10,815 million at 31 December 2020, -€ 114 million) also relating to current account transactions and repurchase agreements.

Financial liabilities held for trading, amounting to € 2 million, represent the fair value of the forward contract for the sale of Visa Incorporated ordinary shares entered into in 2021 (settlement date 1 March 2023).

Hedging derivatives relating to securities in portfolio with negative fair value amounted to € 5,461 million (€ 8,243 million at 31 December 2020, -€ 2,782 million).

Tax liabilities amounted to € 670 million, a decrease of € 309 million, compared to € 979 million at the end of fiscal year 2020, due to changes in deferred taxes in fiscal year 2021 related to financial assets measured at fair value through other comprehensive income.

Other liabilities amounted to € 2,535 million (€ 3,153 million at 31 December 2020, -€ 618 million), mainly include items of a tax nature by way of substitute tax and items in progress.

The provision for employee termination benefits, amounting to approximately € 3 million, is in line with the amount at 31 December 2020.

Provisions for risks, which include amounts set aside to cover disputes and charges with personnel, customers and third parties in general, as well as various risks arising from BancoPosta's operations, amounted to € 229 million, up € 16 million on 31 December 2020. The change in this item reflects the revision of estimates of certain risks associated with the distribution of postal savings products and legal disputes with third parties.

BancoPosta RFC at 31 December 2021 amounted to € 4,373 million (€ 5,260 million at 31 December 2020, -€ 887 million amounting to -16.9%) and includes: (i) the BancoPosta RFC Reserve, of € 1,211 million (up 1 million on 31 December 2020 following the change in the Incentive Plans Reserve); (ii) the Reserve for Retained Earnings of € 1,186 million, which increased by

€ 50 million following the meeting resolution passed on 28 May 2021 to allocate 2020 profit from BancoPosta RFC and down € 6 million for interest expense accrued on capital instruments; (iii) Capital instruments, for € 350 million, which refer to a perpetual subordinated loan with non-call period of 8 years, granted on 30 June 2021 under terms and conditions that enable it to be calculated as additional Tier 1 capital; (iv) the Valuation Reserves of € 1,118 million (€ 2,278 million at 31 December 2020), which mainly reflects the negative change in the value of the Fair value reserves of financial assets at 31 December 2021; and (v) the Net income recorded for FY 2021 of € 508 million.

## BancoPosta RFC's Internal Control and Risk Management System

The elements that characterise BancoPosta's Control Area<sup>78</sup>, understood as the general context in which company resources carry out their activities and perform their responsibilities, are primarily represented by:

- the Group **Code of Ethics**;
- the **Organisational Model pursuant to Legislative Decree no. 231/2001** and the related corporate procedures;
- the **organisational structure of BancoPosta**, as reflected in organisational charts, service orders, organisational notices and procedures determining the roles and responsibilities of the various functions;
- **General Regulation governing the process of assignment and outsourcing of BancoPosta RFC**, which respectively regulates the assignment of RFC operations to Poste Italiane functions in terms of decision-making processes, the minimum content of operating guidelines, levels of services, information flows and control procedures, and the process of outsourcing BancoPosta functions to third parties of the Poste Italiane organisation, identifying the related operational phases and the roles and responsibilities of the various bodies and functions involved in the process;
- the **guideline in the Internal Control and Risk Management System (also "SCIGR")**, describing the roles and duties of BancoPosta RFC's control Functions, and the procedures for coordinating and ensuring the exchange of information between these Functions and Poste Italiane's control Functions and the flow of information to corporate bodies;
- the **system used for delegating powers** to function heads in accordance with their responsibilities.

In terms of BancoPosta RFC's organisational structure, the existing organisational model envisages autonomous and independent control functions in compliance with the Bank of Italy's supervisory requirements: **Risk Management, Outsourcing Governance, Compliance and Internal Auditing**. It is also planned that BancoPosta, also in the context of controls, will make use of the other functions of Poste Italiane, in line with the Regulation for the process of assigning and outsourcing BancoPosta RFC mentioned above.

In the early months of 2022, BancoPosta's Internal Auditing prepared the **2021 Annual Report**, a document designed to provide the Company's governing bodies with regular information regarding the completeness, adequacy, functionality and reliability of BancoPosta's overall control system.

The Report was prepared on the basis of the findings of the audit activities carried out by the function and set out in the **2021 Audit Plan**. The report contains information on the outcomes of the audit of the services contracted out by BancoPosta to Poste Italiane's Functions under operating guidelines and the activities outsourced to providers external to the Company.

The Annual Report, presented to the Board of Statutory Auditors and the Board of Directors, was subsequently submitted to the Bank of Italy. The specific section regarding investment services was, on the other hand, submitted to the Consob.

The final audits were in part performed with reference to the findings of Poste Italiane's Internal Auditing function, which is responsible, in accordance with the specific operating guidelines for the IT audit and the audit of the local units and distribution channels within Poste Italiane's network, which are responsible for BancoPosta's processes and products.

Internal Auditing has also drawn up the **Annual (2022) and Multi-year (2022-2024) Audit Plan**, based on a risk assessment process designed to ensure adequate coverage of BancoPosta's Business Process Model, including risks, changing aspects of the business, regulatory issues and BancoPosta RFC's organisational structures. This Plan has been presented to the Board of Statutory Auditors and submitted for the attention of the Board of Directors.

78. Represents one of the most relevant components of the internal control system, i.e. a body of rules, procedures and organisational structures, which aim to prevent or limit the consequences of unexpected events and enable the achievement of strategic, operating objectives, compliance with the relevant laws and regulations, and ensure the fairness and transparency of internal and external reporting.

## Risk Management System

BancoPosta RFC has an independent Risk Management unit, responsible for ensuring, among other things, in collaboration with the Group Sustainable Development, Risk and Compliance function of Poste Italiane SpA, an integrated, retrospective and prospective view of the risk environment and of BancoPosta RFC's capital and organisational adequacy. The function provides a detailed **evaluation of the risk profile of the financial products sold to customers** and provides the operational and business functions involved in product development and placement with advice and support. It is also responsible for periodic reporting. During 2021, the Risk Appetite Framework (RAF) was revised<sup>79</sup>. The 2020 Annual Report and the programme of activities for 2021 were submitted to the Board of Statutory Auditors, the Control and Risk Committee and the Board of Directors, as were the ICAAP (Internal Capital Adequacy Assessment Process)<sup>80</sup> report and the Public Risk Report for 2020. These bodies also received quarterly reports on the performance of the effective risk profile versus the determined risk appetite. The principal types of risk to which BancoPosta RFC is exposed in the course of its ordinary activities are described below:

- **credit risk** (including counterparty risk);
- **market risk** (including banking book rate risk);
- **liquidity risk**;
- **operational risk**.

As regards the evolution of relevant risks, 2021 was characterised by an increase in returns on Italian government bonds (ten-year BTPs 1.17% at 31 December 2021, +63 bps since the start of the year) and the BTP-ten-year bund spread (135 bps at end December 2021, 24 bps more than at the start of the year).

The evolution of rates and spreads led to a reduction in net gains at portfolio level from over € 4.5 billion at December 2020 to approximately € 2.1 billion at end December 2021.

With regard to the BancoPosta capital structure, on 30 June 2021 the capital increase of € 350 million via Additional Tier 1 was completed and, as a result, the leverage ratio rose during the year, coming in at 3.0% at end 2021.

The CET 1 Ratio at December 2021 was 19.3%, while the Total Capital Ratio including **Additional Tier 1** was 21.9%, confirming the financial solidity of BancoPosta.

The specified coefficients take into account the calculation of € 200 million, as they are the same concerned by the resolution passed by Poste Italiane's Board of Directors regarding the proposed allocation of profit for FY 2021 and respecting the regulations of Art. 26 of Regulation (EU) No. 575/2013.

During the meeting held on 24 March 2021, the Company's Board of Directors approved the update to the Financial Management Guidelines, consistently with the new "24SI" Business Plan and in the session held on 3 August, the additional updates to the Guidelines and RAF, consequent to the changes made late July to the 2007 Financial Law, which provided the option of using up to 15% of funding from private customers, not only in government securities but also tax credits.

Details of the various areas of risk and the methods used for their measurement and prevention are provided in other sections of the Annual Report for the year ended 31 December 2021.

**Update of  
the Financial  
Management  
Guidelines  
and of the  
Risk Appetite  
Framework**

79. The BancoPosta RAF is a framework that defines, in keeping with the maximum acceptable risk, the business model and strategic plan, the risk appetite, risk tolerance thresholds, risk limits and risk management policies, together with the processes needed to define and implement them.

80. Bank of Italy defines the internal processes for determining capital adequacy in the Supervisory Provisions for Banks Part One – Transposition of CRD IV Directive Title III – Prudential Control Process Chapter 1 – Prudential Control Process.

## BancoPosta RFC events after 31 December 2021

With reference to the purchase of tax credits, starting November 2021, the Government approved certain regulatory interventions seeking to prevent fraud to the detriment of the State. Whilst awaiting a complete analysis of the new regulatory framework, Poste Italiane temporarily suspended the service for the purchase of tax credits in the first two months of 2022. Starting 7 March 2022, purchasing resumed, limiting this to only the first transfers.

As regards the conflict between Russia and the Ukraine, which began in February 2022, an assessment has been performed of the current and potential future impacts and of the sanctions placed on Russia by the state and supranational authorities, on the Group's activities, financial situation and economic results in consideration of the evidence available and the scenarios conceivable at the date of preparing this Report.

The potential impacts, although currently unclear and uncertain also in relation to the pressure on inflation driven by the sharp increases in energy and raw material prices, seem limited in relation to the fact that the Group's operating activities are almost entirely carried out within the country and without depending on the value chain with the countries involved.

## Outlook for BancoPosta RFC

During the first quarter of 2022, the new Agreement signed with Cassa Depositi e Prestiti on 24 December 2021, became effective and fully operative. In 2022, the range of offers will be revised, with regards to both Interest-bearing Postal Certificates and the Supersmart Offers, as well as new products and services released and new investments made in communication. Projects are also envisaged aiming to improve the customer experience through a raising of quality standards on both the physical and digital channel. The programme aims to continue the process of improving the quality, efficiency and effectiveness of the processes, services and products offered to customers under the scope of postal savings, including transversal initiatives, with a focus on continuing the digitisation of the offer and customers. More specifically, an articulated process is envisaged of increasing efficiency in the sale of products for children throughout all distribution channels. In addition, with the aim of extending the digital customer base, further improvements are envisaged in the accessibility and management of services offered on the on-line channels.

As regards Investments, the restyling of the multi-branch range will be completed, through the launch of the Poste Progetto Dinamico Bonus policy dedicated to new cash and the recurring premium policy Poste Progetto Capitale. Finally, the new Focus Ambiente Marzo 2028 fund should be placed, along with a new range of ESG asset management service in post offices.

As concerns the protection segment, Poste Italiane's commitment will continue towards developing insurance solutions that are increasingly aligned to the needs expressed by customers. More specifically, in first quarter 2022, a new module/cover of the Person Line will be released for illness.

During first quarter 2022, commercial oversight will be strengthened with the gradual trialling of the new figure of the Specialist Remote Consultant (SRC). In the new service model, the team of consultants specialised in remote consultancy will operate co-sharing with the Specialist Financial Consultant (SFC) and Specialist Mobile Consultant (SMC), toward customers with digital skills and who do not often come into the post offices.

With the aim of continuing to strengthen the digital positioning of the BancoPosta Account, the web-based service whereby an application can be submitted to open an account, will be launched, as a further remote channel (in addition to the app) and various transaction services will be developed in the BancoPosta App (such as Google Pay), so as to standardise the customer experience in the BancoPosta app and the Postepay app.

As regards loans, 2022 should see the release of the Instant Credit product and personal loans should reach completion of roll-out of the partner Santander Consumer Bank throughout the post office network. As part of the Quinto BancoPosta, moreover, in first half 2022, roll-out should be completed of the partner Unicredit Banca, with the extension of the offer to also include post offices without consultancy rooms.

As part of the Premium service model, in 2022, there should be a considerable increase in Specialist Premium Consultants (SPCs) and Premium references, in order to better support the segment.

For further information, see the outlook of the Poste Italiane Group.

## Other information

### Related party transactions

Information on transactions between BancoPosta and its related parties is provided in Poste Italiane Financial Statements for the year ended 31 December 2021 (BancoPosta RFC's Separate Report – Notes – Part H).

### Separate financial statements

Poste Italiane SpA's statement of financial position includes the Supplementary Statement of BancoPosta RFC, prepared pursuant to art. 2, paragraph 17-*undecies* of Law 10 converting Law Decree no. 225 of 29 December 2010 which states that "the assets and relationships included in RFC are shown separately in the company's statement of financial position".

### Intersegment transactions

Intersegment transactions between BancoPosta and Poste Italiane functions outside the ring-fence are set out in Poste Italiane Financial Statements for the year ended 31 December 2021 (BancoPosta RFC's Separate Report, Part A of the notes).



# The ESG Value (Environmental, Social and Governance)



**Integrity** and transparency



**People** development



Green **transition**



**Customer** experience





**Diversity** and Inclusion



Creating value for the **country**



**Innovation**



**Sustainable** finance





*Scan the qr code  
and watch the video.*



# Integrity and transparency

**Our work ethic, our commitment to the citizenry,  
communities and companies**

- Confirmation of the highest legality rating score
- +7.5% of tenders conducted on the basis of environmental criteria
- +10.4% of tenders conducted on the basis of social criteria
- 83.4% of suppliers with a ISO 14001 or EMAS certified environmental management system



# Integrity and transparency

## MAIN RELATED TYPES OF CAPITAL



## IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2021	OUTCOME
	<b>Certify the main Group companies in accordance with the ISO 37001 standard</b>	• % of significant Group companies certified to ISO 37001	• 100% by 2022	2018	• 90%	
	<b>Increase personnel training on the Group's ethical principles (including respect for human rights)</b>	• % of Group employees involved	• 100% by 2022	2018	• >98%	
	<b>Implementation of the sustainable procurement framework at Group level</b>	• % of hedging of Group purchases	• 100% by 2024	2021	New	
	<b>Verify ESG aspects in the supplier qualification process</b>	• % of suppliers belonging to significant product categories qualified according to ESG criteria	• 100% by 2022	2018	• 75%	
	<b>Carry out sustainability audits (ESGs) along the supply chain</b>	• % of the Group's qualified suppliers subject to sustainability audits	• 100% by 2022	2018	• 60%	
	<b>Implementation of the new Integrated Anti-Fraud Platform (PIAF) that combines fraud prevention objectives with improved customer satisfaction</b>	• % financial, insurance, digital products	• 100% by 2024	2020	• 50%	
	<b>Definition of basic ESG parameters in the participation requirements and in the evaluation criteria of the technical tender offers</b>	• % of product categories	• 100% by 2024	2020	• 100%	

Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

## Work with transparency and integrity

NFS

MAIN RELATED TYPES  
OF CAPITAL

Poste Italiane recognises ethics and transparency as the founding values of the corporate identity from which it derives its origin and which support the Company in driving a responsible business and managing relations with stakeholders in a direct and honest way. Compliance with regulations, internal and external policies and codes of conduct, respect for rules and the strictest fairness are of strategic importance for the Group and are the basis for avoiding any conflict that may arise between corporate and personal interests.

### Poste Italiane subscribes to the Global Compact principles

The Group is a member of the UN Global Compact and in 2021 prepared an Advanced level Communication on Progress

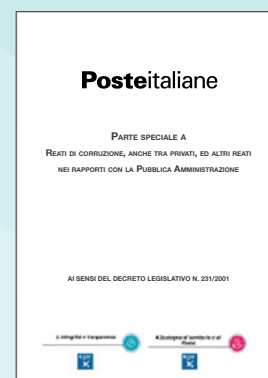
Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 has been updated to guarantee the incorporation of the internal organisational and operative evolutions. More specifically, the update has been focussed on the new aspects relating to the Group's globalisation following the acquisition of the capital of a foreign company, on the strategic guidelines present in the new four-year "2024 Sustain & Innovative" Strategic Plan, on the corporate purpose and on the integration of ESG topics. In accordance with the principles of integrity, transparency and legality that guide the Company's operations.

More specifically, considering that the 231 Model identifies specific control mechanisms to prevent the offences associated with Decree 231, enabling the implementation of the actions defined in the eight Sustainability Pillars of Poste Italiane and thus contributing to the pursuit of the Sustainable Development Goals (SDGs) of the United Nations, with reference to each of the Special Parts of the 231 Model, the correlation was therefore shown between the various classes of 231 offences, the SDGs and the Sustainability Pillars.

In order to guarantee the effective implementation of the 231 Model, Poste Italiane delivers training, which is differentiated according to the target staff. More specifically, in regard to the whole workforce, starting October 2020, a 231 e-learning training campaign was launched and, with specific reference to the corporate management team, conferences were organised focussed on the Model and on the value of 231 training, the evolution of the Decree 231 and the Poste Italiane Group Whistleblowing process.

In addition, in continuing to pursue the initiatives aimed at continuously evolving the control structure, with the help of a leading consultancy firm, Poste Italiane has verified the level of implementation by Poste Italiane of the Model 231 control measures, with reference to both the control tools operating transversally to the entity and the effective respect of the control tools overseeing sensitive activities connected with a set of business processes identified through a risk-based approach.

**The 231 Model**  
This is a point of reference for Poste Italiane Group's path towards integrity and transparency



In order to clearly define the values and social role with which the Company contributes to the processes of cohesion, inclusion and sustainability of the country, as well as the rules of conduct in the performance of professional activities, Poste Italiane Group has adopted a Code of Ethics for directors, supervisory bodies, management, all employees and all those who work, directly or indirectly, permanently or temporarily, to pursue the objectives of Poste Italiane. The Code is disseminated to all levels of the organisation with the aim of spreading its

values, including through training and information initiatives, as the Company requires that all persons to whom the document is addressed become aware of its contents.

The Code enshrines the principles that inspire the culture, behaviour and way of doing business of the Company and its stakeholders, such as the principle of legality, impartiality and fairness, respect and development of people, transparency and completeness, confidentiality, quality, diligence and professionalism. In this doc-

ument, Poste Italiane affirms its commitment to adopting criteria of conduct that exclude conflicts of interest with the Group and promote the ability to make decisions that are consistent with the Company's objectives; criteria that avoid corruption, money laundering and terrorism and that encourage conduct of integrity, while respecting the health and safety of workers and protecting the privacy of all the recipients of the Code.

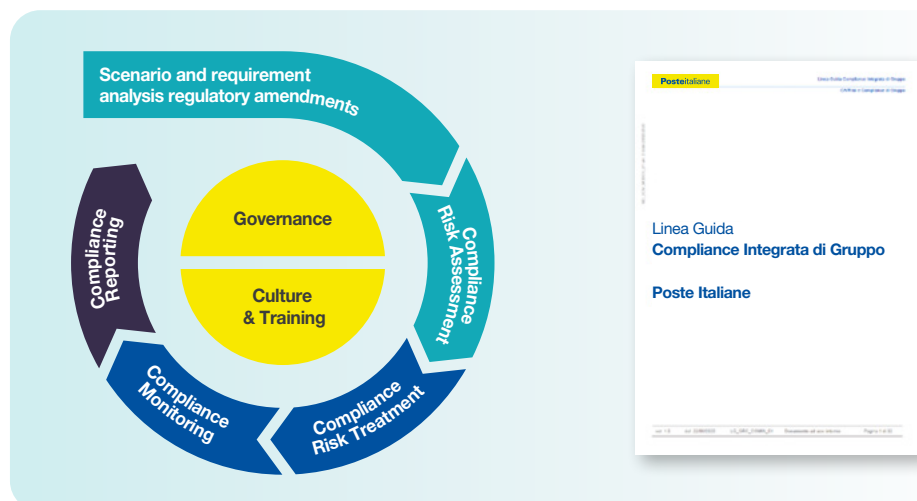
In addition to the Code of Ethics, the Company adopted a Group Integrated Policy, which reflects and documents the commitment made to all Company's stakeholders, to improve its performance and, at the same time, build and develop trusting relationships with them, as part of a process of generating and sharing value for the Company as well as for the communities in which it operates, with the idea of achieving continuity and reconciliation of the related interests. In 2021, the Integrated Policy was updated through the integration of principles and activities relative to compliance management, in order to further stress the centrality of the topics of Integrity and Transparency in relations with all Group stakeholders, also in line with the requirements laid down by standard ISO 37301 - Compliance Management Systems.

Moreover, Poste Italiane has set up a reporting system and an Ethics Committee with the task of managing reports and violations. In this regard, the Group has introduced the "Guideline on Whistleblowing", a document aimed at regulating the system through which reports can be made by personnel and third parties, with reference to acts or facts referable to violations of internal and/ or external regulations, as well as illegal or fraudulent conduct that may determine, directly or indirectly, a financial or image damage for the Company. The Group has made a reference portal available to the recipients of the Guideline, the management of which is entrusted to the Whistleblowing Committee, which also performs the functions of the Ethics Committee being responsible for receiving, examining and evaluating the communications received. The Whistleblowing Committee envisages assigning the presidency to an external professional with high standards of professionalism, honourableness and independence and the per-

manent presence within the Committee of the Group Risk Management structure/Oversight 231, in order to ensure constant assessment of the relevance of the reports received.

Poste Italiane's internal system for reporting violations is further strengthened by the provisions of the Organisation, Management and Control Model, prepared pursuant to Legislative Decree no. 231/01 and approved by the Board of Directors in December 2021. With reference to the management and monitoring of corporate risks, the Company, as part of its Internal Control and Risk Management System (SCIGR), has adopted and implemented a management system that, through an organic and integrated vision, is able to provide an unequivocal and effective response to the risks to which the Group is exposed, thus defining an integrated risk management process.

The integrated Compliance Model adopted by the Company fits into this context, creating operational synergies between the various compliance risk specialists and guaranteeing unified governance in the management of these risks, thanks also to a clear definition of the roles and responsibilities of the players involved in the process. This Model, of which the main pillars and contents had already been developed in 2020, was formalised in the Integrated Compliance Guideline approved by the Board of Directors in October 2021. This Guideline was prepared in line with best practices and, in particular, with the provisions of the new ISO 37301:2021 (Compliance Management Systems), being included as an additional essential pillar for strengthening the SCIGR, with the specific aim of overseeing the risks of non-conformity to which the Group is exposed, thereby fully implementing the principles of integrity, transparency and legality. In addition, in line with the Group's Integrated Compliance Process and in order to respond to the Group's opening up to the international market following significant agreements and the acquisition of foreign companies, Poste Italiane has defined the Foreign Compliance Process, which regulates the governance aspects and reporting flows to and from the Parent company and the operating procedures in place at the individual group foreign companies, to carry out the various compliance activities.

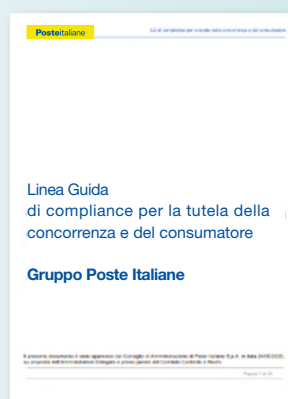


To confirm the attention that Poste Italiane Group pays to transparency and risk control issues and in line with its strategic ESG objectives, the ISO 37001 anti-corruption certification has been extended to SDA and Poste Assicura. Certification was obtained after a process of analysis and verification of the processes and integrated management system and regards, for SDA, the central processes relating to the design, guidance, control and coordination of the express courier and parcel and postal file distribution service, integrated logistics (transport, storage, preparation and delivery) and the configuration, installation, maintenance, on-site repair and supply of electronic equipment and, for Poste Assicura, the design, development and management of insurance products in the authorised branches and related customer services.

**SDA and  
Poste Assicura  
obtain  
ISO 37001  
certification**

As evidence of Poste Italiane's commitment to the principles of integrity, preventing corruption and ensuring regulatory compliance, in 2020, the Company adopted a Group-wide Competition and Consumer Protection Compliance programme and drew up the "Competition and Consumer Protection Compliance Guidelines", which is the cornerstone of the Programme.

The document provides indications on the regulations for the protection of competition and the consumer and defines the rules of conduct that all members of corporate bodies, executives, employees and all those who work to achieve the Group's purpose and objectives must observe. In particular, the objectives set out in the document concern: ensuring compliance with competition



and consumer protection rules, of which no violation is tolerated; strengthening awareness and disseminating knowledge about the importance

of competition and consumer protection regulations; consolidating an operating and control environment that mitigates the risk of commission

of antitrust and anti-competitive offences as well as violation of consumer protection regulations; providing guidance to prevent actions, behaviours and omissions that violate competition and consumer protection regulations, and outlining monitoring tools to identify any violations.

In this context, in 2021, the Programme was implemented through a first risk assessment cycle on antitrust risks and consumer protection relative to the postal-logistics segment, in order to analyse and assess, from an integrated standpoint, the risks associated with such processes/activities. This activity, in accordance with the AGCM "Antitrust Compliance Guidelines", is one of the essential components by which to deter-

mine the adequacy of the programme in terms of its preventing antitrust offences.

In addition, dedicated training has been prepared for company staff, with a view to raising awareness of antitrust topics, such as the May 2021 training event "*New Group Compliance Programmes - Antitrust Compliance and Integrated Compliance*" and the on-line training course "Competition and Consumer Protection Compliance", which provides more in-depth information about the fundamental notions of compliance to protect competition and consumers, helping create and spread an aware company culture that is attentive to such matters.

### Poste Italiane and Guardia di Finanza Together to ensure legality and transparency

In continuity with initiatives aimed at promoting growing attention to issues of transparency and legality, in 2020, Poste Italiane strengthened its collaboration with Guardia di Finanza (Finance Police), signing a Memorandum of Understanding to combat economic and financial crime. In order to consolidate the rooting of the company rules and standards in the processes, and in order to stress and clearly communicate - both internally and externally - the organisation's position on such matters, in 2021, Poste Italiane renewed this collaboration for the increasingly capillary spread of the principles of legality and transparency on the market and to prevent financial crimes.

The agreement sees the Group concretely committed to the fight against tax evasion, avoidance and fraud, public spending offences, money laundering, forgery and payment fraud. In fact, the Company intends to make available to the Guardia di Finanza its wealth of information, in particular, the data in the "Identity Check" system, which is useful for combating offences.

With this initiative, Poste Italiane once again acknowledges its role of responsibility towards the public interest and undertakes to protect the entire community by safeguarding legality.

Posteitaliane



Guardia di Finanza

### Poste Italiane and the Carabinieri

In 2021, Poste Italiane strengthened its institutional collaboration at the service of citizens with the Carabinieri police force, by signing a Memorandum of Understanding hinged on legality, safety at work and training. In accordance with the Protocol stipulated with the Carabinieri, Poste Italiane, which has obtained international UNI ISO 45001 certification for its Health and Safety at Work Management System, can also use the police force to help guarantee complete compliance with regulations on the hiring of labour, welfare and safety at work on open sites for construction works at the Poste Italiane offices.

Posteitaliane



The Internal Control System on Financial Reporting Guidelines is yet another step along the route embarked on by Poste Italiane in pursuit of sustainable success, also through activities aimed at assuring the evolution and increased efficiency of governance measures and the continuous strengthening of the SCIGR in compliance with the principles of integrity, transparency and legality and to efficiently stand together in addressing the growing complexity of the various legislative and regulatory requirements.

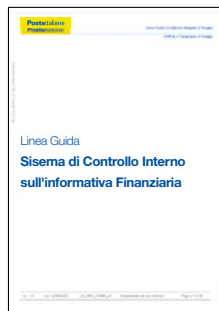
In line with the strategic guidelines defined by the Company, the internal control system

on financial reporting guidelines, through the analysis of risks and identification of specific control measures, therefore comes under the scope of the tools that help achieve objectives linked to the material topic relative to working with integrity and transparency.

The "Internal Control System on Financial Reporting Guidelines" (hereinafter also the "SCIF") defines the rules and methods by which to establish and maintain over time the Poste Italiane Group internal control system on financial reporting guidelines, and assess its effectiveness. Such rules and methods are consistent with the regulatory provi-



sions and main market best practices, as well as with the Internal Control and Risk Management System Guidelines adopted by Poste Italiane SpA and the Group's Integrated Compliance and Risk Management processes. Through the adoption of this integrated model, synergies can be guaranteed between the specialised oversight of various compliance areas and redundancies avoided in the operating activities of the risk management models and specific compliance programmes, rationalising the processes, optimising the effectiveness and efficiency of the control activities and facilitating the sharing of information between the various level two functions.



The SCIIF Guideline was updated in December 2021, to incorporate the evolutions of the Poste Italiane SCIGR that had taken place in recent years, including the various enabling factors that guided the harmonisation of the process of

establishing, maintaining and assessing the SCIIF with additional internal control models, including:

- the adoption of a model that envisages the centralisation of the figure of the Manager responsible for financial reporting, with the exception of subsidiaries where this is required by the law, in order to standardise the governance structure on the SCIIF and allow for a unitary management of risks and the related control measures;

- the use of common metrics and tools with the other compliance areas, which guarantee a homogeneous methodological approach, developed with a view to optimising and creating synergies, avoiding overlays and duplications and that allow for the comparability of results;
- the use of the integrated GRC-Archer platform in support of the process of establishing, maintaining and assessing the SCIIF, in order to foster coordination with the other compliance specialists and including the analyses and results relating to the Internal Control System on the Financial Reporting Guidelines in the integrated reporting process.

In order to prevent and fight fraud, Poste Italiane carries out checks, assesses and monitors subjects and counterparties (corporate, financial and equity analyses on companies and representatives, analysis of existing relations with Poste Italiane) through the identification of all operating and reputational details necessary to verifying the reliability and integrity of subjects/counterparties. Boosting prevention of illegal activities, via integrated analysis of internal and external information, enables detection of direct and indirect relations that highlight possible critical issues. Therefore, combating fraudulent activities is implemented via a process of continuous monitoring of the degree of exposure to fraud risk and risk factors, through gathering and analysis of reports and signs of potential offences, examination of processes, and adoption of adequate and increasingly rigorous governance and supervisory measures for fraud prevention.

In 2021, new projects and activities were implemented under the scope of the fraud prevention management process, through an integrated anti-fraud system. More specifically, such activities regarded the first phase of release to production of the new Integrated Anti-Fraud Platform (PIAF), an innovative fraud prevention system involving all digital financial services and products of: On US monetics, e-commerce and digital banking, based on predictive analytical models and that allows - real-time in a pre-authorisation mode (as required by the regulations) - for the monitoring of transactions ordered by customers. This platform envisages the implementation of a single behavioural machine learning solution for prevention/detection for all channels and the consequent launch of migration of all payment cards to the new Integrated Anti-Fraud Platform (PIAF).

### The new Integrated Anti-Fraud Platform (PIAF)

The Group's objective is to spread awareness of the Group's ethical principles and to this end, it invests in training and information activities for its employees, offering seminars and courses on transparency, integrity, anti-corruption and the protection of human rights, communicating its principles to stakeholders through the dissemination of the Code of Ethics, Policies and Guidelines. Training and communication in fact constitute a *continuum* of coordinated actions aimed at supporting the dissemination of the culture of compliance and legality in line with the roles, responsibilities and levels of risk exposure of each individ-

ual, also through the appropriate commitment of senior management.

### Legality rating

In **2021**, Poste Italiane confirmed its **legality rating**, receiving the highest rating of three stars from the AGCM, awarded to just **7.9%** of companies

## Fiscal transparency policies

In January 2020, both Poste Italiane and the subsidiary, Poste Vita, were admitted to the Collaborative Compliance regime with the tax authorities, an award granted following a positive assessment by the tax authorities of the system for identifying, managing, controlling and mitigating tax risk. This institution, provided for by the Delegated Law for the reform of the Italian tax system (Law 23/2014) and introduced in Italy by Legislative Decree no. 128/2015, allows for a relationship to be

established with the financial authorities, one built on trust and collaboration. The goal is to increase the level of certainty on significant tax issues by creating an open line of communication so that issues that might give rise to risky tax scenarios are addressed in advance. Poste Italiane's admission to Collaborative Compliance consolidates the path inspired by the values of ethics, integrity and transparency also in the financial and fiscal area.

## The Tax Control Framework of Poste Italiane

Poste Italiane has developed its own tax risk management and control system, which, as part of the wider Internal Control and Risk Management System (SCIGR), meets the following requirements in line with legislation and best practices:

- the Tax Strategy in which the Group has defined its objectives and the approach adopted in managing the tax variable. The Tax Strategy is arranged as a set of principles and rules aimed at promoting dissemination of the values of honesty, fairness and compliance with tax regulations, thereby encouraging the development of collaborative and transparent conduct towards the tax authorities and third parties, in order to minimise any substantial impact in terms of either tax or reputational risk;
- adequate processes, procedures and tools for the detection, measurement and management of tax risks and the monitoring of the tax risk control system;
- a system of delegated powers, roles and responsibilities regarding the processes of detecting, measuring, managing and monitoring tax risk, defined within a specific Guideline, as well as detailed in the relative operating procedures and in the tax risk map (i.e. Tax Risk Assessment);
- adaptation to major changes affecting the company, including changes in tax legislation;
- sending an annual report to the management bodies containing the results of the checks carried out and any action plans to be implemented to remedy the shortcomings that emerged from the monitoring. This report is

also sent to the Revenue Agency for evaluation of the Tax Control Framework.

In line with its sustainability strategy and with the values set out in the Group's Code of Ethics, Poste Italiane Group has always managed taxation in full compliance with the principles of honesty, fairness and compliance with tax regulations, characterised by cooperative and transparent conduct towards tax authorities and third parties, in order to minimise any substantial impact in terms of tax or reputational risk. To this end, the Group has adopted a Tax Strategy<sup>81</sup> within which the Company has defined its objectives:

- manage the tax variable by protecting the interests of all stakeholders, including the government, shareholders, employees and the community in which it operates, including at local level, being aware that tax revenue is one of the main sources of contribution to the economic and social development of the country;
- always operate in compliance with tax regulations with regard to both the letter of the rules and the underlying rationale, monitoring and overseeing regulatory changes, including through continuous dialogue with the relevant institutions at national and international level;
- make decisions on tax matters in line with national and international best practices and with the guidelines dictated by sector bodies, as well as in line with its own strategic objectives and risk appetite;
- promote professional diligence in the management of tax-relevant activities and processes, and ensure that the related procedures are appropriate;

81. Poste Italiane SpA's Tax Strategy is available on the Group's website at the following link [www.posteitaliane.it/it/strategia-fiscale.html](http://www.posteitaliane.it/it/strategia-fiscale.html)

- ensure adequate technical training for all employees involved in the management of tax-related obligations and activities;
- establish complete and accurate information flows to management bodies and tax authorities;
- encourage the development of constructive, professional and transparent relations with the Tax Authorities, based on the concepts of integrity, collaboration and mutual trust.

The tax risk management and control system implemented by the Group requires top management to be kept constantly informed of the tax consequences of all strategic and operational business transactions, both planned and to be carried out, thereby ensuring that every decision taken on tax matters is consistent with Poste Italiane's Tax Strategy and that the Tax function is involved in the preliminary assessment of the tax impact of such transactions. The Tax function is divided into eight areas that are assigned distinct roles and responsibilities and are: Tax Planning and Business Support, Tax Risk Management, Processes and Procedures, Regulations, Studies and Tax Substitution, Corporate Income, Indirect Taxes, Local Taxes and Litigation, VAT and IT Compliance and the Oversight of tax compliance envisaged in financial intermediaries.

**The Collaborative Compliance regime** has admitted Poste Italiane and the subsidiary Poste Vita with the tax authorities

Poste Italiane SpA's Board of Directors, subject to the opinion of the Control and Risk Committee, is responsible for assessing the adequacy and effectiveness of the internal control and risk management system. To this end, with specific reference to the tax risk management and control system, the Board of Directors, supported by adequate preparatory work by the Control and Risk Committee, examines at least once a year the report prepared by the head of the Tax function containing the results of the periodic review of this system.

Poste Italiane also coordinates with its companies to ensure that they operate in compliance with current tax legislation and in line

with the Group's risk management and control system.

As previously stated when it entered the Collaborative Compliance regime, the Poste Italiane Group is committed to establishing relations with tax authorities that are based on the utmost transparency and cooperation, undertaking to:

- communicate in a clear and transparent manner to the Revenue Agency any changes in the tax strategy, in the medium/long-term tax planning and the possible risks related to the most relevant transactions;
- provide correct, accurate and timely information and respond promptly to questions and requests for information received by the Revenue Agency;
- resolve any problems in a timely manner prior to the filing of tax returns, and, if differences subsequently arise, work out an agreement with the Revenue Agency to resolve them.

Following Poste Italiane Group's entry into the Collaborative Compliance regime, the Group has adopted a well-structured set of procedures to govern the management of tax risk, including the activities, controls, roles and responsibilities defined within the processes.

Poste Italiane has also made monitoring updates to the relevant legislation the responsibility of the Tax function. More specifically, the task of the Regulations, Studies and Tax Substitution (NSSI) unit, which is part of the Tax function, is to: monitor the evolution of the national, EU and international tax system, in order to propose measures to guarantee the interests of the Group and the optimisation of operating obligations; guarantee the study, interpretation and dissemination of tax regulations, assessing their impact on the Company and the Group in collaboration with internal functions/companies. To this end, the NSSI unit, thanks to the continuous exchange with the operational structures of reference, receives suggestions and input that give greater consistency to the actions implemented in this area. As part of the monitoring of regulations, the Processes and Procedures unit, in conjunction with other internal functions, analyses the impacts on processes and systems deriving from changes in tax regulations, defining the related adaptation plans. Finally, the Tax Risk Management unit monitors, with reference to the compliance plans developed by the Processes and Procedures unit, the proper execution of controls and related activities.

## Tax Risk Assessment

During 2021, an update of the Tax Risk Assessment was carried out, which entailed a review of Poste Italiane's tax risks, both in terms of existing risks and their assessment, as well as an update of activities and the related controls, partly in order to exploit potential synergies with other control systems within the Company. In general, the review of the Tax Risk Assessment covered the following points:

- update of the tax risk map due to changes in tax legislation, the review of risks with a view to continuous improvement;
- update of the qualitative/quantitative assessment of tax risks, in line with the risk assessment methodology developed in 2020;

- update of the activities and related controls identified to mitigate tax risks in response to changes in tax legislation, organisational changes and process changes taking place in the period, any shortcomings in the design of controls identified during testing or with a view to continuously improve in order to ensure the efficiency and harmonisation of Poste Italiane's existing control systems, while increasing the awareness of control owners regarding the methods of carrying out controls.

In FY 2021, the monitoring was carried out on the controls governing the risks envisaged within Poste Italiane's tax risk management and control system, consistently with that defined in the 2021 – 2023 Monitoring Plan and in line with the methodology adopted.

## Communication and training on tax issues

In accordance with what is stated in the Tax Strategy and aware of the fundamental role played by training in an area characterised by rapid change, the Tax function trains and supports all personnel involved in the management of tax-related activities, not limiting itself to resources specifically dedicated to tax matters, in order to ensure that all personnel have the right skills and experience to fulfil their responsibilities.

During 2021, the courses delivered by the Tax function covered the following topics:

- Communicating with the tax authorities: compliance of financial intermediaries;
- National tax consolidation - Poste Italiane Group;
- Corporate tax - Direct tax;
- M&As - Tax implications of the main types of extraordinary transactions;
- Functions and procedures for using the tax risk management platform (GRC-RSA Archer).

In 2022, however, consistent with the ongoing health emergency, training events are being planned in the following areas:

- Tax breaks;
- Course on VAT and postal services with a particular focus on the aspects linked to the tenders and direct awards, as well as new aspects of the tax decree (international VAT);
- Definition of processes and identification of control points;
- Registration tax and stamp duty on contracts;
- Direct tax;
- Important tax legislation impacting the international structure of Poste Italiane (International tax law sources – CFC – Dividends from companies in tax havens – TP – Misalignment from Hybrids);
- Voluntary tax correction;
- Collection;
- Tax substitution.



## Legality and incorporation of ESG criteria within procurement processes

NFS

MAIN RELATED TYPES  
OF CAPITAL

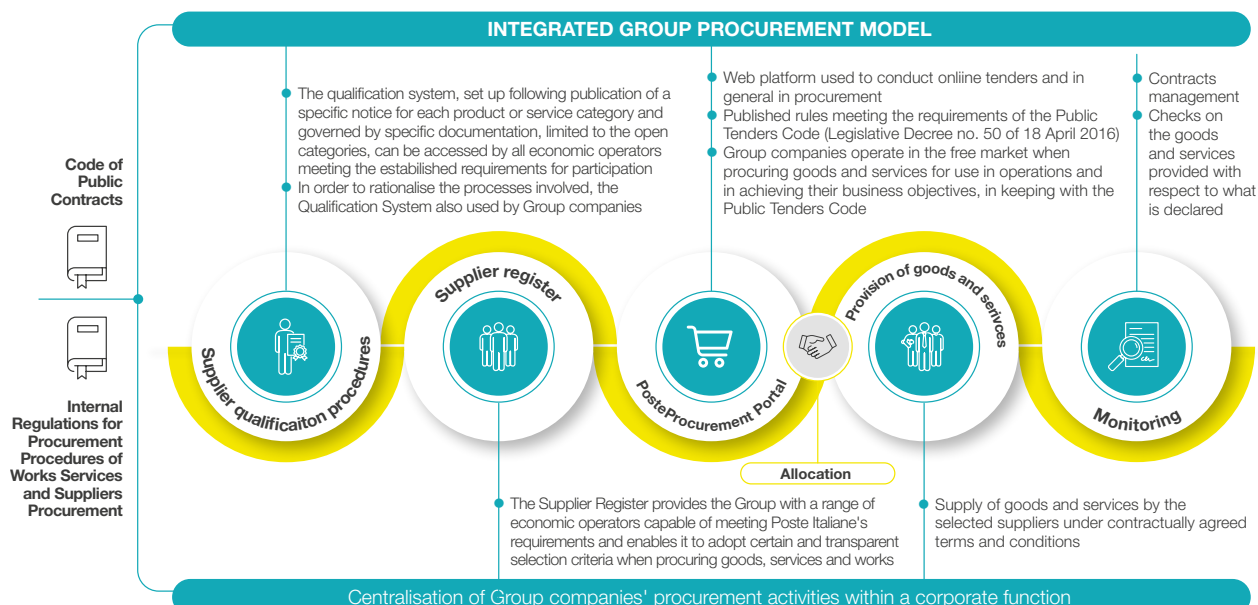
In order to assure sustainability, functionality and traceability of procurement, the Poste Italiane Group manages its supply chain responsibly. In this respect, the company undertakes to guarantee compliance with current regulations and company directives and bases its procurement processes on pre-contractual and contractual relations hinged on values of legality and transparency, placing central attention on compliance with agreements, payment methods and times. Poste Italiane therefore includes, within its own fleet, suppliers possessing adequate quality characteristics and capable of ensuring the protection of workers and compliance with environmental standards.

The Group guarantees equal opportunities to all suppliers, giving them the opportunity to compete in contract awarding procedures. Suppliers involved are required to comply with the EU and Italian legislation on competition, refraining from anti-competitive or unethical conduct that is contrary to the rules that safeguard competition. The company also requires them, including any subcontractors, as well as its partners, to formally accept the inspiring principles and criteria of conduct of the Group, described in the Group's Code of Ethics and Policies.

In choosing its suppliers, Poste Italiane applies objective, documented criteria, with the inclusion of ESG topics, which assure them loyalty, impartiality, transparency and equal opportunities to collaborate

Poste Italiane applies internal rules that govern the procurement process, both regarding contracts that are subject to the Public Contracts Code as well as those excluded from its scope of application.

Contract awarding procedures are managed via the Procurement Portal (PosteProcurement), the computer platform used for all procurement activities as well as for management of the Supplier Register. This electronic system was set up to ensure efficient and integrated management of the entire procurement process, as well as to encourage and improve collaboration with suppliers, whilst meeting the requirements of confidentiality, authenticity, competitiveness, integrity and data sharing availability.



In line with the trends seen in recent years, Poste Italiane's procurement makes constant, massive use of competitive procedures that guarantee the Company competitive advantages.

The procurement process takes due account of ESG topics, in the form of a vehicle for the spread of a sustainability culture. These Group policies are integrated into the corporate governance system and laid out in the procurement process.



Moreover, together with the Internal Regulations for the Award of Works, Service and Supply Contract Procedures (approved in November 2017 and modified in July 2019) and the Public Contracts Code, the procedures constitute documents for the governance and regulatory compliance oversight of Poste Italiane's contract awards. In this regard and with a view to continuous improvement, in 2021, the review was launched of the system of procedures, amongst others also including ESG principles already in force and func-

tional to sustainable procurement. In addition to strengthening the central role played by Business Process Management (BPM) as a tool for the management, dematerialisation and tracing of the expenditure cycle, in October 2021, ISO 20400 certification was obtained, which guarantees a guide to integrate sustainability into the procurement processes, allowing Poste Italiane to make more informed choices, introducing supplier and product/service assessment processes based on the related sustainability performance.

### Poste Italiane obtains ISO 20400 certification

In 2021, Sustainable Procurement certification was achieved (ISO 20400), the international standard defining guidelines for the integration of social responsibility into an organisation's procurement processes and policies. With the obtaining of the certification, Poste Italiane becomes one of the country's most important qualified economic and production businesses in terms of the sustainable management of procurement processes and supplier relations.



The Group Sustainable Development, Risk and Compliance function within Corporate Affairs aims to identify all the elements of risk needed to ensure verification of the requirements of reliability and integrity, by means of the examination of the corporate, financial and asset profiles of companies and representatives and their relations with the Poste Italiane Group. Specifically, the relations entertained with suppliers can become a source of strategic and reputational risk. Risk management aims to limit the risks deriving from transactions with third parties, guarantee an adequate rotation of suppliers and minimise losses relative to the inability to collect receivables, thanks to a constant process monitoring the degree of exposure to risk. In order to allow for the identification of direct and indirect relations subject to critical issues, the prevention of unlawful phenomenon must be strengthened, through an integrated analysis of internal and external information. In addition, due to the pandemic contingency, Poste Italiane has included an analysis of the Covid-19 risk in its supplier assessment. To this end, the Company takes into account both the specific sector to which it belongs, using the classification of the economic activities adopted by the Italian National Statistics Institute for national economic statistics (the "ATECO code") and the guidelines prepared by the Government-INAIL task force in April 2020, to assess production segments.

+200%

documents dematerialised in **2021** as compared with **2020 (150,000)** thanks to the digitisation of the expenditure cycle

## Supplier qualification procedures

In 2006, Poste Italiane established its own Supplier Register, consistently with that envisaged by current legislation (Art. 134 of the current Code of Public Contracts) with the aim of simplifying the award procedures, ensuring homogeneity of the subjects selected in each product area and transparency towards the market. Training and management regarding the Register is governed by the Supplier Register Regulations which regulate the Supplier Register Qualification System, as well as by the Qualification System Regulations which regulate the system and the qualification procedure for each product category. For each product category, the Supplier Register may be accessed at any time by submitting a request accompanied by the necessary documentation.

An assumption for qualification for inclusion on the Supplier Register is possession of general and special requirements. The first include moral qualities and professional suitability; the second, instead, include economic-financial and technical-organisational aspects. These enabling conditions seek to strengthen the governance of the procurement process.

In addition, the Group inserts and periodically updates contractual clauses under the scope of relations with the suppliers of works, services and products, taking into account any new regulatory provisions as well as specific needs expressed by the internal customer. This speeds up contracting times and ensures governance on the most relevant issues.

**83.4%**

of suppliers have  
an **ISO 14001 or EMAS**  
**certified** environmental  
management system

Consistently with the principles of transparency, Poste Italiane provides a high level of disclosure of its procurement process. Pursuant to Law no. 190/2012 entitled "Provisions for the prevention and suppression of corruption and illegality in the public administration", the Group publishes, periodically, information relating to the procurement procedures indicated by the law and, on a voluntary basis, also the procurement procedures not expressly mentioned in the legislation. To do so, the "Open and Transparent Contracts" portal was created and can be consulted on the Company's website.

## Selection of suppliers

The approach taken in the procurement area, which includes the integration of environmental, social and governance aspects, verifies the possession of specific requirements by means of sustainability audits to which suppliers will be subjected.

**+7.5%**

of tenders conducted  
on the basis of environmental  
criteria compared to **2020**

These aspects concerning the supply chain are of particular interest to the Group, taking the view that the development of transparent and long-lasting relationships with suppliers, paying utmost attention to quality, respect for the environment, safety and social implications in the procurement process, are useful principles for constantly improving the service offered to its customers, as well as being in the public interest for Italy's entire economic system<sup>82</sup>.

In this regard, specific environmental and social criteria are provided for in the supplier selection process, in the participation requirements, in the evaluation parameters

**+10.4%**

of tenders conducted on  
the basis of social criteria  
compared to **2020**

of the technical offer and/or in the contractual conditions, of the tender procedures carried out during the year.

As further evidence of the Group's attention paid to ESG topics, again in 2021, significant increases were recorded in connection with tenders run on the basis of social and environmental criteria.

Specifically, 84.5% of suppliers, as compared with 74.1% in 2020, were selected in line with specific social standards in 2021. If this indicator is considered net of the tenders without technical bids (insofar as awarded to the lowest price), it certifies that almost all tenders run demand social criteria (> 95%).

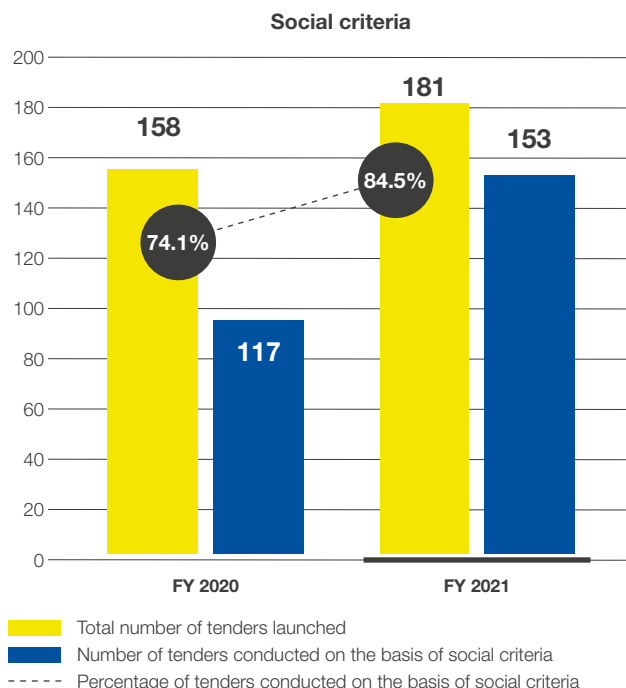
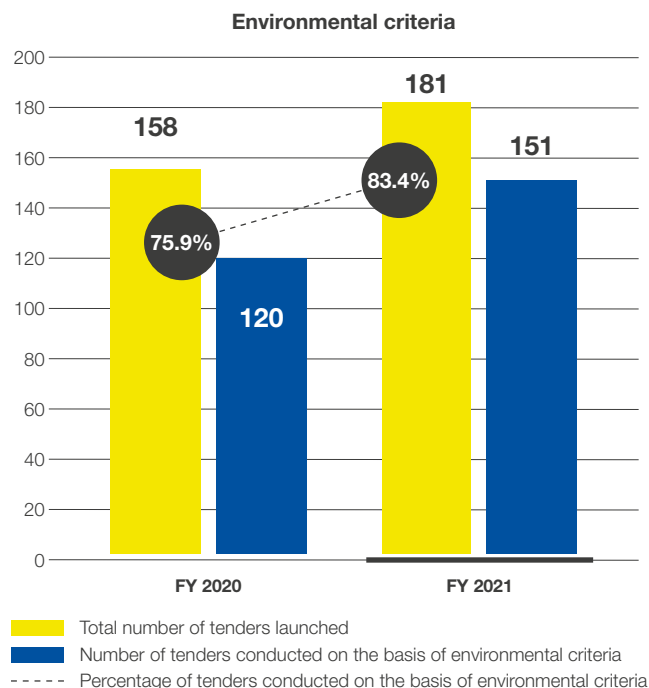
On the other hand, 83.4% of tenders run in 2021, as compared with 75.9% the previous year, respect certain environmental performance criteria. In this case too, the percentage of tenders awarded on the basis of such criteria increases to more than 95% if those without technical bids are excluded from the calculation.

With the aim of completing the ESG model in the procurement process, 2021 saw Poste Italiane introduce the governance indicator, represented by specific qualification and assessment criteria in the technical bid. The figure is noted on the basis of the analysis of the tender procedures launched worth more than the European Community thresholds and, of these, represents the initiatives presenting specific governance criteria in qualification, in assessment criteria (e.g. ISO 37001, Legality rating, Code of Ethics/Conduct, Policy, etc.) and in contractual clauses.

**33%**

of tenders conducted on  
the basis of governance  
criteria in **2021**

82. In 2021, there are zero instances of supplier non-compliance with environmental and labour rights policies.



33% of tenders run during the year took governance aspects into account. The reporting scope refers to the current tender thresholds for special segments, conventionally extended to include tenders outside the code, for lowest price (PBB) and economically most advantageous (OEPV) award criteria.

With a view to taking full account of ESG topics in the management of its supply chain, in 2019, Poste Italiane introduced the Green Procurement function. This function assures the permanent integration of sustainability topics into the tender procedures and ESG criteria into the technical assessment of bids. The aim is to pursue a sustainable change through the definition of significantly impacting projects, such as logistics, the decarbonisation of properties, consumable materials, fostering attention paid to the use of resources, investment plans and technological development, coupled with the “green” interpretation of more traditional needs. The growing trend of Social and Environmental indicators is associated with the significant increase in the ESG impact on the technical bid, noted in more than 15 percentage points as compared with last year, with the permanent presence of criteria relating to Environmental Management (76.4%) and Health and safety at work (68.2%). In order to raise the effectiveness of company processes and competitiveness, Poste Italiane aims to encourage the adoption of ESG criteria in the selection, assessment and monitoring of suppliers, mitigating any ESG risks. Moreover, in continuity with previous years, Poste Italiane has implemented the criteria set out in Green Public Procurement (GPP) in order to combine sustainability in terms of reducing environmental impacts and cost rationalisation,

applying, where required, the indications on the “Minimum Environmental Criteria” (MEC), established with specific Ministerial Decrees. In addition, the introduction of specific Integrity and Transparency (governance) criteria enables the ESG model in the Poste Italiane procurement process.

Considering the attention reserved to monitoring its suppliers’ performance, Poste Italiane has implemented a rating model, currently being qualified, which translates into the administration of a specific questionnaire to each of these (100% of suppliers qualified). This tool makes it possible to assess the procedures adopted by each supplier in managing the ESG risks identified as relevant on the basis of the segment to which the company belongs and its size (risk-based approach). In respect of the first aspect, Poste Italiane classifies suppliers into the 99 recognised ATECO segments. Each segment is, by nature, sensitive

**100%**  
of suppliers classified by ATECO segment and by size

**Specific ESG ratings** assigned to suppliers during qualification on the basis of measures adopted to manage the various relevant risks





to certain specific risks to which its businesses are exposed and according to which they are assessed. The Group has identified the various types of risks by adopting external references recognised internationally and paying particular close attention to the main 40 (social, environmental and socio-environmental). For each of the risks identified as relevant to the reference segment, the businesses are assessed on the basis of specific measures identified with a view to mitigating the negative impact of the individual risks under review. As regards the second parameter, Poste Italiane has also identified approximately 10 main governance risks, which are potentially considered relevant for the supplier subject to assessment, on the basis of the size of its organisation (small, medium or large enterprise, in compliance with the regulations issued by the European Commission in this respect).

The information obtained is then processed using an ESG scoring model, which involves the assignment of a rating for each relevant risk, for each size analysed and a total ESG rating.

These elements, brought together, give the model the following strengths:

- assessment focused on the supplier's relevant ESG risks, through the use of a specific questionnaire for each economic sector (risk-based approach);
- use of a quantitative algorithm, which guarantees the attribution of a rating that is highly representative of the level of risk coverage

guaranteed by the supplier, resulting in a robust analysis;

- multi-level view of risk, with the ability to analyse ESG risk at the aggregate level, at the level of individual E/S/G aspects, and at the level of individual risks;
- clear identification of areas for improvement on the basis of the rating given to the way individual risks are managed;
- facilitated compilation of the questionnaire, which is made up of multiple closed answers to facilitate completion;
- reliability and recognisability of the proposed methodology, which is based on internationally recognised studies that are renowned best practices in relation to the area under analysis;
- expendability of the proposed model by Poste Italiane, which may consider making it a proprietary model and offering it on the market once it has been registered with the appropriate trademark.

Over the years, Poste Italiane aims to raise awareness in its suppliers and assist them as they embark on a sustainable growth path. This is why the Group looks to progressively introduce social and environmental criteria into its tenders over the years, guaranteeing a gradual extension of the areas required, as well as the coverage and weighting of the ESG criteria on the tender score.







*Scan the qr code  
and watch the video.*



# People development

## **Human capital, a key element in the growth of our Company**

- 6 million hours of training provided
- Inauguration of the "Poste Centro Medico", a center of excellence for specialist examinations and diagnostic services for the prevention, care and well-being of employees
- Renewal of the National Collective Bargaining Agreement until 2023
- Implementation of all initiatives necessary to ensure the health protection of employees and customers during a health emergency

## MAIN RELATED TYPES OF CAPITAL



# People development

## IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2021	OUTCOME
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Provide continuous training to all Group employees	<ul style="list-style-type: none"> <li>Hours of training provided</li> </ul>	<ul style="list-style-type: none"> <li>25 million by 2024</li> </ul>	2020	11.9 mln di ore	<div></div>
Increase the quota of middle managers and white-collar staff involved in the MLAB development plans (Managerial LAB for the development of middle managers who have further growth potential) and POP (Professional Orientation programme that identifies and develops talented young people)	<ul style="list-style-type: none"> <li>% of middle managers involved in development plans</li> <li>% of employees involved in development plans</li> </ul>	<ul style="list-style-type: none"> <li>20% by 2022</li> <li>25% by 2022</li> </ul>	2018	18.7% 36%	<div></div>
Increase the ability to intercept the potential of the Group's people, including with a view to intergenerational inclusion, in order to promote better integration between talent and organisation	<ul style="list-style-type: none"> <li>% of people involved in the potential detection processes</li> </ul>	<ul style="list-style-type: none"> <li>+200% by 2022</li> </ul>	2021	New	
Implementation of a mix of initiatives aimed at reinforcing the development, motivation and professional growth of employees through Poste Italiane Group people development	<ul style="list-style-type: none"> <li>% of initiatives</li> </ul>	<ul style="list-style-type: none"> <li>+5% by 2024</li> </ul>	2021	New	
Promote the development of talent identified in the "People Review" process through the extension of professional growth opportunities (professional diversification, increase in responsibilities, participation in skills development programmes, etc.)	<ul style="list-style-type: none"> <li>% of talent (identified during People Reviews) involved in growth opportunities</li> </ul>	<ul style="list-style-type: none"> <li>25% by 2024</li> </ul>	2021	New	
Increase the number of educational and professional orientation initiatives for employees' children	<ul style="list-style-type: none"> <li>Number of initiatives</li> </ul>	<ul style="list-style-type: none"> <li>+15% by 2022</li> </ul>	2019	+82%	<div></div>
Reinforcement and diffusion of the company welfare initiative for the conversion of the performance-related bonus into goods and services by extending the use of the dedicated platform and improving the offer and the user experience	<ul style="list-style-type: none"> <li>% of members</li> </ul>	<ul style="list-style-type: none"> <li>+50% by 2024</li> </ul>	2020	New	
Reinforce communication and listening with the community of Group employees, which is wide and varies by geographic origin, age, professional role, providing prompt responses in order to improve the continuous dialogue between company and employees	<ul style="list-style-type: none"> <li>No. of thematic communities promoted with engagement strategy, moderation and responding to comments, qualitative reporting</li> </ul>	<ul style="list-style-type: none"> <li>1 by 2024</li> </ul>	2021	New	
Reduce the number of Group employees' occupational injuries	<ul style="list-style-type: none"> <li>Number of injuries</li> </ul>	<ul style="list-style-type: none"> <li>-740 events in the PCL area by 2024</li> </ul>	2020	-455	<div></div>
Reduce the occupational injury frequency rate for Group employees	<ul style="list-style-type: none"> <li>Injury frequency rate</li> </ul>	<ul style="list-style-type: none"> <li>-8% by 2024</li> </ul>	2020	-7.01%	<div></div>
Maintenance of Occupational Health and Safety Management Systems and related ISO 45001 certifications at Poste Italiane and the main Group companies	<ul style="list-style-type: none"> <li>% of Poste Italiane Group units with a certified OHSMS</li> </ul>	<ul style="list-style-type: none"> <li>100% every year</li> </ul>	2020	New	<div></div>
Environmental monitoring for the determination of the annual average concentration of radon gas in the air, aimed at assessing the risk of exposure to ionised radiation, in accordance with Legislative Decree no. 101/2020	<ul style="list-style-type: none"> <li>% of Poste Italiane buildings monitored</li> </ul>	<ul style="list-style-type: none"> <li>100% by 2024</li> </ul>	2020	Identified regulatory scope whereby launch of monitoring is required from 2022	<div></div>
Implementation of a new corporate welfare model: development of screening programmes for the prevention of illnesses and corporate welfare programmes to protect the health and safety of Poste Italiane's personnel and aimed at improving their welfare and well-being <sup>1</sup>	<ul style="list-style-type: none"> <li>% employees involved</li> <li>% of progress of instrumental initiatives</li> </ul>	<ul style="list-style-type: none"> <li>100% by 2024</li> <li>100% by 2024</li> </ul>	2020	100% 25%	<div></div>



1. The objective incorporates the previous objective relating to the increase in the number of prevention initiatives for employees.

## Staff training and development

NFS

MAIN RELATED TYPES  
OF CAPITAL

**6 million hours**  
of training  
provided in 2021

Poste Italiane pays special attention to human capital, as a sky element in creating competitive advantage and achieving company objectives. In this light, the Group invests significantly to promote training for its personnel, who can more effectively and consistently meet the needs of a business in constant transformation. Specifically, the Company sees training as a fundamental part of the continuing development of personal and professional skills, with the aim of enhancing every person who is part of the Group. In consideration of this, Poste Italiane is committed to improving the quality of training by adopting innovative formats that create more involvement and through knowledge sharing methods, useful for simplifying access to training content and guaranteeing continuous learning in relation to developments in the epidemiological situation.

Consistent with that found in its Code of Ethics, the Group recognises the importance and value of the individual contributions made by each member of its workforce. To that end, it guarantees equal career development opportunities, without distinction, for all employees.

**The Group promotes training opportunities that are continuous and in line with the innovative needs of the business, as the principal driver of its competitive advantage on the market**

In accordance with that established in the “2024 Sustain & Innovate Plus” Plan, training is part of a much larger project that, in line with company principles and the requirements of the market, customers and regulations, calls for around 25 million hours of training to be provided between 2020 and 2024. To promote regular training activities, in 2015 the Company established the Corporate University, which is a part of Human Resources organised into different Academies, focused around business content and subdivided based on the skills to be improved. The objective of the Corporate University is to establish and guarantee the execution of training as a whole (including operating training). To that end, it makes use of local structures, operating mechanisms and organisational ownership of training activities and operations training, adopting an approach that ensures efficacy, efficiency and conformity of results, by introducing specific

quality and efficacy benchmarks for training. In this context, the Training and Operations Training Procedure should be noted, which applies to all company functions and personnel. It describes the operating model used for training, making explicit the operating mechanism and organisational ownership of training and operating training, with the aim of guaranteeing efficacy, efficiency and conformity in results, by introducing organisational and control measures which are also relevant with regards to Legislative Decree 231/01 is not established. This procedure supplements other more specific policies and procedures for organisational activities/functions currently being updated (e.g. financed training, BancoPosta training, etc.).

In 2021, training had the strategic objective of supporting the profound transformation of the company; the new service models introduced, entry into new businesses, new working methods and the increasing complexity of the situation required and continue to require a constant process of updating and developing technical and cultural skills.

Poste Italiane is committed to improving the learning experience, both by introducing innovative methodologies such as “immersive learning” (combining cutting edge digital technologies with traditional relationship dynamics) and gaming training techniques, which enrich the employee’s experience, as well as by developing the e-learning platform that allows for simplified access to all training content.

Additionally, Poste Italiane has enhanced and enriched the content in the Open Learning Area, in which over 200 courses in 14 thematic areas are available online, as well as 65 books, which can be freely accessed by the entire workforce on demand. This allows people to independently select the training they desire, under a self-development approach. As in 2020, the Group continued to make use of the Cloud Oracle HCM (Human Capital Management) platform to support the training process.

Over 6 million training hours were provided in 2021. Generally, to meet the various training needs that come from the Group’s business, dedicated training courses were provided for specific targets (e.g. counter workers, postal workers, customer service representatives, sales agents) to help them acquire, consolidate and develop the technical specialist skills for their position. Additionally, cross-cutting



training courses were provided to all Group personnel, regardless of their specific position, on regulatory and behavioural aspects and on issues associated with the adoption of new tools and cultural models. Finally, Poste Italiane provided individual training courses, dedicated in particular to resources being developed, to strengthen skills which will be useful when placed in roles of greater complexity.

The Corporate University, with around 50 employees, represents the fulcrum of the training process, involving various organisational functions and ensuring supervision of the entire process. It is organised into 5 Academies, consistent with the business areas (Financial, Commercial and Customer Support, Innovation and Digital, Postal, Logistics and ICT, Managerial and Corporate and Faculty), with internal faculty dedicated to training expert employees who become internal teachers, making their knowledge available to other colleagues.

The other functions involved are the functions of HR Business Partner, through the training representatives and resources operating in cross-cutting services in the Macro Human Resources Area, and the function of Channel Product Support with reference to BancoPosta.

To verify the training objectives established have been met, Poste Italiane has implemented a monitoring and control system which is periodically shared with all business lines. It calls for:

- general KPI system that is monitored on a monthly basis, by checking:
  - training hours provided (by function/area);
  - percentage of coverage;
  - perceived quality;
  - external cost progress;
  - Fund recovery progress;
- a specific control system for each individual training initiative that evaluates:
  - efficacy (ability to achieve the training objectives for the course in terms of the pass rate for the end of course test);
  - participation rate;
  - specifically for compliance training, additional periodic reporting and monitoring systems are established with regards to the control functions. In particular, relative to progress of the training plan in terms of hours, participation, intervention areas and trends; monitoring of utilisation for specific training campaigns.

Additionally, periodic audit's are scheduled for internal/external control functions (internal audit/certifying bodies/regulatory authorities) which evaluate the model adopted.

To support the monitoring system implemented, Poste Italiane also uses an additional series of tools, including surveys and focus groups, both to improve initiative design and to assess their efficacy with regards to recipients. The Company also pays special attention to the role played by corporate communication tools (website, Poste News, interviews on the Poste news show) in order to raise awareness in potential students about the importance of proposed training courses. Finally, the Group signs partnership agreements with the main Business Schools and suppliers with the aim of having training content immediately available, optimising procurement times.

To improve the Group's systems, processes and strategies with an eye to achieving sustainable corporate success, Poste Italiane makes use of People Analytics, also known as HR, Talent or workforce analytics, collecting and analysing human resources and organisational data, also through application of statistics and other data interpretation techniques. In 2021, the Group used People Analytics for the following purposes:

- a) strategic workforce planning, identifying the requirements of business lines to be combined with management levers to determine the framework for the workforce over the medium-term, in line with business requirements. The company uses People Analytics to anticipate and guide expected personnel trends in relation to the framework defined, above all with regards to the use of incentivised resignation as a lever with low social impact to manage excess staff and to handle prospective trends for utilising resources. People Analytics makes it possible to analyse the impact of business projects, identifying and managing excesses through the WebPers Pensionamento application, which identifies target employees who could resign, and end to end management of the resignation process, directly through the expulsion policy targeting organisational areas with excess staff, and indirectly by creating opportunities for transfers to different organisational areas, also based on the requirements identified for the various business lines (e.g. counter workers, insourcing, etc.). Through the use of People Analytics, Poste Italiane has been able to manage corporate reorganisations effectively in advance and guide

management trends to achieve business objectives.

- b) Identification of any gaps in workforce skills through constant analysis of a series of data (organisational, training assigned, utilised, completed and passed) to define, initiative and monitor training processes to develop basic, position and managerial skills to develop key people, talent and executive roles. All of this data is kept on an LMS platform, making it possible to constantly analyse training trends in terms of volumes and population affected, areas which are distinct in terms of function and other analytical dimensions.
- c) Recruiting and hiring: the Development function makes use of a series of data (organisational, performance and potential, etc.) to define, initiate and monitor processes to develop and enhance personnel in relation to business objectives. The integration and analysis of the data available in fact supports the identification of employees with ability, distinctive performance and ambition to be considered for access to programmes that evaluate potential or to begin processes to move them towards target positions. The main company POP scouting processes (to identify young talent) and MLAB processes (to identify solid professionals and managers) are governed by pre-established access criteria (e.g. performance, potential, seniority) that make it possible to establish potentially eligible workers.
- d) Competitive Intelligence: through the HR Research Centre, which as part of Human Resources and Organisation, is intended to ensure the entire professional family is consistent with market trends and best practices for the main processes that impact HR strategies, by researching, structuring, sharing and socialising experiences and innovative approaches. In 2021, a new online platform was launched, in part updated based on a survey that involved all the employees of Human Resources

and Organisation. This online space offers organised content and innovative solutions for the world of HR, with a user friendly multidisciplinary approach, to encourage the mixing of knowledge and the development of innovative practices to be inserted in functional strategies. Additionally, contributions from various business functions are included to add shared knowledge and to facilitate synergies with respect to company objectives, as well as to achieve multilateral integration of people strategy plans.

- e) Analysis of the organisational networks by understanding the relations represented by information flows, cooperative networks and informal and real exchanges between people and supporting re-engineering of processes by analysing the main relationship dynamics.

As part of its training model, Poste Italiane has always been attentive to obligatory regulatory training with reference to issues that affect the entire corporate population (workplace safety, Legislative Decree 231/01, GDPR, Integrated Quality and Corruption Prevention System, etc.), as well as specific training for certain professional positions (e.g. ESMA/IVASS training, Air Security). In this context, the training webinar “New Group compliance programmes, Integrated Compliance and Antitrust Compliance” was provided in May 2021, organised by Corporate University and aimed at 1,400 managers in the Group, both at the central and local offices. The event was opened by the Co-General Manager and saw external experts in the sector participate.

**3.267 million**  
hours of compliance  
training

Below are the compliance training initiatives implemented:

## Compliance training

### Legislative Decree 231/2001

The online course “Decree 231 in Business Ethics” continued in 2021, describing through the stories of its protagonists the general content of Legislative Decree 231/2001 and the tools that Poste Italiane has adopted to comply with the principles and provisions of the Decree. The course is part of obligatory training and hence is intended for all Poste Italiane Group personnel. The training initiative illustrates general topics of Decree 231 that are also of interest to the Subsidiaries. Nevertheless, it is the responsibility of each Subsidiary to assess any additional training needs in this area, taking into account the specific activities carried out by its employees and the operational and organisational peculiarities of the Company. The course was updated in June 2021 in order to add the most recent updates made to the Model 231.

### GDPR

Since 2019 the Group has offered the online course “GDPR - General Data Protection Regulation”. This training initiative is intended to offer an overview of the changes introduced and requirements established by the General Data Protection Regulation EU 2016/679, in particular describing the principles of responsibility and security measures that the data controller and processor must adopt to guarantee personal data protection. The course ends by illustrating control authorities, complaint methods and the penalties established in the case the regulation is violated. As part of the obligatory training programme, the training initiative is intended for all Poste Italiane Group personnel. Additionally, for employees who are delegated data processor responsibilities, for the compiler to support the delegated employee and their coworkers involved in maintaining the processing register, the Company has organised training workshops on “Data Processing”, provided through webinars that offer an overview of the organisational and regulatory aspects of the GDPR, in particular focussing on managing data processing, with the objective of strengthening accountability and specific knowledge relative to personal data processing.

### IT security

As in 2020, the Group continued to provide the online course “IT Security”. The course provides information on IT security, highlighting its importance in relation to the numerous aspects of professional life it impacts.

The training initiative is intended for all Poste Italiane Group personnel.

### Antitrust

Starting in May 2021, Poste Italiane has offered the training webinar “New Group Compliance Programmes - Integrated Compliance and Antitrust Compliance”, intended for people holding managerial roles within the Group. Additionally, in January 2022, the Company began offering the online course “Group Integrated Compliance”. The course provides information about the guiding principles of the Integrated Compliance Programme adopted by Poste Italiane, presenting the company’s main regulatory tools by analysing the reference guidelines and contributing the establishment and dissemination of a corporate culture that is aware of and attentive to the issue of Compliance as a strategic objective and fundamental value for the company. The training initiative is intended for employees working in central and local staff functions of the Poste Italiane Group. Training continued with another online course titled “Compliance to protect competition and the consumer”, offered to the same target audience starting in February.

### Anti-corruption

As in 2020, the online course “Integrated Management System for Quality and Corruption Prevention” continued to be offered. This training is intended for all Poste Italiane Group personnel and describes the new Integrated Quality and Anti-Corruption Management System that Poste Italiane has established, focussing on the provisions of the reference regulations and calling attention, through the description and analysis of concrete cases, to the best practices to follow to guarantee quality and prevent corruption within the company.

### Anti-money laundering and anti-terrorism

Again in 2021, the Group guaranteed the availability of the online course “Anti-Money Laundering Legislation”, which aims to provide personnel with the necessary knowledge to operate, with awareness and in full compliance with the provisions of the law, in all phases in which the system for preventing and combating money laundering is articulated.



**Compliance  
training****Sustainability and corporate policies**

In this context, in 2021 the Group continued to offer two courses which had also been offered in 2020:

“Enterprise and the Protection of Human Rights”, an online training programme available to all employees, with the goal of promoting knowledge and awareness of the main guidelines adopted by the United Nations Human Rights Council. The content of the course was created and certified by SIOI (Italian Company for International Organisation), and offered through digital learning.

“Documental Management” is a course aimed at all Poste Italiane Headquarters personnel, down to the third organisational levels, and describes the “Document Management” procedure, which is fundamental to ensure that Poste Italiane’s Corporate Regulatory System achieves its objectives. The Regulatory System regulates on the one hand the reference principles, architecture and life cycle of regulatory documents and, on the other, the roles and responsibilities of the various players involved in the document management process. It is therefore essential that these players, when drafting or updating company documents, know and apply the rules defined by the “Document Management” procedure;

**Transport and dangerous goods safety**

The Group has organised training courses on “Air Security”, aimed at employees responsible for guaranteeing, for air shipments, the performance of safety checks on goods or mail based on that established in the regulations and in agreement with ENAC. More specifically, the courses consist of “Initial Training” and “Periodic Updates”, distinguished by the activities/position in question.

Additionally, to guarantee the safety of employees responsible for driving heavy vehicles, the Group has organised a training programme for them, “CQC - Driver Qualification Cards”. Also in this case, the course consists of “Initial Training” (issuing of the CQC) and later “Periodic Updates”.

Finally, to ensure regulatory compliance for the services provided by Poste Italiane in terms of dangerous goods transport, in 2021 the Company provided courses on “Dangerous Goods”. The training organised was structured around the method of transport used. For air transport, the course “Dangerous Goods Regulation” was offered, with specific training to support employees in properly managing dangerous goods. For road transport, the course “ADR: the European agreement concerning international transport of dangerous goods by road” was organised.

Poste Italiane also implemented a specific training course for its managers, based on the new leadership model adopted by the Company in virtue of the growing complexity and new organisational paradigms. The Group began training processes linked to Smart Leadership and Smart Behaviour, with the objective of supporting the various company functions and employees making use of smart or agile working. Additionally, webi-

nar cycles were offered during which Group management could dialogue with personalities from cultural, business and academic sectors both nationally and internationally, to share experiences and reflect on the new situation. Finally, training projects were carried out for Executives, using innovative formats, to strengthen both executive and strategic managerial skills, with a focus on change management and strategic thinking.

**Diversified skills development within Poste Italiane Group****Mail, Parcels and Distribution**

Training initiatives focussed, in addition to programmes to update skills and verify the same with regards to IVASS and ESMA regulatory provisions, on developing digital and innovative skills and managing change and complexity. The Group also invested in significant training projects, with the cooperation of the Post Office Network and the Business and Public Administration commercial structures. These training activities dealt with the significant changes made to the service model with an omnichannel logic, the new criteria used to classify customers and training on new car liability and fibre business. Additionally, a significant training project was begun to support proactive relations, aimed at counter operators; in 2021, around 3,000 counter operators received the training. The induction process for Specialist Financial Consultants and Specialist Mobile Consultants continued to be offered, provided to new hires with the aim of accompanying and supporting them as well as offering professional development. The Group also made dedicated training courses available to Premium Financial Advisors, to develop their basic skills and strengthen their personal and strategic abilities, with a focus on persuasion, involvement and sales. With regards to Mail, Communication and Logistics, Lean Culture training was begun, to assist people in handling the industrial and operational transformation in process in the postal system, as well as specific projects for letter carriers and other professional positions. Additionally, Poste Italiane promoted the development of IT skills, with special focus on various areas ranging from cloud computing to ICT methods and standards, as well as data analytics, platforms and new technologies. For the companies of the Group, worthy of note are the initiatives carried out by Postel to develop sales and customer relations skills and the training activities offered by Poste Air Cargo to develop and maintain the specific knowledge held by flight crews and maintenance workers.

**Financial Services**

For the BancoPosta function, the Group guaranteed a number of training activities, intended to ensure specialist and digital skills were acquired and strengthened, with an eye to the transformation of the commercial model to an omnichannel and the strong push towards digitalisation. In particular, much attention was paid to examining content linked to ESG and data governance issues. At the same time, at BancoPosta Fondi SGR, training activities focussed on strengthening skills in the areas of ICT, Project Management and Analytics, in line with the Knowledge and Competence regulations.

**Insurance Services**

The training objective for the PosteVita Group (PosteVita, PosteAssicura and Poste Welfare Servizi) was to update the skills needed for various professional roles. In particular, updates were offered for skills associated with regulatory changes and compliance specifically for the insurance sector (IFRS 17). Training initiatives were also focussed on developing specialist knowledge about life and P&C insurance products. Finally, in line with the previous year, ample space was reserved to develop soft skills and managerial expertise.

**Payments and Mobile**

The training projects for Postepay were intended to investigate a number of cross-cutting themes, with a focus on digital and financial issues and professional efficiency. The Group worked to strengthen skills in the areas of banking, service design and ICT. Consistent with actions taken in previous years, integrated training and engagement initiatives continued with the "Change Management: CollegaMenti" programme, with the goal of encouraging interaction and communication between people and functions. Finally, we note the start of a project dedicated to the new issues of well-being.

## Continuous performance improvement

Poste Italiane is committed to periodically monitoring the efficacy, efficiency and quality of the training programmes it provides, as key performance indicators. Efficacy is measured through tests given at the end of the training, while efficiency is identified as the ability to

reach the stated objectives, through appropriate use of available economic and organisational resources. Finally, quality is measured through questionnaires intended to determine employee satisfaction levels with respect to the various dimensions of training offered.

As in previous years, the Poste Italiane Group activated a study to correlate training with the company's business KPIs, thus defining an

additional level of evaluation of the effectiveness of training in accordance with the ROI Evaluation Process Model.

## The development system

The Development and Performance Management Function supports the growth of the business through the enhancement of all Poste Italiane people, making use of their potential and talent, offering motivation and making use of their experience. More specifically, today the function is offering support for the evolution in the organisational culture, facilitating the changes in mindset, behaviour and operating methods of the people who work within the Group, with a logic that is increasingly based on widespread leadership, that sees responsibility, integration and cooperation as its main drivers.

The Development System is based on the following three pillars, which integrate an articulated set of processes, tools and methodologies:

- 1. scouting:** to identify growth opportunities based on the target and level of professional maturity. Scouting programmes help to make full use of talent by identifying and developing the potential of resources;
- 2. management planning:** aimed at identifying development priorities with a view to succession and the reduction of "managerial risk";
- 3. development:** to assist people in their growth and intensify the strengthening of skills in relation to company and business needs.

Consistent with the corporate goal of strengthening business performance by attracting and developing talent, the Development System can be seen through the lens of employee experience, privileging an organisational culture that centres people and their needs.



These initiatives are dedicated to diversified population targets in all company functions and at all Group companies. Special attention is paid to guaranteeing equal opportunity for participation in terms of diversity, meaning age, gender, department and geography, without prejudice to the specific entry criteria established for each initiative.

The general objectives pursued in 2021, as in 2020, were mainly focussed on maximising the overall efficiency of the Development System, extending its impact both in terms of reach and spread.

The main drivers which led activities were as follows:

- Enhance the knowledge held by people, as well as their skills, potential and motivation, to create a pipeline of talent at various levels of seniority;
- Enhance people;
- Align and develop the skills needed to achieve business objectives;
- Experiment with innovative tools to promote new methods of working, interacting and collaborating;
- Guarantee an equal opportunity approach for participation in development programmes, also as a function of enhancing career growth perspectives for women;
- Improve engagement and personal motivation, through participation and inclusion in significant processes.

Finally, the health emergency accelerated the adoption of new methods of working, offering the challenge of introducing smart working as a genuine philosophy of work. The push to digitalise and offer develop initiatives remotely was intensive, including innovation in systems, the introduction of new tools and functions, including through the cloud, which is increasingly making possible processes which are simplified, digitalised and employee-centric.

## “INSIEME 24 SI” Platform

Poste Italiane, to strengthen its sustainable development strategy, launched “INSIEME 24 SI” in November 2021, a platform to gather ideas and contributions from the entire Group population. The platform involves all the various areas within the Company, consistent with the objective of responsible growth, the process of digitalisation and social cohesion, supporting proactive action, and to innovate and create shared value. As part of the Poste Italiane Strategic Plan “2024 Sustain&Innovate Plus”, “INSIEME 24 SI” represents a space in which the contribution of all stakeholders is taken into account, as contributors to achieving the Plan, inserted within the eight pillars of the sustainability strategy. More specifically, 24 January 2022 was the end of the phase for presentation of ideas, with 674 received, of which around 30% fall within the “Innovation” area and around 24% that of “People development”. Hence, the platform makes it possible to promote different people, ideas, skills and regions and create conditions that allow concrete projects to be begun, proposing innovative solutions able to generate a positive impact both in and out of the company.

The initiative, which will continue through 2024 in various cycles, implicitly favours the spread of a culture of innovation, preparing the Group to face the future transformations which are coming for Poste Italiane and the context in which it operates, developing adaptation skills and strengthening the Group's ability to constantly renew itself.

In terms of people development and the promotion of professional development, as in previous years, Poste Italiane continued with its scouting programmes, in digital form, with the aim of identifying potential, ability and skills to feed the pipeline of talent at various levels of the organisation. The programmes are built around a digital backbone that spans and supports all phases of the process. Specially created platforms allow optimal access from all fixed and mobile digital devices. The digitisation of programmes, in addition to making their delivery times more efficient, has led to a reduction in their environmental impact, in terms of CO<sub>2</sub> emissions and the elimination of paper.

In relation to enhancing people and promoting professional development, as in previous years, the scouting programmes were strengthened to identify potential, capacity and skills that can feed the talent pipeline at various levels of the organisation. Both of these initiatives offer specific information about the level of potential identified and integrated quantitative and qualitative information about the Leadership Model capacities, the focus of participants and their motivation. This includes:

- **POP:** is the process of identifying potential young people with limited company seniority, inserted, according to predefined criteria, in a process of assessment and professional orientation, functional to growth towards management area roles. The process is managed by internal Assessors, certified to conduct the assessment and subsequent development sessions in fully digital mode. In 2021, 50 editions were carried out, with the participation of 291 young employees, equally divided by gender.
- **MLAB:** is the process of intercepting solid professionals and managers, with consoli-

dated experience in the role of manager to be developed in positions of greater complexity; the path has been entirely revised in a perspective, realising during the year 17 editions with the participation of 125 managers.

Both programmes were evaluated positively by the participants, in terms of level of usefulness, degree of professionalism of the assessors and satisfaction with the IT tools made available for use.

The extraordinary changes the Company has been faced with since 2020 has meant all people have had to make use of new skills at work, which led to the updating of the Leadership Model. The new Model values elements that were found to be effective in managing the emergency and, in a never normal scenario, can help in facing current and future challenges. All the development and growth processes for Poste Italiane people are based on the new model and, in particular, on the 8 key skills identified: value for the customer, innovation and simplification, big picture view, propensity for change, decision making and executing ability, agile leadership, inclusion and adherence to company values, cooperation. What emerges from the new model is the importance of agile leadership, the ability not just to flexibly adjust to every change, but to guide it and experience it with a positive and constructive approach.

With the goal of increasing the number of resources involved in the processes of assessing potential, also including populations not currently eligible for existing programmes, new smart tools were introduced – on line questionnaires which, thanks to the limited time required for completion, made it possible to involve around 750 people.

### 750 resources involved in mass scouting

This new approach was applied to People Review processes and to evaluate letter carriers.

by the organisation. The programme included managers from the Logistics Macro Areas, with the head of Operations Management, to define a managerial model for PCL to transfer throughout the function.

The potential results, together with performance trends, guided management of the **People Review**, a process to enhance the Group's talent, with an experimental stage involving the AFC and Sales families; line managers and HR managers discussed a talent pool of around 100 resources, to identify accelerated development solutions and expand the pipeline of candidates to cover business positions, also with reference to the entire Group.

In terms of coaching, in 2021 this included both internal and external coaches, involving young talent and current managers in courses intended to strengthen cross-cutting skills useful to improve performance. To construct a team identity and a homogeneous leadership style to support change management, there was a group coaching process, Post-IT, dedicated to regional PCL managers, to strengthen managerial skills consistent with the challenges faced

Always with an eye to developing people consistent with the talent shown and expertise and results achieved, the project "*Local development processes*" was begun, establishing specific courses for *key local positions*, through co-projects between central and local HR and line functions, carried out in agile format and able to strengthen the development skills of the interested functions.

Poste Italiane also implemented the Skill UP programme to support and align functional skills with business objectives. In 2021, the programme to evaluate technical/specialist skills was aimed at around 6,000 people working in the commercial area of the Post Office network. Following the Skill Assessment, champions were identified in terms of skills in commercial positions. Skills gaps were also identified, to be dealt with through dedicated training projects.

In 2021, the Corporate University undertook a challenge to innovative the format of its training programmes, to continue to improve the learning experience of its beneficiaries. In fact, through the Corporate University, the Group continually looks for innovative didactic approaches, learning methods and tools for the training courses offered to all personnel. One of these approaches is gamification, using individual or team games as part of the training process. The main goal of this technique is to make use of fun to facilitate learning the skills needed for one's job.

A practical application of this technique is the Cyber League, Poste Italiane's cybersecurity tournament. The purpose of the training initiative is to increase employee knowledge of IT security, offering tools to prevent potential hacker attacks.

The event involved 11,500 Group employees who, divided into teams, faced off in a competition on cybersecurity issues.

The tournament included 12 training modules, one per week, each one lasting 30 minutes. Each module included three video lessons and a final test. After having watched the lessons, the employee answered a quiz to earn points, which combined with those of their team-mates resulted in medals and trophies.

Additionally, in addition to the Cyber League tournament, 2021 saw the start of other training initiatives with gamification, including the "Mission Is Possible" training course for over 160 back office services employees, focussed on Customer Centricity themes and the "Online Team Play" for 400 videocoding workings, aimed at team relations and integration themes.

The transformations, caused by the health emergency still under way, accelerated the process of modernising learning systems. In fact, in 2021 certain interesting experiments with innovative instruments were begun, with the aim of facilitating and making possible new methods of working and collaborating. In partnership with the Open Innovation function, the SkillGym platform was used to develop soft skills for 224 employees, who made use of "critical conversations" in simulated environments guided by artificial intelligence. Additionally, the TeamEQ app was focussed on teams and, through anonymous pulse surveys, made it possible to collect aggregate data that offered insights on how best to act to improve the efficiency of work groups.

Finally, innovation in training programmes also included managerial training. In fact, in 2021 the Corporate University began a numerous of dedicated initiatives which combined traditional learning and applied learning. The goal was to promote new immersive formats to strengthen, among other things, skills relative to change management, complexity management, decision making and problem solving.

### Gamification and innovative learning formats



**240 mentors  
and mentees  
in 2021**

The pressures of an ever more competitive market, together with new social and health challenges, contribute to driving change, requiring more and more commitment and motivation from people and putting the concepts of responsibility, autonomy, flexibility and adaptability centre stage. This is the context in which Poste Italiane's mentoring programme has developed over the years, continuing in 2021 throughout the company, offering a privileged space to discuss managerial best practices and offering diver-

sified role models. In 2021, over 240 were involved in the programme in the Company.

Mentoring enhances the big picture view because it supports dialogue with people of different gender, age and experience. Cross fertilization is the main driver of the programme, connecting different functions and integrating central and local offices. This is promoted by supporting mentor relationships between managers and professionals coming from functions in different geographic areas.

## Poste Italiane's Corporate Mentoring

Mentoring is a growth methodology utilised by Poste Italiane based on building one on one relationships between a mentor and a mentee. Mentors are managers and directors at various levels of the organisation who voluntarily participate in these engagement campaigns. Mentees are selected on a priority basis from colleagues in development programmes or, more generally, involved in significant change processes. As part of their progress within the company, mentees are encouraged and supported by their mentor in achieving their objectives, through constant and constructive dialogue. This makes mentoring a useful process to support the personal and professional growth of the mentee, who develops skills and self-efficacy through their conversations with the more expert person. Hence the methodology serves to generate shared value in the Company, through experience. At Poste Italiane, Corporate Mentoring has been active since 2018 and over time has become seen as a practice that helps to disseminate generative leadership, supporting growth through the plural and reciprocal dimensions of the relationship. More specifically, every mentor works with a mentee who is in a function or Group company other than theirs, to facilitate various training experiences. Mentoring projects involve 5 or 6 meetings over a six-month period and, in the initial meetings, the most appropriate methods to achieving the mentee's objectives are determined.

Relative to the introduction of the Cloud Oracle HCM platform, this was used in 2021 for integrated management of personal evaluation and development processes. This innovation provided an opportunity to review the evaluation process, seen as a key process for the development of people. It was not just luck that the new name given to the evaluation process is "Performance Development Plan" (PSP) - the aim is to centre the development of individual skills and performance for continuous improvement.

The foundation of the Performance Development Plan is engaging and motivating per-

sonnel through knowledge, combined with a results and cooperation culture. To achieve involvement and participation goals, it is necessary to make the links between organisational and individual objectives even more clear and transparent, strengthening communication processes to make people more aware of their own position and potential for development and growth. Feedback is a fundamental element of the PSP, used as a tool for growth and constructive dialogue to support continuous and reciprocal improvement and leading to the adoption of a feed-forward logic based not on errors but on possible solutions and improvements looking towards the future.

## Financial consultant skill development programmes

Poste Italiane has organised a professional education training programme specifically for the Group's financial consultants which occurs both synchronously and asynchronously, providing in-depth knowledge relative to ESMA in terms of markets and financial instruments. The training also involves the analysis of the impacts of economic/social scenarios on market trends and investment products, the relevant regulations and development of soft skills useful for building a professional trust-based relationship with the customer. In 2021, the programme involved 500 certified consultants out of a total of 8 thousand (around 6% of the target).

The ISO 22222 certification that certifies financial consultants as financial planners, is the tool used to verify the skills of financial consultants who have completed the programme. Poste Italiane's decision to organise the skills development programme for consultants is a demonstration of the Company's commitment to exceeding the basic requirements imposed by the law, taking advantage of business opportunities to offer distinctive and functional investments with respect to the centrality of the role itself.

For years, Poste Italiane has supported the professional development of its resources through training courses aimed at the development of technical and interpersonal skills in response to current sector regulations and especially to the protection of the customer/consumer, whose needs are constantly placed at the centre of the objectives of the Sustain & Innovate 2024 Plus Plan.

In this light, certifying consultants means taking advantage of the education and professional process through the test of knowledge offered by ISO 22222, verifying the candidate is in full possession of the same. ISO 22222 is directly referenced by the "Markets in Financial Instruments Directive II" (2014/65/EU) and by ESMA and therefore, while it serves as a voluntary tool, it is also directly correlated with the European regulatory framework for the banking sector. Additionally, official accreditation of people involves publication of an Accredia registry, which is the sole registry valid with reference to the law 4/2013. Since this registry is public and transparent, it means individual citizens can verify whether or not a Poste consultant is certified.

In addition to these legislative aspects, when organising this training course centred around the 22222 certification, Poste Italiane contributes to a number of the 17 Sustainable Development Goals (SDGs) established under Agenda 2030. In particular:

- Goal 4: "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all." In fact, in this light, the evaluation of skills supports the value of the life-long learning process used in Poste Italiane, through certification by a third-party entity (Accredia) which confirms the skills of the professional, demonstrating the "quality education";
- Goal 9: "Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation". In fact, certification represents a true innovative factor both in terms of process infrastructure and market and customer orientation. Investments in sustainable infrastructure and in scientific and technological research support economic growth, create jobs and promote well-being;
- Goal 8: "Promote inclusive and sustainable economic growth, employment and decent work for all". Certification is a tool for positioning the worker and provides motivation for increasing the quality of their work, as well as a tool to protect their professionalism and job, which obviously also has positive impacts on the company, bringing improved work efficacy and efficiency and, consequently, economic growth.

There are many advantages associated with the establishment of the development programme. Specifically, Poste Italiane offers better guarantees to the market and achieves better supervision of its internal processes, as well as improving employee loyalty.

All of this translates to a competitive tool for the market, allowing the Company to differentiate itself with respect to its competition. At the same time, the market can count on a more efficient "player", that offers an additional guarantee, given that certifying both the service and the worker reduces risks and improves the services. Furthermore, in this way, competitor companies are pushed to improve their own performance, contributing to systemic growth.

Advantages for customers instead are linked to the reduction in risk guaranteed by an improved and certified service, offered by certified professionals, offering a homogeneous performance level within the Poste Italiane organisation.

Finally, the advantages for Poste consultants fall in a number of categories. The first of these is related to self-esteem and the recognition of their professionalism. In addition, certification issued by a third-party entity is a tool to guarantee continued professional growth given that it calls for continuous updating of skills.

In terms of management figures, the process for the targeted group of 500 specialists showed an additional contribution of absenteeism, as at 31 December 2021, of 6.62 days compared to 10.50 days for the entire group of financial specialists (-37%). Additionally, note that the results of the 30-hour ESMA test in 2021 for the target group (after certification), when compared with the figure for the overall ESMA target population of Private Markets, was higher by 2.3 percentage points over the total (test result 99.80%).

With a view to supporting teams and strengthening internal engagement, the new Performance Development Plan includes opportunities to involve project teams in perfor-

mance evaluations, both when assigning goals (goal management) and during the actual evaluation stage. In particular, Project Managers, organisational reference people and members

of interfunctional teams can participate in the process, in accordance with specific pre-established methods.

Also with an eye to improving involvement and working methods increasingly focussed on individual responsibility, organisational integration and bottom up and team participation that overcomes the traditional top down evaluation, the following have been introduced for an initial target group, to be expanded in coming years:

- self-evaluation, relative to the achievement of one's own goals and the skills used during the year, also to improve dialogue during the feedback meeting;
- self-assignment of goals, both operating and development, with the possibility of directly monitoring one's own progress with regards to these assigned goals;

- participation in the evaluation of project members and project manager for individuals who are part of an interfunctional team.

For the entire corporate population, ad hoc Performance Development Plan questionnaires were introduced this year, to obtain useful information for other scouting and People Review processes, allowing individual people to express their interests, motivations and professional aims, as well as suggestions on how to improve integration and inclusion on working teams.

Based on the actual experience of the initial evaluation cycle using the new platform, specific working tables were established in the second half to design and implement projects to improve and simplify the process, instruments and system, to ensure even more widespread and cross-cutting participation.

### The results of the Insourcing and Re-employment project

The Poste Italiane "Insourcing and Re-employment" project, which served to transfer people previously employed in other productive sectors to new or strategic areas, successfully continued again in 2021, serving a social function in enhancing people. Forecasts suggest that this programme will make it possible to return activities to Poste Italiane that had been outsourced in recent years. Around 700 people were involved in the project and consequently re-employed or will be re-employed thanks to a reskilling and training process, with the aim of enhancing and acquiring new skills. The Insourcing and Re-employment project saw a high level of success among employees, who were very satisfied with the new employment opportunities offered by the Group and the quality and completeness of the training courses.

Poste Italiane pays special attention to active dialogue with the corporate population to improve the working life of its employees. To that end, over the years the Group has supported an important internal communication channel, the NoidiPoste Community, which aims to generate, promote and implement con-

stant interaction between all the People in the Company, facilitating the sharing and management of requests for information, disseminating the corporate culture, supporting its brand reputation and encouraging employees to actively participate in the dynamics that characterise working life.

### Poste Italiane obtains ISO 29993 certification

Confirming the validity of the Poste Italiane training model, in November 2021 the Group received certification of the Poste Italiane Group training processes (UNI ISO 29993:2019). The certificate is valid until 2024. Certification from the external entity was the consequence of the in-depth transformation of training processes which occurred over the last two years, through revision of the Corporate University organisational model into Academies, the implementation of new tools and support systems and the provision of training almost exclusively remotely. This certification is significant for the purposes of the robustness and solidity of the training model used.

#### MAIN RELATED TYPES OF CAPITAL



## Staff welfare and well-being

NFS

Employee well-being has always been a major consideration for Poste Italiane, which is why it periodically commits to improving the conditions of its People and their families. In 2021 the Company took on even more responsibility in supporting the well-being of its people, through actions intended to strengthen the welfare system and to spread an inclusive

culture, with projects to support employees and their families and growing attention to aspects associated with personalisation of caring, conciliation, support and growth for younger generations, protecting fragile people and strengthening the sense of belonging and identification with the company.



Due to the health emergency which continued in 2021, many of the activities continued to be provided online, further strengthening this method of interacting and involving personnel which has recently developed throughout the country.

**The Poste Italiane Group's welfare strategy is structured around the goal of improving the well-being of the corporate population and their families, emphasising the centrality of the needs of each individual**

Poste Italiane promotes a number of initiatives intended to improve the well-being of its employees, provide them with better living conditions and, consequently, support improved work performance. These activities fall within a process of strengthening employee engagement, as a basic condition for a positive business climate that guarantees social well-being and productivity levels in line with business objectives.

2021 saw the second edition of the "InEvidenza" survey, which obtains information on internal communication issues, seen as an important opportunity to learn and achieve dialogue within the Company. The survey was intended for all employees and derives from the goal of investigating certain essential aspects, such as the priorities for effective communication, satisfaction with communication channels and tools, appreciation for involvement in company initiatives and the sense of belonging in the Company. During the second edition, 10,148 questionnaires were filled out, a much higher number than in 2019, when 3,797 employees participated. The results of the survey suggest that the priorities for effective communication are mainly timeliness and transparency in company news (49%), as well as providing the instructions/tools needed to carry out daily work (47%). Relative to the digital channels, the coupon board, the NoidiPoste intranet and the Group's institutional websites were those with the highest satisfaction levels. The communication style of the news published on the intranet and the app were adequate for 87% of participants.

### **The results of the "InEvidenza" survey**

NoidiPoste is the Poste Italiane app, developed to increase involvement and a sense of belonging for all Company employees, providing information about the services offered to them and facilitating usage of the same. The App is available from both the Apple and Android stores and has been downloaded around 140 thousand times, reflecting its not solely informational nature, offering the possibility to watch TG Poste at home in direct streaming, but also the richness of its working applications.

In fact, NoidiPoste makes it possible to manage vacation and sick time and travel, making it easier to consult pay stubs and access job postings available, in the area dedicated to the corporate welfare programme. Additionally, the NoidiPoste app makes it easier to access the Poste Medical Centre, a centre of excellence for employees and pensioners, through which visits with specialists can be scheduled. All of these features contributed to the App winning at the Touchpoint Awards/Engagement 2021 in the mobile marketing category, as well as at the 2021 edition of Intranet Italia Champions, an event dedicated to the most innovative initiatives and functions introduced through corporate intranets. Additionally, the NoidiPoste app is an important channel for listening, demonstrated by the "Your Opinion Counts" section, which offers a number of surveys, one of which determined that 90% of participants wanted to see the welfare portfolio directly on the app. Consequently, in 2021 a new function was developed for NoidiPoste, making it possible to see the welfare portfolio data in the app for those who participated in Poste Mondo Welfare 2021.

### **Employee support through the NoidiPoste app**

The changes in the epidemiological situation during 2021 pushed the Group to further strengthen its communication channels with its employees, offering a simplification of services useful for the working and everyday life of its personnel. In a context characterised by social distancing, stimulating interpersonal relationships among employees was fundamental to maintaining a high sense of corporate belonging.

With the aim of keeping the main welfare initiatives constantly up to date and current, Poste Italiane makes use of specific internal procedures and policies to cyclically identify new needs. In consideration of this, the Group also participates in inter-company networks and thematic working groups to develop benchmarks and exchange best practices, using questionnaires and surveys, both internal and external, to measure employee satisfaction. Additionally, the design and

development stage of its welfare plan supports an intergenerational approach, associated, where possible, with targeted analyses

relating to gender, age, professional characteristics and the family status of the people involved in the initiatives.

## Poste Italiane listens to its personnel

**“Lavoriamoci Insieme” survey:** begun and completed in February 2021, aimed at personnel involved in new remote working methods and intended to acquire their contribution to the profound changes that impacted the working context in the last year, investigating individual and organisational factors useful to improve their well-being, involvement and work efficiency. A self-evaluation survey involving various items to identify personal characteristics and the features of the context, to protect engagement, well-being and commitment and identify strengths and areas for improvement. The survey was sent to employees via email and completed online, using a scale from 1 to 6.

**“Macro@Work” survey:** begun in November 2020 and completed in January 2021, aimed at the entire corporate population with focussed targets, with the objective of facing the issue of health in the work context to include and manage people living with a serious illness or chronic disease. Comparative analysis was done by target, with respect to analysis done distinctly for each reference focus. It was done with the assistance of FondazioneLavoroperlaPersona and the results were published on the company intranet, along with the schedule of the actions identified as necessary to support vulnerable people (kick off of the “We Are Here” project). The survey used a scale from 1 to 10.

**“Poste Mondo Welfare” survey:** begun in March and completed in April 2021, the survey was aimed at non-executive employees of the parent company and of Group companies participating in the programme, with the aim of determining satisfaction levels relative to the plan to convert performance bonuses to welfare. More specifically, it involved a series of surveys aimed at programme participants to determine their satisfaction with the experience for various services and for prospective needs, as well as at the entire company workforce to increase the level of engagement and participation with the programme in relation to the launch of the annual edition and the improved offerings with respect to the actual needs of the corporate population. The evaluation scale used by the survey was from 1 to 10.

**Pulse Survey in app welfare portfolio:** a quick survey on the possibility of consulting the welfare portfolio in the NoidiPoste app, for those participating in the Poste Mondo Welfare programme. This was a quick survey with just two questions: one a YES/NO question and the other offering the possibility to provide a more detailed answer.

**PCL Uniforms:** questionnaire for CD Managers and Sorting Centre Managers to obtain information about satisfaction with current uniforms and offer suggestions for new company uniforms. The survey was sent via email, with an access link. The survey involved a multiple-choice questionnaire using a scale from 1 to 5.

**2020 Home-Work Mobility Survey:** annual survey that analyses employees' home-work travel habits in order to identify, in the medium and long term, sustainable mobility solutions to reduce CO<sub>2</sub> emissions in the interests of employees and the community. The survey was done using CAWI methodology. The survey contained multiple-choice questions, radio buttons and open-ended questions.

**Vaccines at the Company:** profiled survey in 9 regions on intentions relative to the corporate vaccine campaign. A quick survey with two closed-end questions with a radio button.

**Poste Open All Year:** a survey for the entire corporate population, to obtain feedback on the design of new initiatives. This was a quick survey, with 6 multiple-choice questions, of which 3 including open-ended items.

**InEvidenza – 2021 edition:** listening survey on internal communication intended for the entire corporate population, with the aim of identifying satisfaction levels relative to internal communication channels and tools, general usage habits and employee initiatives. The survey was done using CAWI methodology. The questionnaire made use of multiple-choice questions. For questions using a scale, this was qualitative, with 5 levels ranging from “very satisfied” to “very unsatisfied”.

**“Connected generations” survey:** listening survey for the entire corporate population intended to explore the characteristics of the various generations working at the company. It was carried out in cooperation with ItaliaCamp using multiple-choice questions and questions on a scale of 1 to 5 to investigate various aspects such as “Frequency of relation”, “Quality of relation”, “Impressions”, “Suggested actions”.

With a view to strengthening communication with its employees, Poste Italiane has strengthened innovative projects and methods to intensify internal communication activities within the Company, and has received numerous international awards.

In February 2021, the Postenews app was launched, a quick and easy way to stay in touch with the reality of Poste Italiane, through a schedule of daily news with services and video reports from within the Group and beyond. The application offers updates

on topics such as logistics, savings, economics, institutions, safety, security, environment and digital, allowing, in addition, to follow the TG Poste, which provides the most important news of the day and Poste Italiane. The app includes a section dedicated to Small Municipalities, where news about small communities is published every day, highlighting the different territorial realities, the faces and stories that tell about the very close relationship between the women and men of the Group with their communities and institutions.

On the company intranet NoidiPoste, the Poste Italiane news show TG Poste was created, borne from the goal of meeting the Group's need to continue to connect with its employees, providing information and with the desire to tell an even more in-depth story about the massive transformation of social and economic life that is occurring in our country. In 2021, the new communication tool developed by Poste Italiane continued to receive consensus and attention, even outside of the Company. One example was the award received by TG Poste at the 42nd edition of the International Ischia Award for journalism, a prestigious award established in 1980 by Giuseppe Valentino. Poste Italiane's innovative capacities for communication were also recognised at the same time.

Additionally, on the website Postenews.it, on which TG Poste can be seen live and on demand, there was a significant increase in visits in 2021, which reached 253 thousand. The website is constantly updated with current news about the postal world, with exclusive interviews and special analysis. Postenews.it also offers articles from the international, national and local press, with a special focus on the Group's role in Italy and for its network of clients.

**TG Poste**  
**The new**  
**communication**  
**initiative of**  
**Poste Italiane**



Finally, in 2021 during the delicate phase of the temporary “*new normal*”, Poste Italiane took special care with its counselling projects, which played an important role in improving the engagement, motivation and well-being of its people. In fact, individual and group coun-

selling courses were provided to over 100 local managers, who were supported in their handling of the health emergency situation and in acquiring knowledge about the changes which had occurred.

## Work-life balance

As part of the Group's welfare strategy, the Company works to improve the balance between work and private life, as a source of well-being for its employees. With this in mind, the Group has strengthened its focus on the social and family aspect of workers, in order to support the role of parents, with an integrated action that has provided guidance for young people and support for families.



In the context of the “relaunch”, there were many needs amplified by the pandemic: work-life balance, assistance services, entertainment and personal training spaces, costs for educating children. The welfare policies adopted by the company were mainly implemented through the Poste Mondo Welfare programme, which is now in its third edition, in line with the union agree-

ment on the performance-related bonus. The wide array of offerings available to participants includes, for example, supplemental healthcare and complementary insurance, school and educational offerings, assistance, and cultural services. On a voluntary basis, employees could convert all or some of their performance-related bonus into welfare goods and services with specific social, educational, recreational and assistance purposes, accessing the tax advantages associated with current laws, as well as a company bonus. The launch of the initiative was preceded by a process of listening to colleagues to understand their individual and family needs with respect to the set of services available.

## Continued support for parents from Poste Italiane

The company daycare PosteBimbi is active in Rome and Bologna for children of Group employees and, for a portion, children from municipal entities and third parties to provide support for the needs of local residents. The service is offered to over 90 families with children aged 3 to 36 months. For employees, the Company pays 55% of the monthly cost. The objective is to guarantee a flexible educational service, in relation to working rhythms, to combine professionalism and quality in respect of the values expressed by families. The distinctive nature of the educational programme is represented by the integrated relational approach used by all those involved in the process, from attention to eco-sustainability (e.g. at least 50% of food is organic, DOP, IGP and km 0 with the use of eco-compatible products), multiculturalism (bilingualism), as well as inclusion and educational alliance with families to support structured dialogue, also through the use of innovative communication methods. Among these, new opportunities for conversation and participation were utilised, such as an interactive app, seminar programmes for parental support, the creation of thematic webinars available to all employees, counselling service to give parents a possibility to be heard and reflect with regards to difficulties involved in the evolution and transition phases of their children.

To support vulnerable people and support family reconciliation, the ninth edition of the initiative dedicated to disabled children and siblings of employees was held, with two summer camps lasting fifteen days each which offered assistance and entertainment services for around 40 children provided by a team of specialised workers, providing an opportunity for socialisation and full integration and a possibility for families to have a period of respite from daily care taking requirements.

## Health and prevention



As in 2020, in 2021 Poste Italiane continued to carry out various awareness-raising initiatives with the aim of preventing illnesses, identifying the main risk factors and good practices for a healthy lifestyle, combining these projects with the provision of free

specialist national services aimed at cancer prevention at the company's premises or at external medical centres. However, the service carried out within company offices was reformatted as a function of developments in the Covid-19 pandemic.

## Poste Medical Centre The Poste Italiane medical centre for its People



In line with its health and prevention programme, Poste Italiane has launched the Poste Medical Centre, a centre of excellence for specialist examinations and diagnostic services for the prevention, care and well-being of employees. The project is part of the broader plan to focus on and protect the health of the company's population, and is intended to welcome the best specialists from the most important national health facilities, ensuring a medical service that fully meets the needs and requirements of users. Poste Medical Centre was designed to serve as the first centre in Italy for the NoidiPoste community, but also serves the families of employees.

The centre was inaugurated in Rome on 17 May 2021. The Chairman, Chief Executive Officer and Co-General Manager of Poste Italiane were present as well as the President of the Lazio Region.

The centre includes eleven clinics, with a large acceptance area for making appointments and requesting information with three waiting rooms, one specifically for children, as well as bathrooms for disabled people, in compliance with current law. Additionally, also with reference to disabilities, the Centre guarantees accessibility for disabled people through reserved parking spaces, wheelchair ramps, disabled bathrooms and other tools such as wheelchairs, etc.

In terms of technical/health and cleaning/organisational aspects, the Centre is coordinated by the Clinic and Healthcare Director, who makes use of professionals coming from the most important healthcare structures in Italy to offer specialist care and diagnostics services in 14 different areas: cardiology, dermatology, gastroenterology, gynaecology and obstetrics, physical and rehabilitation medicine, nutrition and diet, ophthalmology, oncology, orthopaedics, otolaryngology, paediatrics, senology, urology and diagnostic radiology. Additionally, the Medical Centre has cutting edge medical equipment and tools (next generation ultrasounds, video dermatoscope, eye equipment, mammography, etc.). Interested parties can make appointments through the NoidiPoste app or on the NoidiPoste website, selecting "make an appointment" in the PosteCentroMedico section. The centre is open from 9:00 to 6:00 Monday through Friday.



Specialists offering their services within the Poste Medical Centre have agreements directly with the Poste Vita supplementary health care fund and health care fund. This means services are directly available to all employees who have signed up with the supplementary health care fund, as well as to their family members if the plan which extends services to the household has also been activated. Further, pensioners who have indicated their desire to continue to participate in the healthcare fund and benefit from the coverage provided for the basic plan can also access Poste Medical Centre services. Finally, services can also be received indirectly, paying the costs in advance and subsequently requesting reimbursement.

All those who work at the Poste Medical Centre are committed to acting in compliance with the values of equality, impartiality, respect and participation.



Again in 2021, Poste Italiane pursued its goal of assisting people infected with Covid-19 as best as possible, minimising the social impacts of the epidemic. For this reason, the protective measures implemented in 2020 were extended through June 2021. Of these, we note the extension of the guarantees offered free of charge to subscribers of Poste Assicura healthcare policies and to Company employees who participate in the Group's healthcare fund plan. In particular, for non-executive personnel participating in the Poste Vita supplementary health care fund, an addition was made free of charge to healthcare

services, offering specific coverage for those infected with Covid-19 (e.g. daily allowance for hospitalisation after testing positive). Additionally, to further support the population during a difficult time, Poste Assicura extended to 30 June 2021 the free of charge medical expenses and daily allowance guarantees offered for subscribers hospitalised for a disease containing the guarantees mentioned above and for subscribers of the the Poste Vivere Protetti product, who had acquired at least one of the daily allowance and disease and reimbursement of hospitalisation medical expenses coverages.

Continuing with the initiatives undertaken in 2020 intended to promote an information culture and the dissemination of issues of common interest, again in 2021 actions were taken to raise awareness on the subject. In this light, in cooperation with the Umberto Veronesi Foundation Poste Italiane organised 13 webinars on issues linked to healthy life styles, ethics and science with an average of 300 employees participating in each edition.

Additionally, 9 days were organised to help prevent thyroid tumours and melanomas for employees, with free examinations at some local offices.

The speech given by Dr. Marco Annoni, Coordinator of the Ethics Committee for the Umberto Veronesi Foundation, Director of the Future of Science and Ethics journal and a researcher on the National Research Council, focussed on issues such as scientific progress, the future of our species, our relationship with food and the environment and the world of ethics and bioethics, offering opportunities to reflect on things that are "good and bad" in the dietary choices made by individuals.

## Health Plan courses

Additionally, as in previous years, letter carriers were provided with uniforms that follow the principles of ergonomics, design and quality of materials. These uniforms have the “green” OEKO – TEX Standard 100 certification, which guarantees the health of personnel and the protection of the environment, ensuring the careful ecological and healthy control of the product.

To guarantee the well-being of letter carriers, a new feature has been developed and installed on the hand-held devices provided to letter carriers that will allow them to send a voluntary distress

call in the event of need for medical intervention, by pressing and holding a physical or virtual button. The report is sent to SR Milano for verification and possible dispatch of assistance. In addition, in view of the presence within the Post Office network of around 4,200 single-operator POs and around 3,000 two-operator POs, where people work “alone”, in order to identify any situations of illness and promptly activate the relevant assistance, an automatic illness detection device (no movement, man down) was designed and put out to tender, to be installed inside Post Offices from the beginning of 2021.

## Culture and education

PPoste Italiane has strengthened the corporate commitment to professional guidance programmes and to developing new skills to support younger generations.

### 21 Merit scholarships for employee children

The Group carried out the second edition of the Next Generation project dedicated to the children of employees and children coming from secondary schools in fragile areas, with the objective of bringing young people into contact with the themes of innovation, diversity and social inclusion and the professions of the future. Laboratories were offered to develop soft skills, as well as meetings with company role models to offer inspirational models free of prejudice and gender stereotypes. At Creathon and Innovation Hub the teenagers created solutions and developed projects to reclaim spaces in their neighbourhoods, making them more liveable and accessible, in line with the 11th SDG in the UN's Agenda 2030. The Next Generation programme saw the participation of more than 100 teenagers and allowed students to create inclusive environments able to offer social

innovative services, learn HTML to create their own projects and to participate in orientation meetings, to learn how to draft an effective CV and better prepare themselves for hiring interviews.

As in 2020, Poste Italiane carried out the second edition of the STEAMcamp initiative, intended to offer in-depth learning about STEAM disciplines, intended for children of employees, aged 14-16, who are passionate about technology. The STEAMcamp courses are intended to promote innovation and distinctive skills for the jobs of the future, creating an atmosphere of learning and fun that pushes them to interact with new models, ranging from coding, to artificial intelligence, to gamification, robotics and much more, where the only limit is creativity.

To stimulate reflection about their own personal development plans and improve their ability to design their own educational and professional paths, two experimental editions of the Future Lab programme were held, to assist teens in selecting their future plans and help them approach the world of work with more knowledge, helping them to make choices in line with their abilities and passions and understand the main market trends in terms of future professions.

Additionally, with an eye to promoting intercultural exchange, 21 scholarships were assigned to employee children of merit, with the cost entirely borne by the Company.

## Sense of belonging

As part of the initiatives intended to strengthen a sense of belonging, in 2021 70 Group employees received the “Stella al merito del lavoro” award, for having distinguished them-

selves by their special care and work ethic within the Company, with an increase in the representation of women.

## Financial and non-financial benefits for personnel

### Financial benefits

The main financial benefits paid to executive personnel are listed below.

- **Life insurance and coverage for disability and invalidity:** the Company takes out, in the interest of the executive, an insurance policy that guarantees an additional sum over and above normal remuneration in the event of death, permanent invalidity and accidents occurring even if not in the course of work.
- **Healthcare:** the Company contributes to the financing of the FASI Healthcare Fund and other supplementary funds, so that services supplementary to the National Health Service may be recognised.
- **Pension:** the company contributes to the financing of the PREVINDAI Supplementary Pension Fund in order to provide pension benefits in addition to the compulsory pension.

The main financial benefits due to non-executive personnel are listed below.

- **Parental leave:** more favourable treatment than that provided for by law (art. 43 National Collective Labour Contract).
- **Healthcare:** the Company provides a supplementary healthcare plan with a contribution paid by the Company for the "Basic" package (art. 79 National Collective Labour Contract).
- **Pension:** payment of contribution to the FondoPoste by the Company (art. 79 National Collective Labour Contract).

### Non-financial benefits

To complete the remuneration package, Poste Italiane Group provides executives and certain types of managers with additional non-financial benefits, in compliance with applicable regulations and taking account of market practices. These benefits are subject to specific guidelines, which require the application of common criteria depending on the uniform category of employee concerned. Examples of non-financial benefits attributed to executives are the company car for mixed use and the medical check-up, also provided for facility managers.

## Relations with social partners

NFS

Poste Italiane has always prioritised protecting the rights and well-being of its workers and therefore considers it fundamental to maintain constant dialogue with worker representatives, both during ordinary conditions and in the case of significant organisational changes, through periodic meetings with the unions, with which agreements have been signed in 2021.

To that end, the Group applies the contract procedures established in the CCNL (national collective labour contract) and the Consolidated Law on Representation, with the goal of guaranteeing compliance with current law and facilitating the creation of a positive company climate. Specifically, Poste Italiane is committed to developing all of the activities called for in the Industrial Relations System as outlined in Chapter I of the Poste Italiane SpA CCNL (Information, Consultation, Participation, Contracts), also to support the actions called for in the corporate and Group strategic plan.

Through the aforementioned approach, the Company is able to guarantee adequate and fair solutions on issues that may have significant impacts on the organisation, on the busi-

ness and, in particular, on human capital, a fundamental asset for the Company.

In compliance with current legislation, the Group is committed to ensuring the well-being and protection of the rights of its workers and their freedom of association and collective bargaining, and, as enshrined in Poste Italiane's Code of Ethics, it ensures impartiality and independence in promoting its relations with Labour Unions (OO.SS.).

**The Group places protecting and supporting its employees at the centre of its work, while simultaneously ensuring constant dialogue with unions**

In the event of significant organisational changes (reorganisation and/or restructuring and/or corporate transformation processes) that have social consequences with repercussions on working conditions, the Group refers to national collective bargaining, which provides a specific procedure for dialogue between the Company and the national Labour Unions signing the National Collective

### MAIN RELATED TYPES OF CAPITAL



100%

of employees  
covered by  
collective  
bargaining  
agreements

Labour Contract. In particular, the Company is required to provide the national Labour Unions that are signatories to the National Collective Labour Contract with prior information, indicating at the same time the date of the start of the discussion, which is aimed at seeking possible solutions to govern the social effects. The negotiation process will be completed within and no later than 25 working days, including Saturdays, following the date set by the Company for the first meeting, during which the Company cannot implement the planned projects and the Labour Unions will refrain from any direct action. After 25 days, in the event of a negative outcome of the aforementioned discussion, the Parties may make their

own independent determinations. In the event of a positive outcome, on the other hand, the Company provides specific information to the competent territorial structures of the Labour Unions. Prior to the start of discussions at the territorial level, the RSUs (Unitary Labour Union Representatives) must be consulted, a phase which must be completed no later than 13 working days, including Saturdays, from the date on which the hypothesis of agreement was signed. Subsequently, the Parties shall meet at a territorial (regional) level to carry out a joint examination, to be concluded within 7 working days, including Saturdays, following the end of the consultation of the RSUs.

## Renewal of the National Collective Labour Contract (CCNL)

For Poste Italiane, constant dialogue with worker representatives is a central aspect in the organisation and management of the Group, to guarantee protection of the well-being and rights of its employees, both during ordinary periods and during times of organisational change. The Group's commitment, in compliance with current regulations, ensures the protection of rights, freedom of association and collective bargaining, guaranteeing impartiality and independence in the promotion of relationships with the unions.

To that end, on 23 June 2021 Poste Italiane renewed the National Collective Labour

Contract (CCNL). The agreement covers all non-executive personnel and introduces important changes not just in economic terms but also with reference to the regulatory structure of the organisation. As a time when the labour market is undergoing significant transformation, Poste Italiane has linked the evolution of the way labour is utilised structurally with the enhancement of the continuous and constant contribution made by the human resources available to the Group. The concept of Corporate Social Responsibility is the basic principle that inspires the linking of Group development objectives and economic results with respect for social and environmental values.

## Health emergency from Covid-19

During 2021, in consideration of the continuation of the Covid-19 emergency, the Company and the Trade Unions continued their discussions within the OPN Committee (National Joint Committee for Health and Safety in the Workplace) aimed at ensuring, through the adoption of preventive measures, the safety of people and the containment of the virus.

The Committee continues to pay the utmost attention to safety measures suitable to allow the carrying out of the work activity (e.g. provision of masks, gels, gloves, respect for interpersonal distance, position stalls, cleaning and sanitation) favouring the use of smart working (extended with "simplified" mode until 31 March). and monitoring the preventive screening activities carried out by the Company. With reference to that established in the "National protocol for the

implementation of company plans intended to activate extraordinary anti SARS-CoV-2/ Covid-19 vaccination points at workplaces", signed on 6 April 2021 by the Government, INAIL and the Social Partners, the company began an employee vaccination plan which initially involved workers residing in Lazio and, subsequently, those residing in the regions of Lombardy, Piedmont, Veneto, Campania and Calabria, at specific hubs located in the capitals of the relevant regions.

Also with the goal of improving the effectiveness of measures to contain the risk of coronavirus infection, the Operational Instruction for the reconstruction of Covid-19 contacts was amended in light of new indications provided by the relevant governmental and health authorities, for the part relating to the resistance of the virus on surfaces and the duration of the incubation period.



In consideration of positive trends in epidemiological diffusion, in part thanks to the Government's implementation of the vaccination plan, it was decided that as of October employees making use of smart working would return to their offices at least two days per week, without prejudice to the Company's need to guarantee equipment and safety measures to combat Covid-19 in the workplace. In the context of the OPN Committee, the Company has also, as established under Decree Law 127/2021, established that:

- a Green Pass must be held to access and remain within company locations, and the methods for checking the same, differentiated by location (sampling by appointed workers or by other specifically assigned personnel);
- employees have the right, if lacking a Covid-19 green pass, to inform the Company that they lack the Green Pass prior to accessing company locations, as well as establishing the consequences of a lack of certification.

Additionally, specific Safety Operating Instructions were provided to all staff as well as the relevant employees, containing information which explains the methods use to carry out and report on the checks.

In the Post Office network area, the Company has removed the positioning indicators (red dots) placed in public areas during the initial phase of the pandemic. Starting in November, and always following the maximum access limits established for each Post Office and in compliance with all safety norms in effect, customers may stay within Post Offices, respecting an interpersonal distance of 1 mt, as well as the other safety measures indicated on the informational signs found outside of each Post Office (e.g. obligatory use of face masks, cleaning of hands with disinfecting gel, etc.).

In January, while the Omicron variant was spreading, it was decided to transitionally adopt a criteria that was more cautious than that in prior months to determine the number of users who could be inside of Post Offices, setting the number at a maximum of 3 for each active work station. This decision was communicated through signs found outside of the Post Offices, always respecting the minimum distance called for under the regulations in effect.

Consistent with the most recent legislative updates introduced by the government at the beginning of the year, the method used to verify the Base Green Pass were illustrated to the

unions, a document which is obligatory for all clients accessing Post Offices from 1 February 2022 on. In particular, in Post Offices with a queue management machine, this check will be done preventively by presenting the green pass to the totem while, for smaller offices which lack the queue machine, the check will be done at the desk by the operator, using a specific digital procedure.

Finally, in relation to Covid-19 coverage by the Healthcare Fund, a daily allowance was provided to workers hospitalised in intensive care retroactively from June 2021 through 31 March 2022.

On 10 June 2021 an agreement was signed which defined the overall destination of the money collected on the basis of the union agreements of 14 April and 30 December 2020, signed with Assidipost-Federmanager, through which executives, on a voluntary basis, decided to donate part of their gross salary and vacation days to support colleagues and their families affected by Covid-19. The donation was then further increased with a contribution made by the Company. 552 executives from the Group participated, donating a total of 743 days of work and reducing their holidays by a total of 1,515 days for 2020. Against this reduction, the Company made available an amount equal to the relative value. A total of around € 1,240,000 was raised, including the contributions made by executives and that made by the Company. The sum of € 40,000 gross was donated to the households of colleagues who had passed on due to Covid-19, while € 4,000 was donated to employees hospitalised in intensive care after testing positive for Covid. Finally, with the aim of guaranteeing protection levels for executives in line with those provided to other categories of workers within the Company, a lump sum indemnity of € 2,000 was established for executives hospitalised in non-intensive therapy due to the virus. It was also decided that any residual amounts would be donated to Caritas Italiana to support solidarity initiatives associated with Covid-19.

Due to the continuation of the pandemic associated with the spread of Covid-19 and taking into account the impossibility of establishing all the operating provisions to allow for the regular execution of the general elections for the united union representatives and worker safety representatives on 17 and 18 November 2021, the Company and the unions, in an official agreement on 22 October 2021, agreed on the need to postpone these elections, both committing to setting the date of the elections for the united union representatives and worker safety representatives by no later than 30 June 2022.

## Active labour policies

In 2021, as in the past, the Group made concrete its commitment to relations focussed on protecting the rights and well-being of workers by signing work policy agreements.

On 24 March 2021, it was agreed with the Trade Unions to initiate an extraordinary manoeuvre, additional to that defined in the Understanding of 14 January 2021, which aims to ensure the necessary support for the operation of the Post Office network front end. The Agreement, without prejudice to the framework of Active Policies that will be defined by the Parties for the next three years, identifies the management levers, to be included in consideration of the territorial peculiarities, such as part-time recruitment from the external market, counters, conversions from part time to full time and recruitment of specialists from the external market. With regard to the hiring of specialists, it was also agreed to launch a selection phase to exploit any internal candidates belonging to the Post Office network through a specific job posting. On 3 August 2021 a three-year agreement (2021-2023) was signed with regards to Active Labour Policies, with the aim of strengthening protection for regional operating structures through a detailed series of management actions which affect Mail, Communication and Logistics, Private Market and Digital, Technology & Operations (Part Time/ Full Time conversion, creation of counters, external hiring, mobility). In particular, the details of the individual projects planned for 2021 were outlined by organisational area and type of project. In the context of this agreement, the Parties, through the Agreement of 10 November, agreed to begin the 1,700 stabilisation actions planned and on 22 December the digital application was opened. At the same time, to deal with the difficulties of recruiting personnel to be hired with a temporary contract to serve as letter carriers, in certain geographic areas the Company made use of the possibility to stipulate temporary contracts based on the regulations of Decree Law 34/2020 (as amended), proposing the renewal of the temporary contract for personnel who had already provided their labour to Poste Italiane SpA. These renewals can have a maximum duration of six months and will, in any case, be structured so as to not exceed the maximum limit of 24 months total as established in the regulatory provisions referenced above. Mail, Communication and Logistics: As of February 2021, the Company and the Trade Unions began discussions on the overall reorganisation of the function. In particular, the parties acknowledged the need to redefine the services provided by letter carriers and to extend the Joint Delivery model to all large metropolitan areas, as well as to reorganise the organisation of internal pro-

cessing activities by gradually centralising them. In addition, with the Minutes of 19 May 2021, an experimentation phase was started with the aim of improving the quality of work and optimising production flows within the sites, also ensuring greater employability of resources. On 16 July 2021, following that previously agreed upon between the Parties with regards to the relationship process associated with the evolution of the Mail, Communication and Logistics department, the Company, Unions and the trade union representation National Coordination (RSU) signed the memorandum of understanding on the extension of the Joint Delivery model to the municipalities of Rome, Milan and Naples. This memorandum calls for a series of implementation steps and specific moments for verification both nationally and regionally.

On 14 January 2021, the Company and the Trade Unions signed minutes regarding certain Post Office network matters. With regard to the structure of the post office network, which was modified in response to the current pandemic, it was agreed to continue with further actions to gradually restore it. In addition, in order to improve the quality of the service offered to customers in offices even during the health emergency, a number of initiatives aimed at managing waiting customers more effectively were illustrated (attention to the reception phase, assessment of the possibility of increasing the maximum capacity of people who can stay inside the post office at the same time). A Memorandum of Agreement was signed on 30 September 2021 with regards to the reorganisation of the commercial network, with the aim of adapting it to the new scenario and new market and customer requirements, identifying solutions able to improve efficiency and the capacity to penetrate the market. The main lines set out in the Reorganisation Agreement fall into four categories: 1. strengthening the sales support network, in particular for Front End products/services and commercial planning; 2. development of the corner sales model (Corner 2.0) with dual sales shifts to strengthen offerings and take advantage of the new products and services available; 3. development of new models to propose products through the introduction of Remote Specialist Consultants and mixed (on site and remote) consulting for Mobile Specialist Consultants; 4. strengthening of sales representatives dedicated to premium customers.

In the minutes of the meeting of 7 April 2021, the Company and the Trade Unions discussed the acquisition of Nexive Group Srl, which, as described in greater detail in the Business Plan, will enable Poste Italiane to strengthen its stra-

tegic role in the postal market and safeguard the sustainability of the sector and employment levels. Following completion of the procedures provided for by art. 47 of Law 428/1990, which were successfully defined in the minutes of 17 June 2021, the process of integrating the Nexive Group was launched. It provides, on the one hand, the confluence of some functions of Nexive Group Srl within the Poste Group and, on the other hand, the establishment of an Operating Company (Op.Co.) focused on the management and coordination of the new delivery network, to support the “last mile” phase of the delivery process for postal products and small parcels in favour of Poste Italiane. The Parties met on 23 September 2021 to sign the Memorandum of Understanding, which identifies the rules for integrating Nexive personnel who as of 1 October 2021 are employees of Poste Italiane SpA or Postel SpA, as well as for personnel from the newly established operating company which is a full member of the Poste Italiane SpA Group. With this memorandum, regulatory and economic treatment for employees was harmonised, aligning them with the provisions of the current CCNL as at 23 June 2021 for Poste Italiane SpA employees. Additionally, objective criteria for reassignment of former Nexive personnel within the structures of Poste Italiane SpA were defined based on province.

On 4 May 2021, the Company and the Trade Unions signed the Agreement on national voluntary mobility for the years 2021/2022. The agreement resumes the architecture already consolidated by previous agreements on the subject and represents an important element capable of accompanying and streamlining the management of personnel, which integrates with the other instruments of active employment policies that the Company puts in place to ensure optimal levels of supervision and quality of service.

On 30 July 2021, performance bonus agreement was signed by the Company, the Unions and the trade union representation National Coordination (RSU) for Poste Italiane and the Companies of the Poste Vita Group, Poste Assicura, EGI, BancoPosta Fondi SGR, Poste Welfare e Servizi and PostePay. The agreement, which has a one-year validity, allows to further emphasise the contribution made by personnel towards the achievement of corporate objectives in 2021. The agreement confirmed the option for employees to allocate all or part of their performance-related bonus to the Openend Fund for Supplementary Assistance Poste Vita, Fondo Poste or other supplementary pension funds or to opt for welfare services with high social impact.

## Participatory organisations with mixed composition (members from Poste Italiane and Labour Unions)

Together with the Labour Unions, Poste Italiane has set up joint bilateral bodies at national level regarding issues that are also relevant in terms of sustainability, including:

- **Comitato per l'Attuazione dei Principi di Parità di Trattamento e Uguaglianza di Opportunità** (The Committee for Implementation of the Principles of Equal Treatment and Equal Opportunities), with the objective of “implementing and strengthening a culture that pays attention to diversity, including gender diversity, through positive actions aimed at creating examples of good practice within the Group and removing obstacles that actually prevent achievement of equal opportunities”. In this context, the Committee will address issues relating to the integration and inclusion of disabled people, as well as those regarding other factors of discrimination.
- **Ente Bilaterale per la Formazione e Riquadificazione Professionale** (The Bilateral Agency for Personnel Training and Retraining), through which the Parties jointly promote activities in the field of training and retraining, with regard to the provisions of the Consolidated Law on Occupational Health and Safety, and also with reference to any processes of reorganisation/restructuring/transformation of the Company, or the introduction of technological innovations.
- **Organismi Paritetici per la Salute e la Sicurezza sui Luoghi di Lavoro** (The Joint Bodies for Occupational Health and Safety) also continued activities relating to the uniform and correct application of the guidelines regarding occupational health and safety, in particular concerning issues relating to the new work-related stress risk assessment criteria with the aim of “implementing measures to improve occupational health and safety”. At the end of 2018, the Osservatorio Paritetico sulla Sanità Integrativa (Joint Observatory on Supplementary Healthcare) was set up, with the role of proposing and monitoring the services offered by the Supplementary Healthcare Fund.

MAIN RELATED  
TYPES OF CAPITAL



## Occupational health and safety DNF

Poste Italiane considers occupational health and safety to be a fundamental value, which all people must be inspired by in carrying out their daily activities. In this light, the Company has identified all of its organisational responsibilities and adopted specific policies, in line with regulations, collective bargaining and the national and international standards of reference (e.g. ILO), in order to ensure adequate supervision of all occupational health and safety aspects. These policies are implemented with reference to all Group operations, including activities related to partners and suppliers, and are addressed to all individuals operating on behalf of or under the supervision of Poste Italiane. Additionally, the Company is committed to taking all the necessary measures to reduce injuries, workplace injuries and occupational illnesses, promoting the psycho-physical well-being of people through policies, prevention programmes, information and awareness campaigns.

- periodic review of the management system by top management to assess its correctness and effectiveness with a view to achieving constant improvement.

Starting with the integrated policy and Group policy, each employer has approved the Policy for their own production unit, making them available to all workers.

Demonstrating the importance the issue of occupational health and safety has, note that the Group has established quantifiable objectives for business unit managers relative to occupational health and safety. In fact, the CEO, top management and all managers through to the fifth organisational level were evaluated with regards to an injury reduction target. Additionally, in this context Poste Italiane is committed to establishing dedicated teams responsible for monitoring data on the established quantitative targets on a daily basis.

**447k**  
hours of occupational  
safety training provided  
in 2021

Poste Italiane sees a safety culture as a fundamental asset to reduce injuries and encourage constant improvement in the management systems it has adopted

At the Group level, the key elements of the occupational health and safety management systems are defined in the integrated policy and in the health and safety policy. They include:

- continuous assessment of risks and definition/update of related rules and procedures;
- ensuring that innovations and changes in work processes are always accompanied by occupational health and safety objectives;
- timely adaptation to all regulatory changes and updates;
- identification of roles and responsibilities within the organisation and allocation of the necessary resources for planning and implementing the programmes aimed at achieving the objectives;
- effective and transparent communication that ensures dissemination of any information that might be useful for prevention purposes, including cooperation and coordination measures with contractors;

Among the main goals pursued by the Group in 2021, the campaign to raise awareness and involvement with occupational health and safety issues for all those who work within the Group was of particular importance, in particular to disseminate and strengthen the safety culture within the local operating centres (distribution centres and post offices) and the relative coordination structures. Additionally, Poste Italiane also worked to reduce injuries, especially in the logistics and delivery sector (mail mechanisation centres and distribution centres) and to continuously improve the Management Systems by planning and carrying out initiatives to concretely implement the principles established in the Occupational Safety Policy. Finally, the Company is also dedicated to constantly monitoring occupational health and safety performance and periodically reviewing the same to establish new objectives.

Some of the activities carried out by the company to achieve its objectives include continuous training, awareness and involvement campaigns on OHS issues, projects to improve the systems/structure of locations, the continuous improvement and certification of Management

Systems, constant evaluation of risks in relation to processes and workplaces, monitoring of progress in Improvement Plans relative to risk evaluation and constant monitoring of compliance with the requirements associated with current law. Furthermore, the Group has adopted a plan accompanied by a series of actions used to manage any sudden health and safety emergencies that could impact the Company and its operations.

As in previous years, in 2021 Poste Italiane SpA allocated specific budgets dedicated to the execution of improvement plans relative to occupational health and safety. Of these, of particular importance were investments made to maintain real estate assets and continuously improve the structural systems of the same. Equally important were the resources used for the management and maintenance of the company fleet, the implementation of education, information and training campaigns, health and safety audits/controls, health surveillance and the development and maintenance of systems/applications to support the management of this issue.

Systematic control of all possible hazards applicable to and correlated with workplaces and processes is guaranteed by the preliminary compilation of a check list annexed to the company procedure "Risk Assessment Document Management". The Employer refers to the skills of the Prevention and Protection Service to supervise and carry out the risk assessment with the consequent drawing up of the Risk Assessment Document (DVR) as well as of all the relevant specialist technical reports.

As part of the risk evaluation process, all situations of potential risk associated with working processes and locations are analysed and, having identified the relative potential to cause damages, the associated risk level is determined. This assessment is done taking into account the actual ways in which work is carried out and the exposure of personnel, also taking into account any protection measures already in place, in compliance with the criteria defined by the technical regulations in force, technical standards and rules of good practice and company guidelines.

In particular, the evaluation involves considering all foreseeable risks objectively present and associated with the work in question, those deriving from proper and normal use of equipment/machinery/systems, those foreseeable under exceptional conditions and those due to possible malfunctions or faults.

Specifically, in terms of managing occupational health and safety, this is also achieved through dialogue and constant exchange of information about risks, between human resources, managers and the various business units. In fact, on a quarterly basis, the relevant control functions coordinated with other risk specialists and, through the latter, the risk owners, in terms of monitoring risk indicator performance and actions taken relative to the top occupational health and safety risks. The results of these activities are then outlined in the quarterly integrated risk monitoring reports, presented to top management and the Control and Risk Committee. There is also an annual reporting phase, summarising all the contributions made by the various control functions in a Risk and Compliance Report, presented to corporate bodies and top management, offering a synthetic and integrated overview of initiatives carried out and/or introduced during the year in the various areas of company operations, under the coordination of the Co-General Manager, as well as of the main activities and projects carried out by the structures of the function to guarantee implementation of suitable safeguards, instruments and organisational structures to continuously strengthen the Internal Control and Risk Management System and to manage relevant compliance and sustainability aspects.

Together with compulsory training, all people are sent Operational Safety Instructions (IOS) in a controlled form, containing a description of the dangers applicable to the work processes of interest and the organisational, preventive and protective measures aimed at reducing the corresponding risk level. The IOS also include a detailed description of the roles and tasks of the main safety management players. Additionally, consistent with Legislative Decree 81/08, workers must inform the person in charge and/or worker safety representative of the presence of possible dangers or dangerous situations at work. Similarly, the persons in charge and executives must collect these notifications and take action, based on the company procedures established to manage this type of issue, complying with the times and methods associated with the level of risk. The Poste Italiane Group sees the above issue as particularly important and, for this reason, adopts information, education and training mechanisms for all workers, with the aim of adequately managing (i.e. in accordance with the protective measures set out in the Risk Assessment Document and in the relevant company procedures) any work situations that could result in occupational injury or illness.





Poste Italiane carries analyses both near-misses and work accidents, using specific codified processes associated with the health and safety management systems adopted. Each parent company and Group company production unit continuously monitors and examines any incidents and, in particular, any injuries, to identify and eliminate, or manage, the causes of the same, with an eye to continuous improvement.

Changes in trends of occupational injuries within the parent company have also been observed through the application of an annual moving three-year average, using injury data, gross and net of Covid, from 2017 to 2021. This metric makes it possible to identify trends in injury cases, limiting the distorting effects of exceptional events (pandemic), as well as to determine the efficacy of management actions over the medium/long-term, with the aim of containing the risk factors under the company's control (e.g. progressive adoption of the lean methodology in sorting centres).



Health oversight is provided within the Poste Italiane Group by a network of doctors who, within specific geographic boundaries, perform the tasks required under article 41 of Legislative Decree 81/08 (visits, inspections, periodic meetings, spot consulting). The network is managed by a coordinating doctor who supports the Employers and the Prevention and Protection Service for the governance aspects of health oversight. Within the Poste Italiane Group, the activities subject to health-care preventative measures based on the Risk Assessment Document, for the risks tabulated pursuant to Legislative Decree 81/2008, as amended, and identified in the five health protocols, are:

- the specific risk associated with manual load handling;
- the specific risk from exposure to equipment with video terminals;
- nocturnal work;
- absence of addiction to narcotic or psychotropic drugs, absence of alcohol addiction;
- specific risk of inspections at construction sites.

For workers assigned to jobs/activities that involve exposure to a specific risk (tabulated or evaluated), a health oversight programme is activated, which includes medical visits, and additional health and toxicology checks.

Despite the continued health emergency, Health Oversight activities have continued, in compliance with protocols and emergency regulations. For 2021, all workers in fragile situations were guaranteed exceptional Health Oversight, as well as management of the process of returning to work after Covid-19, including the adoption of all precautionary solutions to protect the health of workers and deal with the risk of SARS-CoV-2.

Among the main players in the management of occupational health and safety, there are the Workers' Safety Representatives (RLS), which, as provided for by Legislative Decree 81/08, are elected directly by workers. Poste Italiane Group's representatives have been elected by the company's Labour Unions and are periodically consulted during the drafting of the Risk Assessment Document and when organisational or process changes occur that may have an impact on occupational health and safety or, again, following the introduction of new risk assessment methods. The importance of adopting an adequate, timely and preventive consultation with the Representatives lies in the possibility of receiving an expert opinion and accepting company proposals on occupational health and safety for the timely fulfilment of legislative obligations and for the continuous improvement of workers' health and safety.

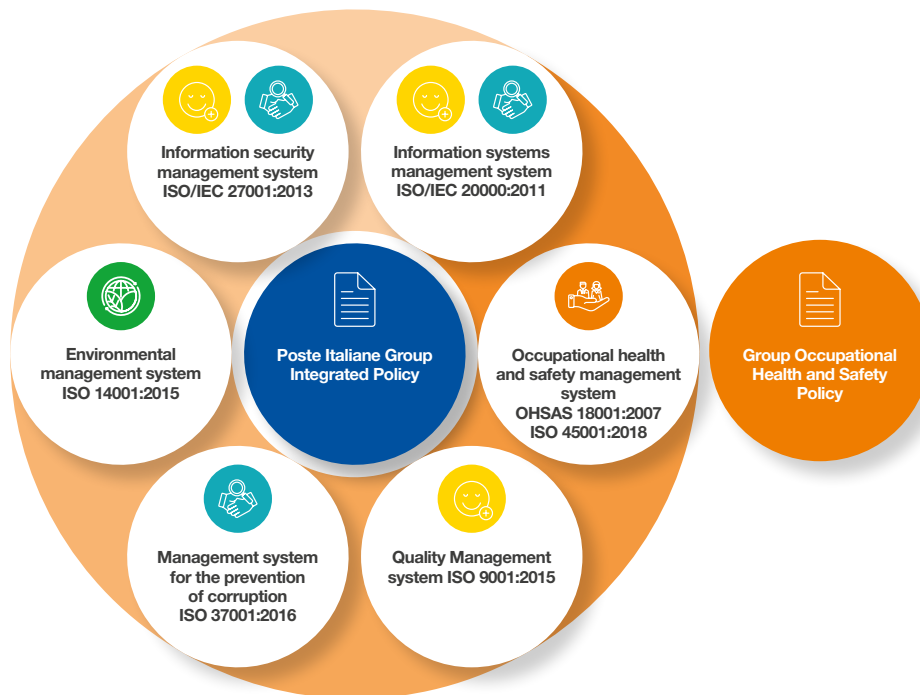
The Group promotes dialogue between workers and employers through the National Joint Observatory (OPN) and the Regional Joint Bodies (OPR). These are committees on which national and local representatives participate, as well as employers, unions and Workers' Safety Representatives, through which the Company promotes the involvement of all interested parties to share initiatives on occupational health and safety, to start the process of consulting the RRLS on risk assessment and to address specific health and safety issues that have emerged also from reports by workers. The meetings of the Joint Bodies do not follow a pre-established schedule but are convened whenever the need arises

Each Poste Italiane SpA production unit adopts the Occupational Health and Safety Management System (designed in accordance with UNI ISO 45001) to govern OHS issues.

During 2021, all OHS Management Systems were migrated from OHSAS 18001 to UNI ISO 45001. All production units renewed or maintained their certificates, meaning the parent company is entirely certified under ISO 45001.

Group companies also have the goal of adopting and certifying their OHS Management Systems. OHS documentation in terms of the policies and procedures that make up the OHS Management System is available for the Parent Company in the Company Document Portal. Other documents relative to risk evaluation, technical reports and records are managed through dedicated digital platforms.

## UNI ISO 45001 certification



Poste Italiane has defined a multi-year plan for the adoption of health and safety certifications throughout the corporation which led to completion of the certification process for all the production units of the parent company.

Group companies also aim to adopt and certify occupational health and safety management systems. In 2021, the main companies of the Group certified under UNI ISO 45001 were: EGI SpA, Poste Vita SpA, Poste Assicura SpA, SDA SpA; Postel SpA, Poste Air Cargo Srl, BancoPosta Fondi SpA, PostePay SpA.

Checks and controls relative to occupational health and safety are periodically carried out both by each production unit, as part of their individual occupational health and safety management system, and by Corporate Protection, in a cross-cutting manner, in each production unit of the parent company and Group company. Occupational health and safety checks and controls carried out in 2021 by Corporate Protection included:

- audits of the Occupational Health and Safety/ Environmental Management Systems with the objective of verifying that the management systems adopted in the Company comply with the requirements of reference norms and are properly implemented and kept active;
- technical audit, control activity aimed at analysing and evaluating the state of OHS compliance of sites, with particular reference to plant/structural aspects;
- operational checks and raising awareness of the health and safety of personnel working at sites, in particular operational checks at Delivery Centres and Post Offices aimed at assessing the overall state of safety in terms of infrastructure, systems and working processes.

Poste Italiane SpA has adopted various systems to monitor and control the effectiveness of the health and safety policies adopted. Among these:

- GISLA (Computer, Occupational Safety and Environment Management);

- Training management platforms;
- Digital Accident Management (GIW);
- SSA (Safety Self-Assessment);
- Real Gimm (share for the management of maintenance impacting OHS);
- File Maker (share for the management of real estate works impacting OHS);
- EDVR (Electronic management of Risk Assessment Documents);
- EPI (Poste Italiane Emergency Management);
- Green Pass (GP Control System).



The emergency scenario which arose in 2020 and continued throughout 2021 led to the need to adopt even more precautionary prevention measures with a view to guaranteeing the health and safety of all People but at the same time ensuring the continuity of the obligations provided for by the regulations and international standards on the subject, such as compulsory training and health surveillance. With reference to occupational health and safety training deriving from article 37 of Legislative Decree 81/08 - "Worker training and worker representative training", in consideration of the emergency the courses called for in the State/Regions Conference Agreement were provided by using up to date digital communication technology. Specifically, Poste Italiane guaranteed that the content was provided through webinars and specialised teaching, in place of classroom training. Additionally, further information on biological risks was added to the training packages, with a focus on the SARS-CoV-2 virus.

Performance and the objectives established are constantly monitored and are reviewed during the management reviews established for the OHS Management Systems adopted.

The constant monitoring and control of injuries contributed, also in 2021, to the implementation of various initiatives on prevention and on occupational health of workers and protection of the workplace. From this point of view, the Occupational Safety Management Systems, which have already been adopted for some time in accordance with the regulations in force, confirm the conviction that an effective management system makes it possible both to manage the safety of workers in an organic and systematic manner and to implement and develop the company's safety policy by monitoring the risks of all operational processes.

In terms of training for emergency team representatives, campaigns using webinars continued for courses of fire fighting and first aid for the theoretical portion, while practical exercises were carried out in person, in compliance with the protocols to contain SARS-CoV-2 contagion risks.

With regards to information, the Company continued its communication campaign for all employees regarding the hygiene and prevention measures to apply to limit the spread of SARS-CoV-2, using all internal channels (intranet, mail, company bulletin boards, flyers, displays, etc.).

### "Work in safety way" campaign

Among the various initiatives implemented, we note that the company monitored the level of contagion risk associated with the SARS-CoV-2 virus also through a "Work in safety way" campaign, intended to prevent the risk of SARS-CoV2 contagion. This initiative offered the possibility to receive rapid nasal tests for all Poste Italiane Group employees, on a voluntary basis, thereby identifying probable cases of positivity.

As in 2020, the Company recognised the importance of initiatives to prevent and monitor Covid-19 cases. For this reason, in 2021 it made swabs available to employees free of charge and also reimbursed employees for swabs carried out during the time between their initial vaccine dose (also in the case of single-dose vaccines) and the date on which their Green Pass became effective. Finally, the Company established paid leave for employees to take part in the Covid-19 vaccination campaign, further demonstrating the fundamental value that the Poste Italiane Group attaches to participation in the vast national anti-Covid-19

operation. All employees were eligible for leave for up to two calendar days in total, one for the administration of each dose of vaccine, either full-day or hourly.

During these two years of the health emergency, Poste Italiane has worked hard to guarantee the highest possible level of safety for its employees working in Post Offices and at sorting centres. For this reason, all the measures already implemented in 2020 for the Post Offices were maintained in 2021. These consist of horizontal signs applied to indicate the correct distance to be maintained while inside



postal locations. Outside of each post office there are also signs to inform customers and visitors of the actions taken by the Company to contain the virus, including: sanitisation activities, behaviour to be adopted as indicated by health authorities, staggered access to offices, safety distances and proper use of protective equipment. Additionally, thermal cameras to detect body temperature were installed at the headquarters, throughout the entire post office network, in logistics offices open to the public and in all other work environments with more than 150 employees, including logistics hubs. The Company also installed around 29,400 sustainable plexiglass barriers (polymethylmethacrylate PMMA) at all Post Offices and protective screens for consultants and Postepay corners, to protect staff and customers. Specifically with reference to the post office network, the main initiatives undertaken involved specific projects to reduce injuries, monitoring and control activities regarding infrastructural elements, with consequent efficiency, as well as the development of applications to digitalise processes associated with the occupational health and safety management system adopted, constant risk assessment especially with reference to activities implemented to deal with exceptional management difficulties associated with the Covid-19 health emergency.

Finally, a dual communication channel was established to facilitate the flow of information (web portal to allow timely verification of the actions taken by Poste Italiane and a toll-free number to request further information). Cleaning activities continued for all the operating vehicles of the Group, using certified devices which make use of micro-nebulised disinfectant and able to fully sanitise the internal surfaces of work vehicles. To further protect worker health, the Company committed to washing all vehicles every two months and sanitising them every six

months. To implement all the measures to deal with the health emergency, over € 80 million was spent during the period.

The spread of the SARS-CoV2 virus and its variants required efforts which were increasingly focussed on the adoption of precautionary measures to limit pandemic risk, above all for situations which involve the simultaneous presence of multiple people, creating a higher risk of contagion. In this sense, monitoring activities and compliance with the behavioural rules and recommendations within work locations was fundamental in containing the spread of the virus. In this light, the compilation of occupational health and safety guidelines for Poste Italiane made available to all employees in April 2021, includes a section on precautionary measures in line with the pandemic in progress.

For the purposes of managing risks associated with the circulation of SARS-COV-2, the Coronavirus Risk Crisis Committee continued its work in 2021. Presided over by the Chief Executive Officer and Co-General Manager of Poste Italiane, with the participation of other reference technical structures and all the Employers pursuant to article 2, letter b) of Legislative Decree 81/08, the Committee met constantly and, based on analysis of developments in the contingent situation, took decisions with regards to informational, organisational and preventive measures relative to worker health and safety, which were then promptly implemented. The verification and application of the protective measures adopted to mitigate the risk of contagion are carried out by the Committee pursuant to chapter 13 of the Anti-Contagion Protocol of 24 April 2020 and shared with all the unions, established through a specific agreement within the National Joint Observatory (OPN) for occupational health and safety. The Committee works in close cooperation with the Joint Regional Bodies.







*Scan the qr code  
and watch the video.*



# Diversity and inclusion

## The value of diversity for an inclusive corporate culture

- Entry into the Top 100 Globally on Gender Equality defined by Equileap
- Allocation of 10 housing units for 40 women victims of violence throughout the Country
- Participation of over 700 employees in the Lifeed project
- 46.4% of middle and senior women managers

# Diversity and inclusion

## MAIN RELATED TYPES OF CAPITAL



### IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2021	OUTCOME
	Reinforce female presence in managerial succession plans, which are functional to increasing the presence of women in positions of greater responsibility in the Group	• % of succession candidacies held by women	• 45% by 2024	2021	New	
	Invest in the internal development of skills and STEM roles and in the promotion of cultural models of reference with a plural and gender equality approach, including through male and female role models	• No. of awareness campaigns • No. of editions as part of initiatives for young generations • % role models	• 2 by 2023 • 10 by 2023 • +50% by 2023	2021	New	
	Increase women's involvement in the mentoring programme	• % of female mentees • % of female mentors	• + 65% by 2022 • + 35% by 2022	2021	New	
	Increase women's involvement in coaching programmes	• % of female coachees	• +65% by 2022	2021	New	
	Implement structured listening programmes through surveys and communities aimed at detecting the needs of the different generations	• No. of surveys conducted	• 2 by 2022	2019	2	
	Strengthen caring measures towards colleagues with chronic diseases and/or serious pathologies through corporate awareness plans and the availability of services aimed at inclusion	• % of the detected target reached by the caring measures identified	• 40% by 2022	2019	21%	
	Extend the subtitling service to all videos made and published on the Intranet	• % of videos published on digital channels with subtitles	• 100% by 2021	2019	100%	
	Creation of awareness campaigns and actions on the topics of employment inclusion and rights of LGBTQ+ people	• No. of awareness campaigns and/or welfare measures for social parenting support	• 2 by 2023	2021	New	
	Specific employer branding on Diversity & Inclusion, in synergy with universities	• No. of universities involved	• 4 by 2022	2019	2	
	Define training and communication campaigns aimed at overcoming stereotypes and prejudices (unconscious bias)	• No. of communication and awareness plans implemented	• 2 by 2022	2019	3	
	Carry out training and awareness actions on the protection of human rights	• % of the company workforce	• 60% by 2022	2019	51.6%	
	Define listening and communication campaigns to develop corporate awareness and culture on the issues of Diversity & Inclusion	• No. of integrated communication campaigns (internal/external) • No. of surveys carried out on the Intranet	• 3 by 2021 • 5 by 2021	2019	3 5	
	Support on the company intranet for Diversity & Inclusion topics and related commitment from the Group	• No. of dedicated editorial plans (e.g. new "D&I" Feature) • No. of serial podcasts with progressive publication aimed at all employees	• 2 by 2022 • 1 by 2022	2021	New	
	Put in place pervasive implementation actions of the Diversity & Inclusion strategy through envisioning workshops, meetings and thematic events for integrated awareness in processes and work relationships	• No. of initiatives (workshops, D&I meetings, thematic events)	• 28 by 2024	2021	New	
	Contribute to strengthening measures and processes intended to promote active parental support, such as actions to counter the falling birth rate and promoting greater balance in the distribution of care workloads	• Formalised active parental support policy • No. of projects carried out	• Formalisation of the active parental support policy by 2023 • 2 by 2023	2021	New	
	Create an ad hoc Community on diversity and inclusion to spread a growing sensitivity and awareness of the value of diversity and inclusion at all levels of the organisation	• % of company population involved	• 100% by 2022	2020	The design of the Community model is in line with the pre-defined target	
	Promotion of an intercultural vision within the Company for the development of inclusive solutions through the creation of participatory processes underlined by the joint presence of diverse employee cultures	• No. of regional activities to which the pilot project has been extended	• 2 by 2023	2021	New	
	Define an editorial plan of content in support of female employment and leadership focused on Goal 5 of the Agenda 2030, which is also aligned with related international events and initiatives	• No. of integrated and multi-channel editorial plans	• 1 by 2022	2021	New	
	Equal Salary Certification	• Certification	• Achievement of certification by 2022	2020	The instrumental activities for achieving the certification are in line with the pre-defined target	
	Build on the corporate volunteering project for employees by developing a new platform for engagement, and defining social programmes integrated with the company sustainability strategy	• No. of engagement and training plans • No. of social programmes	• 1 by 2024 • 3 by 2024	2021	New	
	Openness to community welfare in synergy with local communities, providing company welfare services in support of vulnerable employees and citizens	• No. of initiatives/services activated	• 2 by 2024	2021	New	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

## Protection of human rights

NFS

MAIN RELATED TYPES  
OF CAPITAL

The awareness that it can play a key role in affirming the principles of sustainable development for businesses is of fundamental importance for the Poste Italiane Group, as it plays an essential role in the economic and social fabric of Italy. To that end, the Company has adopted a Code of Ethics, accompanied by a series of corporate policies and guidelines concerning the protection of human rights, including: the Company Policy for the protection of Human Rights; the Diversity Policy for administrative and auditing bodies and the Diversity and Inclusion Policy. This last emphasises the value of diversity and encourages the spread of an inclusive company culture. In addition to the company guidelines and policies mentioned above, Poste Italiane complies with international principles regarding human rights protection.

The Company is committed to the interests of all the people who work for it or with it and also to the well-being of the communities in which it works. For this reason, Poste Italiane is on the front line in terms of protecting and respecting human rights, serving as an active player in the process of spreading the principles established in international regulations and standards.

**Poste Italiane recently signed the CEO Guide for Human Rights, a national association of professionals committed to managing sustainability within companies who want to make a contribution with a positive social impact**

The Group's company policy on protection of human rights emphasises that made explicit in the Code of Ethics with regards to the code of conduct to be followed in all Poste Italiane stakeholder relations. In particular, the Company is committed to protecting the rights of all those involved in its chain of value, with special attention to specific categories, including its own workers, women, children, indigenous people, migrants, external workers, local

communities, suppliers and partners, clients, people with disabilities, people suffering from discrimination and any form of violence. The document describes the Company's commitment to aligning its corporate processes with the main international standards and best practices, promoting the principles enshrined therein and periodically reporting on the performance achieved, in terms of management and monitoring methods, identified risks and management and mitigation actions. Additionally, the Policy governs various areas involving the prevention and rejection of all types of discrimination and violence, such as forced or child labour and human trafficking, while promoting the freedom of association and the right to collective bargaining and fair pay, with the aim of supporting the well-being of people.

The incentivisation and development of a business culture based on respect for and enhancement of diversity in all its forms and manifestations is a particularly important goal for Poste Italiane, to be achieved at all levels of the organisation, as a resource with a fundamental impact in the creation of corporate value. The conscious management of diversity in an inclusive manner, in addition to creating shared social value, determines a competitive advantage for the entire Group and helps to enable involvement and commitment of people to the company's objectives. With reference to training organised to develop issues associated with human rights protection, Poste Italiane promoted an online course to improve awareness and disseminate the guiding principles of the United Nations Human Rights Council, presenting the essential elements for a human rights culture. Relative to the content held of interest for all members of the Group, note workers' rights, protection of people with disabilities, discrimination, equal opportunity, gender identity and environmental protection. The course was offered using an innovative digital learning method, with videos and readings, as well as a podcast-style portion.

Poste Italiane participated at the Sustainable Development Festival, held on 11 October 2021, with the aim of promoting a shared sustainability culture and promoted by ASviS (Italian Alliance for Sustainable Development).

The Group participated in the Europe and Universal Citizen Rights event as the tutor for Goal 16 "Peace, Justice and Strong Institutions" of the Sustainable Development Agenda, a plan of action for people and planet adopted by all the countries of the UN in 2015, which establishes 17 goals to be achieved by 2030.



**Europe and universal citizen rights  
Poste Italiane at the Sustainable Development Festival**



Projects to support diversity and promote social inclusion are part of a wider design, with the aim of ensuring the promotion of differences in individuals and in balanced organisational models that guarantee dialogue and the emergence of personal characteristics, while also reducing situations of individual fragility.

The purpose of this process is to develop and evolve the way in which diversity issues are dealt with, moving from an approach aimed at protecting and integrating diversity to a proactive strategy to overcome any barriers and resolve the factors that may prevent people from being included in the labour market.

Through the preparation and formalisation of a Diversity & Inclusion Policy by the Board of Directors, the Group has established its own principles and guiding values, as well as setting measurable multi-year goals.

Through its mission and strategy, the Company proposes to create a cooperative, supportive and open working environment that is pleasing for the entire corporate population, independent of internal diversity, with the aim of taking full advantage of the opportunities that derive from this condition, both with an eye to protecting corporate well-being and in terms of competitive business advantages.

The Poste Italiane Diversity & Inclusion Plan was approved after a process of active participation that involved the creation of interfunctional working teams consisting of professionals and middle managers who made use of a bottom up logic, developing proposals for projects evaluated on two variables: qualitative/quantitative impact on the workforce and speed of implementation.

The aim of the Plan is to activate processes with transformational impact that add value to people, organisational behaviours, leadership styles and relations within the Group, through engagement, listening and trust, inclusive working environments, communication and awareness campaigns and, in general, improving the underlying fabric of the organisation by cultivating differences.

To support increased awareness of the value of diversity within the company and the initiatives to support the same, a Diversity & Inclusion section was created on the NoidiPoste company intranet, containing news, documents and multimedia material.

More specifically, company principles on inclusion and the value of diversity are based on a policy built from the bottom up, with four pil-

lars: gender, generations, disability/vulnerability and multiculturalism. It has led to the proposal of over 30 projects regarding development and opportunity, open communication, inclusion and caring, participation and dialogue and culture and awareness.

## Gender

The path undertaken moves through over 10 projects to support gender equality, intended to remove obstacles to career development for women. In particular, the Group will strengthen governance systems for career advancement; design focus groups to identify the main prejudices, whether intentional or not, that impact inclusive leadership; strengthen work life adjustment mechanisms in terms of reconciling and sharing household responsibilities and work to receive Equal Salary Certification, to verify and make public pay equity between men and women within the organisation.

Additionally, taking into account the growing cultural attention paid to sexual orientation and prevention of gender-based harassment in the workplace, the Group has provided an informational programme to raise awareness to the entire workforce. The goal is to provide an overview of harassment and the impacts it has on people and organisations, with the aim of strengthening a culture of respect in the workplace.

## Generations

Poste Italiane promotes integrated strategies that promote dialogue and an exchange between generations within the Company, on the basis of demographic forecasts and the relative impact on turnover. In this respect, the Group promotes the contamination of different social, cultural and work experiences, as well as different skills, knowledge bases and expertise typical of each generation, encouraging discussion from a complementary perspective and open approach needed to facilitate the exchange of experiences to support inclusion and possible adoption.

## Disability

The Company has implemented actions to increase collective awareness to identify situations of vulnerability beforehand, supporting insertion and appropriate work quality for

those with sensorial, motor and/or cognitive disabilities.

In this context, Poste Italiane is committed to developing policies that support the spread of an inclusive business culture and the introduction of a distinctive identity with respect to situations of fragility.

## Inter-culturalism

With the aim of encouraging the mixing of different cultures and experiences, multi-year envisioning and knowledge transfer initiatives have been designed in organisational and managerial environments, with a multicultural vision, open to dialogue at multiple levels and built around organisational and social cooperation.

To emphasise the Group's commitment to promoting an inclusive corporate culture, Poste Italiane has begun a series of courses offered through e-learning, on the central issues of Diversity & Inclusion. These meetings are intended for the entire workforce and, among the issues dealt with, include unconscious bias, that is cognitive mistakes based on prejudices and cultural stereotypes. These courses use a pragmatic approach, using situations typical of the Company, with the aim of managing fragility, creating an intergenerational view and mitigating impacts associated with conditioning.

Additionally, as part of develop and integration initiatives for the managerial community, Poste Italiane has begun the Smart Café project, conversations intended for managers to support dialogue with a high level of multiculturalism, at work but not only, through thematic courses available to increase the visibility of different cultures and knowledge, also in relation to different generations. Using an innovative communication and relation method, the objective of the project is to generate a multicultural space to exchange contributions, points of view and different social, cultural and working experiences.

### Training courses on unconscious bias

#### How to mitigate cognitive flaws



The Diversity & Inclusion programmes, in line with the provisions of the corporate policy, are monitored using indicators developed annually in agreement and cooperation with the Group's Sustainable Development and Risk and Compliance department, in the Corporate Affairs area, in line with the guidelines for development of the corporate sustainability plan.

The affirmation of an inclusive culture is a cultural process able to enrich the experiences of people throughout their work life, with both individual and collective benefits. For this reason, the Company is working, in an increasing and systematic manner, using synergistic actions

to perfect analysis models and indicators consistent with people management processes. The system will make it possible to appreciate scenarios, goals and evaluation metrics to be made visible and transparent both within the organisational context and with stakeholders.

The Policy is available on the company's website to all stakeholders and communicated to all employees through specific training sessions, based on their roles and responsibilities. With reference to updating, this is assessed at least annually in light of evidence emerging from assessments and monitoring of national and international trends.

As in the previous year, Poste Italiane provided the online training programme "Business and Human Rights Protection". This programme is open to all employees, with the goal of promoting knowledge and awareness of the main guidelines adopted by the United Nations Human Rights Council. The course presents crucial issues in developing a culture that pays attention to human rights. The content was developed by SIOI (Italian Company for International Organisation) and is available through an innovative and dynamic digital learning method, including videos, readings and podcasts.

For Poste Italiane, the commitment to protect and promote human rights is a crucial element of corporate social responsibility, that the company undertakes and continues to support a culture of inclusion and closeness. The Group has joined the CEO Guide for Human Rights, presented by CSR Manager Network, the national association of professionals involved in the management of sustainability in enterprises. The CEO Guide for Human Rights is a guide for companies that want to make a contribution with a positive social impact.

### Human Rights

#### For a more inclusive and sustainable Company



The main initiatives relative to Diversity & Inclusion are supervised by the Human Resources and Industrial Relations area, through the People Care and Diversity Management function, introduced in 2019 and within which a new position has been

formalised, to promote the implementation of projects called for in the Diversity & Inclusion Plan, while also supervising program management activities for interfunctional projects.



Additionally, the Company actively participates on inter-company working groups on certain issues, working together with the primary trade associations (e.g. Valore D, Sodalitas, etc.).

To guarantee alignment with market trends and best practices, the activities of the HR Studies Centre were strengthened. This included updating the dedicated website, available to all the colleagues in the Human Resources and Organisation family, with content selected and

organised in thematic areas using innovative editorial techniques. The new platform, developed to be user friendly, supports the exchange of information, socialisation and sharing of content and approaches to support an inclusive culture and, more generally, personal well-being. Additionally, the HR Studies Centre participates in inter-company round tables, as well as with associations and institutions, to generate new opportunities and points of view with respect to company objectives.

## Agreement with the Forum Terzo Settore Poste Italiane for the reintegration into work of the most vulnerable



The economic crisis linked to the pandemic severely worsened already existing inequality and created it in new areas. In internal areas, already subject to differences, it will be much more difficult to restore the social fabric, making it fundamental to create opportunities for socialisation and work for the people who live there. Poste Italiane works with Forum del Terzo Settore to promote the development of internal areas through targeted projects and services and to support the reintegration in to work of the most vulnerable. The memorandum of understanding is part of the company's sustainability policies and makes use of the widespread geographic distribution of the Group throughout Italy.

Additionally, this is the very first memorandum of understanding Forum del Terzo Settore has signed with a major company and defines and develops activities to promote corporate volunteering and the collection of funds for social projects in compliance with the Poste Italiane Code of Ethics. In fact, through the digital corporate volunteering platform, interested employees can find thousands of activities to support inclusion at work, with an eye to sustainable development and social responsibility. Through the initiative, 100 national organisations that are members of the Forum, representing over 158,000 local offices, will present projects that Poste Italiane employees can participate in as volunteers, outside of working hours.

Poste Italiane will participate in shared events and initiatives organised by Forum Nazionale del Terzo Settore and will establish a permanent working table with Forum, in line with its stakeholder engagement policies, making informational material available relative to Poste tools and products dedicated to the non-profit sector and to communities. The Forum will participate in activities and events organised by Poste Italiane, spreading information about the incentives offered by the Group among non-profits which are members of its organisation, to facilitate their utilisation by members. Additionally, the Forum will offer technical support to the Company when developing public financing proposals to support non-profit entities.

Thanks to the "Framework Agreement on harassment and violence in the workplace", Poste Italiane has again made its commitment and duties clear in guaranteeing a working environment in which everyone's respect and dignity is guaranteed and interpersonal relationships based on the principles of equality and reciprocal fairness are encouraged. The Group does not tolerate any type of harassment or violence in the workplace.

As established in the Memorandum of Understanding with the Ministry of Equal Opportunity, Poste Italiane promotes awareness initiatives to increase knowledge about gendered violence and constantly monitors its impact on the local area. In fact, institutional messages to raise awareness about these issues can be seen on the screens of Postamat ATMs. Additionally, the toll free number 1522 and the app to prevent and

combat violence, including stalking and mistreatment, are also shown on the ATM screens.

In 2021, the Company again demonstrated its commitment to prevent gendered violence, introducing a new project intended to support residential autonomy for women who have suffered violence, providing concrete support for social inclusion. 10 residences were identified throughout Italy for the project, part of Poste Italiane's real estate assets, to be used for the residential autonomy of women and their minor children who are suffering particular economic distress. The initiatives includes around 40 women per year, some of which also includes employees who have suffered violence.

The initiative is the result of close cooperation with two associations working to protect

**10** residences have been made available throughout Italy to **40** women who have suffered violence

women which operate throughout Italy, D.i.Re. and Differenza Donna, to which the apartments are made available free of charge to be assigned to the women in question.

The project follows the previous one launched in 2019 and dedicated to the employment inclusion of women who have suffered violence, thanks to which twenty women who had been out of the labour market and were leaving shelters were able to take part in courses to obtain skills and find work at companies, proposed directly by the non-profit organisations that work to help these women rejoin the work force. The issue of reinsertion, the concept of rebuilding one's identity within society and the "rebuilding" of one's life are the key points of the shared commitment of the Group and the associations. During the week from 21 to 28 November, D.i.Re. launched the "Componi la libertà" campaign, which leverages the concept of aid to help women win back the liberty they had lost and help them as they rebuild their life.

Poste Italiane assigns a central role to the values of diversity and inclusion, also in relation to administrative bodies. To that end, the Group has adopted a "Diversity Policy for administrative and auditing bodies of Poste Italiane", which establishes Poste Italiane's responsibilities with respect to the adoption of a perspective that mirrors these values.

Through the Policy, Poste Italiane identifies the criteria for the qualitative and quantitative structure of a Board of Directors able to effectively carry out the tasks and responsibilities assigned to it. All of this is made possible through the presence of individuals who guarantee a sufficient level of diversity in perspec-

tives and skills, crucial for fully understanding current business, as well as the risks and opportunities linked to company activities over the long term.

In defining the criteria, the Board of Directors took into account the nature and complexity of its business and the social and environmental context in which the Company operates, as well as the experience acquired by the Board itself with regards to its activities and operating methods and those of the internal Board committees, in addition to the results of self-assessment processes conducted in recent years.

Without prejudice to the requirements of professionalism, integrity and independence, as well as situations of incompatibility and/or forfeiture provided under the law, regulatory provisions and the By-laws, the Policy addresses issues relative to age and seniority in office, gender, geographical origin and international experience. In addition to the above, note that the Policy recommends specific professional skills relative to finance, remuneration and/or risk management, as well as an adequate understanding of the business sectors in which the Company works, so as to assess the relative risks.

Every year the Board of Directors carries out the Board Review, with the help of an external company specialised in that sector. The Board Review is a self-assessment, based on a procedure that includes interviews with individual directors, statutory auditors and the Secretary of the Board of Directors, conducted with the assistance of specific questionnaires.

**44.4%**

of the parent company's **Board of Directors** are **women**

**46.4%**

of middle and senior managers were **women** in **2021**

The appointed firm issues a final report, to be examined and shared with the Board of Directors in its entirety. The Board Review completed in the initial months of 2021 indicated that the qualitative structure of the administrative body was appropriate in terms of skill, professionalism, experience and diversity, in the various meanings attributed to the term. The 2021 Board Review is still being

MAIN RELATED  
TYPES OF CAPITAL



completed.

## Equal career development opportunities NFS

Respect for people and their professional development are essential values for the Group, which believes that the relationship, intellectual, organisational and technical skills of each employee are a strategic resource for the organisation. An inclusive business culture is a necessary element when the aim is to support diversity in thought. More specifically, Poste Italiane is committed to guaranteeing respect for equal opportunity, considering the value of each individual regardless of their gender, reducing situations of individual fragility.

The Company takes special care with Human Resources. In fact, as governed by its Code of Ethics, the Group promotes fair management and growth of intellectual potential, in line with the criteria of merit and performance achieved, ensuring equal treatment and condemning all forms of discrimination. In compliance with this, professionalism and individual skills represent the basis for the hiring process used for the workforce, in respect of the Group's requirements. On the other hand, personal characteristics such as age, gender, sexual orientation, disability status, ethnic origin, nationality and political or religious beliefs are not criteria for evaluation, in line with the principle of impartiality.

Poste Italiane believes that the development and enhancement of the distinctive skills of people, in any form or manifestation at the various levels of the organisation represent fundamental strategic levers to support the growth of the Group's business.

This means that greater employee involvement, as a function of the achievement of company goals, is linked to the degree to which the Company is committed to appreciating the diversity found within its value chain. This basic assumption makes it possible to acquire a competitive advantage on the market and generated shared social value.

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**The Group's goal is to promote a business culture that supports inclusivity and values diversity, through constant dialogue with its employees to protect the well-being of all and reject all forms of discrimination**

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As in past years, Poste Italiane supports the "Charter for Equal Opportunity and Equality at Work", a declaration of intent voluntarily signed by companies of all sizes. The objective of the initiative is to promote and disseminate a business culture and human resources policies that are inclusive and free of discrimination and prejudice, so as to develop individuals while respecting their diversity. The Charter promotes principles that support the creation of a working environment that reflects inclusion and pluralism, creating equal opportunity for all and valuing individual skills. Poste Italiane also holds these values and therefore is committed to supporting social cohesion and equity, thereby also supporting sustainable growth for the Company.

Poste Italiane continues to implement that called for in the Memorandum of Understanding signed with the Ministry of Equal Opportunity, consistent with its efforts to value diversity, to achieve shared and effective action in terms of its communication, awareness and dissemination plan to:

- promote initiatives aimed at the protection and full affirmation of Human Rights, as well as preventing and combating all forms of exploitation of human beings and people trafficking;
- promote full implementation of policies regarding equal opportunities between men and women, with particular reference to work-life-balance and career issues;
- prevent and combat sexual and gender-based violence, stalking and any other form of violence against and abuse of women and children;
- prevent and eliminate all forms of discrimination directly or indirectly based on gender, racial or ethnic origin, religion or beliefs, age, sexual orientation and gender identity.

## Supporting maternity and paternity

To support work/life balance, more specifically in relation to the presence of women in the business world, the initiative now known as *Lifed* continued in 2021. Originally launched in 2015 under the name MAAM, “*Maternity As A Master*”, this is a digital programme intended to strengthen the parenting skills, also useful when returning to work, with an eye to acquiring greater awareness of the changes and resources activated which are linked to the experience of caring for a child.

Participation in the *Lifed* initiative is available both for women on maternity leave and new parents (both mothers and fathers) of children aged 0 to 3, as well as managers whose personnel are involved in the initiative. Over 700 people signed up for the programme in 2021, which continued to enhance the skills accrued through parenting. Additionally, actions continued to engage employees falling in the target groups of parents, new mothers, new fathers and managers, which led to an increase in fathers enrolling in the programme (39%). Poste Italiane's goal is to enhance this life phase for

its employees, through this “emotional intelligence business school”, obtaining benefits from their new energy, improved skills and greater productivity and efficiency. The Group emphasises the importance of parenting for men as well, aware that this represents an excellent opportunity to improve skills such as empathy, listening, understanding of others, patience and communication.

The initiative is supported by an online community that allows mothers and fathers to discuss parenting and the *Lifed* path in a protected and stimulating environment by integrating the various experiences through a network of participants from various companies, facilitating the process of learning, training and skills development.

**More than 700**  
employees participated  
in the *Lifed* project  
in 2021

**Top 100 Globally**  
Poste Italiane is now  
ranked among the  
**Top 100** in the global  
classification for gender  
equality published by  
**Equileap**

## Developing women's leadership

Poste Italiane implements internal initiatives on gender equality and professional growth for women. In this context, the Group has continued to maintain the partnership begun in 2012 with Value D, the association of companies that promotes diversity and female talent and leadership to support greater gender balance. This partnership has been fundamental through participation in managerial training projects, skill building, role models and intercompany mentorship projects to promote the professional development of women to help them reach managerial roles, as well as offering a greater focus on STEM roles and skills in the company, also through participation in listening surveys to increase the awareness of new generations and help them eliminate bias and cultural barriers. Additionally, the Company has taken advantage of the ability to participate on intercompany working groups on the subjects of diversity management, work/life balance and female employment, as well as offering speakers for induction programmes and to inspire middle school students.

Additionally, in 2021 the Company continued to carry out orientation programmes with Valore D, intended to encourage school-aged children to follow their dreams, without being conditioned by their gender, through dialogue with internal role models, to actively combat stereotypes held by the younger generations.

The great attention that Poste Italiane pays to equal opportunities and the development of women in the Company has led the Group to be recognised as one of the best employers of women in Italy. This was confirmed by the research “Italy's Best Employers for Women 2021” carried out by Istituto Tedesco Qualità ITQF in collaboration with the Media Partner La Repubblica Affari&Finanza. The 200 best employers for women in Italy have been identified by listening to the web in an innovative way and using artificial intelligence. In particular, the results of this study are the outcome of an extensive analysis for which 45 topics were considered, including women, equal opportunities and employment.

## #ValoreD4 STEM Valuing female talent



In March 2021, Poste Italiane conducted a survey promoted by Valore D, administered to 1,765 women with the aim of valuing female talent. The initiative involved women with a degree from the STEM area or with a work position associated with the same. The research involved the administration of a questionnaire. 32% of Group employees responded in full. The women in STEM model obtained from the analysis done by Poste Italiane shows a significant group, with an average age between 41 and 50 years (37.6% of respondents). Most respondents are middle managers (68.6%) and have at least one child (63.4%) in contrast to the general survey carried out by Valore D (only 48.1% have at least one child).

These women, specifically due to their parenting needs, state that they are more valued in their working environment, demonstrating the attention the Company pays to supporting motherhood.

## Alliance among generations

Poste Italiane, in the context of actions supporting an inter-generational exchange within the organisation, promotes the “Connected generations” survey, an initiative that continues the “FishBowl generation” project, which aims to focus on languages, work styles and the needs of the different generations in the Company in order to identify and enhance shared actions that can promote a generational alliance.

Induction & Onboarding programmes have also been promoted with mentoring and knowledge transfer activities. A motivational support programme for seniors was introduced, with multi-generational team management models. Additionally, programmes to strengthen the

alliance between the business and educational sectors, with orientation initiatives and inter-generational dialogue, offered opportunities for co-working for employees at different professional levels.

Finally, with the aim of promoting a shared approach to diversity and inclusivity, an online training course entitled “Managing Emotions” has been planned for all employees, the aim of which is to undertake a path of awareness of the impact of emotions and actions from an intergenerational perspective, in order to tackle obstacles and activate useful resources to promote exchange among people of different generations.

## 4Weeks 4Inclusion



For the second consecutive year, Poste Italiane participated in “4Weeks4Inclusion”, the largest intercompany marathon in Italy on diversity and inclusion. The event saw over 500 thousand participants with over 200 companies involved in the digital events held over 4 weeks, with some open to the public and thousands of interactions on social networks. The initiative, which was supported with articles on the company intranet NoidiPoste, is linked to the wider “European Diversity Month” project - 30 days promoted by the European Commission to raise awareness about the importance of diversity and inclusion at work and in society, throughout the EU.

Through 4Weeks4Inclusion, the Company carried out an initiative known as “From the Aquarium to the Sea: dialogue between generations at the company”, dedicated to the issues of intergenerational dialogue. The webinar touched on current and unique aspects with regards to sharing information, experience and perspectives between generations and offered considerations and points for reflection with regards to daily work within the Group.

During the meeting, various external speakers and Poste Italiane employees from different generations spoke, using Fishbowl methodology, entering the “fish bowl” to tell about their personal experience and point of view under a logic of complementarity and dialogue.

The webinar ended with an instant poll to identify participants’ thoughts on the main aspects and possibilities for improving this matter within the company, including a culture based on listening and the belief that sharing information can make a difference.



## Enhancement of disabled personnel

Consistent with its goals of valuing diversity and social inclusion, Poste Italiane began the LIS Project at certain post offices throughout Italy, creating a counter that offers services in sign language for people with hearing disabilities. Customers are assisted by personnel fluent in Italian sign language, both for normal counter services, such as paying bills, mail and parcels, and for consulting activities. The experiment is currently in progress at 7 post offices in Italy: Genoa Centro, Vicenza 9, Palermo Ausonia, Ruoti (PT), Rome 70, Campobasso Centro and Mantua Centro.

The Inclusive Musical Laboratories was another initiative carried out to increase awareness

of deaf culture and Italian sign language. The project involved the creation of a chorus of Poste Italiane Group employees, both deaf and hearing, in which each participant expressed themselves in accordance with their abilities: whether with their voice or using Italian sign language, moving their hands and wearing white gloves.

With this inclusive view, again in 2021 and consistent with that undertaken in 2020, the Group continued its efforts to remove architectural barriers from its offices in municipalities with fewer than 5,000 inhabitants, in order to make them more easily accessible to all.

## Supporting vulnerability

Poste Italiane promoted participation in the intercompany research project to examine the issue of health in working environments, to include and assist people living with a serious illness or chronic disease. The results of this

supported the launch of the new initiative “We Are Here”, intended to listen, understand and provide adequate assistance for the needs of the most fragile.

Consistent with that implemented in 2020, a listening project was begun to identify the main cultural, organisational and management consequences associated with fragile conditions and, at the same time, determine the level of awareness about this issue within the company. The process involved interviews and focus groups with colleagues on sick leave or newly returned and their managers, followed by an online survey for the entire workforce. Over 2,700 people participated.

The study suggested that colleagues in fragile situations have a positive perception of an inclusive working environment: over 80% stated they were able to readily support changes in their work and easily adapt to new technologies, styles and procedures. The most significant figure identified was the almost full participation of colleagues in vulnerable situations.

The initiative was structured to serve as an important occasion to draw the company’s attention to their situations and to give them an opportunity to make a contribution and share their point of view. The results of the survey strengthened Poste Italiane’s concrete commitment to develop policies to support the establishment of an inclusive business culture and to introduce a distinctive identity when acting with respect to situations of fragility, focussed on caring for people. Consequently, a new company project called “We Are Here” was begun, with inclusive coaching courses offered on a volunteer basis by coaches from Poste Italiane’s Coach School, specifically trained to support colleagues in identifying new professional objectives and facilitating the recovery of daily activities. Additionally, flexibility solutions and welfare tools were strengthened to support work/life balance.

**“We Are Here”**  
A listening project  
for the most  
fragile



Additionally, as in 2020, to support more fluid and effective communication with deaf personnel in terms of accessibility at work, while also taking into account the complexities associated with the Covid-19 pandemic, subtitles were added to all company intranet videos and accessible aids were developed

to improve the use of training initiatives and other intranet contributions. Further, an informational compilation of general rules was created to facilitate understanding of the regulatory provisions in effect in working environments.

Finally, to support a shared company culture of inclusivity, a course on fragility management was created, available to all personnel. The programme offers video clips on the main

issues concerning disabilities and fragility that are experienced in the family, such as the management of time and space, life balance and moments of pause.

## Poste Italiane's support to food collection

Together  
at the 25th edition



Among the solidarity initiatives carried out in 2021 with the participation of Poste Italiane, of note is the twenty-fifth edition of the National Food Bank Day, an initiative organised by the Banco Alimentare Onlus that allows people to donate part of their food shopping to those in need.

The products donated are distributed to over 7,600 charity organisations affiliated with Banco Alimentare (food banks, communities for young people, solidarity organisations, homeless shelters) that support around 1,700,000 people. The Group made over 150 company vehicles available to transport the donated food and employees responded positively to the day of solidarity, participating both as drivers and as volunteers in supermarkets.



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*Scan the qr code  
and watch the video.*



# Creating value for the **country**











## Helping Italy recover

- Certification of 100% of the Group's financial consultants in accordance with ISO 22222
- Delivery of more than 25 million doses of vaccine
- Implementation of numerous initiatives to improve the quality of life in small municipalities

# Creating value for the country

## MAIN RELATED TYPES OF CAPITAL



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2021	
 	Continue financial, postal and digital inclusion and education projects	• No. of events	• 258 by 2021	2020	• Around 12,000 participants 	    
	Increase the inclusivity and sustainability of Financial Education activities through the creation of a structured "Edufin" Events Plan	• No. of "Basic" course events • No. of "Thematic" course web conferences	• 134 by 2022 • 9 by 2022	2021	New	
	Increase people's knowledge of the new delivery and logistics models and digital topics through webinars dedicated to the individual Marco Areas, which can also be used by individuals who are deaf or hard of hearing	• No. of webinar sessions carried out on new delivery and logistics models with a sign language interpreter and subtitles • No. of webinar sessions carried out on digital topics with a sign language interpreter and subtitles	• 6 by 2022 • 6 by 2022	2021	New	
	Certify the financial advisory service and the skills of people operating in accordance with the ISO 22222 standard	• % of ISO 22222 certified financial advisors	• 100% by 2022	2018	• 100% 	
	Maintenance of the certification of the financial advisory service and the skills of people operating in accordance with the ISO 22222 standard	• % of ISO 22222 certified financial advisors	• 100% by 2022	2021	New	
	Increase the Group's support for initiatives in the "well-being and social inclusion" category	• % of well-being and social inclusion investments	• +10% by 2022	2019	• 8.4% 	
	Reinforce the Group's efforts in support of the territory, through targeted initiatives for the promotion of sectors related to Culture and Art, which have been severely impacted by the continuing pandemic and health restrictions	• % of territories covered by initiatives to promote sectors related to Culture and Art	• +10% by 2022	2021	New	

 Objective achieved/Objective achieved and updated

 Objective not achieved

 Deadline for achieving the objective that has not yet expired

## Support for the socio-economic development of local communities

NFS

MAIN RELATED TYPES  
OF CAPITAL

Poste Italiane has always been dedicated to the local communities it works in, supporting modernisation and digitalisation, promoting well-being for citizens and socio-economic development to generate a positive impact on the community through organic and widespread social inclusion initiatives. Thanks to the large network of Post Offices, the Group is committed to achieving these objectives by developing high quality products and services. The Company pays greater attention to the most vulnerable groups, weakened by physical, mental, family, economic, ethnic and social conditions. More specifically, Poste Italiane promotes an inclusive approach and constant dialogue with citizens, authorities and non-profit associations, at both local and national level, in a continuous process of reconciling relative and legitimate interests.

**Poste Italiane aims to create a positive impact at the national level, through organic and widespread social inclusion initiatives that protect the well-being and interests of citizens**

Within its Policy on Community Initiatives, Poste Italiane notes its desire to support local areas by promoting socio-economic projects.

These provisions are part of a regulatory framework already outlined in its Code of Ethics, as well as in the Group's Integrated Policy on Anti-Corruption and its Human Rights Policy, demonstrating the attention Poste Italiane pays to the most vulnerable people and the needs of the community. To meet these objectives, the Company involves its stakeholders, maintaining continuous dialogue with them, with the aim of creating shared value in the long term. The Policy describes the main areas of intervention towards which the Group turns, that, in accordance with those described in the Group Policy for the protection of Human Rights, promote greater integration of the categories most at risk of exclusion through dedicated products and services, culture and education, economic sustainability and social connection, through collaboration with central and local administrations, the Third Sector and Communities to meet the needs of the most disadvantaged categories.

Poste Italiane contributes to the achievement of the Sustainable Development Goals defined within the 2030 Agenda of the United Nations, aimed at ending all forms of poverty (SDG 1); providing quality, equitable and inclusive education and learning opportunities for all (SDG 4); encouraging sustainable, inclusive and lasting economic growth, full and productive employment and decent work for all (SDG 8); reducing inequality (SDG 10).

In harmony with the provisions of the Code of Ethics and the values defined in the Company's guidelines, investments in favour of the community are made in full compliance with the principles of integrity and transparency. Poste Italiane makes donations and offers sponsorships to partners, entities, associations and local institutions operating in the community, in compliance with a specific procedure that determines suitability. These contributions must not be used to conceal corruption or any other conduct not in line with the principles of Group, as indicated in the Integrated Policy. In consideration of this, evaluations of donations by the Company involves a due diligence process in relation to the significance of the initiative, the reputation of the potential partners and alignment with company objectives and expected benefits. The Sponsorships and Donations Committee is responsible for evaluating all requests for sponsorships and donations and is chaired by an external Chair with high standards of professionalism, integrity and independence.

In addition, in order to proceed with the material disbursement of the contribution, the consistency of the initiative with the content of the contract, the regularity of the activities and the proper execution of contractual obligations are evaluated.

**82** social/cultural initiatives approved by the Sponsorships Committee, which met **11** times in **2021**

During 2021, the Sponsorships Committee met 11 times, approving 82 social/cultural initiatives. Initiatives with significant social impact were prioritised, with the aim of strengthening Poste's presence in the "peripheral" areas of the country.

More specifically, initiatives in the well-being and social inclusion categories were privileged.

Additionally, special importance was placed on the presence of Poste Italiane in peripheral and

more disadvantaged areas, guaranteeing support for initiatives in all the regions of the south and on the islands.



The continuing health emergency caused by the Covid-19 epidemic influenced the execution of activities promoted by Poste Italiane again in 2021. However, with respect to 2020, the impacts were more contained thanks to specific flexibility measures included in contracts with regards to the scheduling and management of events.

### Poste Italiane delivers medicines at home "instant" delivery services

Thanks to PonyU, Poste Italiane's partner in pharmaceutical logistics, the Company is able to offer "instant" delivery services - 30 minutes after the order is made or at a scheduled time, allowing the customer to select the time window during which the medicine will be delivered.

This is made possible thanks to the agreement between Poste Italiane and Pharmap. In fact, through pharmap.it or the "Pharmap - consegna farmaci" app, or the dedicated call centre, a customer requests the delivery of any product, including prescription medicine, by selecting a participating pharmacy. A Poste Italiane letter carrier collects the medicine and delivers it to the customer, who can either pay by credit card on the platform or upon delivery.

The Company aims to cover around 1,000 cities throughout Italy with this service, especially in smaller towns and those with a large senior population.

During 2021, the SELECT model used to evaluate sponsorships was revised, with the aim of strengthening the model with more solid methods of calculating media value and standardising qualitative assessment of initiatives. Additionally, with the aim of transferring the algorithm and Excel database to better performing software, the SELECT 2.0 tool was automated with the assistance of the DTO function, integrated into the Poste Italiane systems and now allows the insertion of quantitative data supplied by potential partners on the web platform.

Poste Italiane makes use of a monitoring tool to identify specific KPIs that measure the benefits generated by initiatives, both for the community and the business, using the classification and measuring standards proposed in the London Benchmarking Group (LBG) model as the reference, which establishes specific criteria to manage, measure and report on involvement in the community, based on the principles of transparency and participation.

## A new life for small communities

Poste Italiane makes its widespread network a tool, serving as a liaison between institutions, local areas and services offered to Italy. Aware of the significance of its position in reference to national social and economic aspects, the Group continues to invest in the programme it began in November 2018 to support small communities. This project came from Poste Italiane's renewed support for local areas with the aim of promoting specific initiatives to support the development and inclusion of less connected areas. In particular, in 2021 the Group committed to guaranteeing continuity of service, in line with that done in 2020, strengthening its relationship with

local and central institutions through dialogue based on immediacy and transparency. It also involved in the public in training initiatives, ranging from financial education to digital. Additionally, Poste Italiane has confirmed its commitment to fighting the commercial desertification of small mountain communities. Uncem Piemonte, the National Union of Mountain Municipalities, Communities and Entities, began the "Botteghe dei servizi" project which, thanks to an agreement with Poste Italiane, will contribute to keeping the small villages of our country alive. As of 31 December 2021, Poste Italiane had met important goals associated

Zero

Post Offices closed in 2021



with the sustainable development plan: it had made resources useful that would otherwise have been abandoned or unused, consequently supporting the health of the local areas. In terms of environmental sustainability, Poste Italiane's commitment to reducing emissions and the environmental focus of its business are also seen in relation to small communities. In particular, the Company aims to offer zero emissions services in 800 small municipalities and in 35 historic centres by 2024. Finally,

Poste Italiane began the Smart Letter Box initiative, installing 57 letter boxes with a screen in 2021, in Rome, Milan and Turin, which can be added to the letter boxes without a screen installed in small municipalities with a population of less than 5,000 residents.

With reference to the objectives met by Poste Italiane in providing support to small communities, the following projects should be noted:



A central office now provides dedicated support for small municipalities



**9,833** video surveillance systems installed in **3,173** municipalities



**601** POS have been activated in **368** municipalities



**1,104** architectural barriers removed in **1,041** municipalities



**2,645** municipalities served by new green fleet



The treasury service was activated in the municipalities that requested it



**11,962** red post boxes have been installed in **5,296** municipalities



**303** smart post boxes have been installed in **232** municipalities



**19** murales have been created to improve the urban décor of peripheral Post Offices



**1,559** new ATMs have been installed in **1,536** municipalities



**3,270** schools were licensed for the "Risparmio che fa scuola" programme in **2,684** municipalities



**488** financial, digital and postal education events were provided in **484** municipalities



**5,692** Wi-Fi spots



There have been no Post Office closures

## Cresco Awards sustainable cities 2021

With a view to being close to the more peripheral realities, also in 2021 the Group participated in the "Cresco Awards Sustainable Cities 2021", promoted by Fondazione Sodalitas in collaboration with ANCI (National Association of Italian Municipalities) and with the patronage of the European Commission and the Ministry

of the Environment. The award highlights the commitment of Italian municipalities on issues of sustainable development of the territories. The winning small municipalities have promoted eco-sustainable activities and active citizen participation.

## "Valori ritrovati" (Rediscovered values): a project of circular economy

In continuity with the Memorandum of Understanding stipulated with Caritas in 2018, and renewed in 2019 for a further 5 years, the initiative "Valori ritrovati" (Rediscovered Values) continues in 2021, a circular economy project that aims to allocate the so-called "anonymous parcels" or "abandoned parcels", to families in need, through the "Empori della Solidarietà", the circuit of supermarkets managed by Caritas that provides free basic necessity products. Thanks to this project, more than 24,000 lost or forgotten packages have been redistributed to needy families through the three facilities in

Perugia, Pescara and Rome, with revenue of around € 80,000.

Supported by the ItaliaCamp association, Poste Italiane has begun the process of assessing the impact generated by the project: a participatory evaluation system, which saw the involvement of both the Company and its partners SDA and Caritas Diocesana of Rome, based on rigorous criteria which, starting with the main international standards, develops a qualitative and quantitative evaluation of the results generated through various



stages of analysis. The project is part of the innovation and change process that the Group is implementing with regards to the areas of

sustainable finance, people development, sustainability, social value and value for local communities.

## Corporate volunteering

At the beginning of 2021, Poste Italiane and the Italian Red Cross, as part of the “Sentieri di Prossimità” (Paths of Proximity) project, have made teams of psychologists and social workers available to the populations of the four regions affected by the earthquakes in 2016-2017 in central Italy. Additionally, the Group provides support to the regions and 95 municipalities affected with regards to primary needs and to help the area to rebuild a cooperative framework, also by promoting prevention, safety and first aid. Also with regards to this project, Poste Italiane promoted a “solidarity Easter” in the regions affected by the earthquakes. Easter cards and small gifts were sent to the elderly and their families by students from the Poggio di Bretta school district in

the province of Ascoli. Poste Italiane also participates in the “Let’s rewrite the future” project, developed by Save the Children, to offer education, opportunities and hope to children and adolescents suffering severe difficulties. Through an ambitious programme across the country, the Group and Save the Children have undertaken to support around 100,000 children and adolescents up to 17 years of age who live in deprived neighbourhoods or come from the areas most affected by the pandemic, offering them opportunities for learning and socialising. Similarly, parenting courses have been set up for families that have suffered most from the effects of the crisis, with the aim of improving the well-being and living environment of the youngest children.

## The P.A.I.N.T. project

Amongst several initiatives to support small communities, in 2021, as in the previous year, Poste Italiane continued to support a project called P.A.I.N.T. (Poste e Artisti Insieme Nel Territorio), which started again after a period of interruption due to the health emergency. The project, launched in 2018, involves the redevelopment and decoration of the external walls of post offices by 22 street artists from all over Italy. The aim of the initiative is to promote the creativity of artists, to educate people about beauty and, at the same time, to make Post

Offices more welcoming and closer to the areas that host them, indirectly improving the customer experience. Moreover, through P.A.I.N.T. the Group confirms its sensitivity towards environmental protection by adopting, for the realisation of the murals, technologies based on natural materials that help to reduce polluting emissions.

From the project, 8 docufilms have been made, broadcast on Sky Arte, which tell the story of the creation of the various works.

## Close to young people

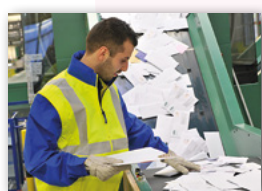
Poste Italiane continues its digital transformation process, in cooperation with the academic world. After the most recent challenges held in previous years with the Politecnico of Turin and Politecnico of Milan to imagine future developments, around 100 students from the Data Science course at La Sapienza of Rome were the leading players in the 2021 edition. The students were supported by technology and innovation experts from the company in a three day training camp to develop innovative business projects based on the use of big data. The goal of the initiative is to involve the professionals of the future to support the development of an ever more data driven innovation culture within Poste Italiane, a cutting edge approach

that makes use of big data in a strategic manner to improve decision making processes and take advantage of new business opportunities. The students worked on two “frontier” projects based on using big data to develop innovative solutions and services. The first project used Object Detection technology, identifying objects by analysing image data in the field of Computer Vision or Artificial Vision, a research area that studies algorithms to allow computers to reproduce the images seen by human eyes. More specifically, a model was hypothesised that allowed detection of people living in a given urban area through a sequence of satellite images of the various types of buildings in the area. The second project was focussed

on sustainability, now part of Poste Italiane's mission, with the aim of making Italy a better place by designing the city of the future -- the "Smart City". Students proposed solutions for smart cities using both big data already available to Poste Italiane and data that will be created by additional future innovative solutions. Consequently, the Group continued to meet the challenge of innovation, while also pursuing sustainability and supporting the digital transition of the country.



Despite the difficulties caused by the pandemic, Poste Italiane continued the recruitment and training plan active in 2021, aimed at young people and recent graduates, to support the insertion in the world of work. In fact, during the year around 3,400 people were hired with permanent and internship contracts, prioritising qualities such as flexibility and knowledge of the digital world. The main challenge for the Group is to create connections between four generations of workers, offering everyone opportunities to express their potential and obtain satisfaction from the work they do.



## Recruitment and training

### The 2024 Sustain & Innovate Plan

## Dialogue and transparency in relations with the authorities

NFS



Poste Italiane is committed to positive and constant dialogue with public authorities, taking into account the Group's mission, its widespread network and the context in which it operates. The purposeful and appropriate cooperation that the Group uses with all institutions underlies that dialogue, which creates systemic benefits which also impact the community and are not circumscribed to the company.

In particular, with regards to legislation, the dialogue is focussed on reciprocal benefit to the extent that prior transparent discussion with authorities allows the Company to represent its position with respect to certain issues. In this way problems of a regulatory nature are prevented and, frequently, opportunities are generated as the authorities can make use of a wider array of elements to evaluate the impacts and possible consequences of a given law.

**Poste Italiane maintains positive and constant dialogue with Institutions to support the sharing of development projects throughout the country, as well as to guarantee the effective provision of services to citizens, meeting the social needs of communities and, at the same time, increasing competitiveness and business continuity**

Dialogue with central institutions, such as the government and Parliament, is done through continuous and transparent involvement, with a positive and proactive approach implemented by 9 resources selected by the Company, chosen to represent the company's interests and promote shared social/economic development projects in the interest of the wider community.

This legislative relationship makes it possible to assess the impact and possible consequences of a given law, providing useful insights for decision-making. Another goal of legislative activity is to make clear the Group's position in relation to issues of interest to the authorities.

Legislative activities involve monitoring regulatory situations and the position of relevant institutional agents, as well as the preparation of position papers and proposals on important issues, with the assistance of relevant functions, with an eye to combining company needs and interests with those of the reference stakeholders.

These activities, which among other things is intended to obtain prior warning about the laws of the greatest interest to the Group, allowing it

**9 resources**  
chosen by the  
company to support  
**dialogue with  
Institutions**

### MAIN RELATED TYPES OF CAPITAL



to identify opportunities and risks, in 2021 was for the most part dedicated to examining the provisions adopted at various institutional levels to deal with the Covid-19 emergency, with an eye to supporting the relevant functions in implementing measures to support business activities and protect employee, customer and community health, and relative to the reform programme to support the National Recovery and Resilience Plan (NRRP).

Legislative activities also require constant monitoring of institutional stances through direct conversations with representatives and the use of specific tools to monitor and collect information (institutional websites, social networks, information bodies).

During 2021, the "Procedure for issuing information and managing relationships with institutional entities" was updated, after the finding issued as part of the audit on communication processes carried out by the Internal Auditing function. Following the request for an addition, an authorisation control was formalised as part of the procedure, already adopted in practice, with regards to participation in meetings to represent regulatory proposals/institutional requests. The new procedure was approved on 3 December 2021.

Strategic agreements and partnerships in favour of the community are established thanks to the synergy between Poste Italiane's mission and that of institutions. This leads to the possibility for investments and initiatives to offer integrated and innovative services, promote the extension of the postal network for prompt sharing of scheduling plans and to establish local teams focussed on specific issues<sup>83</sup>. Meetings are formalised in the reports prepared on a monthly basis.

Effective dialogue between Poste Italiane and consumer associations began in 1999 and has grown over time, leading to the formalisation of the first Framework Agreement in 2011, which was renewed in 2014 and in 2018. Stated briefly, the primary objectives of the agreement are to constantly improve the quality of Poste products and services, ensure transparency and correctness in the company's relations with consumers, improve consumer knowledge about products and services and provide information for proper and knowledgeable use of products and services and encourage the use of conciliation. The Framework Agreement led to the

establishment of the "Cantiere Consumatori", a consultation group that meets monthly with representatives of the associations to explain and present products and services.

Another goal of the relationship with the associations is to follow up on conciliation procedures, also called for under the Agreement, for the amicable settlement of disputes for all the Company's areas of business. Finally, also based on the Agreement, which establishes principles for transparent cooperation and sharing of information to the benefit of consumers, the "Dialogando con i consumatori" newsletter has been established.

Constant and transparent dialogue with consumer associations continued in 2021 on the basis of the Framework Agreement, the consultation group and the newsletter. The issues discussed included the provision of postal services in the light of the health emergency and the presentation of the company's offerings relative to the eco bonus and seismic bonus.

Additionally, conciliation activities were followed up on. New conciliators were trained and those currently certified received additional training. All of these activities were governed and described in company procedures pursuant to Legislative Decree 231/2001 and the procedures defined on the basis of the Framework Agreement signed by the Company and the consumer associations, referenced in the procedures pursuant to Legislative Decree 231/2001 is not established.

The successful implementation of the policies adopted is verified and evaluated in relation to the absence of critical actions taken by the consumer associations in terms of information bodies, both at the national and local level.

The Retail Post Conciliation Procedure was supplemented to implement the suggestions which arose during the regional audit process for ISO 9001 and ISO 37001 certification, carried out by company functions in November 2020, with the involvement of the institutional relations units.

The changes made to the Procedure mainly include:

- the addition of a no conflict of interest declaration made by the Poste Italiane conciliator to the Retail Post Conciliation Procedure;

83. Poste Italiane is a member of Confindustria on the basis of a specific agreement that regulates membership procedures, the benefits deriving from the status of associate and the definition of the contribution regime. The current agreement for the three-year period 2020-2022 envisages, among other things, strategic initiatives aimed at promoting a new corporate culture involving business models and choices geared towards innovation and economic and social sustainability. For 2021, Poste Italiane's support amounted to approximately €3.2 million.

- the approval of a new edition of the Retail Conciliation Regulation for January 2021, in particular relative to inadmissibility.

Poste Italiane interacts with the main central regulatory and supervisory institutions and bodies, including the Italian Communications Authority (Autorità per le Garanzie delle Comunicazioni - AGCom), the Ministry of Economic Development (Ministero per lo Sviluppo Economico - MISE), the Ministry of Economy and Finance (Ministero dell'Economia e delle Finanze - MEF), the Ministry of Foreign Affairs and International Cooperation (Ministero per gli Affari Esteri e della Cooperazione Internazionale - MAE) and the European Policies Department of the Cabinet Office.

In this regard, as part of its relations with the MEF, on 20 February 2020, Poste Italiane's Board of Directors approved the renewal of the three-year agreement for 2020-2022, which

aims to regulate treasury services and the movement of funds on behalf of the State.

At the European and international level, the Poste Italiane also maintains relations with the European Parliament, the European Commission, the Universal Postal Union (UPU), PostEurope, the European Centre of Employers and Enterprises providing Public services (CEEP), the International Post Corporation (IPC) and other institutions and associations in the sectors in which the Company operates. This latter is involved in coordination, representation and monitoring activities in terms of the political agenda, both at the European and international level and within the bodies mentioned above. The Group is also committed to issuing information for regulatory purposes at the national, European and international level, as well as preparing proposed amendments and additions to relevant regulatory structures.

## Dialogue and collaboration with institutions during the emergency



In relation to developments in the Covid-19 pandemic, 2021 was a year of instability and uncertainty that forced the entire world to adjust to new ways of living, further reinforcing the importance of solidarity and proximity to the local area and citizens. Continually considering epidemiological developments during the year, Poste Italiane continued to engage in constant dialogue with institutions, seeking shared solutions to meet the social needs of the community. Demonstrating this, the Company participated in the placement of the third and fourth issues of the Future BTP, a government security intended entirely for the retail market and linked to GDP performance, with returns supporting the post-Covid-19 economic recovery. The Future BTP falls within the spectrum of measures adopted by the government to deal with the health emergency, as well as supporting the vaccine programme, in which Poste Italiane played a leading role.

On 29 September 2021 the Group signed a new version of the "Memorandum of agreement on operational continuity in the distribution of Euro banknotes", with the same signatures of the agreement on the establishment of the COBAN Committee in 2015. The new version takes into account the experience the Committee has acquired over the years, while also including critical events like the pandemic and providing greater clarity on certain aspects involving the activities and operating methods of COBAN itself. Throughout the emergency,

Poste Italiane maintained constant dialogue with COBAN, as well as with Civil Protection, the Prefectures, the police and CODISE, to ensure dialogue with actors potentially involved and appointed to manage the health crisis.

During 2021, the Company made its technological and logistics infrastructure available for the service of the country. In this way, the investments made in the cloud and to train people, combined with a spirit of sacrifice became an immense asset for all of Italy. Since the beginning of the health emergency, Poste Italiane has distributed more than 1.5 billion pieces of personal protective equipment, has taken action to deliver pensions in advance and guaranteed continuity of service, keeping at least one Post Office open in every small community. To that end, the agreement between Poste Italiane and the Carabinieri for the provision and home delivery of pensions for citizens over 75 years of age was confirmed. Staggered payment of pensions began in April 2020, following agreements with the MEF, Civil Protection, the Ministry of Labour, INPS and the Bank of Italy. It continued through the first quarter of 2021. At the

**+6,400** patrols to protect the services offered by Poste Italiane for over **46,000**

**Over 25 million** doses of vaccines were delivered by the Group's fleet during the emergency



same time, the Group signed agreements with more than 500 surveillance organisations and contacted all the Prefects, the Postal Police, the Carabinieri and Civil Protection to request collaboration in the management of possible gatherings outside Post Offices. Additionally, the Group has ensured the safety of its employ-

ees and customers by making use of remote work, which involved 85% of the company workforce, while also offering free Covid tests to all employees, as well as various protective devices including masks, plexiglass panels and thermoscanners.

### Covid-19 vaccine campaign Poste Italiane implements a platform to support vaccination



Thanks to the widespread nature of its physical and digital network and the investments made to update and modernise its platforms and infrastructure, Poste Italiane played a fundamental role in containing the pandemic in Italy. In order to contribute to the realisation of the vaccination campaign and support the most important processes, in February 2021, the Group launched the new platform for tracking and administration of vaccines against Coronavirus, providing the nation with its logistics and IT facilities.

The platform allows citizens of regions adhering to Poste Italiane systems to book their vaccine using a multichannel system. In fact, citizens can make use of 4 different channels: online, call centre, with a Postamat ATM using their health card, or directly using the hand-held devices provided to letter carriers. This service was also made available thanks to the efforts of more than 200 call centre resources, with peaks reaching up to 1,000, as well as 9,000 letter carriers, 3,000 ATMs and the preparation of the digital channels. Additionally, this commitment allowed the platform to be set up immediately, with the initial release of the platform taking less than 2 months.

The regions can use the platform free of charge and, at the same time, the healthcare system can manage and monitor bookings and vaccines administered in real time, improving their scheduling abilities. Thanks to the Microsoft cloud network, which served as the foundation for the platform, overloading and malfunction problems can be avoided, while still ensuring data is safe and secure. In January 2022 8 Italian regions participated in the digital system perfected by the Group, over 25 million vaccines had been delivered by SDA, over 31 million appointments had been made and 40 million doses had been administered through the platform.

In a very short time, the Group was able to offer an agile, flexible and solid structure, in which every request is met with immense humanity, guaranteeing the entire population an essential service at such a delicate time.

### Poste Italiane's commitment to vaccine delivery



Taking advantage of Italy's largest ground fleet, Poste Italiane has put itself at the service of the country to deliver vaccines.

From the start of the national vaccination campaign, SDA, Poste Italiane's express courier, has delivered over 25 million doses of vaccines in Italy, with more than 2 million in just September 2021. This commitment is in addition to that made by the Company from a technological point of view, by developing the booking platform. The numbers achieved by SDA serve to confirm the commitment Poste Italiane has made to support the plan to immunize the Italian population and develop useful synergy with institutions.

To continue distribution, the Group's fleet was reinforced in line with the needs of the country. In order to guarantee the correct management of the cold chain, all shipments were packed in professional isothermal containers, able to maintain the temperature at -2°C for more than 36 hours. Additionally, vehicles have been equipped with two types of cold rooms: one capable of guaranteeing a temperature of 0 to 10°C, the other of maintaining a temperature between -20° and +40°C. Throughout the voyage, a control platform makes it possible to verify the location of the material in real time. Poste Italiane had already undertaken this type of activity in the past, having transported and delivered 5 million kits (syringes, needles and diluent) and made its pharmaceutical delivery service available to municipalities.

This intervention for the good of the country demonstrates, on the one hand, the Group's logistical and organisational capacity to reach Italian citizens and, on the other, its great social commitment to the entire Community.

In other words, Poste Italiane succeeded in modernising its IT infrastructure thanks to investments totalling € 2.8 billion in the Deliver 2022 Plan. This led to an improvement of cloud platforms, data management and API (Application Programming Interface).

## Financial inclusion

Due the difficulties which were rendered even more pronounced following the Covid-19 health emergency, in 2021 Poste Italiane strengthened its commitment to people who, due to personal or physical conditions, cannot directly access products and services which are fundamental and necessary for economic sustenance and social well-being. The Group's widespread network played a fundamental role, as it allows Poste Italiane to remain close to the community, as it always has been.

Within the Policy for the Protection of Human Rights, the Company supports the protection of rights for local communities, ensuring accessibility and inclusion and with a constant commitment to reaching with its products and services areas and categories that otherwise would lack access to the same. Similarly, Poste Italiane is involved in initiatives to disseminate and support the right to study, economic sustainability and social connection, addressing needs that derive from various

### NFS

types of disadvantage, thanks to its network of company resources.

**Poste Italiane guarantees products and services that are accessible to all and that support social inclusion, strengthening its support for and closeness to the community**

The Group monitors its actions and range of products and services through continuous and structured dialogue initiatives, such as the annual conversations organised with key stakeholders. The objective is to monitor the needs of the community and the level of satisfaction with regards to the products and services offered. Based on principles of professionalism, reliability, and flexibility, Poste Italiane provides offerings dedicated to all the categories of customers it serves, in accordance with their specific needs.

### MAIN RELATED TYPES OF CAPITAL



In 2021, Poste Italiane enhanced its array of offerings, launching services which share the characteristic of working to achieve a sustainable future, in all senses. To that end, the Group promoted the *"risparmiosemplice"* formula, a savings plan without a fixed deadline and with a schedule set by the customer, based on 4-year interest-bearing postal certificates issued by Cassa Depositi e Prestiti SpA. The service allows for automatic scheduled subscription of digital interest-bearing postal certificates in a BancoPosta current account or passbook held under the same name as the postal certificates. The sums arising upon maturity of the interest-bearing postal certificates, subscribed under the Plan, are automatically reinvested in the *"risparmiosemplice"* savings plan including, in addition to the capital invested, the interest accrued after taxes. Further, in 2021 Poste Italiane and Cassa Depositi e Prestiti approved the terms for a new agreement on postal savings accounts, which includes postal savings passbooks, for a total of € 103 billion, and on interest-bearing postal certificates, which come to around € 216 billion. The updated agreement with Cassa Depositi e Prestiti provides the Group with sustainable remuneration for the four year period from 2021-2024, with an annual commission for funding goals between € 1.6 and 1.85 billion. Poste Italiane confirms itself as a strategic pillar for the country with this agreement.

Additionally, as in 2020, initiatives continued in 2021 envisaged under the regulations, as well as voluntary projects to provide support for the economic fabric of the country, which was hit hard by the pandemic crisis. These initiatives were carried out in cooperation with partners, for which financing products were distributed, and involved projects to support businesses suffering difficulties, focussed on aspects such as access to credit, to protect households and SME.

Finally, Poste Vita has the goal of encouraging Italians to take out insurance policies, offering an array of services not subject to the volatility seen on the market during the months of the Covid-19 pandemic.

### Poste Italiane's offerings Enhancement of Group services in 2021

During 2021, as in 2020, in order to support the community in financial terms, Poste Italiane received thousands of requests to suspend BancoPosta mortgages and instalments on BancoPosta loans for small and medium-sized businesses and self-employed individuals with VAT numbers. In particular, in agreement with

the lending banks, BancoPosta loan holders have been given the possibility of using the Solidarity Fund managed by Consap, for first home mortgages, up to a maximum of 18 months with a contribution covering 50% of the interest accrued during the suspension period while, for those that do not meet the require-

ments of the Fund, the possibility of suspending the mortgage for a maximum of 12 months has been provided.

Additionally, the Group continued its programme to relaunch postal savings, accompanied by improvements in the quality and efficiency of the services offered to customers, including the implementation of the digital channel. Specifically, online transactions on BancoPosta's current accounts for the purchase of Interest-bearing Postal Certificates on a 24-hour, 7-day-a-week basis were maintained, and interest-bearing postal certificates continued to be offered, which meet the different needs of Poste Italiane's customers, most of whom can also be subscribed to via the online channel. Among the aforementioned Certificates are:

- Buono Rinnova, a product for the re-investment of expired certificates, which for the first time can be subscribed to online;
- Buono per Ripartire, with a premium yield and dedicated mainly to customers with an interest in investing over the medium to long term (maximum duration of 16 years);
- Buono Soluzione Eredità, reserved for beneficiaries of inheritance proceedings concluded at Poste Italiane, which can only be subscribed at Post Offices;
- Buono Obiettivo 65, dedicated to customers who intend to supplement their future income through a certain annuity from 65 to 80 years of age.



In the face of the epidemiological developments caused by Covid-19 and in order to make it easier for Poste Italiane's customers to manage postal savings products remotely, the two subscription and offer methods continued to be offered:

- Telephone sales, through which customers can subscribe or redeem Interest-bearing Postal Certificates remotely through their consultant;
- Postal Savings Suggestions, through which customers can receive a subscription proposal in their reserved area for Supersmart Certificates and Offer, also agreed with the support of their consultant.

In order to raise awareness of the use of digital channels among the general public, also in view of the emergency context, Poste Italiane supported a number of communication campaigns during the year to promote online postal savings.

Finally, again with a view to improving the customer experience and encouraging the management of products for minors, including in the digital channel, a dedicated section has been implemented where parents can make deposits and subscribe to dematerialised Certificates for minors using their BancoPosta current account and/or Smart Book.

With a view to digital and financial inclusion, and in line with the country's objectives, Poste Italiane has confirmed the considerable contribution it makes to Italy in provided digital identities to citizens, with the Sistema Pubblico di Identità Digitale (SPID), which aims to provide users with a single login system with which to access all Public Administration services. At the end of December 2021, Poste Italiane had issued more than 22 million SPID digital identities out of an Italian total of 27.4 million. Thanks to SPID, with a single password it is possible to obtain health bookings, school registrations, access to the public Wi-Fi network and business practices, thus bridging the distance between citizens and the Public Administration and making various procedures easier and faster.

## Financial and digital inclusion of seniors and young people

Poste Italiane has always been committed to assisting and supporting the various population groups that live within the communities in which it works. For this reason, the Group is constantly working to find innovative solutions to reduce the digital divide and improve financial inclusion, with special care taken with the most fragile and at risk categories.

Specifically, relative to financial inclusion, in order to pursue its own goals while simulta-

neously adjusting to the continued emergency situation, the Group has proposed financial training opportunities in "mini" format, to allow citizens to be educated and garner information so they can be knowledgeable decisions.

Additionally, in relation to activities on financial, insurance and social security education organised during 2021, the Group issued two "basic" training courses in cooperation with the Corporate University, which planned 54 events,



and with the Post Office Network, which arranged 57. These initiatives involved employees, clients and individual citizens for a total of 49,000 beneficiaries.

Training activities are developed with the overall principle of meeting the educational and knowledge needs of the target population. In particular, employees benefited from three webinar cycles on Personal and Household Economics, Protection and Insurance. The initiative aimed at customers saw 21.8% growth in average participation with respect to 2020. The response in terms of participant interaction with their local Post Office was significant. In fact, numerous Customers and Citizens made requests and/or visited a Post Office

to learn, with the assistance of a consultant, how to resolve their specific financial, insurance and/or social security gaps, as identified after participating in the webinar. Finally, on 16 December 2021 a Webinar Test was successfully administered to the students enrolled at important Italian universities on the subject of Personal and Household Economics.

Poste Italiane periodically updates the Financial Education website with new content, short videos and tools useful for users, allowing them to acquire greater knowledge about their financial, insurance and social security needs and obtain guidance to better select from among the various solutions, with the support of a financial consultant.

In the context of the fourth edition Financial Education Month (Mese dell'Educazione finanziaria) (#OttobreEdufin2021 and #Prenditicuradeltuofuturo), promoted by the Financial Education Scheduling and Coordination Committee, Poste Italiane participated in the event and developed 8 webinars and insurance, social security and financial management issues, to increase knowledge relative to economic and investment decisions. On the occasion, the Group launched its new Financial Education website, entirely updated in terms of format and with the addition of a large amount of multimedia content, guides and informational tools to help provide guidance to citizens, helping them to make financial decisions that are consistent with their needs and economic possibilities.

Of the 8 webinars, 6 are on Personal and Household Economics, while the other 2 are on "Complementary insurance and risk management associated with increased longevity".

**Poste Italiane  
participates  
in "Mese  
dell'Educazione  
finanziaria"**

**#OttobreEdufin2021**  
**Il mese dell'educazione  
finanziaria** [www.quellocheconta.gov.it](http://www.quellocheconta.gov.it)



fa scuola" continued. The programme is promoted by Poste Italiane and Cassa depositi e prestiti, in cooperation with the Ministry of Education, and offers a unique and original didactic course at no cost. The Group wants to support education for these future citizens, helping them to reflect on their savings habits (economic, environmental, energy and food), through both an individual and collective lens.

The topics proposed for 2021, similar to those in previous years, were developed around three thematic areas covered with a workshop, multi-disciplinary and multimedia approach: saving on a personal level; sharing; quality of life on a global level.

Il Risparmio che Fa Scuola makes a kit of educational materials available to teachers free of charge, useful for examining the issue of sav-

ings and economic citizenship, to support the course.

In conjunction with this, the Company has also continued to invest in initiatives to reduce the digital divide, to make its products usable for all categories of people, in line with the principles of culture and education. In this view, the Company offers training courses in the digital area, together with its CyberSecQuiz, which allowed users to test and verify their knowledge about IT security.

Additionally, the Group offered multimedia content free of charge on the innovative theme of technology applied to finance or "Fintech", which has seen significant developments in recent years, with consequences for payment systems, investments, asset management, insurance models and consulting. In fact, there are many advantages that derive from digital developments, for both companies and end users. In the context of asset management and wealth tech, for example, the introduction of robo advisors and digital brokers has made it possible to offer personalised offers and access to services to an ever increasing num-

ber of users. At the same time, cutting edge technological payment systems make transactions faster, secure and easy to complete, wherever the user is located.

In this light, the digital education project is intended to give users an overview of technological and digital innovations, through dedicated content and free themed webinars.

## Digital Education Project



Again in 2021, Poste Italiane continued its Digital Education Project, with the objective of supporting the acquisition of digital skills by citizens, customers and businesses, to allow them to take advantage of the opportunities coming from the technological transformation in a knowledgeable and secure manner.

In particular, the series of meetings and webinars were focussed on various aspects, including the opportunities offered by artificial intelligence, understanding PEC (certified email) and digital signatures and the application of technology to the world of finance. Additionally, again in the context of the project promoted by Poste Italiane, the crucial elements for orienting oneself among the multiple sources of information available were examined, thanks to contributions from experts on developing critical thinking to fully take advantage of the opportunities supplied by the digital evolution. The Group's Digital Education course also offered meetings to learn about the two factor identification system introduced by the PSD2 directive on payment services, outlining the multiple advantages in terms of security.

Finally, in the first half of 2021, the Poste Italiane Digital Education Project saw participation by over 41,000 customers, who were able to interact through the chat made available for each meeting.

Finally, in 2021 the Company extended its range of financial inclusion products, including current accounts for young people, seniors and new Italians, as well as loans for young people, with a new loan known as the Green Loan. This latter is a personal loan for Poste Italiane account holders, which offers the possibility to access a credit line of up to € 60,000, with subsidised pricing, to finance certain "green" activities. These include the purchase of an electric/

hybrid car, including the installation of a residential charging station, photovoltaic systems (solar panels, wind systems), thermal/hydraulic systems (hot water heaters, air conditioners, water purifiers, biomass and geothermal systems) and thermal insulation systems (new doors and windows, roof and wall insulation). As of 31 December 2021, the loan initiative had seen 11,500 applications with 5,864 disbursed for € 137 million.

## Transfer of the tax credit

Consistent with the previous year and confirming Poste Italiane's commitment to the overall system, during 2021 the Group continued to offer a tax credit loan. This service, which began in the autumn of 2020, allows citizens and businesses that hold a BancoPosta account to access their tax bonuses and acquire liquidity in a single step. The initiative continues to be of great interest to the market. Additionally, in 2021 a new element was added to offer a 90% discount on the Poste Vivere Protetti Asset Protection Line, for all those who saw their tax credit loan request accepted by Poste Italiane.

In line with the provisions of the "Decreto Rilancio" (Law Decree 34/2020, converted with amendments into Law 77/2020), in 2020 the Group launched a service enabling individuals, businesses and self-employed professionals to transfer their tax credits to Poste Italiane, enabling them to obtain the related liquidity in a single payment, directly into their BancoPosta current account.

In particular, Poste Italiane plans to transfer the 110% Superbonus, the other Building Bonuses, the Holiday Bonus for accommodation facilities and, from February 2021, lease payments, sanitation and purchase of PPEs and Workplace Upgrades.

The service can be requested online at poste.it using Internet banking credentials or at all Post Offices and the request process is simple and immediate. It is also possible to simulate the value of credits in real time, using a simulator available both on the website, in the public area, and in the Post Office.

The launch of the service was accompanied by a promotion that provides, for customers who open a BancoPosta account up to 31 December 2021 and make the transfer, zero account fees for 6 months from the month of credit.

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*Scan the qr code  
and watch the video.*



# Green transition

## Respecting the environment to create sustainable value

- Training and awareness in energy and water use, waste management, and sustainable mobility practices
- Over 98% of the electricity requirement of the Group from sources 100% renewable
- About €17 million invested in projects for the reduction of the environmental impact
- 15.4% of green vehicles that make up the company fleet



# Green transition

## MAIN RELATED TYPES OF CAPITAL



## IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2021	OUTCOME
	Reduce the Group's total emissions in line with the Paris Climate Agreement targets and contribute to limiting global warming to 1.5°C	• tCO <sub>2</sub> e	• -30% by 2025	2020	• -5%	
	Achieve Carbon Neutrality	• Net tCO <sub>2</sub> e	• 0% by 2030	2020	• Defined the "Green Challenge", a Group emissions offsetting programme	
	Decrease the Group's direct GHG emissions (Scope 1) deriving from real estate facilities	• tCO <sub>2</sub> e	• -7,000 by 2024	2020	New	
	Decrease the Group's indirect GHG emissions (Scope 2) deriving from real estate facilities	• tCO <sub>2</sub> e	• -5,000 by 2024	2020	New	
	Reduce emissions from the postal delivery fleet	• % of emissions produced	• -40% by 2022	2019	• -9%	
	Increase the share of environmentally friendly vehicles (electric, hybrid, low emission) of Nexive, SDA, Milkman	• tCO <sub>2</sub> e	• -15% by 2025	2020	• Analysis of the instrumental activities for achieving the target	
	Increase the share of environmentally friendly vehicles (hybrid, low emission) of sender	• tCO <sub>2</sub> e	• -8% by 2025	2020	• Analysis of the instrumental activities for achieving the target	
	Use of electricity from renewable sources	• % of electricity consumed	• ≥ 98% by 2024	2020	• >98%	
	Replace the company fleet with vehicles with reduced environmental impact	• No. of company vehicles with reduced environmental impact introduced	• 27,800 by 2024	2019	• 5, 102	
	Decrease the Group's water consumption by adopting a dry cleaning system for the fleet	• No. of litres of water saved	• -12 million by 2022	2021	New	
	Introduce Smart Building solutions on the Group's real estate assets	• GWh of energy consumed	• -8GWh by 2024	2020	• -0.7	
	Reduce the number of offices with diesel fuel and LPG tanks	• No. of offices	• -220 by 2024	2020	New	
	Increase the production of GWh of renewable energy that can be used for self-consumption	• GWh of renewable energy produced	• +20GWh by 2024	2020	• +0.25	
	Make a large building Carbon Neutral	• Carbon Neutral Buildings	• 0 net tCO <sub>2</sub> e of a CS by 2023	2020	• Carried out a feasibility study on a set of large buildings	
	Sell electricity entirely produced from renewable sources and offset emissions deriving from the consumption of natural gas sold by the Group, through the use of emission offsetting instruments (e.g. voluntary CO <sub>2</sub> offsetting credits)	• % of energy sold 100% produced from renewable sources • Offsetting instruments used	• 100% by 2023 • Offsetting instruments used by 2023	2021	New	
	Maintenance of ISO 14001 and ISO 50001 certifications	• Corporate processes ISO 14001 and ISO 50001 certified	• 100% by 2021	Every year	New	
	Implementation of Environmental Management	• % of Group sites with number of employees >300 equipped with an Environmental Management System	• 100% by 2024	2021	New	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

## Environmental impacts of real estate facilities NFS

### MAIN RELATED TYPES OF CAPITAL



For Poste Italiane, environmental protection is a non-negotiable aspect when creating sustainable value. With this perspective, the Group follows this commitment in the communities in which it works, as governed in the Group's Code of Ethics, through knowledgeable use of resources and innovative solutions that allow it to minimise negative environmental impacts.

**Poste Italiane observes and incentivises a cultural approach that protects the environment, through more knowledgeable actions with regards to energy, water and waste management, to support the green transition in its own business while positively affecting the communities in which it operates**

Poste Italiane recognises the link between the products it offers, with the common factor of high quality, with compliance with environmental and energy regulations. For this reason, the Group aligns with the objectives established at the national, European and international level, acting in compliance with current laws and regulations<sup>84</sup>. Additionally, to that end in 2021 the Company became an official Supporter of the Task Force on Climate Related Disclosures (TCFD), strengthening its commitment to creating a more resilient financial system through climate-related disclosures.



**In 2021, Poste Italiane became a Supporter of the Task Force on Climate Related Disclosures (TCFD)**

The process of monitoring and measuring consumption and identifying possibilities for savings has been centralised into a single company function, responsible for monitoring the Group with regards to the environment and its real estate assets. The function acts to ensure Poste Italiane's activities comply with current regulations on energy use.

In 2021, Poste Italiane continued its initiatives intended to reduce its environmental impact, in line with that established in the Company's ESG Goals and, in particular, in relation to the green transition for real estate. Among the more important actions implemented by the Group, note management of utilities (gas and electricity) contracts with ENI and ACEA with the direct acquisition of commodities on the market, the progressive substitution of its fleet with electric vehicles and the installation of charging stations for electric vehicles. Additionally, the Company has promoted energy efficiency by increasing production of renewable energy and supported the reduction of emissions through dedicated projects. Poste Italiane has also undertaken planting projects, installed consumption data collection tools, implemented management platforms to monitor consumption and utility bills, encouraged development trends in its internal team and supported knowledgeable behaviour in energy use by its employees.

**Over 600 companies**  
have joined Poste Italiane  
in signing the *We Mean*  
*Business Coalition* to fight  
climate change

Seeing monitoring its environmental impact as a functional element for ensuring its business is green, the Group is constantly looking to install new tools to collect data and management platforms to monitor consumption and utility bills.

With the aim of formalising the green structure of its business associated with logistics, transport and real estate, and communicating the same to its stakeholders, Poste Italiane has had a Policy on Environmental Sustainability since 2019. The Policy is also the tool the Group uses to identify the environmental sustainability principles and initiatives to focus its commitment and actions on.

In fact, the document is structured around various principles, which establish the methods Poste Italiane uses to approach and act with regards to environmental sustainability. In particular, these include efficiency in resource

84. During 2021, the Company did not incur any fines or penalties linked to non-compliance with environmental regulations.



use, innovation to support the transition to a low-carbon economy, reduction and preven-

tion of environmental impacts and promotion of an environmentally aware culture.

## Poste Italiane and the We Mean Business Coalition

The Group works with other major companies to fight climate change

Poste Italiane is one of the 600 signatories of the letter presented by the We Mean Business Coalition, a global non-profit association committed to fighting climate change, supported by the Global Compact, the global UN agreement to encourage companies to actively promote ethical behaviour and responsible business, which the Group has been a member of since 2019.

The letter asks the global leaders of the G20 to commit to acting decisively to reach the 1.5°C goal established in the Paris Agreement undertaking, for example, specific actions such as gradually eliminating the use and financing of carbon-based energy, the removal of fossil fuel subsidies and the committing of € 100 billion in financing for climate projects for developing countries. As seen on the website for the project, the collective commitment made by the companies is a fundamental factor in giving politicians the necessary confidence to take effective action on the climate and to eliminate political obstacles that may prevent companies from acting.

To that end, Poste Italiane is offering a significant contribution, by making environmental protection one of the foundations of its own sustainability strategy, as described in the strategic plan "2024 Sustain&Innovate Plus".

Due to its commitment to reducing its environmental impact, over the years Poste Italiane has received certification of the environmental management systems used by Poste Italiane SpA and SDA SpA and since 2020 has held certification for the environmental management system for the processes used to design, guide, control and coordinate Post and Financial Services under the international standard UNI EN ISO 14001. The certification was issued by IMQ-CSQ, one of the most authoritative accredited certification bodies at international level.

With a view to improving the efficiency and performance of the Group, the preparation of an Environmental Management System, developed and certified in compliance with ISO 14001, is a fundamental factor in guaranteeing systematic management of environmental aspects associated with company processes. Additionally, the Environmental Management System is an effective tool that can help in achieving Poste Italiane's sustainability objectives. Focusing on continuously improving its performance, the Company intends to implement a series of initiatives focussed on the theme of protecting and respecting the environment, specifically in terms of reducing impact and increasing awareness.

To achieve the objectives and the Principles established in the Policy on Environmental Sustainability, Poste Italiane has identified three areas of action, relative to which various specific actions are carried out, with detailed information provided below:

- **Reducing the environmental impact of its operations:**

- optimisation of energy consumption and reduction of atmospheric emissions generated by buildings, thanks to supply plans based on renewable sources and investment in energy efficiency solutions, such as continuous consumption monitoring systems, use of eco-efficient lighting systems and other low consumption electrical/electronic equipment;
- green transport incentives for logistics and individual mobility, to reduce atmospheric emissions, also making available a company fleet consisting of hybrid or full electric vehicles;
- reduction in the consumption of materials and proper waste management, specifically through the reduction and containment of paper consumption, achieved through digitalising documents and maximising the portion of waste that can be recycled/reused;
- reduction of water consumption.
- **Incorporation of environmental aspects into the products and services offered:**
  - implementation of digitalisation processes for the products and services offered, in the belief that digital innovation can potentially create shared value for Poste Italiane and its stakeholders, providing a precious contribution both by reducing environmental impacts and improving Group profitability;
  - risk and opportunity analysis for environmental issues, relative to investment decisions and management of insurance activities, with the aim of making a significant contribution to the sustainable development process in Italy.

• **Raising the awareness of employees and third parties regarding the environmental culture:**

- involvement of employees in programmes and initiatives aimed at protecting the natural environment and ecology, in particular through the support and active participation of Poste Italiane's corporate volunteer network;
- support training and information projects on environmental issues, as well as initiatives intended to protect and restore environmental assets;
- dialogue and cooperation with entities and associations operating on the national and international level, to design and adopt models, policies and strategies that can mitigate climate change and prevent inefficient consumption of resources;
- analysis of risks and environmental management methods adopted by counterparties (suppliers, business partners, other companies), in procurement processes and any extraordinary finance transactions.

The Group's dedication to environmental sustainability can also be seen in its plan to increase the production of energy from renewable sources through the development of photovoltaic solutions, and to contribute to the absorption of CO<sub>2</sub> and other climate-changing emissions by planting green areas on Poste Italiane land and buildings.

The Company periodically monitors the effectiveness of its approach through procedures to identify and assess risk inside and outside

the Group, as well as by providing a system for reporting violations, a system of sanctions and through numerous activities of dialogue with stakeholders.

In line with regulations, Postel SpA and SDA, the two companies primarily involved in the certification process, have also defined specific environmental policies:

**Postel SpA Occupational Health and Safety, Environment and Quality Policy:** which is intended to guarantee and monitor appropriate company conduct relative to regulatory and legal provisions on environmental issues, ensuring the Company is in line with the standards required for occupational health and safety. Additionally, Postel SpA establishes objectives on environmental protection and prevention of negative impacts, especially relative to efficient waste management and is profoundly committed to responsibly using resources and protecting biodiversity as relevant to its situation.

**SDA SpA Quality, Environment and Occupational Health and Safety Policy:** through which SDA SpA establishes and presents its principles relative to proper management of quality, environment and occupational health and safety issues. In particular, the Company recognises the importance of environmental sustainability and is committed to protecting the environment, making specific reference to preventing pollution and excessive consumption of natural resources, which could be associated with the business carried out by the Company. In this light, SDA SpA promotes recycling and, when possible, reuse of waste products and is also committed to constantly working to achieve a supply chain structured around sustainability.

Continuing the initiatives to redevelop green areas begun in 2020, Poste Italiane renewed its commitment in the environmental arena, starting in the Liguria region by launching the Pilot Green Project. In addition to new plantings, the key initiatives of the Project include a plan to update the fleet with green vehicles, as part of a wider plan of emissions reductions, while at the same time creating shared value for the country.

On 21 May 2021, the first Poste Italiane urban "full green" area in Italy was presented in Imperia, dedicated to letter and parcel delivery. The Imperia delivery centre is the first of 750 mail distribution centres in Italy in which commitments to reduce Poste Italiane's environmental impacts have been realised. As part of the project, the Group took care of the green area, planting 10 taggiasco olive trees, a species typical of Liguria and able to absorb significant amounts of CO<sub>2</sub>. The "full green" urban line was also achieved in Viareggio, where 6 metres of laurel bushes were planted, a species able to absorb significant amounts of CO<sub>2</sub>, combined with the installation of around 10 m<sup>2</sup> of perennial plants.

**Full green urban line project**  
**Green fleet and new plantings by Poste Italiane**

The Group is aware that energy efficiency is a crucial aspect in combining economic growth and sustainable development. For this reason, adopting exemplary behaviour in terms of the environment, Poste Italiane bases its strategy on the following areas of action:

**Renewable sources.** With the objective of making the impact of its business on the local area even more sustainable, Poste Italiane has encouraged the use of photovoltaic panels on the real estate it owns throughout Italy. The project to enhance renewable sources calls for the development of around 400 photovoltaic plants on the roofs of owned properties for a total of 18MWp and around 25 Gwh/y of production when fully operational, for a total investment of around € 31.5 million, with 13 invested in 2021. Also during the year the complex tender process was completed and 12 contracts were formalised and begun, with installations progressively moving forward.

The initiative will last for two years and began in the first half of 2021.

By the end of 2023, the energy efficiency plan will lead to the installation of photovoltaic plants able to cover 5% of Poste Italiane's energy requirements. Additionally, the installation of photovoltaic panels also includes parcel distribution, involving the major hubs of Bologna, Milan and Rome.

Around 98% of the Group's requirements in 2021 were acquired through the contract with ACEA Energia SPA, with 100% from renewable sources certified through Guarantees of Origin.

**Smart buildings.** Confirming the Group's commitment to environmental sustainability, as in 2020 the Smart Building project was promoted to achieve a management system for small/medium Poste Italiane locations by monitoring consumption, weather conditions inside and outside of the buildings and automatic implementation of systems which regulate and manage the air conditioning, heating and lighting systems. The project calls for a single Building and Energy Management System (BEMS), using a single platform to monitor and manage over 2,000 buildings. Integrated control of the systems is intended to optimise maintenance management and energy efficiency.

When fully operational, the system is expected to save around 7.6 Gwh/year of electricity. In 2021 the contract continued with installations in over 650 locations, with software development for the BEMS platform completed.

In total, 2043 actions are planned over two years. Maintenance of the entire system, including adjustments and updates, will continue for five years to optimise the systems and energy efficiency. This will also be made possible thanks to the addition of new professional positions, managed by the Digital Technologies Operations function, to manage the Smart Building initiative as part of the insourcing project.

**Energy optimisation.** With an eye to energy efficiency, Poste Italiane began installing gas and electricity metres in its largest buildings, in line with the provisions of Legislative Decree 102/14. In fact, the law calls for monitoring plans for the buildings which best represent the Company. At the same time, MOME cards were installed in around 6,700 small buildings, to work with the centralised Smart Info software.

Around  
98%

of the Group's  
electricity requirements  
come from 100% renewable  
sources, with certified  
Guarantees of Origin for the  
Group in 2025

90 Energy efficiency  
projects coordinated by  
Poste Italiane

Additionally, Poste Italiane coordinates over 90 energy efficiency projects throughout Italy, with the objective of reducing the consumption of gas and electricity and consequently the emission of pollutants.

The Group is aware that in the changing sociocultural panorama new professional positions are being introduced, able to face the challenges of environmental sustainability. This view led to the creation of the Energy Management Expert (EGE) position, which combines technical skills with solid grounding in environmental, economic/financial, business management and communication areas. There are currently 11 EGEs at Poste Italiane, of which 3 central and 8 local, who acquired the position thanks to a certification process which guarantees professionalism and skill, also making them competitive on the external market. Finally, the Company began an energy efficiency project intended to optimise the air conditioning and heating systems in some of the Group's structural locations.

**LED lighting.** Poste Italiane's commitment to smart technologies continued in 2021. In fact, the Group installed LED lighting systems throughout the year. More specifically, during 2021 91,000 new lights were installed using LED, involving over 400 buildings, and reaching 78% of locations in terms of impact on Poste Italiane consumption. Additionally, € 300,000 was allocated for the LED revamping project at SDA.

~ 2,200 tonnes of  
carbon dioxide avoided  
thanks to the energy  
efficiency initiatives  
implemented

~€ 17 million  
invested in projects to  
reduce environmental  
impacts

**Encouragement of virtuous behaviour.** To promote increasingly efficient and sustainable management of operating processes and, consequently, a reduction in the amount of waste produced, the Group has launched and maintains projects for the “virtuous” reuse of assets and equipment/tools considered obsolete, but which can still have a “second life”. These goods and equipment are therefore removed

from the waste management cycle and “sold” to third parties for reuse. Additionally, Poste Italiane promotes company awareness initiatives on the rational use of energy (Ora della Terra, Sustainability survey). Finally, the Company promotes the “green challenge” a CO<sub>2</sub> offsetting programme to reward green behaviour by customers.

The Group participated in celebrating Earth Day, the most important international event on environmental protection, established by the United Nations in 1970. In 2021, at the 51st edition, the Group confirmed its corporate strategy, aimed at integrating sustainability in all areas of Group business, with the objective of becoming carbon neutral by 2030. At the event, always on the front lines in terms of environmental protection, Poste Italiane decided to sponsor and contribute to the distribution of a stamp issued by the Ministry of Economic Development and dedicated to environmental sustainability. In addition to institutional projects, the Company believes strongly in the importance of individual contributions to combating the climate emergency. In this light, the Group created the illustrative brochure “ACT NOW”, consistent with the SDGs, which presents the 10 most important actions for sustainability.

### Poste Italiane at Earth Day

The environmental sustainability stamp

As in previous years, Poste Italiane organised the Green Month for 20 March 2021, to highlight the sustainability issues dealt with by the Group, also thanks to participation in international awareness campaigns to protect the Earth. Commitment to the environment is one of the Pillars of Poste Italiane's sustainability strategy and is embodied in a series of actions implemented in the Company's day-to-day operations.

Below is the Poste Italiane Green Month Decalogue for 2021:

### Green month

Poste Italiane renews attention to environmental issues

## GREEN MONTH DECALOGUE POSTE 2021

1. Turn off lights when you do not need them and do not leave electronic devices on standby
2. Adapt lighting equipment (and not only) to efficient technologies (LED for lighting)
3. Defrost the refrigerator frequently: keep the coil clean and away from the wall so that air can circulate
4. Put the lid on the pots when boiling water and always avoid the flame being wider than the bottom of the pot
5. Maintain efficient heating/cooling systems, regulating them so as to intervene on the ambient temperature only when necessary and while in the house
6. Use curtains to create gaps in front of windows, window frames, external doors, and avoid leaving them closed in front of radiators
7. Favour the purchase of reusable products that at the end of their life cycle are fully recyclable, paying maximum attention to their proper disposal
8. Study all possible synergies and exploit the opportunities arising from intermodal mobility, taking advantage of public and shared transport such as car-sharing/car-pooling and cycling pedestrian mobility
9. Save time, money and energy by rationally planning your trips
10. Choose the right means of transport according to needs, thanks to adequate information on the different possibilities and trying to favour the most ecological means of transport

The theme of Poste Italiane Green Month, accompanied on social media by the hashtag #meseverde-poste, for 2021 was the territory of proximity, i.e. how the relationship with what is closest to us in our neighbourhood, town or city has changed and how we have experienced it, especially in a delicate phase like this one.

The Group highlighted a series of initiatives that the Company has and is pursuing in various areas, from sustainable mobility to the development of the territory, to promote a conscious approach to environmental issues and achieve the “zero emissions” objective set for 2030.

## Postepay Green

100% made of plastic recovered from the oceans

Poste Italiane also promotes the use of certified and recyclable products in terms of its printed material and internal and external consumables, demonstrating the constant and increasing attention it pays to the environment. Supplies of consumables, whether new or regenerated, ream paper, packaging, labels, forms and cardboard boxes all make use of, when applicable, the Minimum Environmental Criteria established in article 34 of Legislative Decree 50/2016, with the use of specific ecological quality certificates for products/brands compliant with ISO 14024. It is in this context that the supplies of FSC paper should be seen, for use in Group mass printing, guaranteeing forest management that respects the environment, is socially useful and economically sustainable. In line with its commitment to the use of recyclable materials, a project has been launched to replace traditional credit cards with cards made from sustainable materials, such as the new Postepay Green, 100% made from plastic recovered from the oceans.

Poste Italiane pays attention to its supply chain in all the sectors in which it operates. With reference to real estate purchases, the cleaning and environmental hygiene contracts are carried out in compliance with the Green Public Procurement with the adoption of the "Minimum Environmental Criteria" (MEC) contained in the Ministerial Decree of 29/01/2021, which establishes that no less than 30% of total points must refer to green aspects in green tenders. These include the presence of detergent dosing systems on machines, control systems to reduce water and electricity consumption, environmentally innovative cleaning and sanitising techniques, the use of

new electric equipment and machinery, indicating the brand, model, power and, for each of the machines, energy consumption, level of noise emitted and percentage of recycled plastic as a percentage of total plastic weight, the plan for waste sorting, vehicles used to ensure low environmental impact and consumable products and materials with the Ecolabel.

In 2021, all tenders relating to cleaning, sanitation services and work required compliance with the MEC. The concession contracts for catering services at the property complexes also comply with the principles of Green Public Procurement (GPP) to guarantee the provision of a corporate catering service with a reduced environmental impact characterised, in terms of processes and contents, by compliance with environmental, economic and social sustainability.



Poste rewards the supply of foodstuffs, such as BIO, IGP, DOP, sustainable fishing products, in excess of the minimum quantities prescribed by the Minimum Environmental Criteria (CAM). In this context, local suppliers are also potentially involved in the food supply chain for canteens and bars, provided they guarantee certified products. There are 12 contracts in effect throughout Italy, although they were partially suspended during 2021 due to the Covid-19 emergency.

With the aim of significantly reducing its environmental footprint, since 2019 the Company has been involved in the process of eliminating plastic from its company canteens. To that end, the list of suppliers was developed using a qualification system for regional and local areas. Relative to tenders and, in particular, for those involving construction/systems projects, these support the use of local labour as well as the supply of kilometre zero materials. By following this strategy, Poste Italiane is able to keep its procurement costs low while also reducing its environmental impacts, in part thanks to lower emissions of carbon dioxide.

## Poste Italiane begins selling energy to Italian households

During 2022, the Group will enter the energy sector, offering electricity and gas to its domestic customers. The Company has set itself the objective of becoming one of the largest retail suppliers on the Italian electricity and natural gas markets by 2025, supporting Italian families during the full liberalisation of the market

and proposing competitive, innovative and sustainable offers.

The supply of electricity and gas will expand and integrate the multichannel platform of services already offered, from mail services to financial, from insurance to digital payments,



from telephony to fibre internet and other citizen services. The Group's approach will be based on reliability and transparency, maximising the predictability of spending for customers and using "pull" type sales channels, that is those activated by the customer when desired, in contrast to "push" channels, through which the customer is pushed to make a choice, which is often incorrect and based on a lack of knowledge.

Also in the energy sector Poste Italiane intends to develop an excellent digital customer experience, combined with reliable support and proximity through the vast network of post offices in local areas.

The Company also intends to play a leading role in the energy and ecological transition process which, together with digitalisation, represent an immense opportunity for the sustainable development of Italy.

The electricity and gas offers that Poste Italiane intends to offer are strongly focussed on a 100% green approach: the electricity sold will come entirely from certified and traceable sources located within Italy, while CO<sub>2</sub> emissions from gas consumption will be offset using the best instruments available on the market, such as voluntary CO<sub>2</sub> offsetting programmes associated with international projects to reduce greenhouse gas emissions.

Electricity and gas offers will be supported by PostePay, the Group company that is already working in the payment and telecommunications sectors.

**100% green**  
offers for electricity  
and gas

## Environmental impacts of logistics

NFS

Due to its widespread presence throughout the country, Poste Italiane plays a major role in the creation of value and in terms of the potential contribution it can make in reducing environmental impacts. In this light, the Group gives these issues weight within its sustainability strategy.

**Poste Italiane is committed to making its fleet increasingly green to create positive environmental impacts from logistics**

As in the previous year, in 2021 the Company's commitment to reducing environmental impacts through its company fleet continued. To that end, 4,580 electric, methane and LPG vehicles are already in use in the fleet.

In the context of the project to renew the fleet used to deliver mail, safety parameters have been increased through the introduction of three and four-wheeled vehicles to replace two-wheeled vehicles, to improve safety in the transport and delivery of packages. Additionally, green vehicles have been introduced, with more attention paid to ecological mobility, increasing the use of electric vehicles. Poste Italiane has also added vehicles which are larger and better suited to delivering packages, with new details for better organisation of loads.

The commitment to improving the environmental performance of the Group's fleet contributes to significantly reducing greenhouse gas emissions. For this reason, Poste Italiane has begun a full renovation of its fleet of vehicles, increasing the green component through the introduction of electric and hybrid cars and scooters, in line with ESG objectives to reduce emissions by 40%. Additionally, the Company is moving forward with a project to install over 4,000 recharging stations, reaching a total of over 5,000, as well as creating zero emission delivery areas using 100% electric fleets. The results of this policy are clear, given that Poste Italiane has gone from 11% green vehicles in 2016 to 15% in 2021, with the goal of replacing the entire fleet with low emission vehicles by 2024. The new green fleet will lead to a reduction in CO<sub>2</sub> equal to around 80,000 trees.

**-9%**  
emissions  
from the PCL fleet  
compared to 2019

### MAIN RELATED TYPES OF CAPITAL



## The Green Delivery model

### Benefits:

- > 2 million trips saved and around 277 thousand km not driven
- 36 tonnes of CO<sub>2eq</sub> avoided and 163 kg of atmospheric contaminants
- every package delivered allowed for savings of 8.4 grams of CO<sub>2eq</sub> and atmospheric contaminants

Through the Green Delivery model, the Poste Italiane Group has made proximity networks available to local areas which on one hand guarantee greater flexibility for customers and on the other generate environmental benefits.

In fact, Poste Italiane customers can make use of both the PuntoPoste network (consisting of 13,168 locations, including tobacconists, coffee shops, stationery shops, news-stands, Kipoint shops, Carrefour, API and 336 lockers) as well as the network of post offices to receive their packages, in alternative to delivery to their residence.

This delivery model also improves logistics efficiency for Poste Italiane, in that a larger number of packages are delivered to a single location, consequently reducing the number of trips made and kilometres driven by the fleet.

During 2021, more than 4 million packages were delivered through the PuntoPoste and post office networks. This meant more than 2 million trips were saved, with around 277 thousand fewer kilometres driven by the Group's fleet.

The trips and kilometres avoided thanks to the Green Delivery model made it possible to prevent the emission of 36 tonnes of CO<sub>2eq</sub> and 163 kg of atmospheric contaminants (i.e. COVNM, NH<sub>3</sub>, SO<sub>2</sub>, NO<sub>x</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>).

In particular, every package delivered using the Green Delivery model provided savings in terms of emissions of CO<sub>2eq</sub> and atmospheric contaminants of around 8.4 grams.

In line with the objective of preferring the efficient use of renewable sources and rationalisation of fossil fuel energy use, starting in 2018 Poste Italiane began to promote a new green evolution plan for its company fleet, as well as the Joint Delivery plan, two key strategies that have brought benefits in terms of environmental sustainability.

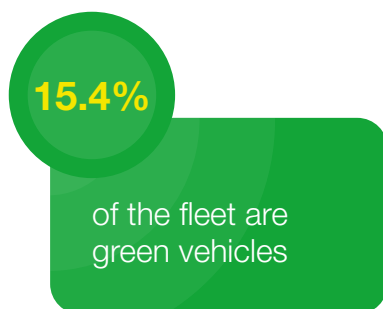
With regards to the green fleet project, in 2021 the Group completed the acquisition of its fleet of 952 electric tricycles, 289 of which were purchased during the year.

Additionally, 350 electric quadricycles were introduced, with installation of recharge stations, as well as 3800 thermal tricycles. The green fleet thus reaches 15.4% of the total fleet of Poste Italiane: there are about 2,800 bifuel non-electric cars and vans and about 2,000 low-emission motorcycles. These pro-

jects are in line with the objective of reaching 27,800 by 2024.

The Company has also begun procurement tenders to update the 19,730 vehicles of various types utilised through rental contracts, of which 58% electric or hybrid: 4,159 electric vehicles (2,355 cars, 501 vans and 1,303 tricycles/quadricycles), 7,245 electric hybrid or methane vehicles (6,756 cars and 489 small vans) and 8,326 low emission vehicles (2,560 cars and 5,766 vans).

Since January 2019 the Group has made use of the Fleet Management function, established to guide, manage and organise company strategies with regards to vehicles. This function is responsible for defining and ensuring governance, guidelines and tools able to obtain the best possible service with regards to the entire fleet of vehicles used by Poste Italiane and the companies of the Group.





Following the annual analysis of Poste Italiane employee mobility flows, it was possible to identify the impact of the sustainable mobility actions taken during 2021, both in terms of reductions in emissions and external costs avoided.

Relative to environmental impact, in line with that established in the Policy, the actions implemented by Poste Italiane confirmed the positive trend with regards to containing emissions associated with home/work travel. In fact, in 2021 over 16,000 tonnes of CO<sub>2</sub> savings were possible, equal to 44% of total emissions produced.

Additionally, the sustainable mobility strategy also has a substantial impact in terms of external cost savings. The monetary value of the latter is estimated at € 15.7 million.

The actions undertaken by Poste Italiane are intended to transmit the importance of new sustainable lifestyles for its employees and, for this reason, the Group focuses its efforts on significantly reducing CO<sub>2</sub> emissions, as well as on finding innovative mobility solutions to avoid jeopardising the results it has currently obtained in terms of emissions reduction. To that end, Poste Italiane has renewed its commitment to finding sustainable mobility solutions that can meet the needs of the near future.

## Home/Work Travel Plan 2021 Actions for Sustainable Mobility

Through the Joint Delivery plan, Poste Italiane offers a model that radically reorganises its delivery network and operating model, by implementing a new style of delivery. This calls for a switch from a single network to a dual network, which differ in terms of delivery mode and frequency and by the type of product handled. This reduces the number of kilometres travelled for traditional delivery activities and reduces the need for a rolling fleet.

Enhancing the reduction in CO<sub>2</sub> emissions is one of the primary objectives in the joint venture agreement signed between Poste Italiane and Sennder, a European leader in digitalisation of package transport. The partnership with Sennder promotes transport efficiency and reducing the environmental impact of logistics, in line with the Group's strategic decision to promote a sustainability culture throughout the entire value chain.

As in the previous year, during 2021 the Group promoted *Poste Delivery Now*, the new range

of solutions intended for e-commerce workers developed by Poste Italiane in cooperation with *Milkman*, to meet the needs for ever more rapid and personalised deliveries.

Through *Poste Delivery Now* e-shoppers can easily check the progress of their order and the envisaged delivery date, to select the date and time of delivery, change the address, set opening times (of shops or concierge services for example), reschedule the delivery time up to five minutes beforehand, check photographic proof of delivery and review their delivery experience.

The agreement signed between Poste Italiane and the start-up Milkman was part of other initiatives intended to increase the level of home delivery service and make it suitable to the needs of the end consumer.

**43,761 tonnes**  
of carbon dioxide  
saved for the rolling  
fleet

Poste Italiane participated in the third edition of the Green Postal Day, an initiative organised by the International Post Corporation to enhance the contribution of postal operators to the reduction of CO<sub>2</sub> emissions and the global fight against climate change. In particular, together with another 15 mail companies from around the world, the Group launched a campaign to highlight the environmental and commercial benefits deriving from commitments to reduce emissions. Poste Italiane's commitments are especially focussed on the emissions generated by buildings and transportation. By 2030 it expects to hit the threshold of 50% of vehicles powered by alternative fuels and 75% of its energy coming from renewable sources.

This challenge is in line with that indicated in the "2024 Sustain&Innovate Plus" plan, presented by the Company on the subject of sustainability and in which the environmental aspect plays a leading role. The initiative for the postal sector, considering the goals achieved in advance of the established deadlines, makes use of the efficiency of cooperation with an eye to sharing best practices and stimulating individual companies to exceed their earlier objectives. The use of a shared measuring system also supports transparency and guides sustainability decisions.

## Poste Italiane at Green Postal Day 2021 Together to fight climate change

In particular with reference to the process of selecting suppliers, Poste Italiane also makes use of specific criteria to monitor indirect environmental impacts. Specifically, the Company verifies the technical and professional suitability of its suppliers by requesting, for qualification purposes, the possession of specific requirements, including the composition and type of vehicles in the fleet. In particular, in relation to the vehicles used to carry out services, the Group requires compliance with European standards on pollutant emissions with a class not lower than EURO6 and that semi-trailers boxed or tarpaulin XL provided with TIR cable are equipped with GPS detection system capable of transmitting all the findings on the position of the vehicles.

With regard to purchasing logistics services, Poste Italiane adopts behaviour that is consistent with sustainability issues, selecting and rewarding suppliers in line with the environmental, social and governance issues that the

Poste Italiane Group promotes. In particular, for transport services there is a score that rewards eco-sustainability for suppliers who provide vehicles with lower CO<sub>2</sub> emission classes.

Compliance with the reference Minimum Environmental Criteria is also required for footwear and Personal Protective Equipment (PPE). Additionally, offers that aim for recyclable packaging are also rewarded with regards to the technical score assigned. Consistent with the services mentioned above, in the procurement of technological systems for parcels and letters, offers with low energy consumption in use are valued.

In the context of the pandemic of 2020 during which PPE was difficult to obtain, Poste Italiane provided excellent support with reference to its logistics supply network, by activating distribution channels globally to guarantee adequate and continuous supplies of protective equipment for its employees.

## Emissions offsetting for the air fleet

ETS quotas



**Poste** AIR CARGO

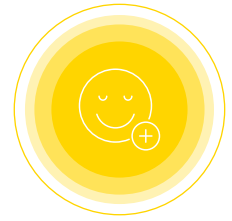
Poste Air Cargo, the Italian leader in full-freighter air transport, is linked to a nocturnal network of 8 Italian airports that provide logistics for the cargo courier segment, guaranteeing support for Poste Italiane logistics. With regard to the air fleet, the rules of the community system entitled European Emission Trading System (EU ETS) state that annually, by 30 April, companies that are subject to the rules for the reduction of greenhouse gas emissions – including airlines – must return a number of ETS quotas sufficient to cover the emissions related to the previous calendar year. The trends in 2021, influenced by the current socio-economic context, saw significant growth trends in quotas (which went from around € 33 at the beginning of the year to around € 80 at the end of December), as well as high volatility. Poste Air Cargo, consistent with the Group's green strategy, has begun a specific feasibility study aimed at identifying the possible and most suitable actions to be taken to limit the greenhouse gas emissions directly attributable to air transport.

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Scan the qr code  
and watch the video.



# Customer experience

**Service quality and accessibility,  
attention to customers' needs**

- -29.4% of complaints received regarding Post Offices
- Definition of customer listening sessions to identify expectations
- -35% of data leakage or thefts
- Measures and processes aimed at safeguarding corporate IT assets

# Customer experience

## MAIN RELATED TYPES OF CAPITAL



MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2021	
   	<b>Increase Customer Satisfaction</b>	• Customer Satisfaction	• +4% by 2022	2018	• +1.9% 	 
	<b>Develop the service model by assigning a dedicated consultant to customers</b>	• Number of dedicated consultants	• 9,500 by 2022	2018	• 7,941 	
	<b>Promote knowledge and skills development within the sales network</b>	• Hours of training provided to the sales network	• 6.5 million by 2022	2018	• 6 million 	
	<b>Evolution of the Service Model through the specialisation of Financial Advisors based on the clientèle target into Personal, Dynamic and Premium</b>	• Number of specialised advisors	• > 10,000 by 2024	2020	• 7,941 	
	<b>Evolution of the Omnichannel Service Model through further development of the digital channel and self-service offer for the subscription of interest-bearing postal certificates (BFP), Class I, Multi-class, funds and GP MoneyFarm</b>	• Number of subscriptions through Digital channel	• > 5% by 2024	2020	• Expanded online operations for certificates and books, launched the remote offer for postal savings and life insurance policies and mutual funds 	

Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

## Quality and customer experience

NFS

MAIN RELATED TYPES  
OF CAPITAL

The Poste Italiane Group places customer satisfaction as the central objective of its quality policies, implementing listening techniques that we believe to be essential in order to ensure that our customers' needs are met in full.

In order to guarantee a unique and distinctive experience to our customers, the Group is constantly committed to improving the quality of its products and services. Against a backdrop of fast-moving developments, where an increasingly important role is being played by mobile devices, social networking platforms, e-commerce and multichannel approaches, businesses must be able to establish trust-based relationships with their customers, in order to act on any change in their expectations and behaviour.

The Code of Ethics enshrines our values, such as kindness, transparency, fairness and impartiality, that inform the attitude of our Company and our employees, with the aim of ensuring a fair and efficient management of our customer relations. By means of these values, the Group ensures exhaustive and precise disclosure towards its customers regarding our products and services, thus enabling them to take informed decisions and avoiding the formation of incorrect expectations.

**Customer satisfaction is the main goal of Poste Italiane's quality policies, and great importance is placed on the process of listening to the customers in order to correctly orient their needs**

In light of the above, the Company is committed to a twofold monitoring process that contributes to continuously improving both the quality provided and the quality perceived by the customer.

Specifically, regarding the provided quality, the Company monitors its own goals and its performance through a system of KPIs that analyses the services and products offered by the different business units, providing updates to the management and trends to the executive level by means of regular reports. By way of example, the Post Office network has implemented a system for continuous monitoring of waiting times through the queue management tool, which allows for real-time intervention by means of an alert mechanism. Furthermore, the Mail, Communication and Logistics (MCL) department measures the level of on-time deliveries of mail and first time delivery successes for parcels. These digital-based measures have contributed significantly to improving the quality of the services provided. Moreover, with respect to the Company's commitment towards the quality perceived by its customers, Customer Experience objectives were assigned to staff involved in the "Management By Objectives" (MBO) programme during 2021. Therefore, a dynamic model was put in place that is capable of defining objectives while taking into account changes in context, thanks to the analysis of internal and external parameters, as well as incorporating any drive from management towards ambitious growth goals in strategic sectors by means of top-down improvements.

Poste Italiane has developed a new service named Poste in Pratica aimed at Public Administration bodies and citizens for submitting, checking, digitalising and sending administrative documents. The service was designed to simplify processes, streamline administrative work flows and improve submission times of administrative documents to Public Administration.

Any institutions who implement the initiative can use the Group's widespread post office network to submit and send documents of any kind, or schedule pick-up of documents at home by a letter carrier. Citizens can use Poste in Pratica to send driver information in the event of traffic fines and to deregister property of a vehicle with the Italian Transport Police. Moreover, thanks to a newly signed partnership between the Region of Sicily and Poste Italiane, the Poste in Pratica service can now be used by pension recipients in Sicily, allowing them to send 63 different types of document towards the Pension Fund of the Region of Sicily by means of the post office network.

This service, furthermore, allows users to monitor the status of their document at any time, including through WhatsApp, by putting customers in contact with a Digital Assistant from Poste Italiane.

### The Poste in Pratica service

**Poste Italiane's network for citizens and Public Administration**



Thanks to the evolution of the target setting methodology, Poste Italiane identifies important aspects for each macroarea of the Group which are to be considered for Customer Experience measurements, in order to include all important interactions with customers. The component aspects of the objectives for the different business units and channels were reviewed in order to improve comparison with the parameters (external, internal, competitor) and also include the new areas measured during 2020 (website, app, parcel delivery).

In order to improve the Customer Experience and quality of the service provided, the Group

**457 improvement measures** identified in 2021, thanks to the **CFM**

uses listening methods to identify the most important actions to be implemented. Specifically, Poste Italiane analyses verbatim accounts – spontaneous feedback from customers regarding critical areas collected during the customer journey with Poste Italiane's products and services, obtained thanks to regular analyses to investigate the ESG objectives of the group. These opinions are translated into a Net Promoter Score, that is, a measurement of satisfaction that asks customers whether they would recommend the product or services of the Company to somebody else, which is also used to identify critical areas to be improved. The business units utilise this information to

**82.2%**

of customers are engaged with the Group's services

determine and orient their improvement actions, which are then delivered by each owner within the Company in order to be implemented.

The continuous listening strategy is guaranteed by the Customer Feedback Management (CFM) service, which during 2021 collected approximately 600,000 feedback items, visible to over 800 specialists at Group level (300 in the headquarters and 500 in local offices) who oversee improvement measures.

2021 saw the continued operation of the Quality Task Force, which was created in July 2020 and comprises over 60 "inter-functional" resources who oversee the analysis and real-time availability of the customer voice, with the aim of fostering rapid and selective responses with regard to the findings of the continuous customer listening strategy and from the front line. Of the 409 items of feedback collected, which were attributed to 457 improvement measures, 129 are in progress/planned and 328 have been resolved.

## Poste Italiane's pledge to consumers

In order to support Italy during the extremely challenging period brought about by the Covid-19 pandemic, Poste Italiane took on a leading role in the digitalisation process within Italy. Against this backdrop, during 2021 the Company supported consumers by processing twice as many settlements compared to 2020. Moreover, the Group's employees continued to receive updates in the information newsletter "Focus Consumatori" (Consumer Focus), that examines the relationship between the Company and the consumers, showcasing important news and detailed analyses.

In addition, Poste Italiane will renew the framework agreement with the Consumer Associations, ushering in a new project called "Portale delle Associazioni" (Associations Portal), that will be an essential tool for innovation in all the Group's activities. In accordance with the provisions of the "2024 Sustain & Innovate Plus" Plan, Poste Italiane is committed to the objective of digitalising the management processes within relationships with Consumer Associations, Trade Associations and other associations. This initiative emphasises the sustainable vocation of the Group, inasmuch as digitalisation enables both a reduction in environmental impact and greater inclusion and transparency, to the benefit of customers, consumers and businesses.

Poste Italiane's Board of Directors expresses the risk appetite associated with the lack of satisfaction of customer needs also with reference to indicators relating to Customer experience, such as the complaint rate and the Poste Italiane Group Customer experience.

The punctual monitoring of the quality delivered and perceived by customers, in both relational and transactional terms, is the tool the Company uses to optimise its operational activities, thereby ensuring the provision of products and services characterised by high quality standards.

Indicative of the Company's desire to meet the needs of its customers is the use of around 1,200 Quality resources in the Mail, Parcels and Distribution function, distributed at local and central level, who carry out targeted measurement, prevention and improvement activities to achieve the company's objectives.

From November 2021, Poste Italiane has extended its Employee Experience listening process in order to include the feedback of store consultants, which has led to the collection of 13,500 items of feedback overall. An action plan was defined to respond to reports or suggestions gathered from Post Office employees. The reports focused on operations, procedures and connections, software and hardware. The Task Force took on 159 actions originating from this source, 100 of which have been completed and the remaining 59 of which are in progress or scheduled.

Another innovation regarding the Employee Experience pertains to the new dashboard that allows users to view breakdowns for each Geographical Area, Branch and Post Office,

as well as for each Region, Province and Municipality. The CFM service continued its growth both in terms of functionality offered to the Group and activated users.

In March 2021, the Company acquired a Web Opinion Monitoring (WOM) service, which allows Poste Italiane to collect and analyse data from specific sources, such as social networks, app stores, Google Maps reviews of Post Offices, online public information websites, blogs and forums, with the aim of achieving real-time reporting of all the concerned topics. The service answers the needs of several recipient departments and consolidates services used by different Poste Italiane departments and Group Companies into one solution.

The areas of improvement identified during the customer listening process are an important stimulus for assessment activities and process reviews, together with support activities aimed at maintaining quality certifications and certifications identified by the "interfunctional communities".

On 3 November 2021, Poste Italiane obtained the UNI ISO 22222 Certification for over 8,000 of its financial consultants who aid savers in their investment decisions.

The certification was awarded on the basis of international assessment standards and it reflects a financial consultant's completion of a learning pathway comprising technical skills and ethical behaviour.

The attainment of this goal is a testament to the Group's commitment to implement the widest possible application of ethical and sustainable principles in order to best encourage the development of professional skills and offer services tailored to each customer. It should be noted that Poste Italiane was the first of the large Italian companies to obtain UNI ISO 22222 Certification and UNI TS 11348 for the Financial Consulting Service Model with regard to its financial consultants' engaged in the role of 'personal financial planner'.

### ISO 22222 Certification

Within Poste Italiane, the "Customer Service" department is responsibly for collecting and managing complaints. The model implemented by this department is designed to leverage customer service in order to support the business and the development of relations with

customers, with the aim of addressing their expectations through a series of customised solutions. The Group's goal is to build a customer service journey for each business segment, enabling more efficient management of the customer experience over time with the progressive adoption of innovative technological tools. Against the backdrop of the increased use of artificial intelligence within the Customer Service department, Poste Italiane implemented the "Poste Italiane Digital Assistant" tool, which was already introduced in 2019. This measure improved and simplified customer interaction with the Company, guiding them and providing information and assistance in the event of



**37  
million**

contacts managed  
in **2021 (+12% compared  
to 2020)**

problems when using the Group's services.

In keeping with provisions carried out during 2020 in the wake of the Covid-19 pandemic and the resulting increased number of contacts

managed by Poste Italiane, the Digital Assistant has asserted itself firmly in daily operations, becoming an essential customer contact tool and allowing Poste Italiane to manage such large volumes.

## Poste Italiane implements its Digital Assistant



Thanks to the use of artificial intelligence and the digital assistant, Poste Italiane proactively manages customer requests, fostering the development of customer loyalty.

Specifically, in 2021, citizens who registered for Poste Italiane's SPID (Public Digital Identity System) with the PostelD service were able to receive assistance and support through the digital assistant, including via telephone and online, 365 days. Moreover, the Group's digital assistant also made it possible to request documents that citizens need to declare their income via ISEE (Equivalent Economic Situation Index) as well as wealth statements, such as the yearly report on insurance/financial products held in a Poste Italiane account. The digital assistant's functionalities also comprise shipment tracking, thanks to the dedicated WhatsApp channel, and proactive assistance will be gradually extended to other areas, such as recovering login credentials for the website [www.poste.it](http://www.poste.it) and the app.

Poste Italiane's customer service solutions, driven by artificial intelligence (using the voice and chat channels), have enabled the orientation of over 20 million conversations regarding financial services and SPID. On the basis of this, the services will be extended to our insurance products and logistics offering. In this context, artificial intelligence does not only increase loyalty towards the Company, but also enables the Group to concentrate resources on more complex assistance activities and towards the sale of products and services.

The topic of quality plays a central role within the Integrated Policy of the Poste Italiane Group, which documents the Company's commitment to the continuous integration of quality within the development strategy. The aim is for all the processes involved in planning, development and implementation of products and services to be mapped within the quality management systems.

Moreover, Poste Italiane considers building customer relations to be of fundamental importance. These relationships must be shaped by an aspiration to the highest transparency and fairness and for this reason the Group asks its employees to commit themselves every day to satisfying our customers' expectations. In this regard, the Group Integrated Policy on quality sets out that the Group Companies, within the scope of their autonomy and independence, must incorporate the principles contained therein, adapting them according to the company's size and organisational and operational context and any regulatory provisions (e.g. Financial and Insurance sectors).

To ensure the highest level of effectiveness and efficiency of its processes, activities and resources, the Company has implemented an Integrated Management System. This system unites the most important aspects from the currently employed management systems,

with the aim of aligning business processes and making the far-reaching distribution of the business processes more flexible. Despite the fact that each business unit maintains its autonomy in creating content for operational procedures, the Company constantly enacts improvement initiatives in the standards framework in order to realise the potential of both formats and tools.

In particular, in harmony with the UNI EN ISO 9001:2015 standard, the Group has implemented an effective Quality Management System, thanks to which it executes its activities according to the following principles:

- maintain adequate service quality, specifically by ensuring efficiency and continuity of service in accordance with the specific requirements;
- maintain the adequacy of the services offered to customers;
- respect time and optimise the cost/quality ratio of products and services.

Poste Italiane achieves continuous improvements in performance and market competitiveness standards by means of the Quality Management System, which through its functions ensures that customers' needs are met. The System plays an essential role in defining

the rules and limits applied in quality controls at all levels. Any anomalies identified are recorded and reported through the execution of specific audits and periodic checks.

As far as the quality of services and products is concerned, the management model is based on dialogue with customers, which facilitates the building of harmonious relationships and the best possible identification of their needs. This action is characterised by:

- sharing with Top Management periodical reports on quality indicators;
- detection of the level of customer experience relating to the various business units, measured twice a year by means of the Net Promoter Score (NPS), indicative of the level of customers satisfaction. These are surveys conducted by CATI (Computer-Assisted Telephone Interviewing) or CAWI (Computer-Assisted Web Interviewing), carried out by an external research institute with customer samples representative of the target universe. In keeping with measures over the past years, the Group further refined its customer hot listening activities through its multiple touch points for postal, financial and insurance services. Once a year, the NPS is also measured for the most representative competitors of the Poste Italiane Group's businesses;

- monitoring of the degree of customer satisfaction and gathering of opinions and suggestions to identify opportunities for improvement using the Customer Effort Score (CES) indicator, applied to the Group's channels (Post Offices, call centres and the web), which makes it possible to analyse how easily and in how long the Company solves problems;
- adequate management of complaints, aimed at identifying and remedying, through the necessary corrective actions, the causes that resulted in the inconvenience, with a view to continuous improvement of business processes.

In its interactions with customers, Poste Italiane believes that complaints management plays a vital role, because regular monitoring and management of complaints can be a valuable indicator in order to define the Group's service levels. In addition, it contributes to the assessment and management of operational and reputational risks and, in particular, the risks of non-compliance and conduct. In this regard, specific reporting systems are in place regarding the analysis and trends of the complaints, conducted on a weekly and monthly basis, which relay this information to the top management. Each Poste Italiane Group Company has adopted and implemented specific procedures aimed at defining the principles and methods for managing complaints. These methods are subject to regular approval by the respective Boards of Directors.

## Dialogue with Consumer Associations

Poste Italiane and the Consumer Associations are committed to a strategy aimed at exchange, dialogue and collaboration, at small and large scale. One result of this undertaking is the Framework Agreement signed in 2011, and renewed in 2018, which ushered in the establishment of the "Cantiere Consumatori" (Consumers' Workshop), a permanent work group and consultation board composed of one representative from each Association and of spokespeople from the Group. The Consumers' Workshop has the aim of identifying the best solutions to reconcile the Company's needs with the customers' needs in the context of company initiatives aimed at consumers. This has made it possible over time to improve the quality of products and services offered, ensuring that a constructive and transparent approach between the parties is applied.

In order to disseminate the topics discussed on the board and the promoted initiatives, the newsletter "Dialogando con i Consumatori" (Talking with Consumers) was created, an information tool addressed to local representatives of the Consumer Associations.

The purpose of this project is to spread information about important innovations in the Poste Italiane world and it is a conduit for new ideas and reports, in order to further strengthen the empathetic and collaborative nature that has always characterised the relationships between these two worlds.

## Punto Poste da Te

Poste Italiane's digital branch

Poste Italiane's Punto Poste da te (Self-service Post Office) service, completely free of charge, enables users to manage shipments and payments from the comfort of their own home or office, at any time and any day, quickly and independently. The new digital Lockers, equipped with high-resolution screens, are a genuine "post office" that allows users, after registering, to receive parcels automatically, quickly and safely, even when you are not at home, simply by using a qr code to open the locker containing the parcel delivered by the courier. The new self-service machines, moreover, make it possible to send prepaid and franked parcels and collect signed-for mail, even when delivery confirmation is requested.

The Punto Poste da Te network, as a part of the wider "green delivery" model, promotes improved environmental sustainability in e-commerce, by concentrating the delivery of shipments in a single point, thereby optimising the logistical effort and avoiding the emission of 36 tonnes of CO<sub>2</sub>eq and 163 kg of atmospheric pollutants. The positive environmental consequences are also brought about by the correct disposal of packaging through municipal recycling.

Poste Italiane offers its Postal Services Charter in order to share all the information necessary for an efficient use of postal products and describe the quality goals that the Company is committed to reaching for each product, such as main products, delivery goals and times for domestic and international shipments, complaints and refunds.

The Universal Postal Services Charter covers products that are categorised under the Universal Postal Service (Legislative Decree

261/99). The Postal Services Charter covers products that are not categorised under the Universal Postal Service.

In addition, in order to guide consumers through the online purchasing process, Poste Italiane has made available to them the "E@sy commerce" manual, created in collaboration with nineteen Consumer Associations and Netcomm, the Italian E-commerce Consortium whose members include the most important national operators in the e-commerce sector.

## Steps taken to support customers in dealing with the Covid-19 emergency



Against the backdrop of the Covid-19 epidemic, Poste Italiane adopted a series of measures in 2021 aimed at protecting the health and safety of its employees and customers, in accordance with the regulations issued by the Italian government. In order to guarantee full availability of its Post Office network, the Group implemented various Green Pass (Covid-19 vaccination certificate) checks, in accordance with the applicable law, to ensure that services can be used easily and safely. In Post Offices equipped with a queue management machine, citizens must scan the qr code of their Green Pass, and after the code has been accepted, the queue management machine allows customers to choose their desired operation and print a ticket in order to be served at the counter. In other Post Offices, the counter operator must verify the customer's Covid-19 vaccination certificate by means of the provided scanner before beginning to serve the customer. Moreover, when customers book an appointment via the Poste Italiane app, the

app itself verifies the user's Green Pass; for appointments book on the website poste.it, the Green Pass must be verified in the relevant Post Office. The wide range of solutions offered by the Group enables quick and safe admittance to the branches, while fully complying with applicable measures to contain and prevent the spread of Covid-19.

In addition to checks on Green Passes, Poste Italiane has installed floor markings outside over 1,000 Post Offices to inform customers how to behave while waiting to be served at the counter, as well as to indicate the correct social distancing to be maintained in accordance with virus containment provisions. Together with the floor markings, the Group has continued a communication campaign addressed to customers, which was launched in 2020, with the aim of promoting respect for social distancing rules. Specifically, digital tools such as email, intranet and push notifications were used in order to reach a large audience of users.



Furthermore, the Group launched preparatory activities for the standardisation of the “remote sale” (VAD, vendita a distanza) process, issued in 2020 in order to combat Covid-19 which “violated” the off-site sales processes in force at the time and applied - solely during the emergency period - only to the signing of contracts for a defined set of financial products, such as Business Accounts, Public Administration Accounts and Postepay Tandem Acquiring. The Remote Sale process will govern the sale of Poste Italiane’s and/or the Poste Italiane Group Companies’ banking and financial products/services towards Business and Public Administration customers (excluding investment and insurance products), as well as for modifications of pre-existing relationships (i.e. all operations taking place after the product/service is activated).

In keeping with 2020, the new channels for reporting incidents were also maintained in 2021 in order to make it easier for customers and employees, in addition to the paper

channel already available. In particular, the following new channels have been made available: from the Reserved Area (by accessing the [poste-as-sicura.it](https://poste-as-sicura.it) site with credentials); by telephone channel (by contacting the Contact Center at 800.13.18.11) and by e-mail channel (by sending the report or the fully completed Claim Form to the e-mail [sinistri@posteassicura.it](mailto:sinistri@posteassicura.it)).

In order to answer the needs of citizens, including in the context of Covid-19, Poste Italiane implemented a measure to streamline inheritance procedures. The service allows users to request a Declaration of Credit both in an authorised post office branch and online, in order to file a Declaration of Inheritance with the Italian Tax Agency. When requesting the declaration online, the document is sent to the customer via email and the heir or legal successor may visit a Post Office of their choosing to submit a Declaration of Inheritance, integrated with the original documents.

## Cybersecurity, IT Security and Privacy

NFS

MAIN RELATED TYPES  
OF CAPITAL

In a global landscape characterised by increased involvement with digital solutions as a driver for development and business continuity, Poste Italiane places particular importance on the implementation of effective security systems and on the protection of company data, with the aim of shielding the Group’s IT infrastructure from attacks and resulting data breaches. In light of that, the use of suitable information security systems ensures the proper functioning and provision of services and guarantees the confidentiality of data and information, preventing any type of access by unauthorised parties.

Poste Italiane is committed to protecting company data with the aim of safeguarding its customers and all its stakeholders through technologically advanced protection systems and in accordance with the measures set forth by relevant regulations

One example of this commitment is the work of the Corporate Affairs - IT Security department, which carries out a monthly assessment of the Group’s cybersecurity risk. The methodology currently employed considers this risk from a purely technological standpoint by means of

preventive technical security checks carried out on the three software solutions: Vulnerability Assessment, static and dynamic Code Review and a Penetration Test.

- **Vulnerability Assessment**, is the process of identifying, measuring and prioritising the vulnerabilities of a system. The assessment is carried out with special tools twice a year for each application;
- **Code Review (Static and Dynamic)** represents the process of checking the source code of an application to verify that the correct security controls are in place and that they are working as intended. Through specialised tools, both the source code is reviewed ( “Static Code Review”) as well as the production code ( “Dynamic Code Review”);
- **Penetration Test** is the process of evaluating the security of a system or a network through the simulation of attacks that aim to gain undue access to the system. Being a time-consuming activity, it is performed on a specific perimeter of applications.

Poste Italiane combines these precautions with two other fundamental techniques in order to

guarantee effective and efficient management of the Company's IT risks: patching and hardening; together, these activities are aimed at resolving vulnerabilities while ensuring that operating systems, firmware and software are up to date, only activating the required ports and services and hiding system components that are easy to breach.

The cyber risk assessment is based on two main parameters: Severity and Confidence. Severity is understood as the level of seriousness of the cyber vulnerability; confidence on the other hand denotes with what level of reliability the cyber risk was identified and depends on the level of coverage of the checks carried out in terms of number of analyses completed. Downstream of the entire analysis process, Recovery Plans are drawn up, i.e. the main corrective measures necessary to fill the safety gaps identified during the various analyses, including the technical ones. In the past, the management of Recovery Plans relating to the various security activities has involved the contribution of a number of Poste Italiane Group functions. During 2020, a project was implemented for the integrated management of Recovery Plans; currently, the Penetration Tests, Dynamic Code Reviews and Static Code Reviews are managed in an integrated way. Moreover, further analyses are under way to integrate the findings of the Vulnerability Assessments into the tool. From December 2021, the monitoring manages the Vulnerability Assessment actions which do not foresee large-scale patching and hardening operations.

**-35%**

leaks or data breaches  
compared to **2020**

In addition, Poste Italiane has undertaken a series of further initiatives:

- developed a **Security Planning**, defining and implementing a methodology for planning technical security audits (Penetration Tests, Static and Dynamic Code Review) deriving from regulatory/contractual requirements and from the Security By Design process;
- extended the **scope of Cyber Risk analysis** to include BancoPosta, PostePay, Poste Vita, Poste Assicura, Poste Welfare Servizi and other compliance/security areas;
- set up the **Information Security Committee – DTO**, a periodic working table between the Information Security and Digital, Technology & Operations functions with the aim of jointly planning and directing security activities and identifying areas for improvement;
- to ensure better management of the topic, responsibility for the Group's IT security has been assigned to a **Chief Information Security Officer (CISO)**.

In order to ensure business continuity for the management of crises following sector-wide incidents, company-related incidents or extensive catastrophes affecting the Group, Poste Italiane has defined and implemented a business continuity plan based on an appropriate identification of the most critical systems, the potential threats to them and the countermeasures to be adopted. This plan must, therefore, describe the criteria, procedures, technical and organisational measures and instruments adopted for emergency management (Contingency Plan) and for the recovery of the operating conditions prior to a damaging event (Disaster Recovery) in compliance with the Service Level Agreements (SLAs) agreed with internal customers. To ensure its efficacy over time, the business continuity plan is tested and updated periodically (at least every six months) and against relevant organisational, technological and infrastructural innovations or, in general, in any situation capable of generating new risks.

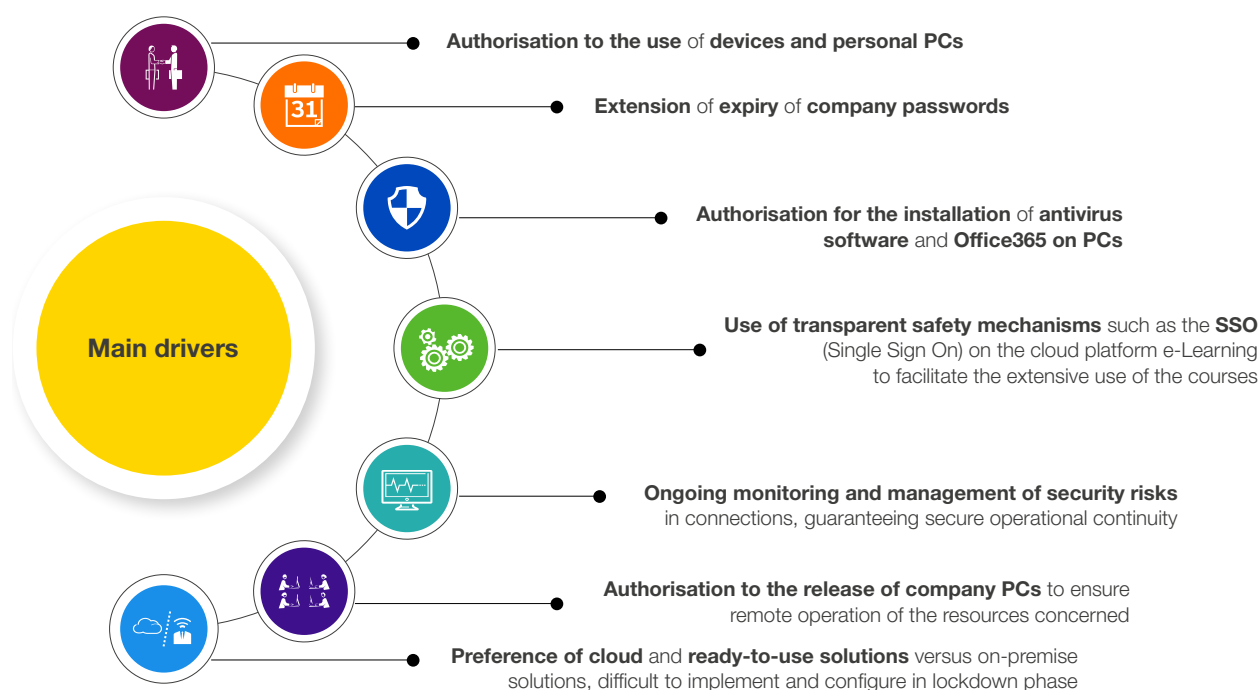


## Covid-19: integrated management and business continuity of smart working

The continuation of the pandemic has made it necessary to carry on focusing on the impacts caused by Covid-19. In keeping with measures implemented during the most acute phases of the pandemic, Poste Italiane has continued to manage IT security aspects linked to Covid-19. Starting with these aspects, drivers were

defined that were used to implement the IT Security Strategies. The main adopted drivers are shown below:





In keeping with its launch in 2020, the Group maintained several initiatives aimed at ensuring continuity in its remote working model, also with reference to the interventions and controls put in place by Poste Italiane in terms of monitoring and safety checks. Specifically, the Company conducted:

- continuous monitoring of the number of VPN connections, type, purpose and security of remote access to the corporate Intranet;
- monitoring of the level of updating, patch-

ing and security of the operating systems used, both for company PCs/laptops and BYOD (Bring Your Own Device);

- monitoring of third-party access and related security aspects;
- monitoring of AdS (System Administrators) accesses and related security aspects;
- verification and eventual blocking of remote connections coming from foreign IP addresses and/or not reliable in terms of security..

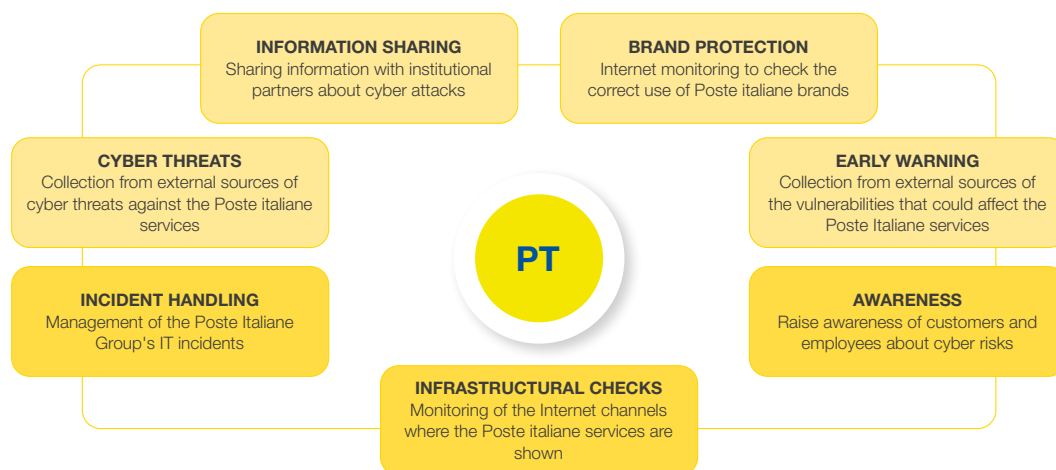
## Computer Emergency Response Team (CERT)

Poste Italiane established the Computer Emergency Response Team in 2013 with the aim of guaranteeing controls on cyber security and data protection at Group level and proactively tackling cyber crime. The team includes a number of IT security experts that carry out their functions in real time, 24 hours a day, for risk prevention, the management of IT incidents affecting company systems and the development of actions in response to cyber events, thus strengthening the defence capacity of the entire Company. The organisation is part of a wider network of similar departments, at national and international level, with which it constantly interacts to share information, indicators of compromise and attack models in general. In line with

the above, Poste Italiane collaborates with CNAIPIC (National Centre Against Cybercrime for the Protection of Critical Infrastructure) of the Postal Police.

CERT has structured its services in such a way as to ensure the overall protection of Poste Italiane's business, acting on a number of levels:

- **External perimeter**, which prevents attacks by collecting and exchanging information on threats and vulnerabilities that may affect the Group's services;
- **Internal perimeter**, which protects the corporate infrastructure and responds to potential IT events.



Poste Italiane dedicates itself every day to its employees and customers in terms of care and safety; to uphold this commitment, Poste Italiane established the Business Control Center and signed a security agreement with the Postal Police, not to mention the agreements signed with institutions and prevention activities carried out on a daily basis.

The Business Control Center (BCC) is the department of the Headquarters that is tasked with monitoring Poste Italiane's business processes according to an integrated service delivery model; it can be understood as the technological hub of the company. The department is responsible for:

- real-time control, 24 hours a day, of the services provided by the Group;
- the protection of the safety of customers inside Post Offices and of personnel in all workplaces;
- combating fraud and cybercrime;
- experimentation of the services offered by the Company.

The BCC is composed of seven control rooms that exploit state-of-the-art software and tools that guarantee the correct functioning of the postal logistics network and ensure that services can be provided and correct communication for Poste Italiane customers.

Poste Italiane, furthermore, pursues to uphold its collaborative relationship with the Postal and Communications Police. This agreement with the Postal Police set forth activities aimed at preventing and combating offences relating to the products and production processes of the services offered by the Poste Italiane Group; surveillance at Post Offices during scheduled payment periods; the establishment of task forces to analyse new methods of computer fraud; and the development of new cybersecurity tools. These measures became necessary in order to tackle the changes that had taken place in the scenarios and new types of malevolent events. For this reason, the Company has rapidly readjusted its operations over the years, especially with reference to payment systems for e-commerce and financial and insurance services, for which it became necessary to intensify the control and updating of physical and IT security structures.

## Personal data protection

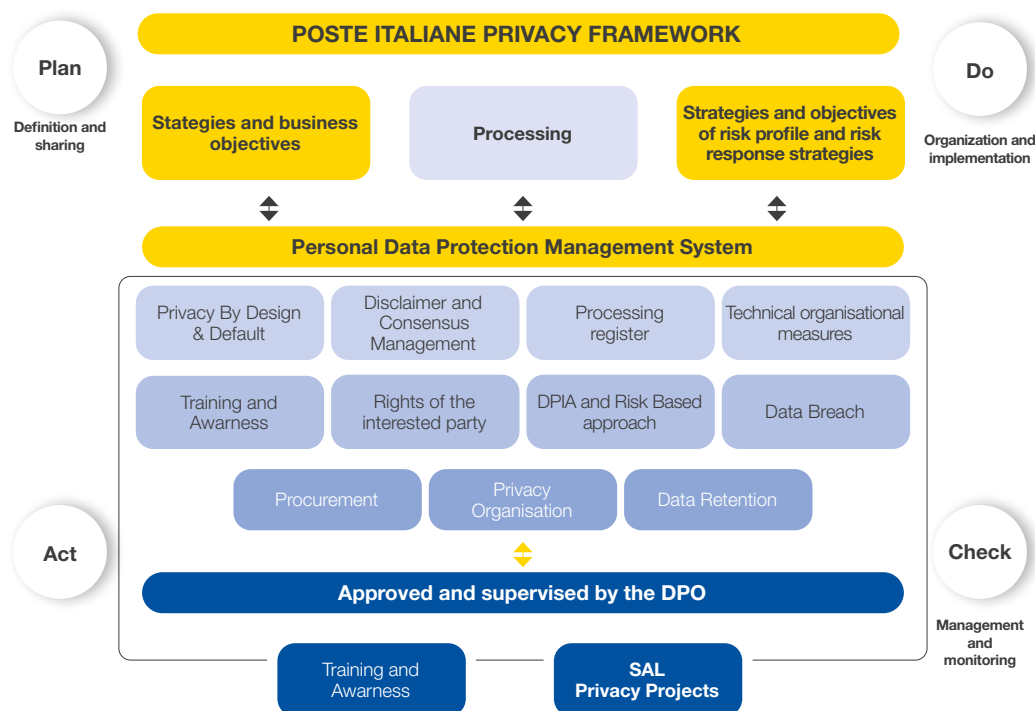
Poste Italiane is constantly aware of the socio-economic developments of the community it operates in and for this reason has strengthened its data protection regulatory framework, ensuring full compliance with applicable legal provisions. Specifically, in order to fulfil the General Data Protection Regulation (GDPR), the Company has undertaken responsibility of the management review process at Group level, as envisaged by Art. 32. This regulatory system, formed of procedures, guidelines and policies, is also applied

to relations with all partners and suppliers, in order to ensure correct risk management in relation to privacy across all Group operations. Failure to comply with the standards defined by the system, leading to violations, may see the disciplinary sanctions being imposed on employees envisaged by the Poste Italiane National Collective Bargaining Agreement, which become gradually more serious based on the severity of the violation (written warning, fine, suspension from service without salary, dismissal without notice, etc.).

In this regard, Poste Italiane has issued a Company Policy on Personal Data Protection and Privacy Guidelines and a Personal Data Protection Management System, introduced with the aim of ensuring uniform data management across the Group. In particular, the Guidelines define the company privacy model and implement the principles of Privacy by Design and Privacy by Default; these principles firstly enforce respect for suitable data protection measures from the very beginning of the design process of products/ services and information systems and secondly guarantee compliance with privacy regulations as standard in all data collection and processing procedures. Poste Italiane is furthermore committed to ensuring appropriate data protection risk management, by means of monitoring the main processes within the Poste Italiane Group and their relevant liabilities.

The Group protects and promotes the protection of personal data and the rights of all stakeholders it interacts with through information and awareness campaigns and policies for data protection

Poste Italiane's Privacy Framework was established with the aim of guaranteeing compliance with the relevant obligations and striving towards continuous improvement in the management system. The framework defines the scope for intervention of the relevant organisational controls, developed with the aim of guaranteeing continuous monitoring of the achieved progresses.



Poste Italiane elects a Data Protection Officer for the entire Group, who is an expert on privacy and assumes responsibility for supervising compliance with personal data protection regulations on behalf of the data controller, as set forth in the GDPR. Through the performance of his/her duties, the Data Protection Officer also stimulates a drive towards continuous improvement in this field.

Alongside this aim, the Privacy Function oversees controls on regulatory compliance at Group level for all responsibilities in relation to personal data protection and steers the development of the abovementioned framework.

The Privacy Service Center operates within this function and aims to be a single point of reference for customers in matters of privacy and to collect and manage efficiently and centrally all the requests received from customers, such as requests for access, rectification or integration of personal data and changes in the consent given, also monitoring their progress in order to identify any opportunities to improve business processes.

Owing to its focus on continuous improvement, the tailored management of customer requests and the correct compliance with regulatory provisions, the Privacy Service Center was awarded ISO 27001 certification for its management system for information security.





*Scan the qr code  
and watch the video.*



# Innovation

**Transforming our services, products and processes  
for a simpler world, for everyone**

- 1.1 million Postpay cards made from 100% ocean-derived plastics marketed
- Implementation of new digital products and services
- Continued investment in the country's technological transformation
- 70.3 million apps downloaded



# Innovation

## MAIN RELATED TYPES OF CAPITAL



## IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2021	OUTCOME
	<b>Development and diffusion of digital and paperless energy supply services</b>	<ul style="list-style-type: none"> <li>% of paperless contracts</li> <li>% of customer acquisitions through digital channels</li> <li>% of digital bills and/or digital payments</li> </ul>	<ul style="list-style-type: none"> <li>50% by 2025</li> <li>15% by 2025</li> <li>30% by 2025</li> </ul>	2021	New	
	<b>Install SMART mailboxes</b>	Number of SMART mailboxes	10,500 by 2025	2019	400	
	<b>Increase digital transactions made via the app or the web</b>	Number of digital transactions	100 million by 2022	2019	215 million	
	<b>Increase the number of Postpay EVOs</b>	Number of Postpay EVOs	11.6 million by 2024	2019	16.1 million	
	<b>Increase the number of biodegradable cards</b>	Number of biodegradable cards	16 million by 2024	2020	1.1 million	
	<b>Increase the number of card transactions (including withdrawals and top-ups)</b>	Number of transactions	2.7 billion by 2024	2019	3.6 billion	
	<b>Increase the number of online payments for goods and services</b>	Number of online payments	894 million by 2024	2019	917 million	
	<b>Increase digital transactions for the various products of the Poste Italiane Group</b>	Number of digital transactions in financial, insurance and payment services	+50% by 2024	2020	+37%	
	<b>Increase merchants enabled to accept payments with Code</b>	Number of merchants enabled	500,000 by 2024	2019	18,670.5	
	<b>Dematerialisation of the Issuing/Payment/Refunding Process Counter money orders</b>	% of POs in which processes are dematerialised	100% in roll out	2020	100%	
	<b>Replacement of all PCL operating personnel uniforms</b>	Number of PCL operating personnel uniforms replaced	40,000 (all staff) by 2024	2021	New	
	<b>Increase Postpay Wallets</b>	Number of Postpay Wallets	10.5 million by 2024	2019	16.5 million	
	<b>Increase the level of automation of back office processes</b>	% of back office resources supported by automated digital processes	75% by 2024	2020	40%	
	<b>RDS-Digital Service Request Project</b>	Number of apps created	App development by 2022	2020	Development of advanced software	
	<b>Digitisation Customer Receipt</b>	Digitisation customer receipt	Digitisation paper receipt by 2021	2020	Development of advanced software	
	<b>Elimination of the paper slip for the products directed to the Distribution Centres</b>	No. of A4 sheets of paper saved	8 million by 2022	2021	New	
	<b>Development of pre-sale and sale channels of products and services in multi-channel</b>	% of new funnels created in multi-channel	75% by 2024	2020	67%	



\* In 2021, the "Green-ticket" project activities were suspended due to the critical issues associated with the health emergency.

Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

## Innovation and digitisation of products, services and processes

NFS

MAIN RELATED TYPES  
OF CAPITAL

In order to respond to drastic changes in international markets, with increased focus on sustainable success, companies have been forced to redesign their products, services and processes. For Poste Italiane, innovation and digitisation are two fundamental drivers for strategic success. In order to offer state-of-the-art technical solutions, the Company is committed to integrating its own products and services with third-party providers. Through these drivers, the Group acts as a leader in innovation and digitisation in Italy, ensuring the accessibility and functionality of its offer to all citizens and promoting the connection with business communities and Public Administration. Moreover, the Group will expand its diversified palette of services in 2022 with its entry into the energy sector, leveraging a 100% green approach. This project combines aspects relating to the green transition with the innovation and digitisation objectives pursued by the Company, constituting a major opportunity for sustainable development in Italy.

Poste Italiane believes that innovation and digitisation are drivers of strategic progress and are necessary for offering pioneering technological solutions

Because of the Covid-19 pandemic, Italy was forced to accelerate the innovation and digitisation process of its services that had already begun several years ago. With the emergency measures lasting longer than anticipated, a remarkable switch could be observed among companies towards digital solutions, and in this context Poste Italiane implemented a series of technological solutions which led to a 38% increase in customer-oriented operations carried out through digital channels compared to 2020.



The Group succeeded in adapting to this ever-changing socio-economic landscape quickly and effectively, applying an innovative approach by combining traditional services with new offerings.

+15%

customer acquisitions  
through **digital channels**

## Innovation and digitisation of products and services

Over 2021, the Group achieved important goals in terms of development and value creation, shared with the wider society and for the benefit of Italy, thanks to its steadfast commitment to pursuing innovative dig-

ital solutions and its ability to integrate new business models. Poste Italiane has, moreover, put in place a review process of its product and services offering.

## Payments and current accounts

As far as payments is concerned, Poste Italiane is committed to improving the customer experience of the use of its services, which are offered in an increasingly omnichannel approach.

During 2021, in keeping with measures introduced in 2020 due to the pandemic, the Group implemented its digital payments sector thanks to an ecosystem of collection and payment services offered to customers, whether consumers, business customers or public administration, which are available both through the physical network and through the web and app channels. Furthermore, provisions have been made to accept innovative payments through the Alipay circuit. In particular, PostePay has developed a new payment feature available in

Post Offices that allows Alipay wallet owners to make in-app payments via a qr code. Clients who choose to pay with an Alipay wallet can scan the qr generated on the PAD display at the branch, authorising payment with the app by inserting their PIN or with biometric recognition.

A further innovation regarding the digital payments sector regards the launch of the SoftPos service. The first merchant to be authorised for this service is the courier SDA. The Tap on Phone technology ("SoftPos") makes it possible to enable Android devices to authorise contactless payments of any value, through verification by PIN on the device, without the need for an additional hardware device.



Regarding electronic payments, in keeping with previous years, the Group launched increasingly advanced and innovative services in 2021, such as the Postepay debit card for retail and business BancoPosta current accounts, together with the completion of important partnerships in the acquiring sector.

Furthermore, as regards the Open Banking platform, Poste Italiane has made it possible to manage accounts and cards directly through the BancoPosta and PostePay apps. These initiatives are aimed at making Poste Italiane's infrastructures more and more open, providing customers with an increasingly comprehensive and integrated service. Thanks to Poste Italiane Group's Open Banking services, it is possible to manage current accounts and payment cards held with other banks and payment services providers within the PostePay and BancoPosta apps.



It is also possible to open a BancoPosta account directly from the device, by choosing the type ("Start Giovani", "Start" and "Medium" options) and following the instructions provided by the application. The account is opened in a few days and active immediately. As part of the "Premium" service model, dedicated to customers with high capitalisation and sophisticated needs, it is possible to manage and provide remote consultancy after which the customer can sign the necessary documents by advanced electronic signature in the dedicated area of the Poste Italiane website. A Premium consultant is a professional who has been selected with greatest care and undergoes continuous, highly specialised training.


Concerning Business and Public Administration current accounts, the new BancoPosta Business Link current account was launched for the Small Business segment, offering a modular range of products accessible via the redesigned online Internet Banking platform and a new app.

In keeping with the offering provided in 2020, the Company also continued to promote this initiative in 2021, which was already implemented for retail customers and linked to assignment of tax credit. Furthermore, the Company maintained the promotion comprising the reimbursement of account maintenance fees for customers who stipulated, even if not at the same time, the opening of a BancoPosta Affari current account, combined with the Postepay Code service or the Tandem POS Fisico acquiring service (which allows the acceptance of payments by credit, debit or prepaid cards, also in contactless mode). Over the year, the offering towards Small Enterprises was enriched through changes in the sales channels.

In 2021, a promotion was launched comprising a refund of the first year of card maintenance fees whenever a Postepay Evolution Business card was opened together with a Mobile Tandem POS or Physical Tandem POS service. This promotion will remain valid until 31 December 2022.

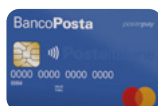
In the new products segment, Postelitaliane implemented and issued the BancoPosta Personal Loan product in 2021, in collaboration with the new partner  Santander Consumer Bank.

Furthermore, the Company promoted the use of ATMs as opposed to staffed tellers for withdrawing cash and the use of all digital channels and apps to carry out various transactions. Against a backdrop of great digital evolution, the Group endeavours to provide an offering that is increasingly oriented towards electronic money, while simultaneously combating the use of cash. In this regard, the research and efforts made by the Company, also in support of the initiatives promoted by the Government, have enabled the launch of a series of additional new products and services:

- **Postepay Digital**, the first 100% digital Postepay prepaid card, suitable for online payments, transport fares, qr code payments in participating businesses or Google Pay for owners of an authorised Android smartphone. It is managed in the Postepay app and allows customers to request an IBAN to be associated with the card in order to make or receive bank transfers, receive salary payments or set up utility bill direct debits. The version equipped with an IBAN allows users to request a "physical" copy of the card, delivered completely free of charge to one's home, in order to withdraw cash from all ATMs and pay in all stores which use the Mastercard circuit. The Postepay Digital card received the "Selected Product of the Year 2021" award for the category "smart payment services". The prize is awarded every year according to views expressed by consumers through the most important Italian survey on innovation, sustainability and customer satisfaction. 
- **Postepay PA**, the prepaid card dedicated entirely to the Public Administration, which since its launch, has made it possible to manage the funds and contributions to be paid out to citizens. The card is equipped with an IBAN which can be viewed on the Postepay and BancoPosta apps and on the website postepay.it, thanks to which the card can handle SEPA transfers and transfers between postal accounts.

- **Postepay Green**, the new biodegradable prepaid card, made from materials of organic origin with a lower environmental impact, reserved for young people aged 10 to 17. The prepaid card allows young customers to make payments safely and quickly, and parents to monitor transactions (parental control) and quickly top up the card through the “pocket money” system. These services can be used from both web and app channels.

- **Postepay Code**, the new service that allows merchants to manage payments with the Postepay app via qr code, representing a simple and secure collection solution for local professionals, tradespeople and small businesses. Payment by Code, which is also available within the Post Office network, has recently been added with a promotion that allows customers to receive cashback on every transaction they make. This promotion has been extended to 31 March 2022 and it allows users to receive €3 cashback for every transaction made with Postepay Code of at least €10 in participating retail outlets, up to a maximum of €15 per day. In addition, the Company offers an online sales process to enable self-service purchases of the Code service, as well as the method that involves generating lists of users interested in the service (leads) at Post Offices, who are subsequently contracted through sales representatives or the contact centre. Finally, in October 2021, with a view to optimising and broadening the sales channels, the Group introduced the Code WEB feature in its Large Customers offering, with the aim of standardising the user experience of the payment by Code service, whether online or in-store. The new feature



allows customers to pay online by capturing the qr code on the website of affiliated merchants.

- The **Postepay Evolution** card is a prepaid card with IBAN for customers who, in addition to the traditional features of a Postepay Standard card, need to make use of the main banking transactions without being tied to a current account. This card enables customers to transfer funds via bank transfer or towards another postal account, set up utility bill direct debits and receive salary or pension payments. The card is accepted in the many retail outlets, whether physical or online, which use the Mastercard circuit. The same card is available in a business version (Postepay Evolution Business), with services designed for the needs of self-employed professionals with VAT number or registered as sole traders. This card offers the possibility of sending money 24/7, through a partnership with Western Union, not only via Postepay app, but also from the web channel to over 200 countries.



- The **IoStudio Postepay** card is a Student Card, developed by the Italian Ministry of Education, Universities and Research and distributed to secondary school students. The card can be used to prove one's status as a student in Italy and abroad, allowing access to discounts and advantages in businesses affiliated with the Ministry for Education as well as the ScontiPoste discount scheme. The Student Card includes the payment features of a Postepay card and stands out for its high security standards, blocking payments in sectors such as gambling, adult services and liquor sales.



PostePay plays a leading role in supporting the digital transformation, which has caused a significant increase in electronic money along with growth of the e-commerce phenomenon.

In the first half of 2021, 1.6 million users of digital transactions were recorded alongside a 130% increase in payments via app. In this fast-changing landscape, the Group has enacted measures to contribute decisively to improving the digital literacy of the Italian population, who were previously unfamiliar with digital payments. Furthermore, the Group has increased the possibilities of contactless payment in its physical network, even for small charges relating to day-to-day spending.

Lastly, as of October 2021, all Poste Italiane payment cards have been categorised as assets belonging to Poste Pay, which as a specialized intermediary has incentivised its range of innovative services for the benefit of all the Company's customers.

**Poste Italiane  
and digital  
payments**  
PostePay as partner  
of the digital  
transformation



In keeping with the special focus placed on business customers in the acquiring field, the collaborative operation initiated the previous year by the Group in partnership with Lottomatica Italia Servizi (LIS) was completed in 2021, which has enabled 54,000 retail out-

lets to be authorised to handle bill payments through Postepay Code. In the first months of 2022, this partnership culminated in the Group's acquisition of LIS from its previous owner IGT (International Game Technology PLC).

## Poste Italiane acquires 100% of LIS

The Group strengthens its standing in the payments market



Poste Italiane, through its subsidiary PostePay SpA, signed a binding agreement for the purchase of 100% of LIS Holding SpA ("LIS") from its previous owner International Game Technology PLC ("IGT") for a total of €700 million, based on an Enterprise Value of €630 million and net available cash of €70 million.

LIS operates in the Italian proximity payments market through a network of 54,000 authorised retail outlets and it offers services, such as bill payments, prepaid cards, phone top-ups, vouchers and other solutions for merchants and companies. By leveraging a proprietary pay-tech platform, LIS benefits from its economies of scale, technology and skills.

This acquisition will further strengthen Poste Italiane's standing in the rapidly expanding payments market, creating value for the Company and all its stakeholders and marking another milestone in the Group's integrated omnichannel strategy. Moreover, this transaction consolidates PostePay's growth also in the proximity payments market and bolsters its acquiring services and SME offering, in keeping with the omnichannel strategy enshrined in the "2024 Sustain & Innovate" Plan.

The boards of directors of Poste Italiane and PostePay have approved the transaction which remains subject to the usual closing conditions, including attainment of the regulatory approvals. The closing is expected within the third quarter of 2022.

During 2021, the partnership with ENI continued with the progressive activation at service stations participating in the offer of Postepay acquiring services (physical and digital POS through the Paga con Postepay solution, included in the ENI Station app). This synergy between ENI and Poste Italiane led to the launch of the bill payments system PagoPA in over 2,800 service stations, which allows customers to pay taxes, stamp duty and public administration fees. This service has been extended to the LIS PAY network.

Furthermore, regarding the transport sector, payment card acceptance through PostePay's acquiring services for Trenitalia's physical POS units has continued; in addition, in the virtual POS corporate e-commerce acquiring segment, MO.TO (Mail Order/Telephone Order) services have been activated to enable acceptance of card payments via phone, alongside the introduction of COF (Card on File) services to save card details and recurring payments.

On 5 May 2021, PostePay and American Express signed an agreement governing the provision of advertising services by PostePay to expand the business offering to its customers. Moreover, this partnership also comprises services concerning the activation and operational management of POS terminals in stores to accept American Express cards.

Finally, over 2021, increased collaboration between PostePay and Bancomat was achieved. On top of the "acquiring" licence, which allows Poste Italiane to accept payments on the Bancomat and PagoBancomat circuits in Post Offices, Postamat ATMs and PostePay affiliated merchants, "issuing" licences have also been activated, making it possible to issue PostePay cards also on the "Made in Italy" circuits of Bancomat and PagoBancomat. Together, PostePay and Bancomat account for 64 million debit and prepaid cards, whereby these prepaid cards make up approximately 60% of the entire market. Moreover, 25% of e-commerce transactions in Italy are executed using a Poste Italiane card, with an average 1 million transactions per day reached in the last quarter of 2020. The enlargement of the agreement enables the Group to leverage the interoperability of the digital payment platform of PostePay and Bancomat (Bancomat Pay) thanks to the speed and simplicity of qr codes, which were already rolled out with great success for the cashback scheme. The project will contribute to developing a digital payments culture, for the benefit of Italy as a whole. With reference to issuing services, the following initiative have also been introduced:

- **Apple Pay**, which allows users to make contactless payments with PostePay's prepaid and debit cards through verified iOS smartphones.

- **Post Office app Onboarding via qr Code**, which allows customers to authorise their payment devices individually or en masse in Post Offices. To do so, customers must capture a qr code shown by the assistant at the counter.
- **Cardless withdrawals** enabling owners of Postepay prepaid and debit cards to benefit from cardless cash withdrawals at Postamat ATMs, i.e. without the need to insert their card. Customers can withdraw by using the PostePay app, capturing the qr code shown on the ATM terminal.



- **Postepay Open**, which allows customers to top-up their Postepay prepaid card by debiting a current account held at a third-party Bank (Payment Initiation Service – PIS) and view their balance and transactions of the associated current account directly in the Postepay app (Account Information Service – AIS).
- **Postepay Debit retail and business**, the new Debit Card issued by PostePay. The retail debit card enables current account holders to access the innovative services of the PostePay ecosystem, combining them with the services of a traditional debit card; the business debit card, on the other hand, allows customers to access additional services compared to the previous offering (e.g. e-commerce payments and card authorisation for business apps)..

Thanks to the agreement between PostePay SpA, Mastercard and the public transport enterprises of Milan, Rome, Turin, Bari and Naples, the *Tap & Go®* service has been rolled out, allowing customers to travel via public transport (metro, trams, buses) without the need to buy a paper ticket beforehand.

Specifically, this partnership makes it possible to use a PostePay prepaid or debit card issued on the Mastercard circuit to pay directly at authorised contactless digital turnstiles. Moreover, payment can be made by ApplePay for iPhones or Google Pay for Android phones.

This service has no additional costs with respect to the existing costs charged by the transport companies.

**Tap & Go®**  
Public transport  
goes contactless



## Collections



With regard to collections, Poste Italiane's role within the PagoPA system is well established, with the extension of the range of services offered to central and local government bodies via digital channels (web and app).

From May 2020, PostePay SpA, in addition to BancoPosta, has also been accredited directly as a payment service provider on the PagoPA system making it possible to make payments via the PagoPA service on all digital channels, at Post Offices and through the Portals of the Creditor Entities, including for payment notices with respect to bank current accounts.

In accordance with Ministerial Decree of the Ministry of Economy and Finance of 30 April 2021, Poste Italiane has developed the solution "Collection Platform for State Administrations", which makes it possible to manage payments towards State Public Administrations using postal payment slips as

a collection tool for Treasury current accounts held with Poste Italiane.

The launch of the Digital Moneybox is an important development in the digital savings landscape, accessible on the BancoPosta and Postepay apps. The Digital Moneybox is a digital service, completely free of charge, which leverages the digital management of the Smart book, the BancoPosta account and/ or the Postepay Evolution prepaid card, allowing customers to set aside funds and achieve spending and/or savings micro-goals. The feature allows users to create up to 5 savings goals at any one time totalling a maximum of €5,000. In order to create a goal, customers insert their target amount, a target date (from 1 to 24 months) and the category (e.g. travel, leisure), which can be customised. Through the sharing feature, users can ask friends and relatives to contribute in order to reach the goal more quickly. Through the implementation of the Digital Money Box, Poste Italiane endeav-



ours to promote awareness around saving, build customer loyalty and attract new customers, also encouraging younger customer segments. Thanks to the company website and apps, customers can also open a Smart Savings Account, making it possible to manage one's savings online.

In June 2021, the new instant SEPA transfer service (SCT Instant) was progressively introduced on the digital channels, enabling Postepay IBAN card holders and BancoPosta current account owners to carry out transfers that are credited to the recipient in less than 10 seconds. The SEPA Direct Debits Dashboard allows PostePay IBAN card holders and BancoPosta current account owners to manage direct debits independently, progressively rolled out on the web and app channels from March 2021. Whether using the omnichannel or mobile channel, customers can consult their direct debit mandates and an overview of previous debits, revoke and approve new mandates, set up specific value limits and change debit IBAN details. In accordance with the European Central Bank roadmap, the Group completed its implementation of TIPS (TARGET Instant Payment Settlement), enabling BancoPosta current account owners, Postepay IBAN card holders and Smart Savings Account owners to receive instant transfers from other Payment Service Providers (PSP) that participate in the TIPS circuit.

These initiatives are aimed at improving the customers' user experience and, simultaneously, enabling new use cases, promoting the replacement of traditional payment tools such as cheques and bank orders.

## Mobile

In keeping with 2020 and in line with the Group's communication services strategy, during 2021 Poste Italiane maintained agreements with two Italian providers, Open Fiber and TIM, through its subsidiary Poste Italiane SpA, with the aim of offering private households and business advanced internet connectivity solutions. Open Fiber provides direct internet access and connectivity services for end customers, through fiber optic technology (FTTH - Fiber to the Home) and mixed fiber and copper connections (FTTC - Fiber to the Cabinet and FTTE - Fiber to the Exchange). The agreement with TIM governs direct internet access and connectivity services for end customers, but only through FTTH technology. TIM aims to develop the FTTH network to reach over 1,600 of the main Italian municipalities by 2025; Open Fiber, on the other hand, pledges to reach 270 of the most important Italian cities, as well as

Furthermore, the Supersmart Offer has continued, dedicated to customers who deposit new liquidity and which grants access to higher final interest rates compared to the standard rates for savings funds. In particular, the Supersmart 180 Day Offer can be activated on poste.it, the BancoPosta app and in the Post Office network.

2021 marks the beginning of Poste Italiane's entry in the motor liability market, thanks to the development and launch of the product Poste Guidare Sicuri, which was gradually rolled out in the distribution network. The service stands out for its broad-reaching coverage and comprises a series of free guarantee extensions. The Group's car insurance policy was developed with the aim of emphasising the safety of all the family and, moreover, includes the "Guida Libera" set-up, which allows members of the family to use the insured vehicle in a flexible manner. In order to take out a policy, customers must book an appointment in a participating Post Office, by using the BancoPosta app or online, and bring all the required documentation, ensuring that the latter has not expired.

Finally, the Group reached another achievement in the insurance sector through the sale of a new integrated product in the Life and Non-Life sectors, which allows prospective Life policy holders to take out a joint Non-Life policy. The aim of this new offer is to reduce the phenomenon of underinsurance in Italy, through awareness programmes addressed to customers as set forth in the "2024 Sustain & Innovate" Strategic Plan.

4.8  
million

PosteMobile app  
downloads in 2021

7,700 smaller municipalities through licensing contracts. These measures will all contribute to reducing the digital divide between different areas of Italy.

In addition to the agreements with Open Fiber and TIM, a series of further innovations have enabled Poste Italiane to confirm its position as a leading operator in the telecommunications sector:

- **Postepay Connect Back**, a mobile service with an exclusive cashback feature. Customers who sign up to the offer receive a monthly cashback discount for the Giga of their tariff plan not used up, credited directly to their Postepay Evolution card and usable for any type of expenditure;
- **PosteMobile Casa WEB**, the home internet connection solution based on 4G wireless technology. The service can be purchased exclusively online and installation does not require the intervention of a technician, guaranteeing unlimited data traffic with high performance (speeds of up to 300 Mbps) and a free Wi-Fi modem included on loan;
- **PosteCasa Ultraveloce**, the new “data only” offer, which can be activated online thanks to a “full digital” process, which enables users to surf from home at the speed of fibre up to 1Gbps without limits. The offer was launched by PostePay, thanks to which Poste Italiane has been able to make its debut on the super fast fiber optic internet connection market, through ultra broadband technology. The offer moreover includes a second mobile connection, allowing customers to use the internet instantly, without limits, with a view to implementing a ‘fast provisioning’ and ‘full connectivity’ customer experience. Furthermore, a Wi-Fi modem and USB dongle are supplied to customers on a free lease. In order to sign up for the PosteCasa Ultraveloce fiber optic internet connection service, all customers need do is visit their nearest Post Office or request activation directly on the poste.it website.
- **Offerta Tariffaria Mobile** (Mobile Tariff Offer), which offers mass market promotions featuring a high mobile data allowance, which can be requested in store or online, available to all customers with no strings attached.
- **Postepay app Mobile Telephony Services**, thanks to which PosteMobile SIM holders can access and view their current tariff, options, offers and bonuses. Moreover, an overview of telephone traffic and past top-ups is also provided. In order to access these features, customers must register on poste.it and log in via the app

using the same credentials created on the website, or use the quick access method by accessing the app while using the PosteMobile data network.

In keeping with the previous year, the offering of PosteMobile Casa was further extended in 2021, originally launched by PostePay at the end of 2019, which was able to grow its target audience through flexible and inexpensive solutions. This initiative is aimed at strengthening the institutional role of Poste Italiane as an important player in the digitisation and development process of Italy, in particular in geographic areas with insufficient coverage due to market failures, as identified by the telecommunications sector. The offer is entirely on the mobile radio network and this provides customers with maximum flexibility in using the data service that can be used anywhere, provided that the Wi-Fi modem is connected to an electrical outlet.

Moreover, the marketing of Postepay Connect also continued during the period, which, by integrating the Postepay Evolution card and PosteMobile SIM in a single app, has confirmed its unique and distinctive offer on the Italian market. This solution emphasised the central role of the online channel as a complementary sales channel alongside the Post Office network.

Finally, in June 2021, the migration process towards the new Mobile Host Operator began, making it no longer necessary to change one's SIM card. The process has been mostly completed, with a total of 3.7 million SIM cards migrated to the new network, and will be finalised in the first months of 2022.

Postepay app downloads  
compared to 2020

+28%

more customers registered  
on Poste Italiane's digital  
channels (websites and apps)  
compared to 2020

+26%

## Parcels and Distribution

In keeping with the previous year, Poste Italiane continued to leverage a proprietary aircraft fleet in 2021, in order to answer to market demands.

The Group continued to operate air connections to facilitate 24-hour parcel delivery throughout Italy, in particular in Sicily and Sardinia, with 9

active air connections, including two introduced in the first quarter of 2020 at the Fiumicino airport hub (to Catania and Cagliari). The Group's air fleet comprises seven aircraft: five Boeing 737 – 400 aircraft and two ATR 72-500 Cargo aircraft.

With a view to business development, during the first quarter of 2021, the sorting centre in Central Italy located near Rome and the one located in Northern Italy became fully operational.

## The new strategic maxi-hubs

Landriano and Passo Corese



At the beginning of 2021, Poste Italiane inaugurated a new hub in Passo Corese in the province of Rieti. The environmental sustainability principles promoted by the Group are reflected in the next-generation automatic sorting system adopted at the new hub. Indeed, the hub in Passo Corese can process up to 140 thousand parcels a day, including extra-large parcels, thus ensuring rapid deliveries throughout the country.

In June 2021, in Landriano in the Pavia province, Poste Italiane also inaugurated the largest hub in Italy for e-commerce and express courier services, spread across 80 thousand square metres, 40 thousand of which are under cover. The adoption of advanced technological solutions enables the new logistics hub to process up to 300 thousand parcels a day, ensuring a rapid delivery service throughout the country. The automatic sorting system implemented in the Landriano hub uses the highest technological standards and operates on 4 interconnected machines that automatically sort the mail by destination and weight/volume on 694 outputs. This makes it possible to handle envelopes, small and extra-large parcels, with a capacity of up to 39,000 items an hour. The cutting-edge technology used also includes an innovative sorting system based on autonomous mobile sorting technology, equipped with 17 robots. Subsequently, the parcels are loaded directly onto the transport vehicles for distribution throughout Italy.

In line with the sustainability principles promoted by the Group, the new hub in Landriano is equipped with 2,500 solar panels installed on the roof which cover 80% of the plant's energy needs, resulting in an annual reduction in CO2 emissions of 210 tonnes. It has a control system in place to save water and a full LED lighting system. Together with the hubs of Bologna, Piacenza and Passo Corese in Rieti, the new hub in Landriano forms the backbone of the Group's sorting operations. The structure obtained the BREEAM In-Use Excellent certification, one of the most significant certifications at the international level in terms of sustainability, due to the design and construction decisions adopted.

As far as the delivery area is concerned, the development of the potential of the collaboration with Amazon continued, in line with the Poste Italiane strategy of growth in logistics linked to e-commerce purchases. This is also connected with expansion of the Punto Poste network for collecting online purchases and sending returns comprising over 13,000 alternative collection points. In addition to Post Offices, these collection points include tobacconists, bars, stationery shops, newsstands, shops and Kipoints, 350 lockers and 100 authorised Carrefour supermarkets.

In particular, under the agreement signed with Italiana Petroli, an agreement has been signed that provides for the construction of 40 collection points dedicated to online purchases, the shipping of prepaid parcels and returns from the main e-commerce sites forming part of the PuntoPoste network.

With regard to the partnership with Amazon which began in September 2020, the new Reverse Paperless functionality of the Poste

Delivery Business has been introduced. This solution allows e-shoppers to return items purchased online without having to print out any paper documents. This project arose out of the need to offer customers a simple and satisfying returns service that is beneficial to the business in terms of increased sales volumes.

As in 2020, in 2021 the partnership between Poste Italiana and Zalando continued in order to manage returns and outgoing shipments, for which the PuntoPoste network has been made available. Furthermore, for outgoing shipments, the Group envisages the possibility of collecting purchases from the Post Office or an alternative collection point. In addition, in line with the increasing market requirement for flexible shipments, the Company has maintained the Scegli Tu feature, which allows the recipient of a shipment to manage and customise the delivery even when it is in transit.



The volume of parcels arriving in Italy from China has grown more than tenfold since 2012 and represents 75% of shipments received from outside of the European Union. In light of this data, Poste Italiane has entered into a joint venture with Sengi with the acquisition of a controlling share of Sengi Express Ltd (equal to 51% of the voting capital), with a view to consolidating its presence on the Chinese market.

The goal is to act in synergy with Sengi to offer services with increasingly rapid delivery times and to improve the customer experience of Italian customers who make purchases on Chinese websites. The strategy envisages the development of a range of services for e-commerce such as rapid customs clearance in Italy, with direct upstream control of the value chain of services offered and a real-time tracking service for each shipment, from the hub in China to the final destination in Italy.

**Sengi Express**  
Poste Italiane  
acquires the Chinese  
logistics operator  
Sengi Express



**Posteitaliane**

The solutions dedicated to business continue to include the Poste Delivery Business, which offers a complete range of flexible express courier services, and e-commerce services that combine the extensive reach of the Poste Italiane networks with the expertise of the SDA express courier. The offer is based on different services according to delivery speed, destination and a wide range of ancillary services, to customise the delivery phase according to the customer's needs. The Reverse option (both express and standard) allows purchases to be returned to Post Offices, Punto Poste and Scegli Tu, through a proactive notification system, allowing recipients to adjust the place and date of delivery of the shipment to their needs. Finally, with the Prepaid Offer geared towards small businesses, it is possible to pay for shipments through an electronic wallet with free top-up amounts.

With regard to consumer customers, the Group continues to offer the online Poste Delivery Web service through which parcels of up to 30 kg can be sent throughout Italy and worldwide in a simple, easy and flexible manner. To send a parcel, the customer, having registered and paid for the shipment on the website or app, can go to the Post Office and show the qr code generated by the system upon completing the purchase. Alternatively they can use the paperless service, handing the parcel directly over to a courier without having to print the waybill. In 2021, the Group introduced the instant delivery service, a new express delivery service catering to the needs of private individuals and professionals who need to send urgent documents and parcels of up to 20 kg that do not exceed 120 x 80 x 60 cm in size. The service is operational every day until 23:00 with deliveries also over the weekend. The service is delivered through our pony express services partner PonyU. The service envisages the citywide collection and delivery of mail within 90 minutes, or same day (*Today*) or next day (*Tomorrow*) collection and

delivery. The service is currently available in Rome and Milan and will gradually be extended to all major Italian cities.

In addition, the Poste Deliverybox Express product sales service continues to be offered at the Collect Points of the Federazione Italiana Tabaccai (FIT) network, part of the PuntoPoste network. *Poste Deliverybox Express* is a shipping service with box included that allows shipments to be made directly from the Post Office or PuntoPoste at the same time of purchase or within one year, at no additional cost. There are two delivery attempts: if recipients also miss the second delivery attempt, they have 10 days to collect the parcel from the Post Office indicated in the failed delivery notice, without having to pay anything. It is also possible to request Poste Deliverybox Express home pick-up anywhere in Italy. In case of non-delivery due to absence or refusal of the recipient, wrong address or failure to collect, the shipment will be returned free of charge. As at December 2021, the service had registered over 10,000 authorised collection points.

In keeping with the trend in 2020 concerning the development of innovative and technologically advanced delivery services in the context of "last mile" logistics, following the acquisition of a 70% stake in the company MLK Deliveries SpA, the Group continued to offer Same Day and Scheduled Delivery services. Poste Italiane has launched Poste Delivery Now, a new range of solutions for e-commerce operators developed in order to meet the need for increasingly fast and customised delivery solutions. The service allows e-shoppers to easily check the progress of their order and the envisaged delivery date, to select the date and time of delivery, change the address, set opening times (of shops or concierge services for example), reschedule the delivery time up to five minutes beforehand, check photographic proof of delivery and review their delivery experience. Poste

Delivery Now also offers customers a tracking service that allows advanced tracking of the shipment in real time, from despatch to delivery, with the possibility to liaise with the courier if necessary. The Group has established that said services, which are already active in the main Italian cities, will be further extended in 2022. Furthermore, in collaboration with Pharmap, the Group has continued to extend the service for the home delivery of medicines in big cities and small to medium municipalities, offering instant, scheduled and next day delivery options. The service can be requested through the Pharmap website or the "Pharmap – consegna farmaci" app, which can be downloaded free of charge from the AppStore or Google Play by selecting the preferred pharmacy from among those taking part in the initiative

and choosing the products required. The service is currently available in 169 municipalities.

With the acquisition of the entire share capital of Nexive Group, finalised in January 2021, Poste Italiane secured the opportunity to consolidate the mail business and related logistics infrastructure to safeguard its sustainability. The purchase price agreed for the entire share capital of Nexive amounts to €34.4 million based on the enterprise value of €50 million and a net debt of €15.6 million. The operation leads to a strengthening of the Group's position in the market, as Nexive is the second largest postal operator in Italy, with a market share of 12% for the delivery of mail, equal to approximately 350 million volumes handled annually.

## Innovation and digitisation of processes



Poste Italiane has undertaken a process of digitalisation which has influenced its range of products and services and its business processes through the adoption of an omni-channel approach in its distribution model. This enables the Company to provide flexible services that keep pace with the needs of customers. The roll-out of the omni-channel strategy, which has extended the Group's physical footprint and enhanced its digital channels, has resulted in a radical inversion of Group's paradigms, affecting the organisation at all levels of business. This process was remarkably facilitated by the Covid-19 pandemic which, from the start of 2020 and throughout 2021, favoured an acceleration of the shift towards business models that leverage an omni-channel strategy, supported by a liquid and open operating model that combines technological intensity,

data orchestration at the service of the eco-

**~ 2 billion**  
will be invested in the  
digital transformation of the  
Group over the **2021-2024**  
period

system and digital and customer-oriented operations. Through this innovative and sustainable operating model, the Company has been able to rapidly respond to changes in the market.

### Digital Date Certification The innovative offer of Postel



Postel has launched an *ad hoc* service aimed at professionals and businesses in response to the needs of those who require a digital document to be stamped with the time and date. Postel's new Digital Date Certification makes it possible to irrefutably establish the anteriority of the document formation, making it enforceable against third parties. The legal effect of the mark is analogous to that guaranteed by the traditional postal stamp or by the notaries and public offices that certify the date and time of issue of a document.

The service makes use of the Electronic Postal Certification Mark (ECPM), which certifies the existence of the electronic document and the date and time of its issue, thereby rendering it enforceable against third parties. Furthermore, Postel ensures the availability of the document by keeping it in a Digital Storage System, which guarantees the maintenance of its legal validity over time.

The Group uses digital platforms that exploit the opportunities arising from technologi-

cal innovation to create new and customised products and services, opening up new chan-

nels of communication with its customers to offer a seamless experience in line with their needs. Against the backdrop of digitalisation, the platform companies are configured as winning disruptive business models, characterised by critical success factors such as the combined use of exponential technologies, a

customer-focused approach, open and easily integrated platforms and guaranteed reliability and security. These factors have been essential in the efficient management of markets during the pandemic and the changes brought about as a result.

The emergence of the worldwide pandemic generated and globalised need and fear but also hope, expectations, and social and economic trends amidst a widespread perception of great instability.

In the wake of the digitalisation and modernisation of the country, Poste Italiane has significantly invested in technology. As a result, it has had to reconcile technological change with the need for the business to remain flexible, proactive and reactive, and to strike a balance between its traditional physical presence and its new virtual dimension. The Group has adopted a decisive and radical knowledge-intensive approach, which sees human capital as a vitally important resource. In this perspective, combining the digitalisation of services with a constant and qualified presence on the ground is fundamentally important. Poste Italiane has succeeded in implementing both the physical and digital dimensions of the business, with over 121,000 employees and around 13,000 Post Offices and an increasing range of digital services accessible from home.

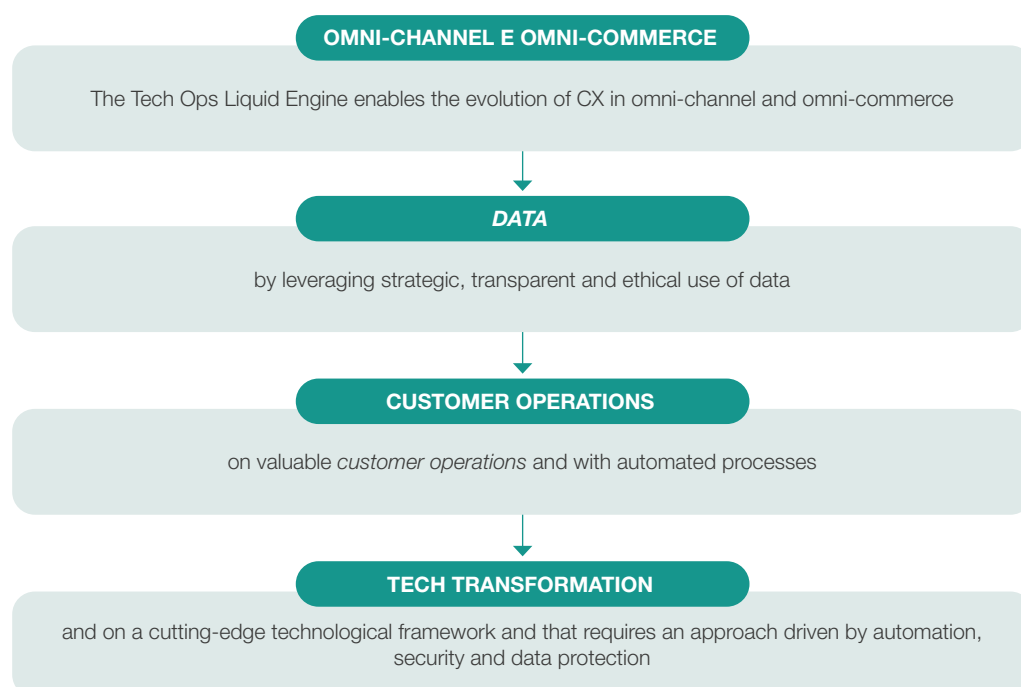
SPID and the development of the vaccination platform during the health emergency highlight the role of Poste Italiane in facilitating the technological transformation of the country.

This hybrid model became known as the "Platform Company", a platform business that redesigns professions in line with new requirements and customs that require qualified local support, focusing on training in order to maximise the benefits deriving from the Company's presence on the ground.

**Poste Italiane  
for the  
technological  
transformation  
of the country**  
The Platform  
Company

In this scenario, Poste Italiane, with a view to assisting citizens in their daily needs, offers itself as the Distribution Platform of Choice in the Italian System, facilitating the growth of production and promoting the simplification of the Public Administration.

The Distribution Platform of Choice must address the emerging needs of the Country System, satisfying needs and connecting citizens, businesses and Public Administration, through a Tech Ops Liquid Engine capable of enabling business evolution, articulated in four areas.



The transformation is made possible only through the development of strategic partnerships that can help accelerate the digitalisation of the country, assisted by a cultural change that involves all people, in a number of aspects:

- **culture:** it is necessary to establish a generative culture in which people are driven to have a strong customer orientation and continuous improvement;
- **collaboration:** adequate collaboration tools allow the creation of internal communities that evolve autonomously and generate value for the entire business ecosystem;
- **improvement:** continuous improvement must be part of the DNA of all employees in order to anticipate customer needs;
- **agile:** the adoption of agile methods, not only on the production chain, makes it possible to respond quickly to the changes that a highly digital world imposes from the outside;
- **skills:** strengthening of internal skills through the inclusion of specialised resources (e.g. architects, software engineers, etc.) to internalise skills and allow the in-house creation of strategic platforms for the business, through the establishment of specialised IT factories spread across the country.

## Startup for SMEs

Poste Italiane  
in the field of  
innovation



Poste Italiane has underlined its commitment to innovation thanks to the "SME Insurtech – Call for Solutions" initiative, the first international call aimed at startups already operating on the market. This initiative, which is aimed at the world of SMEs is focused on the creation and development of technological solutions and services for the insurance world, in partnership with LVenture Group.

The project falls within the scope of the Poste Italiane Group's Open Innovation strategy, which seeks to establish a continuous dialogue with the entire digital ecosystem of innovation, both in Italy and abroad.

The finalists of the call were selected by a panel on which the various business functions of Poste Italiane and the Poste Vita Group were represented, and they competed by presenting their ideas on 26 October 2021. The winners, Insoore and Cyberangels, were chosen due to the innovative solutions they presented which were in line with the development strategy of the Poste Italiane Group for small and medium enterprises. Both companies will undertake a trial period lasting three months with Poste Italiane and Poste Assicura.

The initiative reflects the Group's intention to involve and collaborate with startups in order to continuously improve the solutions offered to employees and customers and to support the entire country system, thanks to dialogue and discussion with Italian and international digital businesses.

During 2021, the Company reinforced its digital sales channel by optimising purchase processes through the "one click to buy" function and by amplifying the range of products and services available for purchase online.

In light of the main technological developments in the market in which Poste Italiane operates, the Company has launched a significant process of digital transformation which will entail the following key actions:

- enhance the Post Office network, integrating it with B2B2C partner networks, in synergy with the strengthening of digital channels;
- optimise digital solutions, fostering inclusion and development of the digital economy, in order to meet the diverse needs of customers of all age groups;
- expand the addressable market to smart customers with data connectivity needs;
- consolidate the Company's role as a key interlocutor for the Public Administration.

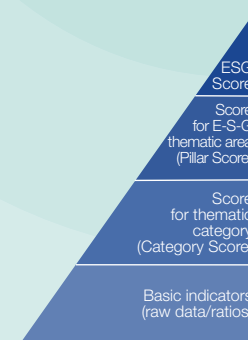
Poste Italiane offers a consultation model oriented towards sustainable investment that is embodied in the creation of an online platform. This model is limited to a catalogue of products and includes the financial criteria and ESG preferences of the customer, such as product and customer knowledge, consultation and conformity, and disclosure to customers.

With regard to product knowledge, each product is given an ESG score for various aspects: an overall score, one for the pillar and one for the category. The ESG attributes are also represented. As part of the profiling process, the level of interest and customer preferences in relation to ESG are assessed and, based on said preferences, a minimum portfolio score is allocated for the individual pillar. Consultation is conducted taking into account the financial drivers, introducing specific controls aimed at verifying the minimum portfolio score for each pillar depending on the preferences of the customer gathered from the MiFID questionnaire. Said controls act in addition to those of the current adequacy model. Finally, with regard to disclosure to customers, additions are made to the recommendation report, indicating the consistency of the products proposed with the customer's ESG preferences and the variation in the portfolio in terms of the individual pillar score between pre and post recommendation.

Information related to ESG can be found in the product data sheets available on the Consultation Platform. Additionally, under the "product sheet" heading, the scores for each driver (E, S, G) are broken down.

The aim of the Guided Consultation Platform is to supplement the current information set of the Customer with information related to the ESG Profile Overview and the score for each individual ESG pillar.

## ESG consultation model A Guided Consultation platform



The Group continues to implement streamlined and innovative processes that simplify customer interaction and internal operations, automating several large-scale operational processes with a view to improving and speeding up customer service.

**Poste Italiane offers a company-platform for national growth, catering to the needs of citizens in the digital transition through a process of product diversification that is in line with the new hybrid world**

In 2021, in continuation of the process initiated in 2020, Poste Italiane, Postel and Microsoft Italia consolidated their partnership, offering customers the chance to purchase bundled offer packages aimed at simplifying business management until 31 December 2021. This initiative was part of a process of digital transformation already initiated by the Group, which facilitates the supply of advanced digital services to Italian businesses and the Public Administration.

Said partnership was built around three strategic initiatives: firstly, the creation of an "Ecosystem Platform for SMEs"; secondly, the development of the hybrid cloud National Platform and thirdly, focusing on the Group's digital transformation process.

For business customers, various bundles relating to specific needs have been proposed; the Microsoft Standard package can be combined with the *Poste Delivery Business*, the Poste Italiane service designed for companies that send documents or goods to private and business recipients in Italy with delivery within two working days. It is also possible to add the *Salva e-invia Web* service, an integrated system of web-based services offered by Postel in order to simplify the sending of mail. Where an electronic signature is required on documents prepared using Microsoft packages, customers can use Poste Italiane's Remote Digital Signature feature in order to securely sign electronic documents with legal value. Digital Date Certification is instead a Postel service that makes it possible to certify the date and time of production of any document. As above, the document has legal value also in this case, with the certainty of the date guaranteed by the Electronic Postal Certification Mark issued by Poste Italiane.

## Poste Italiane with Microsoft Increasing national competitiveness through Group innovation

**Posteitaliane**









Scan the qr code  
and watch the video.



# Sustainable finance

## Responsible investments for sustainable growth

- Participation in national and international dialogue and development initiatives on responsible finance issues
- Expanded the range of investment and insurance products with environmental and social value
- Half-yearly monitoring of the degree of social responsibility and carbon footprint of the portfolios of BancoPosta Fondi SGR and Poste Vita



# Sustainable finance

## MAIN RELATED TYPES OF CAPITAL



## IMPLEMENTATION STATUS

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	BASELINE	2021	OUTCOME
	Development of initiatives on the topic of sustainable finance dedicated to internal stakeholders	• No. of initiatives	• 4 by 2024	2021	New	
	Gradual inclusion of an ESG component in Poste Vita investment products	• % of Poste Vita products with ESG elements	• 100% by 2024	2020	• 50% 	
	Increase BancoPosta Fondi SGR investments involving the integration of ESG criteria	• % of total AUM of Funds in placement with: a) benchmarks composed of ESG Indices for the Funds with benchmarks; b) investment policies involving specific criteria for selection of financial instruments related to ESG factors for Funds without benchmarks	• 50% by 2022	2019	• 42% 	
	Increase BancoPosta Fondi SGR investments involving the integration of ESG criteria	• % of total AUM of Funds in placement with: a) benchmarks composed of ESG Indices for the Funds with benchmarks; b) investment policies involving specific criteria for selection of financial instruments related to ESG factors for Funds without benchmarks	• 75% by 2023	2021	New	
	Monitoring of the carbon footprint of investment portfolios	• % of active management	• 100% by 2021	2020	• 100% 	
	New insurance protection/coverage offer for green buildings	• No. of insurance products for green buildings	• Product launch and dissemination on the market by 2021	2020	• Product dissemination on the market 	
	Promote the financial inclusion of the most vulnerable social categories (risk of non-self-sufficiency and Senior customers)	• Long-Term Care (LTC) products dedicated to the risk of non-self-sufficiency • Products dedicated to customers over 80	• Product launch by 2021	2020	• Marketing of products dedicated to the risk of non-self-sufficiency and products dedicated to customers over 80 	
	Promote the proposal of protection coverage on investment policies aimed at mitigating the risks to customers' health, reducing the socio-economic impact of such events	• % of new Life products offered to mass and affluent customers that provide coverage for serious illness and permanent disability	• 100% by 2021	2020	• 100% of products launched 	
	Launch on the market of the Poste Assicura digital risk protection insurance offer linked to the use of the web	• Development of offer for protection from digital risks	• Development and launch of the offer on the market by 2022	2021	New	
	Launch on the market of the Poste Assicura specialist examinations, physiotherapy and diagnostic testing cover, purchasable by a wide target audience and which supports the need to use private healthcare in a pandemic and general decline in national healthcare spending	• Development of offer	• Development and launch of the offer on the market by 2022	2021	New	
	Development of an offer dedicated to people with fragility	• Development of offer for people with disabilities	• Development of the market offer by 2022	2020	• Development of the offer concept 	



Objective achieved/Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

## Integration of ESG factors into investment policies

NFS

MAIN RELATED TYPES  
OF CAPITAL

The increasing proliferation of sustainable finance and the expansion of responsible investments are testament to the fact that inclusion of ESG considerations has become a strategic pillar, consistent with the general recognition that a shared course of action is needed in order to make a substantial contribution to sustainable growth.

This conviction has, for some time now, determined the responsible Investment approach adopted by the Poste Italiane Group with regard to the investment activities of BancoPosta Fondi SGR and Poste Vita. Indeed, for some time now, this vision has been a part of the

Group's strategy, with the principles of sustainability applied in all areas in which it operates, including the financial sector, in the firm belief that, thanks to its efficient investment processes, the asset management and insurance sectors can help protect society, promote innovation and support economic growth.

**The investment approach adopted by Poste Italiane seeks to integrate ESG criteria in order to promote the sustainable economic and social development of the Group and the entire Country System**

To guarantee comparability, reduce the risks of greenwashing and strengthen reporting on business sustainability, the European Union, as part of its commitment to the promotion of sustainable finance, has set up a framework for sustainable investment through Regulation (EU) 2020/852 (so-called "Taxonomy"), which entered into force on 1 January 2022 and seeks to provide investors and the market with a common language on the metrics of sustainability that can thus facilitate more responsible investment decisions.

To date, the Taxonomy has been focused on identifying economic activities deemed to be environmentally sustainable, namely economic activities that substantially contribute to achieving at least one of the six environmental objectives, without significantly undermining any other environmental objectives, and that are carried out in compliance with the minimum safeguard guarantees. Under the Regulation, financial companies are subject to transparency requirements regarding the proportion of assets associated with environmentally sustainable activities in respect of total assets, as well as to the transparency requirements at the product level envisaged by Regulation (EU) 2019/2008 ("Sustainable Finance Disclosure Regulation"), with which BancoPosta Fondi SGR and Poste Vita complied during 2021.

Aware of the importance of the Taxonomy, Poste Italiane's approach, adopted not only in 2021, entailed establishing the necessary working groups to prepare the disclosures required for the first year of application. However, said framework was also taken into account in the development of financial products, with a view to ensuring compliance with the broader regulatory framework governing sustainable investments.

**European Taxonomy Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment**

In order to define a holistic approach to integrating environmental, social and governance (ESG) considerations into investment activities, work began in 2019 on developing a general responsible investment strategy for the financial companies of the Group, BancoPosta Fondi SGR and Poste Vita. The first stage of this process entailed the two companies making a formal commitment to the integration of ESG criteria into investment activities by signing up to the Principles for Responsible Investments (PRI), the international network of investors, promoted by the United Nations, which aims to raise awareness among economic operators of the need to incorporate environmental, social and governance issues in their investments, proposing a long-term vision in the interests of the



In 2021, Poste Vita and BancoPosta Fondi SGR, signatories of the Principles for Responsible Investment, took part in the reporting cycle initiated by the UN PRI network



signatories, the economy, the environment and society. The commitment undertaken is not limited to the incorporation of ESG criteria but also translates into accountability in respect of the ESG integration policies and processes adopted by the signatories, who, having signed the PRI, are subject to reporting requirements and required to report annually on the progress made in implementing the responsible Investment strategy. This step, therefore, is consistent not only with the Group vision according to which the inclusion of ESG issues in investment processes is necessary for sustainable performance over the long term and for the reduction of portfolio risk, but also with the principles of transparency and ethical conduct.

Involvement in initiatives dedicated to managing ESG aspects is, in the view of the Company, important in order to contribute to the proliferation of sustainable finance and the achievement of sustainability objectives at the international level, as well as to the sustainable recovery from the impact of the Covid-19 pandemic. In this perspective, in 2021, the Group reinforced its commitment to engagement, which is a pillar of the strategy to integrate ESG into the investment processes of BancoPosta Fondi SGR and Poste Vita, in the belief that participation in collaborative initiatives is a key tool for the effective mobilisation of resources that could lead to the achievement of substantial results. In particular, the Group has joined several social and environmental initiatives such as Access to Medicine Index, which seeks to raise awareness in the pharmaceutical sector in order to increase efforts to help the poorest people in the world access the medicines they need in line with the UN's Sustainable Development Goals; Land Use and Climate Working Group of the Ceres international network, which was set up in 1989 with the goal of improving the management of emissions and natural resources through

targeted engagement activities; Nutrition for Growth (N4G) Investor Pledge; the Global Investor Statement in Support of an Effective, Fair and global Response to Covid-19, and the Workforce Disclosure Initiative (WDI).

### ESG Talks

In 2021, Poste Italiane, through the participation of the General Manager of BancoPosta Fondi SGR, contributed to the dialogue between investors and companies on ESG issues during the Salone SRI, demonstrating its commitment to the expansion of responsible finance

Talks have also been held on ESG issues with the portfolio companies with regard to national initiatives, such as, for example, the Digital Italian Sustainability Week of the Italian Stock Exchange, and the engagement activities initiated in 2020 as part of the ClimateAction 100+ initiative.

**Poste Italiane believes it is essential to participate in dialogue with institutions, trade associations and the finance sector in order to contribute to the proliferation of sustainable finance and the promotion of sustainable development**

### Poste Italiane signs the Global Statement in support of an effective, fair and equitable global response to Covid-19



Consistent with its belief that the financial sector, by pooling its forces and resources, can help mitigate the large-scale effects of the pandemic, the Group decided in 2021 to sign an open letter, namely the Global Statement in support of an effective, fair and equitable global response to Covid-19 promoted by the Access to Medicine organisations and directed at world leaders and the pharmaceutical industry in order to request a global, fair and more equitable response.

The statement brings together over 150 institutional investors, including BancoPosta Fondi SGR and Poste Vita, that all recognise the need for joint action in order to manage and restrict the reach of the negative effects to the pandemic. Through this statement, the participants, in addition to appealing to world leaders, international organisations and the pharmaceutical industry, also undertake to collaborate on these issues with the promoting association, Access to Medicine, and to engage with participants and issuers operating in the health sector.

Pivotal to the responsible investment strategy of BancoPosta Fondi SGR and Poste Vita is the system of policies and guidelines adopted by

the two companies that define the ESG integration strategy in the various investment activities performed.

In particular, the companies have adopted their own Responsible Investment Policy which formally sets out their commitment to ESG integration in the investment processes based on the considered principles, activities, roles and tools envisaged in the strategy defined. This strategy is based on the principle of investment assessment, according to which, an analysis of the environmental, social and governance profile of various issuers enables the sustainable and effective management of the same and, at the same time, provides a swift response in line with the environmental and social needs of the local communities. In this perspective, the policies envisage exclusion criteria which limit the investment scope of BancoPosta Fondi SGR and Poste Vita with regard to issuers that operate directly in the production of arms banished by the UN Conventions and that violate fundamental human rights.

The policy system is completed with guidelines that define the approach to be adopted to address any environmental, social and governance risks that may arise over the course of the investments. To this end, the Guidelines on the exercise of voting rights and engagement activities set out the processes for voting in relation to shares held and for conducting the engagement activities with issuers of portfolio securities, while the Guidelines for investment in sensitive sectors address the need to adopt robust control mechanisms with regard to activities that are inherently associated with significant ESG risk. The guidelines define criteria and processes to identify, assess and monitor exposure vis-à-vis issuers involved in the fields of fossil fuels, carbon, animal testing and in relation to violations of human rights. In order to guarantee transparency in the exercise of voting rights and in relation to compliance with the engagement policies adopted, the relative information is reported

periodically and made available to the public on the website.

### Proxy voting

With a view to extending the involvement of portfolio companies in the management of the company and to improving the efficiency of the voting processes, in 2021, BancoPosta Fondi SGR adopted a voting policy focused on sustainability through specialist providers

The proper implementation of said policy system is ensured through the communication and dissemination of the same within the organisation, in the belief that raising the awareness of all is necessary in order to fully incorporate the integration of ESG considerations into the business activities. In parallel, the clear allocation of roles and responsibilities is conducive to the establishment of a governance system that promotes process fluidity and the creation within the Company of centrally coordinated ESG integration hubs that ensure the consistency of the approaches adopted with the broader strategy and sustainability goals of the Poste Italiane Group.

## ESG monitoring

In line with their Responsible Investment Policy, BancoPosta Fondi SGR and Poste Vita rely on a precise and structured process for monitoring portfolio investments, with the aim of analysing the ESG profiles of the assets present and assessing the possibility of conducting engagement activities with the issuers in the portfolio based on ESG performance. Through the principles and processes adopted, the two Group Companies monitor the ESG profiles of their investments, relying on assessments performed by specialist external info-providers that are recognised at the international level. To this end, the portfolios of BancoPosta Fondi SGR and Poste Vita are periodically subject to ESG analyses through their multi-annual collaboration with the internationally renowned rating agency Moody's (formerly Vigeo Eiris), which specialises in social and environmental issues, with a view to assessing their level of social responsibility

### Portfolio screening

The portfolios of BancoPosta Fondi SGR and Poste Vita are periodically subjected to ESG analysis to assess their level of social responsibility and carbon footprint, with the aim of mitigating any risks

and carbon footprint and mitigating any risks. These analyses are performed in line with internationally recognised standards, guidelines and norms, disseminated by organisations such as the UN, the ILO and the OECD, and cover both corporate issuers and country issuers in portfolios managed directly or held indirectly through third-party funds.

## Monitoring the ESG profiles of the investment portfolio

**Postevita**  
GruppoAssicurativoPostevita

**BancoPostaFondi SGR**

For the Poste Vita Group, the weighted average ESG score for the investment portfolio in 2021 was 53/100 for Corporate issuers and 77/100 for Country issuers. The results obtained are higher than the ESG performance of the reference benchmarks, Ishares MSCI World ETF equal to 41/100 for corporate investments (equity + corporate bonds) and Xtrackers Global Government Bonds equal to 65/100 for government investments, confirming the high quality of the Group's investments in terms of sustainability. With respect to the CFET (Carbon Footprint Energy Transition) analysis, the weighted average carbon footprint of its portfolio was 4,588,794 tCO<sub>2</sub>e, with an Energy Transition score of 54/100 for corporate issuers. Both indicators exceeded the level of the benchmark Ishares MSCI World ETF (4,869,475 tCO<sub>2</sub>eq, score 43/100). Finally, the CFET of government investments was 416,073,054 tCO<sub>2</sub>eq and the Energy Transition score was 74/100.

With reference to BancoPosta Fondi SGR, the weighted average score for the portfolios relating to the company's direct and indirect asset management (€118 billion of assets) was 53/100 for Corporate issuers and 76/100 for Country issuers. BancoPosta Fondi SGR also scored higher than the ESG performance of its reference benchmarks, Ishares MSCI World ETF at 41/100 for corporate investments (equity + corporate bonds) and Xtrackers Global Government Bond at 65/100 for government investments. This result confirms, once again, the high level of quality of the Group's investments in the field of sustainability. Compared to the CFET analysis, the weighted average carbon footprint of the Company's direct and indirect management portfolios (€118 billion of assets) was 4,587,294 tCO<sub>2</sub>e, with an Energy Transition score of 54/100 for corporate issuers. Both indicators resulted in a higher score than the benchmark Ishares MSCI World ETF (4,869,475 tCO<sub>2</sub>eq, Energy Transition score 43/100). The CFET of government investments was 482,542,037 tCO<sub>2</sub>eq and the Energy Transition score was 74/100.

## Offering investment products with social and environmental value

In the belief that a product range inspired by an investment policy based on an analysis of ESG criteria, in addition to financial analysis, is a fundamental lever in the redirection of capital towards sustainable development, Poste Italiane has channelled part of its efforts into strengthening the range of solutions aimed at issuers with positive ESG profiles. In particular, much of the progress made in 2021 in terms of ESG integration relates to the extension of the investment product range. Consequently, in addition to the application of the policies and guidelines adopted by the Group companies, an investment policy was adopted aimed at achieving optimum performance through the selection of investments based on their ESG profiles.

In particular, in 2021, BancoPosta Fondi launched various funds on the market classified as financial products that promote environmental and social characteristics, in line with the regulatory framework defined by article 8 of the SFDR Regulation<sup>85</sup>, thereby strengthening the diversification of its prod-

uct range by tapping into the ESG preferences of investors. Furthermore, certain existing products offered by the SGR have acquired a greater ESG connotation in respect of their original classification thanks to changes in the investment policies that have allowed the inclusion of said funds among products that, in addition to the integration of ESG criteria, promote environmental and social characteristics in accordance with the aforesaid Regulation.

### BancoPosta Fondi SGR

A In January 2021, Morningstar ranked BancoPosta Fondi SGR among the top 50 European asset managers in the "small" category

85. Regulation (EU) 2019/2088 ("Sustainable Finance Disclosure Regulation").



This commitment is shared also by the Company Poste Vita which, with regard to its product range, has initiated the activities necessary to configure a new product with a stronger profile in terms of ESG integration into its investment activities.

## Green Funds

In 2021, BancoPosta Fondi SGR launched its first product with an environmental focus, namely the *BancoPosta Focus Ambiente 2027* fund, which was followed in 2022 by the *BancoPosta Focus Ambiente Marzo 2028* fund. The funds, which are managed by Anima SGR, invest primarily in funds classified as products that promote environmental and/or social characteristics or that pursue sustainability objectives (in accordance with the SFDR), giving priority to sectors that are better able to interpret environmental trends such as, for example, the circular economy,

the blue economy, renewable energy and climate transition.

In the insurance sector, a multi-class product has also been introduced which is managed according to a benchmark with a marked ESG index component: in particular, 20% of equity investments are managed with an index that aims at a significant reduction in carbon emissions compared to the global level, with a view to transitioning to a low emission economy. In addition, the Poste Vita portfolio includes asset investments with a distinctly positive environmental profile: for example, the real estate fund *Diamond Eurozone Office* (DEO), which obtained the maximum rating in terms of sustainability by GRES<sup>86</sup>B and which secured the title of *Green Fund*, the real estate fund *Diamond Core* whose underlying asset is a property with a LEED Gold rating and which received the first green financing in the Italian real estate sector, and funds with institutional investors that are strongly oriented towards environmental sustainability.

## ESG Funds of funds

In 2021, BancoPosta Fondi launched two products pertaining to the "*Universo*" family on the market, which represent the first *funds of funds* products of the range developed with an ESG focus, thanks to creation of a specific proprietary model for investment decisions. The two funds *BancoPosta Fondi Universo 40* and *BancoPosta Fondi Universo 60* are flexible, multi-manager funds subject to an investment policy under which funds in which to invest are selected based on ESG criteria that allow the prioritisation of asset management companies

with a positive approach to responsible investment and the relative funds with investment policies aimed at issuers with positive ESG profiles. This assessment of the asset management company is essential in ensuring the consistency of the commitment assumed by the same with that of the SGR. To this end, a proprietary ESG rating method has been developed to support investment decision making, which assigns an internal rating to the funds based on the degree of commitment to and application of responsible investment strategies.

## Best-in-class ESG funds

The range of investment funds included in this category, of which the first product, *Poste Investo Sostenibile*, was launched in 2020, was significantly extended in 2021 thanks to the transformation of existing products aimed at investments that comply with specific parameters related to the sustainability profile of the issuers. Said funds are distinguished by the presence of a benchmark composed of indices that are "sustainable", as they consist of a limited number of securities selected on the basis of ESG criteria, thus enabling a clear, transparent and objective representa-

tion of the target universe of the investment, without infringing on the discretion of the manager.

In particular, just as for the product *Poste Investo Sostenibile*, the *BancoPosta Selezione Attiva* and *BancoPosta Azionario Euro* funds which are managed by Amundi, an operator strongly oriented towards responsible investment, envisage investment in issuers that satisfy certain ESG performance requirements following the application of sectoral exclusion and ESG criteria related to the ESG profile of the

86. International organisation that analyses and compares real estate investments from an environmental, social and governance (ESG) perspective all over the world.

issuers. For this purpose, the Managing Agent has adopted a proprietary ESG rating method that, by assigning a rating based on an alphabetic scale, assesses the ESG performance of the issuers and excludes those whose ESG performance rating is below the threshold.

2021 also saw the start of the activities necessary to reclassify the *BancoPosta Azionario*

*Flessibile*, *BancoPosta Orizzonte Reddito* and *BancoPosta Azionario Internazionale* funds as funds that promote environmental and social characteristics thanks to investment policies that envisage the selection of issuers who exceed the ESG performance threshold based on the rating scale used by the appointed Managing Agent.

#### MAIN RELATED TYPES OF CAPITAL



## Integration of ESG factors into insurance policies

NFS

The increasing scale of environmental and social issues and the macro trends that have gained momentum in recent years have underlined the urgent need to ensure adequate hedging also of the environmental, social and governance risks, drawing attention to the insurance sector and the essential role it performs in this context. Indeed, through proper and efficient risk management by the sector operators, the insurance sector can contribute to the protection of the community and the sustainable development of society.

In light of said considerations, the process of integrating ESG into financial activities has begun also in relation to insurance activities and Poste Vita, based on this knowledge, has decided to adopt a robust approach which is formalised in its Responsible Insurance Policy. This Policy outlines the principles, goals and processes underpinning the Company's approach to the management of risks and opportunities relating to ESG factors within traditional insurance processes. In particular, the Policy sets out the principle of the systemic assessment of environmental, social and economic context variables that have a potential impact on people, with the aim of guaranteeing adequate management of the risks involved with a view to business continuity in the long term. In order to ensure the concrete effectiveness of its initiatives, the Policy also includes articulated management and monitoring processes through the definition of pre-determined roles and tools.

This approach makes it possible to take advantage of all the opportunities that emerge from market scenarios and enable the development of innovative and sustainable insurance products with social and environmental impacts

Furthermore, since 2019, the Poste Vita Group has been a signatory to the Principles for Sustainable Insurance promoted by the United Nations and is therefore formally committed to the inclusion of sustainability criteria relevant to the insurance sector in its decision-making processes. This is to be achieved also through cooperation with customers and partners with a view to increasing awareness in the sector and promoting synergies with bodies and institutions in order to bring about widespread and cohesive action on ESG issues.

### Brand Finance Global 500

In 2022, Poste Italiane once again ranks among the top brands included in the classification

## Insurance products with social and environmental value

In defining and marketing its products, Poste Vita Insurance Group pursues the objective of enhancing the social role of insurance protection and making it more inclusive by facilitating its affordability, in line with its corporate objectives. In order to pursue this aim, the Group develops insurance solutions that, on the one

hand, encourage the adoption of sustainable and responsible behaviour by its policyholders and, on the other, are functional to the mitigation of ESG risks. When developing its offering, the Group is committed to including more vulnerable social groups that need greater attention, such as younger and older people, and



people with particular illnesses. Specifically, in the area of individual pension plans, Poste Vita offers special complementary forms, accessible also to the younger generations, who find themselves having to fill a substantial pension gap, reducing the difference between the expected basic compulsory pension and what is needed to guarantee a decent standard of living. Among the insurance products most popular with customers is the “Poste Vivere Protetti” product offered by Poste Assicura, which aims to provide an integrated, modular solution for protection, assistance and services in the areas concerning individuals, property and assets. During 2021, the Group developed services and features for customers on the main digital channels (Area Riservata Assicurativa and app BancoPosta) for its life and protection policies. All policy holders can log in to the reserved area of the site (Area Riservata Assicurativa) to view a summary of their insurance product and to activate additional services such as, for example, requesting a partial or total redemption of their life insurance prior to its expiry, or requesting the liquidation of a policy nearing expiry, or managing claims with regard to protective insur-

ance policies, from filing to settlement of the claim. Finally, in developing Poste Italiane's consultation model, a distribution strategy for insurance investment products (Multi-class and Class I) has been devised which entails the launch of a trial remote offer phase during which the distributor, BancoPosta, will send customised consultation services to customers in the reserved customer area, tailored to their profile. Through the Advanced Electronic Signature, customers can independently finalise the remote consultation services received online. This option, combined with the offering at Post Offices, offers a multi-channel approach that helps improve the customer experience and provides an alternative for customers who are more exposed to Covid-19 risk and for whom it is appropriate to limit their physical presence at Post Offices.

During 2021, the Poste Vita Group continued the development of its multi-class range with products that make it possible to access the opportunities offered by the financial markets through a gradual approach, also seizing opportunities for returns on investments in securities with positive ESG profiles.

The policies offered by Poste Vita currently include three multi-class products. Of these, the class III component can be invested, at the discretion of the underwriter, in the Internal Insurance Fund, *Sustainability Objective*, the management of which is oriented towards the selection of investments that follow ESG principles and, in particular, towards issuers that meet certain requirements in relation to environmental, social and governance performance, thereby contributing to global sustainable development. This investment option, which is envisaged for the *Poste Progetto Dinamico New*, *Poste Soluzione Valore New* and *Poste Progetto Capitale* products (the latter launched in 2022) allows gradual access to the markets, with a view to safeguarding the profitability of the customers' investments against the volatility of the market, including responsible investment options according to ESG criteria.

Indeed, the Fund is managed according to a benchmark where the ESG indices constitute the main component in percentage terms and, among which, it is expected that 20% of the equity investments will go to issuers that are distinguished by their performance in terms of low carbon emissions in order to contribute, through the finance sector, to the transition to a low-carbon economy.

**Multi-class  
products related  
to the Internal  
Insurance Fund  
Sustainability  
Objective**

## PSI Progress Report

Consistent with the commitment assumed when signing the Principles for Sustainable Insurance in 2019 and with the promotion of operational transparency that is characteristic of the Poste Italiane Group, Poste Vita has undertaken to periodically report on the progress made in implementing the Principles, which are summarised below.

### **Principle 1 - Embed environmental, social and governance issues that are relevant to the insurance business into decision-making processes.**

- Allocation of responsibilities relating to ESG formalised at the senior management level: Board of Directors, Product Committee – ESG Assessment, Risk Office
- Continuous training on ESG issues for senior management and employees
- Presence of an "ESG Assessments" section in the Company's Product Committee to be responsible for examining and assessing the criteria for defining the ESG profiles and the Company's product catalogue
- Systematic assessment of the economic, social and environmental factors that can have an impact on people and, therefore, on the business in the long term, focusing in particular on social, technological, political, regulatory and environmental factors
- Development of insurance products with social and environmental value
- Integration of ESG criteria into investment activities in line with the Responsible Investment Policy, the Guidelines on the exercise of voting rights and the conduct of engagement activities and the Guidelines for investment in sensitive sectors adopted by the Company

### **Principle 2 - Work together with customers and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.**

- ESG assessment of suppliers
- Take steps to raise awareness and involve suppliers through specific actions
- Share information relevant to ESG issues with customers

### **Principle 3 - Work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.**

- Membership of the UNEP FI Executive Committee
- Participation in key initiatives such as PRI, PSI, UN Global Compact
- Participation in national and international initiatives to discuss and promote Sustainability issues
- Participation in collective engagement initiatives
- Participation in the ESG Committee of the trade association

### **Principle 4 - Demonstrate accountability and transparency in regularly disclosing publicly the progress made in implementing the Principles.**

- Periodic reporting on the performance of responsible investment and insurance and, in general on the sustainability of the Group using various tools including the Integrated Report in the Annual Financial Report, the PRI Transparency Report, PSI Progress Report, the company website and social media\*.

\* All the information concerning the application of the Principles for Sustainable Insurance and their evolution can be found in these documents.

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# Indicators tables

The following tables show the indicators required by the Global Reporting Initiative standards, together with other indicators that Poste Italiane believes important in order to illustrate its performance, divided in the 8 Pillars of the Group's Strategy.

## [GRI 102-7] Scale of the organization\*

	2019		2020		2021	
	Category	Personnel	Category	Personnel	Category	Personnel
Operation Area Managers	6	19	6	19	6	19
Branch offices	67	740	66	798	66	825
<b>Total</b>	<b>73</b>	<b>759</b>	<b>72</b>	<b>817</b>	<b>72</b>	<b>844</b>

\* The figures refer to the Group company, SDA SpA.

## [GRI 102-7] Scale of the organization\*

	2019		2020		2021	
	Category	Personnel	Category	Personnel	Category	Personnel
Local Operating Centres	10	498	10	534	9	485

\* The figures refer to the Group company Postel SpA.

## [GRI 201-1] Economic value generated, distributed and retained

Economic value generated (€m)	2019	2020	2021
Economic value generated by the Group	11,182	10,628	11,619

Economic value distributed (€m)	2019	2020	2021
Economic value distributed to stakeholders	9,634	9,382	9,917
- Suppliers	2,742	2,994	3,117
- Personnel	5,608	5,249	5,303
- Lenders	51	53	55
- Public Administration	624	447	671
- Community	7	7	4
- Shareholders	602	632	768

Economic value retained (€m)	2019	2020	2021
Economic value retained within the Group	1,548	1,246	1,702



## Integrity and transparency

### [GRI 205-1] Companies assessed for risks related to corruption\* and coverage\*\* of operations audited for risks related to corruption

	2019	2020	2021
Total number of Group companies assessed for risks related to corruption	16	16	16
Total number of Group companies	25	24	24
Percentage of Group companies assessed for risks related to corruption	64	66	66
Percentage of operations audited for risk of corruption***			
High coverage	87	86	86
Medium coverage	13	9	14
Low coverage	-	5	-

\* Assessment of Group companies for risks related to corruption was conducted as part of the survey carried out in drawing up the Organisation, Management and Control Model required by Legislative Decree no. 231/2001 is not established.

\*\* Coverage represents the overall percentage of operations audited.

\*\*\* The figures refer to Poste Italiane SpA.

### [GRI 205-3] Reports managed by the Whistleblowing Committee

	2019	2020	2021
Reports handled	214	274	617**
Total corruption related reports handled	4	3*	-
of which confirmed	-	-	-
of which under investigation	1	-	-

\* For reports in this area, 3 of them have been assessed as potentially relevant to corruption; in particular, 3 reports were recognized as unfounded, 1 was exposed with reference to 31 December 2019 and closed in 2020.

\*\* 617 reports were handled in 2021. Of these, 28 were substantiated and 28 are being investigated. Decision outcomes taken regarding substantiated reports have been referred on a case-by-case basis to the relevant corporate functions or bodies, based on the organisational responsibilities they have been attributed. The functions involved in defining the decision outcomes differ from those making up the Whistleblowing Committee (WC). In cases involving top management, the WC reports to the relevant corporate/company Bodies, providing information and updates on the developments of the initiatives undertaken. If the Whistleblower is jointly responsible for the infringement he himself has reported, the Poste Italiane and Group Companies reporting system gives preferential treatment to the latter compared to the others jointly responsible, in accordance with the applicable regulations.

### Cases of bribery and corruption and corrective actions

Number of cases of bribery and corruption and corrective actions u.m.	2019	2020	2021
Cases of corruption and bribery No.	-	-	-

### Specific training on procedures and policies of anti-corruption

	2019	2020	2021
Total workforce	73,081	80,529	92,661
of which:			
Executives	441	428	455
Middle managers	11,944	12,413	13,899
Operational staff	60,696	67,688	78,307

## Existing tenders which incorporate specific environmental criteria\*

	2019	2020	2021**
Percentage of suppliers selected on the basis of environmental criteria (%)	49,1	75,9	83,4

\* The assessment refers to tender processes for amounts above the EU thresholds and is functional to identify tenders that include specific environmental qualification criteria in the subject, in the technical specifications or in the assessment criteria (e.g. ISO 14001, ISO 50001, low-environmental impact vehicles, Minimum Environmental Criteria, the use of recycled materials in supplies, FSC certification, etc.) and in the contract clauses.

\*\* For 2021, in line with previous findings, the data perimeter includes Poste Italiane SpA, PostePay SpA, Postel, Poste Vita SpA (Poste Assicura SpA), BancoPosta Fondi SGR SpA, SDA Express Courier, Europa Gestioni Immobiliari SpA, Poste Air Cargo Srl. The sustainability control having stabilised in procurement procedures has ensured continuity in the indicator's positive trend, which shows a 7.5 percentage points increase in environmental performance compared to the 2020 figure. If tenders without a technical offer are not included, the index certifies that almost all tenders initiated envisaged environmental criteria (> 95%).

## Existing tenders which incorporate specific social criteria\*

	2019	2020	2021**
Percentage of suppliers selected on the basis of social criteria	57,7	74,1	84,5



\* The assessment refers to tender processes for amounts above the EU thresholds and is functional to identify tenders that include specific social qualification criteria in the subject, in the technical specifications or in the assessment criteria (e.g. SA8000, ISO 45001, Covid-19 containment measures, health related measures, welfare and well-being of employees, diversity and inclusion, FSC certification, etc.) and in the contract clauses.

\*\* For 2021, in line with previous findings, the data perimeter includes Poste Italiane SpA, PostePay SpA, Postel, Poste Vita SpA (Poste Assicura SpA), BancoPosta Fondi SGR SpA, SDA Express Courier, Europa Gestioni Immobiliari SpA, Poste Air Cargo Srl. The sustainability control having stabilised in procurement procedures has ensured continuity in the indicator's positive trend, which shows a 10.4 percentage points increase in social performance compared to the 2020 figure. If tenders without a technical offer are not included, the index certifies that almost all tenders initiated envisaged social criteria (> 95%).

## Existing tenders which incorporate specific governance criteria\*

	2019	2020	2021**
Percentage of suppliers selected on the basis of governance criteria	-	-	33,1

\* The assessment refers to tender processes for amounts above the EU thresholds and is functional to identify tenders that include specific governance criteria for the qualification and assessment criteria (e.g. ISO 37001, Legality rating, Code of Ethics/Conduct, Policies, etc.) and in the contract clauses.

\*\* For 2021, the data perimeter includes Poste Italiane SpA, PostePay SpA, Postel, Poste Vita SpA (Poste Assicura SpA), BancoPosta Fondi SGR SpA, SDA Express Courier, Europa Gestioni Immobiliari SpA, Poste Air Cargo Srl.

## [GRI 301-1] Materials used by weight or volume\*

Type of materials/raw materials (Kg)	2019	2020	2021
<b>Renewables</b>	<b>29,210,299</b>	<b>28,856,114</b>	<b>34,675,462</b>
Paper	21,676,215	17,563,176	18,775,259
Cardboard	2,896,414	4,033,481	6,115,574
Wood	4,637,670	7,259,458	9,784,629
<b>Non-Renewables</b>	<b>2,446,097</b>	<b>3,067,403</b>	<b>3,538,701</b>
Plastic	1,928,405	2,576,816	2,655,118
Ink/toner	61,146	83,479**	80,003
Glues	6,061	4,022	6,552
Other***	450,485	403,086	797,028
<b>Total</b>	<b>31,656,396</b>	<b>31,923,517</b>	<b>38,214,163</b>

\* The trend for procured material resources confirms an increase relating mainly to developments in the e-commerce segment.

\*\* The figure for 2020 relating to the use of the "Toner" was updated following fine-tuning on the reporting system.

\*\*\* The item "Other" includes the following materials: labels, bags and seals, packaging string, thermal paper (free of type A Bisphenol, in compliance with legal requirements) and Kraft security bags.

## Anti-competitive practices

Total sanctions	2019	2020	2021
Sanctions for anti-competitive practices/antitrust infringements (€)	-	5,000,000	11,000,000
Number of sanctions for anti-competitive practices/antitrust infringements	-	1	1

**Suppliers with an ISO 14001 or EMAS certified environmental management system**

Percentage of suppliers	2019	2020	2021
Percentage of qualified suppliers with an ISO 14001 or EMAS certified environmental management system (%)	49,1	75,9	83,4

**[GRI 207-4] Reporting of information of a fiscal nature\***

Fiscal data (€m)	2021		
Jurisdictions of Group operations	Italia*	Hong Kong**	Cina***
Revenue from sales to third parties	31,633	77	0
Revenue from intra-group transactions with other tax jurisdictions	63	0	1
Profits/losses before tax	2,164	4	0
Tangible assets other than cash and cash equivalents	2,454	0	0
Income taxes defined on a cash basis****	380	0	0
Corporate income taxes accrued on profits/losses	587	1	0
Revenue	32,065	77	1

\* Figures refer to the following entities: Poste Italiane SpA, Poste Vita SpA, BancoPosta Fondi SGR SpA, Europa Gestioni Immobiliari SpA, Consorzio Logistica Pacchi SCPA, SDA Express Courier SpA, Postel SpA, Postepay SpA, Consorzio Per I Servizi Di Telefonia ScpA, Poste Air Cargo Srl, Poste Assicura SpA, PatentiVia Poste ScpA, Consorzio Poste Motori, Poste Welfare Servizi Srl, Poste Insurance Broker Srl, MLK Deliveries SpA, sennder Italia Srl, PSIA S.r.l., Nexive Network Srl, Nexive Scarl.

\*\* Figures refer to Sengi Express Limited (logistics services).

\*\*\* Figures refer to Sengi Express Guangzhou Limited (logistics services).

\*\*\*\* With reference to Italian jurisdiction, in 2021, the difference between income taxes accrued on company profits/losses and taxes payable and essentially attributable to two macro-phenomena, both regarding positive responses to two petitions filed with the Revenue Agency: 1) recalculation of ACE relating to 2014; 2) tax relevance of certain negative extraordinary income components. There were no significant differences referring to foreign jurisdictions.





## People development

### [GRI 102-8] Information on employees and other workers\*

Contract type	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Permanent**</b>	<b>54,174</b>	<b>65,362</b>	<b>119,536</b>	<b>51,366</b>	<b>62,775</b>	<b>114,141</b>	<b>49,714</b>	<b>60,197</b>	<b>109,911</b>
of which:									
Mail, Parcels and Distribution	53,512	64,691	<b>118,204</b>	50,784	62,123	<b>112,907</b>	49,112	59,557	<b>108,668</b>
Financial Services	234	230	<b>463</b>	246	231	<b>476</b>	249	217	<b>466</b>
Insurance Service	261	281	<b>542</b>	207	269	<b>476</b>	214	269	<b>483</b>
Payments and Mobile	167	161	<b>327</b>	130	152	<b>282</b>	140	154	<b>294</b>
<b>Flexible***</b>	<b>4,216</b>	<b>2,693</b>	<b>6,909</b>	<b>5,898</b>	<b>3,544</b>	<b>9,442</b>	<b>5,700</b>	<b>3,358</b>	<b>9,058</b>
of which:									
Mail, Parcels and Distribution	4,211	2,688	<b>6,899</b>	5,898	3,542	<b>9,440</b>	5,697	3,353	<b>9,050</b>
Financial Services	-	-	-	-	1	<b>1</b>	-	-	-
Insurance Service	4	5	<b>9</b>	-	1	<b>1</b>	3	4	<b>7</b>
Payments and Mobile	1	-	<b>1</b>	-	-	-	-	1	<b>1</b>
<b>Total</b>	<b>58,390</b>	<b>68,055</b>	<b>126,445</b>	<b>57,264</b>	<b>66,319</b>	<b>123,583</b>	<b>55,414</b>	<b>63,555</b>	<b>118,969</b>

\* The figures are shown in Full Time Equivalent (FTE) terms.

\*\* Includes permanent personnel and apprenticeships.

\*\*\* Includes fixed-term and agency staff.

### [GRI 102-8] Information on employees and other workers\*

Contract type	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Full-time</b>	<b>56,680</b>	<b>63,884</b>	<b>120,564</b>	<b>55,636</b>	<b>62,194</b>	<b>117,830</b>	<b>53,763</b>	<b>59,321</b>	<b>113,084</b>
of which:									
Mail, Parcels and Distribution	56,015	63,235	<b>119,250</b>	55,055	61,563	<b>116,618</b>	53,159	58,695	<b>111,854</b>
Financial Services	233	218	<b>451</b>	245	221	<b>466</b>	248	209	<b>457</b>
Insurance Service	265	274	<b>539</b>	207	260	<b>467</b>	217	265	<b>482</b>
Payments and Mobile	167	157	<b>324</b>	129	150	<b>279</b>	139	152	<b>291</b>
<b>Part-time</b>	<b>3,113</b>	<b>6,847</b>	<b>9,960</b>	<b>2,948</b>	<b>6,798</b>	<b>9,746</b>	<b>2,963</b>	<b>6,900</b>	<b>9,863</b>
of which:									
Mail, Parcels and Distribution	3,111	6,811	<b>9,922</b>	2,946	6,768	<b>9,714</b>	2,961	6,875	<b>9,836</b>
Financial Services	1	16	<b>17</b>	1	14	<b>15</b>	1	11	<b>12</b>
Insurance Service	-	15	<b>15</b>	-	13	<b>13</b>	-	10	<b>10</b>
Payments and Mobile	1	5	<b>6</b>	1	3	<b>4</b>	1	4	<b>5</b>
<b>Total</b>	<b>59,793</b>	<b>70,731</b>	<b>130,524</b>	<b>58,584</b>	<b>68,992</b>	<b>127,576</b>	<b>56,726</b>	<b>66,221</b>	<b>122,947</b>

\* The figures refer to the headcount.

**Distribution of employees by educational qualification\***

	2019	2020	2021
University degree (%)	15.1	17	19.1
High School Diploma (%)	70.3	69.2	67.9
Middle School certificate (%)	14.5	13.7	12.9
Elementary School certificate (%)	0.1	0.1	0.1
<b>Total (%)</b>	<b>100</b>	<b>100</b>	<b>100</b>

\* The percentages have been calculated for permanent personnel in Head Count.

**Number of participants in development programmes**

Development programme	2019	2020	2021
<i>Assessment of potential</i>	400	190	1,162
Mentoring and coaching paths	136	374	562
Skills development and innovation	1,895	105	6,990
<b>Total</b>	<b>2,431</b>	<b>669</b>	<b>8,714</b>

**[GRI 404-1] Average hours of training for employees by gender and category**

Category	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	43	46	<b>44</b>	45	52	<b>47</b>	38	49	<b>41</b>
Middle managers	68	83	<b>75</b>	83	103	<b>92</b>	80	99	<b>89</b>
Operational staff	30	37	<b>34</b>	34	45	<b>40</b>	37	49	<b>44</b>
<b>Total workforce</b>	<b>35</b>	<b>42</b>	<b>39</b>	<b>41</b>	<b>51</b>	<b>46</b>	<b>43</b>	<b>55</b>	<b>49</b>

**Average training days per employee**

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Average training days provided to employees	5.9	7.0	<b>6.5</b>	6.8	8.4	<b>7.7</b>	7.1	9.1	<b>8.2</b>

**Hours per type of training\***

Type of training	2019	2020	2021
Management	33,700	37,000	33,200
Technical - specialist	1,875,200	2,584,400	2,743,150
Compliance	3,159,400	3,253,500	3,266,800
<b>Total</b>	<b>5,068,400</b>	<b>5,874,900</b>	<b>6,043,200</b>

\* The figures have been rounded in line with the figures reported last year.

## Training programmes and career development

Training and development programmed	2019	2020	2021
Total expenditure on training and development programmes (€)	7,709,433	7,020,250	8,220,217

## Positions filled through internal hiring

	2019	2020	2021
Percentage of positions filled through internal hiring (%)*	39	35	57

\* The percentage of positions filled through internal hiring refers to the Parent Company.

## Training input and development according to gender and age

	2020			2021		
	Men	Women	Total	Men	Women	Total
<b>Average hours of training and development provided to employees*</b>	<b>41.48</b>	<b>52.90</b>	<b>47.61</b>	<b>43.84</b>	<b>57.33</b>	<b>51.05</b>
of which:						
< 30 years old	57.47	78.26	<b>65.40</b>	46.95	65.90	<b>54.17</b>
30 – 50 years old	42.82	50.09	<b>46.70</b>	48.86	59.08	<b>54.24</b>
> 50 years old	36.53	52.78	<b>45.69</b>	37.32	54.64	<b>47.18</b>
<b>Amount spent per employee on training and development**</b>	<b>49.5</b>	<b>63.1</b>	<b>56.8</b>	<b>59.34</b>	<b>77.60</b>	<b>69.10</b>
of which:						
< 30 years old	68.6	93.4	<b>78</b>	63.55	89.20	<b>73.31</b>
30 – 50 years old	51.1	59.8	<b>55.7</b>	66.13	79.96	<b>73.42</b>
> 50 years old	43.6	63.0	<b>54.5</b>	50.51	73.96	<b>63.86</b>

\* Refers to the total number of training and development hours provided in the last tax year divided by the total FTE.

\*\* Refers to the total amount spent on training and development in the last tax year divided by the total FTE. This figure does not include the operating cost of the "learning and development" team, such as the salaries of said team.

## Total number of new hires by gender and age\*

	2018			2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>New hires by gender</b>	<b>608</b>	<b>516</b>	<b>1,124</b>	<b>3,157</b>	<b>2,148</b>	<b>5,305</b>	<b>1,153</b>	<b>1,023</b>	<b>2,176</b>	<b>1,356</b>	<b>1,268</b>	<b>2,623</b>
of which:												
< 30 years old	261	255	<b>516</b>	1,606	1,054	<b>2,660</b>	568	478	<b>1,046</b>	773	667	<b>1,440</b>
30 – 50 years old	285	231	<b>516</b>	1,443	1,057	<b>2,499</b>	540	519	<b>1,059</b>	532	570	<b>1,102</b>
> 50 years old	62	31	<b>93</b>	109	37	<b>145</b>	45	26	<b>71</b>	51	31	<b>82</b>
Percentage of new hires by gender (%)	54	46	<b>100</b>	60	40	<b>100</b>	53	47	<b>100</b>	52	48	<b>100</b>
<b>Number of positions filled through internal hiring**</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91</b>	<b>68</b>	<b>159</b>	<b>847</b>	<b>884</b>	<b>1,731</b>
of which:												
< 30 years old	-	-	<b>-</b>	-	-	<b>-</b>	91	68	<b>159</b>	-	-	<b>-</b>
30 – 50 years old	-	-	<b>-</b>	-	-	<b>-</b>	-	-	<b>-</b>	-	-	<b>-</b>
> 50 years old	-	-	<b>-</b>	-	-	<b>-</b>	-	-	<b>-</b>	-	-	<b>-</b>

\* The figures are shown in Full Time Equivalent (FTE) terms.

\*\* Figures refer to the Group companies PostePay, Postevita, Poste Welfare Servizi, Poste Assicura, Postel, PosteAirCargo, MLK Deliveries.

**Trend of employees involvement according to gender\***

<i>Trend of employees involvement</i>	2021		
	Men	Women	Total
Number of employees involved in engagement activities	14,417	16,146	30,563
Total number of Group employees	55,414	63,555	118,969
Percentage of employees involved in engagement activities (%)	26	25	26**

\* The figures refer to the headcount.

\*\* The expected target for 2021 is 25%.

**[401-2] Benefits provided to full-time employees that are not provided to temporary or part-time employees**

	2019				2020				2021			
	Permanent contracts		Flexible contracts		Permanent contracts		Flexible contracts		Permanent contracts		Flexible contracts	
	part-time	full-time	part-time	full-time	part-time	full-time	part-time	full-time	part-time	full-time	part-time	full-time
<b>Financial benefits</b>												
Life insurance		YES*		YES*		YES*		YES*		YES*		YES*
Health assistance	YES**	YES		YES*	YES**	YES		YES*	YES**	YES		YES*
Disability and invalidity cover		YES*		YES*		YES*		YES*		YES*		YES*
Parental leave	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**	YES**
Pension	YES**	YES	YES**	YES	YES**	YES	YES**	YES	YES**	YES	YES**	YES

\* This refers to executives.

\*\* This refers to non-executive personnel.

**Employee assessment system**

Percentage of employees by type of assessment (%)	2019	2020	2021
Management by objectives (MBO)*	97	94	96
Multi-dimensional performance assessment**	89.9	91.1	96.2
Comparison between employees belonging to the same category***	-	-	-

\* Target value for figures is the entire Poste Italiane Group population. The percentages refer to resources assessed during the reference year and therefore excluded from the calculation are resources that are assessable due to long leave (in 2021, regarding the 2020 assessment, the number of non-assessable (N.A) was at approx. 4,200 resources, whereas the 2020 assessment 7 managers specified as "non-assessable" were excluded from the multi-dimensional assessment).

\*\* The percentage refers to the total managerial population assessed during the 180° assessment process in relation to the total persons assessable (in 2021, with reference to the 2020 assessment, 1,279 were assessed by colleagues out of 1,330 assessable persons). In 2021, (performance 2020) the multi-dimensional assessment did not only include the 180° process (assessment by head and colleagues), but in the case of approx. 185 managers, the overall assessment was based on contributions from the direct head, colleagues and collaborators (360° assessment).

\*\*\* The comparison between employees belonging to the same category, refers to a system where employees are systematically compared in relation to their colleagues of equal professional standing, belonging to the same team/function, is not applicable to the Poste Italiane model.

**Workforce trends**

	2019	2020	2021
Total turnover rate (%)*	7.30	6.90	7.90
Voluntary turnover rate (%)*	6.80	6.30	7.20
Average cost of FTEs hired (€)**	36,300	36,200	36,000

\* The turnover rate was calculated on the basis of the number of FTEs leaving the Group as a proportion of the total workforce for year n-1. The voluntary turnover rate is FTEs leaving the Group voluntarily as a proportion of the total workforce for year n-1.

\*\* The average per capita annual cost of new hires regards all types of contract (permanent, flexible, executives, etc.). The per capita figure takes into account the following elements: fixed pay, additional remuneration (performance-related bonus, overtime, various forms of compensation, etc.) plus contributions and employee termination benefits payable on the first two components. It does not consider canteen coupons, travelling costs (trains, air, hotels, etc.) and company cars, because these do not fall into the labour costs perimeter. The average cost for FTEs hired refers to the Parent Company.

## Turnover rate of employees according to gender and age\*

Tipologia di impiego	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Total turnover rate (%)*</b>	<b>3.2</b>	<b>4.4</b>	<b>7.5</b>	<b>3.5</b>	<b>3.8</b>	<b>7.2</b>	<b>3.9</b>	<b>4.3</b>	<b>8.2</b>
of which:									
< 30 years old	-	-	<b>0.1</b>	-	0.1	<b>0.1</b>	0.1	0.1	<b>0.2</b>
30 – 50 years old	0.1	0.2	<b>0.3</b>	0.1	0.1	<b>0.3</b>	0.2	0.2	<b>0.4</b>
> 50 years old	3.1	4.2	<b>7.2</b>	3.4	3.6	<b>7</b>	3.6	4.0	<b>7.6</b>
<b>Voluntary turnover rate (%)*</b>	<b>3</b>	<b>4.1</b>	<b>7</b>	<b>3.2</b>	<b>3.4</b>	<b>6.6</b>	<b>3.6</b>	<b>3.9</b>	<b>7.5</b>
of which:									
< 30 years old	-	-	-	-	-	<b>0.1</b>	0.1	0.1	<b>0.2</b>
30 – 50 years old	0.1	0.1	<b>0.2</b>	0.1	0.1	<b>0.2</b>	0.1	0.1	<b>0.2</b>
> 50 years old	2.9	3.9	<b>6.9</b>	3.1	3.3	<b>6.5</b>	3.4	3.7	<b>7.1</b>

\* The turnover rate was calculated on the basis of the number of FTEs/total employees for year n. leaving the Group. The voluntary turnover rate is FTEs leaving the Group voluntarily as a proportion of the total workforce for year n.

## Disputes\*

	2019	2020	2021
Disputes with employees	489	533	700

\* 700 new disputes were recorded over the reference period compared to 533 in 2020. On the “establishment of the employment relationship” front, there has been a consistent decrease of around 30%. There were 85 new disputes (122 in 2020), of which 32 related to fixed-term contracts (CTD) and 33 to temporary work (LT). With regard to the “performance of employment relations”, 556 disputes were lodged in 2021 (313 in 2020), showing a significant increase of 43 %, which is limited only to the cases referring to adjustment employees contribution position and conservative disciplinary measures. Finally, regarding “termination of employment”, 59 new disputes arose (98 in 2020), coming down by around 40%.

## [GRI 403-8] Workers covered by anal health and safety management system

Employees covered by the system*	2019**			2020**			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees covered by the system	59,392	70,593	<b>129,985</b>	58,088	68,793	<b>126,881</b>	56,303	66,076	<b>122,379</b>
% employees covered by the system	99	99	<b>99</b>	99	99	<b>99</b>	100	100	<b>100</b>

\* Total number of employees covered by an occupational health and safety management system.

\*\* The figures related to the 2019-2020 two-year period changed slightly following the refinement of the reporting system.

Employees covered by the system*	2019**			2020**			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees covered by the system	59,162	70,454	<b>129,616</b>	57,983	68,732	<b>126,715</b>	56,303	66,076	<b>122,379</b>
% employees covered by the system	99	99	<b>99</b>	99	99	<b>99</b>	100	100	<b>100</b>

\* Total number of employees covered by an occupational health and safety management system that is internally audited.

\*\* The figures related to the 2019-2020 two-year period changed slightly following the refinement of the reporting system.

Employees covered by the system*	2019**			2020**			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees covered by the system	5,634	4,685	<b>10,319</b>	57,973	68,727	<b>126,700</b>	56,207	65,989	<b>122,196</b>
% employees covered by the system	9	7	<b>8</b>	99	99	<b>99</b>	99	99	<b>99</b>

\* Total number of employees covered by an occupational health and safety management system that has been audited or certified by an independent third party (e.g. in line with ISO 45001).

\*\* The figures related to the 2019-2020 two-year period changed slightly following the refinement of the reporting system.

Non-employees covered by the system*	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	816	261	<b>1,077</b>	1,461	297	<b>1,758</b>	3,021	831	<b>3,852</b>
% of non-employees covered by the system	100	100	<b>100</b>	100	100	<b>100</b>	100	100	<b>100</b>

\* Number of non-employees covered by an occupational health and safety management system.

Non-employees covered by the system*	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	452	246	<b>698</b>	533	255	<b>788</b>	1,797	336	<b>2,133</b>
% of non-employees covered by the system	55	94	<b>65</b>	36	86	<b>45</b>	59	40	<b>55</b>

\* Total number of non-employees covered by an occupational health and safety management system that is internally audited.

Non-employees covered by the system*	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	560	224	<b>784</b>	678	247	<b>925</b>	2,094	533	<b>2,627</b>
% of non-employees covered by the system	69	86	<b>73</b>	46	83	<b>53</b>	69	64	<b>68</b>

\* Total number of employees covered by an occupational health and safety management system that has been audited or certified by an independent third party (e.g. in line with ISO 45001).

## [GRI 403-9] Occupational accidents



## Occupational accidents including Covid-19 cases

Employees	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Rate of occupational accidents eligible for registration*	35.76	33.26	34.44	38.55	36.51	37.48	63.26	62.51	62.87
Rate of occupational accidents with severe consequences**	9.35	9.00	9.17	10.14	9.56	9.84	10.48	11.48	11.01
Rate of deaths resulting from occupational accidents	0.06	0.00	0.03	0.22	0.02	0.12	0.07	0.02	0.04
Moving average occupational accidents***			6,762			6,661			8,109
Injuries****	3,777	4,229	8,006	3,547	3,851	7,398	5,759	6,453	12,212
of which:									
at work	3,250	3,373	6,623	3,185	3,325	6,510	5,346	5,868	11,214
whilst travelling	527	856	1,383	362	526	888	413	585	998
Fatalities	5	-	5	19	3	22	6	4	10
of which:									
at work	5	-	5	18	2	20	6	2	8
whilst travelling	-	-	-	1	1	2	0	2	2
Occupational accidents with severe consequences	1,036	1,192	2,228	965	1,072	2,037	1,032	1,257	2,289
of which:									
at work	850	913	1,763	838	871	1,709	886	1,078	1,964
whilst travelling	186	279	465	127	201	328	146	179	325
Total number of hours worked	90,873,004	101,412,859	192,285,863	82,616,388	91,067,228	173,683,616	84,510,522	93,871,311	178,381,833

\* No. of workplace accidents/hours worked \* 1,000,000. The rate is calculated for permanent and flexible personnel.

\*\* A work-related accident that leads to an injury from which the worker cannot recover, does not recover or cannot realistically be expected to recover fully and return to the pre-accident state of health within six months. Deaths are excluded.

\*\*\* Changes in trends of occupational injuries within the parent company have also been observed through the application of an annual moving three-year average, using injury data, gross and net of Covid, from 2017 to 2021. This metric makes it possible to identify trends in injury cases, limiting the distorting effects of exceptional events (pandemic), as well as to determine the efficacy of management actions over the medium/long-term, with the aim of containing the risk factors under the company's control (e.g. progressive adoption of the lean methodology in sorting centres). In particular, the calculation was done considering a total 5-year period (2017 - 2021) and the average for the consecutive three-year periods (17-18-19/18-19-20/19-20-21). Therefore, FYs 2019, 2020 and 2021 are to be understood accordingly as three-year periods 17-18-19, 18-19-20 and 19-20-21.

\*\*\*\* With respect to 2021, the total number of injuries is influenced by employees who contracted the Covid-19 virus, to the extent of 2,734 men and 3,403 women, for a total of 6,137 events considered as occupational injuries. In this regard, as it is possible to see from the indicator "Occupational accidents net of Covid-19 cases", the figure for 2021 shows a slight increase on 2020 due to the resumption of Group activities, but is still lower than the trend recorded in the years prior to the pandemic, demonstrating the effectiveness of the initiatives introduced by the Company in the scope occupational health and safety.



## Absenteeism rate including Covid-19 cases

## Number of employee absences by type

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Illness	642,081	900,625	1,542,706	812,284	1,181,694	1,993,978	731,341	1,032,274	1,763,615
Injury	115,217	133,999	249,216	123,111	134,636	257,747	159,888	187,179	347,067
Stress	-	-	-	-	-	-	-	-	-
Other (specify) Hospitalisation/ Convalescence	-	-	-	-	-	-	-	-	-
Absenteeism rate*	4.21	4.93	4.60	5.45	6.48	6.00	5.29	6.18	5.77

\* No. of days of absence due to illness and injury/working days \* 100. The rate is calculated for permanent personnel only and does not include executives. In consideration of the health emergency, the Group introduced a number of tangible initiatives during the year to prevent the rate from increasing any further. The target set for 2021 is 6. In this regard and considering the health emergency from Covid-19, the Group's priority during the year was to contain, and ideally reduce, a further increase in this figure compared to the levels recorded in 2020.



## Rate of occupational illnesses

Employees	2019	2020	2021
Number of occupational illnesses eligible for registration	14	13	8
Rate of occupational illnesses eligible for registration (%)	0.07	0.07	0.04

## Occupational accidents net of Covid-19 cases

Employees	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Rate of occupational accidents eligible for registration*</b>	<b>35.76</b>	<b>33,26</b>	<b>34.44</b>	<b>27.02</b>	<b>24.55</b>	<b>25.72</b>	<b>30.91</b>	<b>26.26</b>	<b>28.46</b>
<b>Rate of occupational accidents with severe consequences**</b>	9.35	9.00	<b>9.17</b>	7.64	6.94	<b>7.27</b>	7.56	7.29	<b>7.42</b>
<b>Rate of deaths resulting from occupational accidents</b>	0.06	0.00	<b>0.03</b>	0.02	0.01	<b>0.02</b>	0.04	-	<b>0.02</b>
<b>Moving average occupational accidents***</b>			<b>6,762</b>			<b>5,949</b>			<b>5,351</b>
<b>Injuries****</b>	<b>3,777</b>	<b>4,229</b>	<b>8,006</b>	<b>2,594</b>	<b>2,762</b>	<b>5,356</b>	<b>3,025</b>	<b>3,050</b>	<b>6,075</b>
of which:									
at work	3,250	3,373	<b>6,623</b>	2,232	2,236	<b>4,468</b>	2,612	2,465	<b>5,077</b>
whilst travelling	527	856	<b>1,383</b>	362	526	<b>888</b>	413	585	<b>998</b>
<b>Fatalities</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>3</b>	<b>2</b>	<b>5</b>
of which:									
at work	5	-	<b>5</b>	2	1	<b>3</b>	3	-	<b>3</b>
whilst travelling	-	-	-	1	1	<b>2</b>	-	2	<b>2</b>
<b>Occupational accidents with severe consequences</b>	<b>1,036</b>	<b>1,192</b>	<b>2,228</b>	<b>758</b>	<b>833</b>	<b>1,591</b>	<b>785</b>	<b>863</b>	<b>1,648</b>
of which:									
at work	850	913	<b>1,763</b>	631	632	<b>1,263</b>	639	684	<b>1,323</b>
whilst travelling	186	279	<b>465</b>	127	201	<b>328</b>	146	179	<b>325</b>
<b>Total number of hours worked</b>	<b>90,873,004</b>	<b>101,412,859</b>	<b>192,285,863</b>	<b>82,616,388</b>	<b>91,067,228</b>	<b>173,683,616</b>	<b>84,510,522</b>	<b>93,871,311</b>	<b>178,381,833</b>

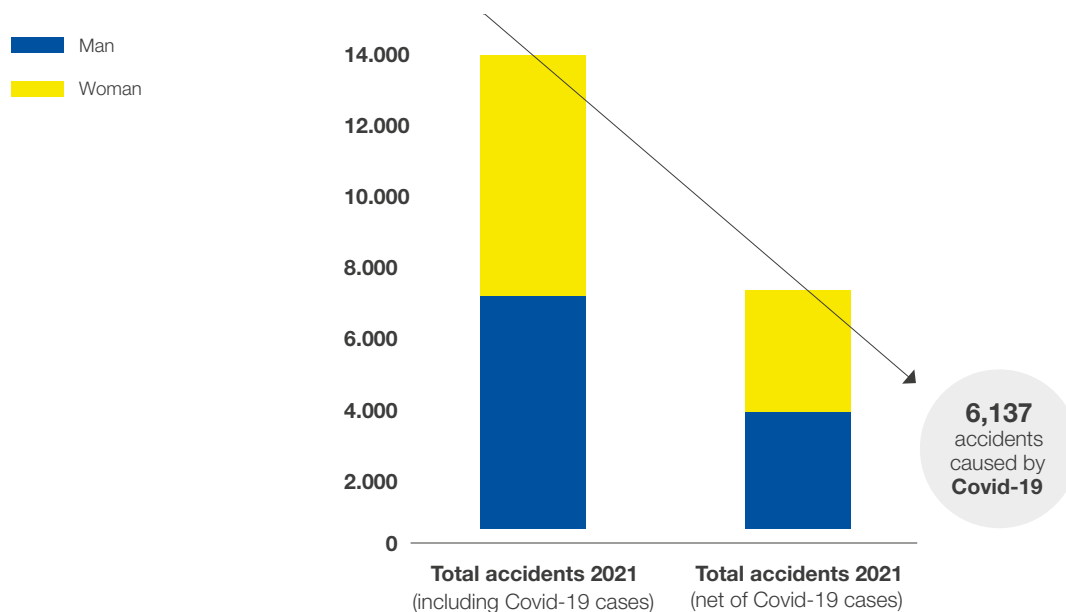
\* No. of workplace accidents/hours worked \* 1,000,000. The rate is calculated for permanent and flexible personnel.

\*\* A work-related accident that leads to an injury from which the worker cannot recover, does not recover or cannot realistically be expected to recover fully and return to the pre-accident state of health within six months. Deaths are excluded.

\*\*\* Changes in trends of occupational injuries within the parent company have also been observed through the application of an annual moving three-year average, using injury data, net of Covid, from 2017 to 2021. This metric makes it possible to identify trends in injury cases, limiting the distorting effects of exceptional events (pandemic), as well as to determine the efficacy of management actions over the medium/long-term, with the aim of containing the risk factors under the company's control (e.g. progressive adoption of the lean methodology in sorting centres). In particular, the calculation was done considering a total 5-year period (2017 - 2021) and the average for the consecutive three-year periods (17-18-19/18-19-20/19-20-21). Therefore, FYs 2019, 2020 and 2021 are to be understood accordingly as three-year periods 17-18-19, 18-19-20 and 19-20-21.

\*\*\*\* With respect to 2021, the total number of injuries does not consider employees who contracted the Covid-19 virus, to the extent of 2,734 men and 3,403 women, for a total of 6,137 events considered as occupational injuries. In this regard, the figure for 2021 shows a slight increase on 2020 due to the resumption of Group activities, but is still lower than the trend recorded in the years prior to the pandemic, demonstrating the effectiveness of the initiatives introduced by the Company in the scope occupational health and safety.

## Total accidents 2021



## Absenteeism rate net of Covid-19 cases

### Number of employee absences by type

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Illness</b>	642,081	900,625	<b>1,542.706</b>	710,757	1,033,470	<b>1,744.228</b>	618,268	878,353	<b>1,496.621</b>
Injury	115,217	133,999	<b>249,216</b>	91,373	98,251	<b>189,624</b>	93,717	101,377	<b>195,094</b>
Stress	-	-	-	-	-	-	-	-	-
Other (specify) Hospitalisation/ Convalescence	-	-	-	-	-	-	-	-	-
Absenteeism rate*	4.21	4.93	<b>4.60</b>	4.67	5.57	<b>5.16</b>	4.23	4.97	<b>4.63</b>

\* No. of days of absence due to illness and injury/working days \* 100. The rate is calculated for permanent personnel only and does not include executives.

## Occupational accidents of non-employees

Non-employees	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Rate of occupational accidents eligible for registration</b>	17.6	42.76	<b>20.25</b>	12.55	17.54	<b>13.07</b>	19.89	26.91	<b>21.25</b>
<b>Rate of occupational accidents with severe consequences</b>	-	-	-	-	-	-	0.88	2.45	<b>1.18</b>
<b>Rate of deaths resulting from occupational accidents</b>	-	-	-	-	-	-	-	-	-
<b>Injuries</b>	<b>116</b>	<b>44</b>	<b>160</b>	<b>87</b>	<b>23</b>	<b>110</b>	<b>78</b>	<b>34</b>	<b>112</b>
of which:									
at work	105	30	<b>135</b>	85	14	<b>99</b>	68	22	<b>90</b>
whilst travelling	11	14	<b>25</b>	2	9	<b>11</b>	10	12	<b>22</b>
<b>Fatalities</b>	-	-	-	-	-	-	-	-	-
of which:									
at work	-	-	-	-	-	-	-	-	-
whilst travelling	-	-	-	-	-	-	-	-	-
<b>Occupational accidents with severe consequences</b>	-	-	-	-	-	-	5	2	<b>7</b>
of which:									
at work	-	-	-	-	-	-	3	2	<b>5</b>
whilst travelling	-	-	-	-	-	-	2	0	<b>2</b>
<b>Total number of hours worked</b>	<b>5,965,224</b>	<b>701,549</b>	<b>6,666,773</b>	<b>6,773,978</b>	<b>798,146</b>	<b>7,572,124</b>	<b>3,418,572</b>	<b>817,660</b>	<b>4,236,232.9</b>



## Rate of severity including Covid-19 cases

Non-employees	2021
Number of days lost due to accidents	<b>3,068</b>
Total hours worked	<b>4,236,233</b>
Rate of serious accidents (%)	<b>0,001</b>

## Accidents by type that include Covid-19 cases

Employees	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Injuries by type</b>									
Falls from a motorcycle	990	605	<b>1,595</b>	741	412	<b>1,153</b>	804	411	<b>1,215</b>
Accident involving a Company vehicle	423	335	<b>758</b>	296	237	<b>533</b>	481	349	<b>830</b>
Hit by a car	7	18	<b>25</b>	9	7	<b>16</b>	14	18	<b>32</b>
Accident with a private vehicle	20	37	<b>57</b>	16	21	<b>37</b>	11	28	<b>39</b>
Fall and/or awkward movement	841	1,338	<b>2,179</b>	593	958	<b>1,551</b>	620	1,001	<b>1,621</b>
Physical attacks	300	348	<b>648</b>	186	212	<b>398</b>	207	240	<b>447</b>
Manual load handling	163	148	<b>311</b>	91	73	<b>164</b>	107	70	<b>177</b>
Robbery	66	87	<b>153</b>	21	53	<b>74</b>	28	49	<b>77</b>
Crushing/bruising	363	371	<b>734</b>	249	231	<b>480</b>	279	254	<b>533</b>
Other causes*	77	86	<b>163</b>	983	1,121	<b>2,104</b>	2,795	3,448	<b>6,243</b>
<b>Total</b>	<b>3,250</b>	<b>3,373</b>	<b>6,623</b>	<b>3,185</b>	<b>3,325</b>	<b>6,510</b>	<b>5,346</b>	<b>5,868</b>	<b>11,214</b>

\* With respect to 2021, the figure considers employees who contracted the Covid-19 virus, to the extent of 2,734 men and 3,403 women, for a total of 6,137 events considered as occupational injuries.

## Accidents by type net of Covid-19 cases

Employees	2019			2020			2021		
Injuries by type	Men	Women	Total	Men	Women	Total	Men	Women	Total
Falls from a motorcycle	990	605	1,595	741	412	1,153	804	411	1,215
Accident involving a Company vehicle	423	335	758	296	237	533	481	349	830
Hit by a car	7	18	25	9	7	16	14	18	32
Accident with a private vehicle	20	37	57	16	21	37	11	28	39
Fall and/or awkward movement	841	1,338	2,179	593	958	1,551	620	1,001	1,621
Physical attacks	300	348	648	186	212	398	207	240	447
Manual load handling	163	148	311	91	73	164	107	70	177
Robbery	66	87	153	21	53	74	28	49	77
Crushing/bruising	363	371	734	249	231	480	279	254	533
Other causes*	77	86	163	30	32	62	61	45	106
<b>Total</b>	<b>3,250</b>	<b>3,373</b>	<b>6,623</b>	<b>2,232</b>	<b>2,236</b>	<b>4,468</b>	<b>2,612</b>	<b>2,465</b>	<b>5,077</b>

\* With respect to 2020, the figure does not consider employees who contracted the Covid-19 virus, to the extent of 2,734 men and 3,403 women, for a total of 6,137 events considered as occupational injuries.

Non-employees	2019			2020			2021		
Injuries by type	Men	Women	Total	Men	Women	Total	Men	Women	Total
Falls from a motorcycle	5	-	5	3	-	3	13	6	19
Accident involving a Company vehicle	14	1	15	39	1	40	19	2	21
Hit by a car	-	-	-	-	-	-	1	1	2
Accident with a private vehicle	1	-	1	3	-	3	4	1	5
Fall and/or awkward movement	-	-	-	5	-	5	12	3	15
Physical attacks	-	-	-	-	-	-	-	-	-
Manual load handling	7	26	33	6	9	15	7	7	14
Robbery	-	-	-	-	-	-	-	-	-
Crushing/bruising	2	-	2	6	-	6	4	1	5
Other causes	76	3	79	23	4	27	4	0	4
<b>Total</b>	<b>105</b>	<b>30</b>	<b>135</b>	<b>85</b>	<b>14</b>	<b>99</b>	<b>64</b>	<b>21</b>	<b>85</b>

## Employees trained on Health and Safety issues

	2019	2020	2021
Total employees trained on Health and Safety issues	60,065	39,315	49,632

## Numero di casi di non conformità alle norme sul lavoro

	2019	2020	2021
Number of cases of non-compliance with labour standards	-	-	-



## Diversity and inclusion

### [GRI 405-1] Composition and breakdown of Poste Italiane SpA's Board of Directors by gender and age\*

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Board of Directors</b>	<b>5</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>4</b>	<b>9</b>
< 30 years old	-	-	-	-	-	-	-	-	-
30 – 50 years old	-	2	2	-	1	1	-	-	-
> 50 years old	5	2	7	5	3	8	5	4	9
<b>Board of Directors (%)</b>	<b>55.6</b>	<b>44.4</b>	<b>100</b>	<b>55.6</b>	<b>44.4</b>	<b>100</b>	<b>55.6</b>	<b>44.4</b>	<b>100</b>
< 30 years old	-	-	-	-	-	-	-	-	-
30 – 50 years old	-	50	22.2	-	25	11	-	-	-
> 50 years old	100	50	77.8	100	75	88.9	100	100	100

\* The figures refer to the headcount.

### [GRI 405-1] Classification of employee by category, gender and age group\*

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Executives</b>	<b>515</b>	<b>160</b>	<b>675</b>	<b>519</b>	<b>159</b>	<b>678</b>	<b>481</b>	<b>146</b>	<b>627</b>
< 30 years old (%)	-	-	-	0,2	-	0,2	-	-	-
30 – 50 years old (%)	38	39	39	35	40	36	36	42	38
> 50 years old (%)	62	61	61	65	60	64	64	58	62
<b>Middle managers</b>	<b>7,816</b>	<b>6,897</b>	<b>14,713</b>	<b>7,763</b>	<b>6,945</b>	<b>14,708</b>	<b>7,822</b>	<b>7,034</b>	<b>14,856</b>
< 30 years old (%)	0,3	0,3	0,3	0,3	0,2	0,2	0,3	0,2	0,2
30 – 50 years old (%)	41	42	42	45	44	44	49	47	48
> 50 years old (%)	58	58	58	55	56	55	51	53	52
<b>Operational staff</b>	<b>50,059</b>	<b>60,998</b>	<b>111,057</b>	<b>48,982</b>	<b>59,215</b>	<b>108,197</b>	<b>47,111</b>	<b>56,375</b>	<b>103,486</b>
< 30 years old (%)	9	5	7	11	6	8	12	6	9
30 – 50 years old (%)	44	46	45	46	46	46	48	46	47
> 50 years old (%)	46	49	48	42	48	46	40	47	44
<b>Total</b>	<b>58,390</b>	<b>68,055</b>	<b>126,445</b>	<b>57,264</b>	<b>66,319</b>	<b>123,583</b>	<b>55,414</b>	<b>63,555</b>	<b>118,969</b>

\* The figures are shown in Full Time Equivalent (FTE) terms for both permanent and flexible personnel.

### [GRI 405-1] Number of personnel both diversity indicators

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Personnel with disabilities	3,669	2,312	5,981	3,383	2,202	5,585	3,123	2,171	5,294

## Diversity of workforce by gender

Women in the workforce by category (%)*	2019	2020	2021
Management positions	30	31.9	31.5
Top management**	20.2	17.3	17.9
Junior management***	31.6	33.6	33.4
Revenue-generating functions****	32.4	32	31.3
STEM positions*****	18	20	21

\* Percentages regard the presence of women in formally designated organisational roles within Poste Italiane and Group Companies.

\*\* Includes first and second level personnel within Poste Italiane, the chief executive officers and general managers of the main Group companies and personnel reporting directly to them.

\*\*\* Includes managers other than Top Management.

\*\*\*\* Includes organisational roles within the Post Office Network (MP) and Business and Public Administration functions (MIPA).

\*\*\*\*\* Science, technology, engineering and mathematics. These may include for example, the following professions: computer programmer, web developer, statistician, logistician, engineer, physicist, scientist.

## Diversity in the workforce according to country of origin\*

Breakdown in the workforce according to country of origin	2020						2021					
	Italian	Swiss	German	French	Libyan	Venezuelan	Italian	Swiss	German	French	Libyan	Venezuelan
Number of employees according to country of origin	119,709	596	226	195	135	132	116,234	589	414	180	116	127
Percentage of employees according to country of origin (%)	97.9	0.5	0.2	0.2	0.1	0.1	97.7	0.5	0.3	0.2	0.1	0.1
Number of employees in management positions according to country of origin**	1,263	5	1	2	-	-	1,298	5	3	2	-	-
Percentage of employees in management positions according to country of origin	98.44	0.39	0.08	0.16	-	-	98.26	0.38	0.23	0.15	-	-

\* The figures are shown in Full Time Equivalent (FTE) terms. Recorded according to the country of birth.

\*\* Includes junior, middle and senior management positions.

## [GRI 404-3] Percentage of employees who receive regular performance appraisals, by gender and category\*

Category (%)	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	93	99	95	96	100	97	92	97	94
Middle managers	98	98	98	99	98	99	96	98	97
Operational staff	84	89	87	83	89	86	81	86	84
<b>Total</b>	<b>86</b>	<b>90</b>	<b>88</b>	<b>85</b>	<b>90</b>	<b>88</b>	<b>83</b>	<b>88</b>	<b>86</b>

\* Data reported refer to permanent personnel, the exclusion of flexible personnel from the performance assessment process is due to the fact that the annual life cycle of the performance assessment process cannot be reconciled with the timing of flexible contracts. The table also includes the data of Group companies with the exception of the data of Poste Air Cargo, as it is not possible to make a comparison of professional levels due to contract differences. The 2021 figures also do not include approximately 4,200 personnel who "cannot be assessed" due to a lengthy absence from work (over 6 months). These resources are, however, included in the process of assigning annual objectives for the coming year.

## Gender pay gap

	2019	2020	2021
Gender pay gap (RAL) (%)	-1.6	-0.9	-0.7

**[GRI 412-1] Operations subject to human rights assessment\***

	2019	2020	2021
<b>Group companies**</b>			
Number of Group companies subject to human rights assessment	25	24	29
Total number of Group companies	25	24	29
Total percentage of Group companies subject to human rights assessment (%)	100	100	100

\* All Group worksites have mitigation plans to reduce the possibility of negative impacts related to human rights risks. In this regard, it is noted that there were no breaches referring to human rights during 2021, and consequently no corrective measures were required.

\*\* The indicator perimeter includes companies consolidated on a line-by-line basis and the subsidiaries/associate companies consolidated to profit and loss.

**Discrimination and harassment**

	2020	2021
<b>Incidents of discrimination and harassment</b>		
Number of incidents	-	-





## Creating value for the country

### [GRI 203-1] Corporate giving and/or corporate citizenship initiatives<sup>(87)</sup>

Type of service (€000)	2019	%	2020	%	2021	%
Donations*	760,8	12	213	5	274	6
Investments in communities**	2,508.9	39	760.8	20	954.9	23
Commercial initiatives***	3,180.7	49	2,938.9	75	2,994.5	71
<b>Total</b>	<b>6,450.5</b>	<b>100</b>	<b>3,912.7</b>	<b>100</b>	<b>4,223.5</b>	<b>100</b>
<b>Breakdown by purpose (€000)</b>						
Sales initiatives	3,180.8	49	2,938.9	75	2,994.5	71
Social-cultural initiatives	3,269.8	51	973.8	25	1,229	29
of which:						
Art, culture and education	1,475.3	23	180.2	4	271.7	6
Well-being and social inclusion	1,152.1	18	532.4	14	537.9	13
Training and knowledge development	642.4	10	261.2	7	419.4	10

\* Donations: one-off disbursements made to support charitable organisations.

\*\* Community investments: spending on medium- to long-term initiatives supporting communities in collaboration with non-profit organisations and local authorities.

\*\*\* Commercial initiatives: business initiatives that benefit the community (e.g. sponsorship, occasional donations of the Company's property and other assets). The figures refer solely to spending on support for the community and do not include, for example, expenses linked to advertising and/or marketing initiatives relating to commercial initiatives.

### Contributions and other expenses to organisations/individuals able to influence political campaigns and legislative activities\*

Contributions per category (€)	2018	2019	2020	2021
Lobby agencies and interest representatives	-	-	-	-
Political campaigns/organisations/candidates at local, regional or national level	-	-	-	-
Trade associations or groups exempt from taxes (e.g. Chambers of Commerce, trade associations/sectors, etc.)	3,268,600	3,537,885	3,263,286	3,263,286
Other	-	-	-	-
<b>Total contributions and other expenses</b>	<b>3,268,600</b>	<b>3,537,885</b>	<b>3,263,286</b>	<b>3,263,286</b>

\* Poste Italiane is a member of Confindustria on the basis of a specific agreement that regulates membership procedures, the benefits deriving from the status of associate and the definition of the contribution regime. The current agreement for the three-year period 2020-2022 envisages, among other things, strategic initiatives aimed at promoting a new corporate culture involving business models and choices geared towards innovation and economic and social sustainability. It is specified that the association subscription for € 3,263,286 in 2021, is the only contribution made by the Group in 2021.

87. Expenditure on corporate giving and corporate citizenship in 2021 amounted to more than € 319,000.

## Settlements

	2019	2020	2021*
<b>Settlements discussed regarding retail postal products</b>	<b>654</b>	<b>753</b>	<b>1,476</b>
of which settled (%)	86.7	88.45	90.11
<b>Settlements discussed regarding business postal products</b>	<b>115</b>	<b>387</b>	<b>925</b>
of which settled (%)	96.52	93	92.54
<b>Settlements discussed regarding BancoPosta products</b>	<b>219</b>	<b>166</b>	<b>250</b>
of which settled (%)	62.1	72.9	69.2
<b>Settlements discussed regarding PosteMobile products</b>	<b>40</b>	<b>43</b>	<b>63</b>
of which settled (%)	80	86	88.89
<b>Settlements discussed regarding IRS real estate fund (no. of applications)</b>	<b>-</b>	<b>-</b>	<b>-</b>
of which settled (%)	-	-	-
<b>Total settlements discussed</b>	<b>1,568</b>	<b>1,709</b>	<b>3,114</b>
of which settled (%)	73.98	85.14	87.70

\* In 2021, the procedure on Retail Postal products and on Business Postal products stand out, recording more cases discussed than in 2020, at +96% and +139% respectively. There was also an increase in the BancoPosta procedure (+51%).

## [FS14] ATMs for inclusion

ATM	2019	2020	2021
ATMs equipped with touchpads for the visually impaired and the blind	7,728	7,958	8,107
of which:			
ATM with voice guidance	7,020	7,384	7,691
<b>Total</b>	<b>7,728</b>	<b>7,958</b>	<b>8,107</b>

## [FS14] Post Offices for cultural integration

Post Offices	2019	2020	2021
Mono-ethnic	2	2	2
Multi-ethnic	27	27	30
Number of customers served	3,399,110	2,322,361	2,449,059
<b>Total transactions carried out</b>	<b>5,511,870</b>	<b>3,514,631</b>	<b>1,102,071</b>

## New customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions

New retail current accounts openings*	2019	2020	2021
Percentage of young current account holders (under 35)	24.2	27	25.2
Percentage of young current account holders (%) (over 65)	25.9	24.7	23.8
Percentage of current account holders who are "new Italians"	16.4	16.4	12.2
New Postepay Standard cards**			
Percentage of young current account holders (under 35)	28.8	23.6	27.4
Percentage of young current account holders (%) (over 65)	9.4	11.6	13.4
Percentage of current account holders who are "new Italians"	9.5	8.4	11.9
New Postepay Evolution cards**			
Percentage of young current account holders (under 35)	42.7	37.4	40.2
Percentage of young current account holders (%) (over 65)	6.9	9.4	10.5
Percentage of current account holders who are "new Italians"	20.1	20.7	22.2

\* For new cars in 2021 from client customers, all account holders are considered in the case of joint account holders. Excludes accounts no longer existing at 31.12.2021.

\*\* For Postepay Standard and Evolution cards, renewals during the year are excluded.



## Green transition

### [GRI 302-1] Internal Group energy consumption\*

	2019	2020	2021
<b>Consumption of fuel from non-renewable sources (GJ)</b>	<b>2,180,838</b>	<b>2,417,825</b>	<b>2,516,482</b>
of which:			
LPG	32,033	28,578	29,264
Diesel	857,792	774,974	720,765
Natural gas	677,286	828,820	831,068
Jet fuel	403,770	543,464	664,375
Petrol	209,956	241,990	271,011
<b>Consumption of energy from non-renewable sources (GJ)</b>	<b>84,183</b>	<b>80,411</b>	<b>53,140</b>
of which:			
Thermal energy (district heating)	23,122	27,164	25,677
Electricity supplied by the National Grid	61,061	53,247	27,464
<b>Consumption of energy from renewable sources (GJ)</b>	<b>1,697,666</b>	<b>1,536,576</b>	<b>1,588,317</b>
of which:			
Self-produced photovoltaic electricity	5,521	6,213	7,145
Certified guarantee of origin electricity	1,692,145	1,530,362	1,581,172
<b>Total energy consumption (GJ)</b>	<b>3,962,688</b>	<b>4,034,811</b>	<b>4,157,939</b>
of which:			
from renewable sources	1,697,666	1,536,576	1,588,317
from non-renewable sources	2,265,022	2,498,235	2,569,623

\* Includes energy consumed by real estate and in road transport logistics and airmail. Source GJ conversion factors: GHG Protocol and DEFRA 2021 Guidelines.

### [GRI 302-2] External Group energy consumption\*

	2019	2020	2021
<b>Total external Group energy consumption** (GJ)</b>	<b>2,270,147</b>	<b>2,384,452</b>	<b>2,548,699</b>
of which:			
Diesel	1,881,742	2,168,237	2,323,096
Petrol	-	29	-
Natural gas	-	64	70
LPG	101	174	127
Jet fuel	388,304	215,948	225,406

\* The scope of reporting for 2021 includes the parent company, Group companies, net of Nexive, because this has only recently been acquired.

\*\* The target set for 2021 is 1,605,700 GJ (446,063.5 MWh) for total energy from renewable sources (internal and external) and 5,126,800 GJ (1,424,225 MWh) for total energy from non-renewable sources (internal and external). In this regard, the Group's priority in 2021 was to limit the natural increase in consumption compared to 2020, which had been caused by the recovery in activities following the lapsing of a series of Covid-19 related restrictions, and which had restrictions various aspects of operations during 2020.

**[GRI 303-3] Water withdrawals\***

	2019	2020	2021
<b>Total water withdrawals (MI)**</b>	<b>1,955.768</b>	<b>1,824.983</b>	<b>1,756.076</b>
which			
Surface water	-	-	-
Groundwater	5.935	3.963	3.934
Sea water	-	-	-
Produced water	-	-	-
Third-party water resources	1,949.833	1,821.019	1,752.142

\* The management of water discharges is entrusted to third parties who are currently unable to determine the quantity of water used by the Company for recycling.

\*\* The target set for 2021 is 1,788 mega litres.

	2019		2020		2021	
	Freshwater (<1,000 mg/l total dissolved solids)**	Other water types (>1,000 mg/l total dissolved solids)	Freshwater (<1,000 mg/l total dissolved solids)	Other water types (>1,000 mg/l total dissolved solids)	Freshwater (<1,000 mg/l total dissolved solids)	Other water types (>1,000 mg/l total dissolved solids)
<b>Total water withdrawals (MI)</b>	-	-	<b>1,824.983</b>	-	<b>1,756.076</b>	-
of which:						
Surface water	-	-	-	-	-	-
Groundwater	-	-	3.963	-	3.934	-
Sea water	-	-	-	-	-	-
Produced water	-	-	-	-	-	-
Third-party water resources	-	-	1,821.019	-	1,752.142	-

\* Water with a total dissolved solids concentration of 1,000 mg/l or less.

**Wastewater reporting**

<b>Water discharges (m3)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total wastewater	1,955,768	1,824,983	1,756,076

**[GRI 305-1] Total direct GHG emissions (Scope 1); [GRI 305-2] Total indirect GHG emissions (Scope 2); [GRI 305-3] Total other indirect GHG emissions (Scope 3)\***

	2019	2020	2021
<b>Direct emissions – Scope 1** (tCO<sub>2</sub>e)</b>	<b>148,077</b>	<b>159,308</b>	<b>165,508</b>
of which:			
LPG	1,959	1,828	1,872
Diesel	59,979	55,044	50,384
Natural gas	43,452	46,817	46,872
Jet fuel	29,205	39,376	48,142
Petrol	13,483	16,243	18,238
<b>Indirect emissions – Scope 2 (tCO<sub>2</sub>e)***</b>	<b>10,317</b>	<b>9,257</b>	<b>5,709</b>
<b>Scope 2 (tCO<sub>2</sub>e)**</b>			
of which:			
Thermal energy	2,053	2,365	2,211
Electricity	8,264	6,892	3,498
<b>Indirect emissions – Scope 3 (tCO<sub>2</sub>e)***</b>	<b>156,202</b>	<b>169,656</b>	<b>178,737</b>
of which:			
Diesel	131,575	153,993	162,392
Natural gas	-	4	4
Petrol	-	2	-
LPG	6.2	11.1	8.1
Jet fuel	24,621	15,646	16,333

\* The scope of reporting for 2021 includes the parent company, Group companies, net of Nexive, because this has only recently been acquired.

\*\* The emission factors used to convert fuels into CO<sub>2</sub> are as follows: LPG for 2019 1.52 kg CO<sub>2</sub> e/l (source DEFRA 2019), for 2020 1.56 kg CO<sub>2</sub> e/l (source DEFRA 2020) and for 2021 1.56 kg CO<sub>2</sub> e/l (source DEFRA 2021). Diesel for 2019 2.59 kg CO<sub>2</sub> e/l (source DEFRA 2019), for 2020 2.54 kg CO<sub>2</sub> e/l (source DEFRA 2020) and for 2021 2.51 kg CO<sub>2</sub> e/l (source DEFRA 2021). Natural gas for 2019 2.03 kg CO<sub>2</sub> e/m<sup>3</sup> (source DEFRA 2019), for 2020 2.02 kg CO<sub>2</sub> e/m<sup>3</sup> (source DEFRA 2020) and for 2021 2.02 kg CO<sub>2</sub> e/m<sup>3</sup> (source DEFRA 2021). Petrol for 2019 2.21 kg CO<sub>2</sub> e/l (source DEFRA 2019), for 2020 2.17 kg CO<sub>2</sub> e/l (source DEFRA 2020) and for 2021 2.19 kg CO<sub>2</sub> e/l (source DEFRA 2021). The expected target for 2021 is 166,500 tCO<sub>2</sub>e. In this regard, the Group's priority in 2021 was to limit the natural increase in emissions compared to 2020, which had been caused by the recovery in activities following the lapsing of a series of Covid-19 related restrictions, and which had restrictions various aspects of operations during 2020.

\*\*\* Poste Italiane acquires renewable energy guarantee of origin certificates for approximately 98% of its electricity consumption. The GRI Sustainability Reporting Standards envisage two calculation methods for Scope 2 emissions - the location-based method and the market-based method. The market-based method (the method used by Poste Italiane) is based on CO<sub>2</sub> emissions emitted by the energy suppliers from which, via a contract, the organisation purchases electricity (in this case renewable energy guarantee of origin certificates), and for the remaining 5%, emission factors from the national electricity grid (emission factor for market-based method calculation: for 2021, 0.456 kg CO<sub>2</sub> e/kWh, source: European Residual Mixes 2020, for 2020 0.466 kg CO<sub>2</sub> e/kWh, source: European Residual Mixes 2019, for 2019, 0.487 kg CO<sub>2</sub> e/kWh, source: European Residual Mixes 2018.) Conversion factors used to convert thermal energy into CO<sub>2</sub>e: for 2019, 0.17 kg CO<sub>2</sub> e/kWh, for 2020, 0.17 kg CO<sub>2</sub> e/kWh and for 2021, 0.17 kg CO<sub>2</sub> e/kWh. The target set for 2021 is 6,500 tCO<sub>2</sub>e.

The location-based method, on the other hand, is based on average emission factors for regional, sub-national or national power generation. Applying the location-based method, the Group's total Scope 2 emissions in 2019 amount to 177,855 tCO<sub>2</sub>e, in 2020 150,168 tCO<sub>2</sub>e and in 2021 142,966 tCO<sub>2</sub>e (emission factor for the location-based method: 0.315 kg CO<sub>2</sub> e/kWh, source: ISPRA 2021).

\*\*\* The emission factors used to convert fuels into CO<sub>2</sub> are as follows: Jet fuel for 2019 2.21 kg CO<sub>2</sub> e/l (source DEFRA 2019), for 2020 2.54 kg CO<sub>2</sub> e/l (source DEFRA 2020) and for 2021 2.55 kg CO<sub>2</sub> e/l (source DEFRA 2021).

**[GRI 306-3] Waste generated [GRI 306-4] Waste recovered [GRI 306-5] Waste disposed of\***

	2019			2020			2021		
Waste by type (t)	Waste	Waste	Waste disposed of	Waste	Waste	Waste disposed of	Waste	Waste**	Waste disposed of ***
<b>Total waste</b>	<b>28.708,8</b>	<b>27.869,9</b>	<b>838,9</b>	<b>28.583,3</b>	<b>28.081,4</b>	<b>501,9</b>	<b>34.471,7</b>	<b>33.202,2</b>	<b>1.269,5</b>
of which:									
Paper/cardboard				12,474.2	12,468.8	5.4	13,584.9	13,539.2	45,8
Plastic				1,060.2	1,060.2	-	1,359.3	1,359.3	-
Wood				8,532.3	8,532.3	-	10,481.8	10,478.1	3,6
Other				6,516.6	6,020	496.6	9,045.8	7,825.63	1,220.1

\* The figures for the quantity of waste produced are given by the companies that provide waste management services.

\*\* The expected target for 2021 regarding recovered waste is 33,700 tonnes.

\*\*\* The target set for 2021 in relation to waste sent to disposal (landfill, incinerated and other types of disposal) is 1,300 tonnes.

	2019		2020		2021	
	On site	Off site	On site	Off site	On site	Off site
<b>Total weight of hazardous waste recovered (t)</b>						
Preparation for reuse			-	-	-	-
Recycling			-	267.8	-	364.3
Other recovery operations			-	-	-	-
<b>Total</b>			-	<b>267.8</b>	-	<b>364.3</b>
<b>Total hazardous waste recovered</b>	<b>151</b>		<b>267.8</b>		<b>364.3</b>	

	2019		2020		2021	
	On site	Off site	On site	Off site	On site	Off site
<b>Total weight of non-hazardous waste recovered (t)</b>						
Preparation for reuse			-	0	-	-
Recycling			-	27,813.6	-	32,837.9
Other recovery operations			-	0	-	-
<b>Total</b>			-	<b>27,813.6</b>	-	<b>27,813.6</b>
<b>Total non-hazardous waste recovered</b>	<b>27,718.9</b>		<b>27,813.6</b>		<b>32,837.9</b>	

	2019		2020		2021	
	On site	Off site	On site	Off site	On site	Off site
<b>Total weight of hazardous waste disposed of (t)</b>						
Disposal in landfill*			-	0.5	-	99.3
Incineration**			-	0.1	-	0.3
Other types of disposal***			-	23.7	-	36.1
<b>Total</b>			-	<b>24.3</b>	-	<b>135.8</b>
<b>Total hazardous waste disposed of</b>	<b>89</b>		<b>24.3</b>		<b>135.8</b>	

	2019		2020		2021	
	On site	Off site	On site	Off site	On site	Off site
<b>Total weight of non-hazardous waste disposed of (t)</b>						
Disposal in landfill*			-	101.9	-	616.9
Incineration**			-	1.8	-	0.01
Other types of disposal***			-	373.9	-	516.8
<b>Total</b>			-	<b>477.6</b>	-	<b>1,133.7</b>
<b>Total non-hazardous waste disposed of</b>	<b>749.9</b>		<b>477.6</b>		<b>1,133.7</b>	

\* The expected target for 2021 regarding the total quantity of waste for disposal in landfills (hazardous and non-hazardous) is 770 tonnes.

\*\* The expected target for 2021 regarding the total quantity of waste for incineration disposal (hazardous and non-hazardous) is 0.6 tonnes.

\*\*\* The expected target for 2021 regarding the total quantity of waste for disposal using different procedures such as landfills and incineration (hazardous and non-hazardous) is 600 tonnes.

**[GRI 302-1] Internal energy consumption relating to real estate facilities by source**

	2019	2020	2021
<b>Consumption of fuel from non-renewable sources (GJ)</b>	<b>718,445</b>	<b>871,256</b>	<b>897,844</b>
of which:			
LPG	7,785	10,314	13,234
Diesel	91,358	78,693	78,654
Natural gas	619,301	782,249	805,955
<b>Consumption of energy from non-renewable sources (GJ)</b>	<b>84,183</b>	<b>80,411</b>	<b>53,140</b>
of which:			
Thermal energy (district heating)	23,122	27,164	25,677
Electricity supplied by the National Grid	61,061	53,247	27,464
<b>Consumption of energy from renewable sources (GJ)</b>	<b>1,696,698</b>	<b>1,535,358</b>	<b>1,586,985</b>
of which:			
Self-produced photovoltaic electricity	5,521	6,213	7,145
Certified guarantee of origin electricity	1,691,177	1,529,145	1,579,840
<b>Total energy consumption (GJ)</b>	<b>2,499,325</b>	<b>2,487,024</b>	<b>2,537,969</b>
of which:			
from renewable sources	1,696,698	1,535,358	1,586,985
from non-renewable sources	802,628	951,666	950,984

**[GRI 305-1; GRI 305-2] Direct and indirect CO<sub>2</sub> emissions relating to real estate facilities**

	2019	2020	2021
<b>Direct emissions – Scope 1 (tCO<sub>2</sub>e)</b>	<b>46,596</b>	<b>50,435</b>	<b>51,800</b>
of which			
LPG	476	660	847
Diesel	6,388	5,589	5,498
Natural gas	39,732	44,186	45,455
<b>Indirect emissions – Scope 2 (market-based) (tCO<sub>2</sub>e)*</b>	<b>10,317</b>	<b>9,257</b>	<b>5,709</b>
of which:			
Electricity	8,264	6,892	3,498
Thermal energy	2,053	2,365	2,211

\* Using the location-based method, the total amount of Scope 2 emissions relating to real estates in 2019 amounted to 177,758 tCO<sub>2</sub> e, in 2020 150,054 tCO<sub>2</sub> e and in 2021 142,850 tCO<sub>2</sub> e.

**[GRI 302-2; GRI 305-3] External energy consumption and CO<sub>2</sub> emissions relating to real estate facilities**

	2019	2020	2021
<b>Total external Group energy consumption (GJ)</b>	<b>101</b>	<b>159</b>	<b>127</b>
<b>Indirect emissions – Scope 3 (tCO<sub>2</sub>e)</b>	<b>6.2</b>	<b>10.2</b>	<b>8.1</b>



**[GRI 305-4] Intensity of GHG emissions related to real estate facilities**

	2019	2020	2021
Total GHG emissions Scope 1 (kg CO <sub>2</sub> e)	46,595,757	50,435,444	51,800,253
Total GHG emissions Scope 2 (kg CO <sub>2</sub> e)	10,317,138	9,257,089	5,709,145
Total GHG emissions Scope 3 (kg CO <sub>2</sub> e)	6,200	10,200	8,130
Square metres of the Group's properties (m <sup>2</sup> )	5,479,089	5,469,439	5,835,325
<b>Intensity of direct and indirect GHG emissions Scope 1 and Scope 2</b>	<b>10.387</b>	<b>10.914</b>	<b>10.300</b>
<b>Intensity of other indirect GHG emissions Scope 3</b>	<b>0.001</b>	<b>0.002</b>	<b>0.001</b>

**Weight of electricity consumption relating to real estate facilities by type of business\***

	2019	2020	2021
Post Offices (%)	55	47	47
Head offices (%)	14	16	16
Operational sites (sorting centres) (%)	14	14	14
Delivery logistics centres (%)	13	12	12
Data Centres (%)	4	11	11

\* As of 2020, the indicator considers values for the entire Group and classifies buildings by functionality similar to those of Poste Italiane (e.g. industrial plants not only CMP, but also Postel printing works).

**Total cost of energy purchased for real estate facilities**

	2019	2020	2021
Total expenditure on energy (€)*	101,273,851	85,717,548	83,196,736

\*\* The expected target for 2021 is € 83,574,700.

**Total savings or overall profits from energy saving programmes**

Programmes that generated savings (€)	2020	2021
LED project	2,551,886	1,739,793
Energy efficiency programme	724,996	735,273
Smart Buildings	148,153	124,547
Programmes that generated a profit (€)	2020	2021
Photovoltaic plants	194,934	170,000

## Corporate fleet data

	2019	2020	2021
<b>Total km travelled</b>	<b>350,665,071</b>	<b>336,266,255</b>	<b>321,599,897</b>
Total vehicles (no.)	33,477	32,791	31,645
of which:			
traditional vehicles	29,119	28,133	26,747
alternative vehicles	4,358	4,658	4,898
of which:			
bicycles	324	324	324
electric vehicles	1,149	1,448	1,805
hybrid motor vehicles	79	79	79
petrol-natural gas fuelled vehicles	1,726	1,727	1,615
petrol-LPG fuelled vehicles	1,080	1,080	1,075
diesel-natural gas fuelled vehicles	-	-	-
LPG fuelled vehicles	-	-	-
Percentage of alternative vehicles (%)	13.1	14.2	15.5

[GRI 302-1; GRI 305-1; GRI 305-2] Energy consumption and CO<sub>2</sub>e emissions to the company road fleet

	2019	2020	2021
<b>Total energy consumed (GJ)</b>	<b>1,059,592</b>	<b>1,004,322</b>	<b>955,596</b>
of which:			
Diesel	766,434	696,28	642,111*
Natural gas	57,985	46,570	25,112*
LPG	24,248	18,264	16,029*
Petrol	209,956	241,990	271,011
Certified guarantee of origin electricity	968	1,217	1,332
<b>Direct emissions – Scope 1 (tCO<sub>2</sub>e)</b>	<b>72,276</b>	<b>69,497</b>	<b>65,566</b>
<b>Indirect emissions – Scope 2 (tCO<sub>2</sub>e)</b>	<b>-</b>	<b>-</b>	<b>-</b>



\* The decrease in fuel consumption (Diesel, LPG and Methane gas) is due to lower mileage - due to the Covid-19 emergency - but also to greater outsourcing of transport services. More specifically, with regard to methane, the decrease in consumption was caused by three main factors: the decrease in the number of hybrid petrol/methane driven vehicles following the outsourcing of transport services and rendering the postal network more efficient; the reduction in methane refuelling stations, which in certain cases, resulted on only petrol being used; the increase in the pump price for methane recorded over the last six months, which made it more affordable to fill cars with petrol (causing an increase in the litres of petrol consumed). Using the location-based method, the total amount of Scope 2 emissions relating the company road fleet is: for 2019, 97 tCO<sub>2</sub>e, for 2020 114 tCO<sub>2</sub>e and for 2021 117 tCO<sub>2</sub>e.

[GRI 302-2; GRI 305-3] Energy consumption and CO<sub>2</sub> emissions to contracted road logistics\*

	2019	2020	2021
<b>Total external Group energy consumption** (GJ)</b>	<b>1,881,742</b>	<b>2,168,345</b>	<b>2,323,166</b>
<b>Indirect emissions – Scope 3 (tCO<sub>2</sub>e)</b>	<b>131,575</b>	<b>154,000</b>	<b>162,396</b>

\* The scope of reporting for 2021 includes the parent company, Group companies, net of Nexive, because this has only recently been acquired.

\*\* Road vehicles used by logistics contractors are almost entirely diesel-fuelled. In 2021, the increase in consumption (mainly diesel) is attributable to the greater outsourcing of the transport services.

## Air transport fleet data

	2019	2020	2021
Number of aircraft	15	13	16
AirMail (hours)	6,799	8,644	8,386
Charter (hours)	158	21	87

**[GRI 302-1; GRI 305-1] Energy consumption and emissions by the mail and charter fleet**

	2019	2020	2021
<b>Total internal Group energy consumption (GJ)</b>	403,770	543,464	664,375
<b>Direct emissions – Scope 1 (tCO<sub>2</sub>e)</b>	29,205	39,376	48,142

**[GRI 302-2; GRI 305-3] Energy consumption and emissions by contracted mail and charter transport**

	2019	2020	2021
<b>Total external Group energy consumption (GJ)</b>	388,304	215,948	225,406
<b>Indirect emissions – Scope 3 (tCO<sub>2</sub>e)</b>	24,621	15,646	16,333

**Other direct emissions from logistics activities**

	2019	2020	2021
<b>Total Fuel emissions from non-renewable sources – Scope 1 (tNO<sub>x</sub>)*</b>	<b>262.92</b>	<b>243.94</b>	<b>208.55</b>
Natural gas	1.58	1.27	0.66
LPG	1.33	0.57	0.44
Diesel	218.97	199.37	157.27
Petrol	24.89	21.00	16.96
Jet Fuel	16.15	21.74	33.22

\* The emission factors used to convert fuels into No<sub>x</sub> are as follows: methane gas 0.0264 t NO<sub>x</sub>/TJ. LPG 0.0278 t NO<sub>x</sub>/TJ. Diesel for cars 0.1912 t NO<sub>x</sub>/TJ, for light commercial vehicles 0.30 t NO<sub>x</sub>/TJ, for heavy trucks 0.3086 t NO<sub>x</sub>/TJ. Petrol for cars 0.0593 t NO<sub>x</sub>/TJ, for light commercial vehicles 0.0536 t NO<sub>x</sub>/TJ, for motorcycles 0.0699 t NO<sub>x</sub>/TJ. Source: ISPRA, Database of average emission factors of road transport in Italy. Jet fuel 50 g NO<sub>x</sub>/GJ. Source: ISPRA, emission factors for combustion in Italy (2019).

	2019	2020	2021
<b>Total Fuel emissions from non-renewable sources – Scope 1 (tSO<sub>2</sub>)*</b>	<b>38.92</b>	<b>52.22</b>	<b>63.73</b>
Diesel	0.26	0.24	0.18
Petrol	0.08	0.06	0.07
Jet Fuel	38.58	51.92	63.47

\* The emission factors used to convert fuels into SO<sub>2</sub> are as follows: diesel 0.0003 SO<sub>2</sub>/TJ. Petrol 0.0003 t SO<sub>2</sub>/TJ. Source: ISPRA, Database of average emission factors of road transport in Italy. Jet fuel 96 gSO<sub>2</sub>/GJ. Source: ISPRA, emission factors for combustion in Italy (2019).

	2019	2020	2021
<b>Total Fuel emissions from non-renewable sources – Scope 1 (VOC)*</b>	<b>109.52</b>	<b>119.29</b>	<b>102.70</b>
Natural gas	3.30	2.65	1.44
LPG	1.66	0.71	0.64
Diesel	6.41	5.58	3.61
Petrol	96.95	108.72	95.01
Jet Fuel	1.21	1.63	1.99

\* The emission factors used to convert fuels into VOC are as follows: natural gas 0.0575 t VOC/TJ. LPG 0.0399 t VOC/TJ. Diesel for cars 0.0034 t VOC/TJ, for light commercial vehicles 0.0058 t VOC/TJ, for heavy trucks 0.0112 t VOC/TJ. Petrol for cars 0.2048 t VOC/TJ, for light commercial vehicles 0.1280 t VOC/TJ, for motorcycles 0.6623 t VOC/TJ. Source: ISPRA, Database of average emission factors of road transport in Italy. Jet fuel 3 g NMVOC/GJ. Source: ISPRA, emission factors for combustion in Italy (2019).

## Other indirect emissions from logistics activities

	2019	2020	2021
<b>Total Fuel emissions from non-renewable sources – Scope 3 (tNO<sub>x</sub>)</b>	<b>625.19</b>	<b>734.33</b>	<b>719.56</b>
Diesel	625.19	725.68	708.75
Jet fuel	-	8.64	10.8
Natural gas	-	≈0*	≈0*
LPG	-	≈0*	-
Petrol	-	≈0*	-

\* The figure is close to 0, but still contributes to the total.

	2019	2020	2021
<b>Total Fuel emissions from non-renewable sources – Scope 3 (tSO<sub>2</sub>)</b>	<b>0.65</b>	<b>21.38</b>	<b>21.31</b>
Diesel	0.65	0.75	0.66
Petrol	-	≈0*	-
Jet fuel	-	20.63	20.65

\* The figure is close to 0, but still contributes to the total.

	2019	2020	2021
<b>Total Fuel emissions from non-renewable sources – Scope 3 (VOC)</b>	<b>22.44</b>	<b>26.91</b>	<b>22.2</b>
Diesel	22.44	26.26	21.55
Natural gas	-	≈0*	≈0*
LPG	-	≈0*	-
Petrol	-	≈0*	-
Jet fuel	-	0.65	0.65

\* The figure is close to 0, but still contributes to the total.

## Business Travel

	2019	2020	2021
<b>Total tCO<sub>2</sub> e emissions*</b>	<b>10.616</b>	<b>6.569</b>	<b>8.700</b>
Automotive	7,947	5,965	8,036
Petrol	2,135	2,214	3,350
Diesel	5,812	3,751	4,686
Train	470	92	96
Plane	2,199	512	568
international - short haul	170	94	79
international - long haul	357	7	27
national (domestic)	1,672	411	462

\* The expected target for 2021 is 9,200 tCO<sub>2</sub> e. In this regard, the Group's priority in 2021 was to contain the natural increase in emission due to work travel compared to 2020, which had been caused by the recovery in activities following the lapsing of a series of Covid-19 related restrictions, and which had restrictions various aspects of operations during 2020.

## Employee commuting

	2019	2020	2021
<b>Total tCO<sub>2</sub>e emissions</b>	31,787*	13,929**	32,940***

\* The value indicated refers to the estimate of the polluting emissions generated by the home-work travel of Poste Italiane employees applied in the offices of more than 300 resources which, at present, amount to 36 located in 19 cities in Italy, for a sample of 25,558 total resources.

\*\* The value indicated refers to the estimate of the polluting emissions generated by the home-work travel of Poste Italiane employees applied in the offices of more than 300 resources which, at present, amount to 38 located in 18 cities in Italy, for a sample of 24,316 total resources.

\*\*\* The value of polluting emissions generated by home-work commuting indicated (2021 - 32,940 tons CO<sub>2</sub>e) refers to the estimate of the polluting emissions generated by the home-work commuting of Poste Italiane employees applied in the offices of more than 100 resources located in towns with a population of over 50,000 residents, which, at present, amount to 146 located in 73 cities in Italy, for a sample of 39,348 total resources. Pursuant to Italian Law No. 77 of 17/07/2020, the scope of analysis changed compared to 2020 when the legislation required the observation of 38 offices with over 300 staff members located in 18 cities for a sample of 24,316 resources. The 2021 also took into consideration the adoption of the agile working model by the Company to reduce the home-work commuting kilometres, which was applied to contain the spread of the Covid-19 virus and based on the relevant Authorities directives, was adopted by 80% of the workforce (12.5% of the company workforce) from January to September 2021 and by 50% from October - December 2021; the calculation excluded 17 cities where the questionnaire redemption rate was not sufficient to estimate the polluting factors issued in the home-work commute. It should be noted that in implementing the aforementioned Law, the methodology applied is as per the MITE-MIMS Guidelines introduced in August 2021, which differ from the methodology used for the analysis in 2020.



## Customer experience

### Customer experience in Post Offices

	2019	2020	2021
Average waiting time in Post Offices (minutes)	10.95	8.3	9.20
Customer served within 15 minutes (%)	77.9	84.35	81.27
Customer satisfaction with waiting times (1-10)	8	7.8	7.7
Customer satisfaction with overall post office experience	8.7	8.4	8

### Customer complaints by type\*

Post Offices	2019	2020	2021
Complaints received	11,698	9,176	6,476
Average response time (days)	11	14	16
<b>Mail</b>			
Complaints received	98,119	54,188	46,054
Average response time (days)	19	22	17
<b>Parcels</b>			
Complaints received	186,234	123,571	102,630
Average response time (days)	12	19	16
<b>Financial Services</b>			
Complaints received	123,901	136,217	198,878
Average response time (days)	4	6	8
<b>Insurance Service</b>			
Complaints received	2,938	7,056	5,102
Average response time (days)	13	28	30
Investigations initiated by the Insurance Regulator	185	300	307
<b>PosteMobile</b>			
Mobile telephone complaints received	17,750	8,430	5,922
Average response time (days)	6	2	2
Fixed line complaints received	1,110	1,191	1,767
Average response time (days)	3	4	4

\* The figures on complaints relate to open cases requiring back-office intervention.

### Number of contacts handled\*

Contact Center	2019	2020	2021
Number of contacts handled (mln)	28	33	37

\* The increased trend in 2021 recorded 2.7 million contacts managed via WhatsApp (from 0.2 to 2.9 million).

**Customer satisfaction\***

Satisfied customers (%)	2019	2020	2021
Satisfied customers following Customer Experience surveys	82.7	82.1	82.2
Coverage	100	100	100

\* The Business Unit customer experience is measured on a six-monthly basis based on a survey that measures the rate at which Poste Italiane products and services are recommended based on a Net Promoter Score (NPS).  
In terms of channels, the indicator used is the Customer Effort Score (CES), which records the ease of access to services.  
The customer samples involved in the customer experience surveys represent the related universe.  
The Business Units involved in the customer experience analysis are as follows: BancoPosta (Retail, SME and Large customers); Posta Comunicazione e Logistica (SME and Large customers); Poste Vita (Retail). The sales and support channels involved are the post offices, customer support, digital (site and app), delivery and commercial account channels.  
With reference to the method used to measure customer satisfaction, the surveys use a scale of 1 to 10 to measure satisfaction. The percentages shown include customers who have answered 7-8 and 9-10 in the surveys carried out. Scores of 9-10 in the NPS/CES surveys reflect customers who are "promoters" (NPS) and "enthusiasts" (CES).  
The expected target for 2021 is 82.2%. In this regard, the Group's priority in 2021 was to guarantee a customer satisfaction level that was at least in line with the level recorded in 2020, given the inconveniences experienced by customers during the year due to the health emergency.

**Monthly complaints**

	2019	2020	2021
Monthly complaints received	36,813	28,319	30,568

**Resources invested in business continuity plan\***

	2019	2020	2021
Investments (€m)	4.2	2	1.3
Drills	4	3	4
People involved	180	162	240
Mainframe services (open services being processed) covered by disaster recovery plans (%)	100	100	100

\* The figures refer to Poste Italiane SpA, PostePay SpA and BancoPosta Fondi SpA SGR.

**[GRI 418-1] Privacy infringements and data leaks**

	2019	2020	2021*
Total number of complaints received regarding violations of privacy	50	57	41
of which:			
complaints received from third parties and recognised by the organisation	49	57	41
complaints received from regulatory bodies	1	-	-
Breaches, data theft and leaks of customer data identified	321	468	304

\* In 2021, regarding the privacy infringement events recorded, in seven cases, the relevant internal function conducting investigations into the infringement, sent the documentation to the Human Resources function for the relevant measures to be adopted against the employees involved. In the remaining cases, no penalties were imposed against Poste Italiane personnel, because the infringements referred to external attacks and/or human error.

**IT security and cybersecurity breaches**

IT incidents and breaches	2019	2020	2021*
Total number of IT security breaches/cybersecurity incidents	33	74	195
Total number of IT security breaches involving customers' data	7	6	3
Total amount of fines /penalties paid in relation to IT security breaches or other IT security incidents (€)	-	-	-

\* The causes underlying the management of incidents and IT breaches during 2021 are all attributable to external attacks. More specifically, the attack was directed at Poste Italiane employees with the aim of stealing identities and consequently accessing the company systems. In this regard, it is noted that since this was not attributable to negligence by Poste Italiane personnel, no disciplinary measures were imposed against employees. Nonetheless, during the year, the Group introduced a series of initiatives aimed at reducing the IT security incidents relating to compromised credentials, for example, with the large-scale implementation of identity verification systems for users based on a dual factor authentication system.



### Number of customers whose data was used for secondary purposes

Customers whose data was used for secondary purposes (%)	2019	2020	2021
Percentage of customers whose data was used for secondary purposes (%)	1	1	-

### Number of customers involved in IT security breaches

Customers involved in IT security breaches	2019	2020	2021*
Number of customers involved in IT security breaches	755	3.789	175

\* In 2021, incidents impacting on customer data occurred over November/December. The number of customers involved came down from previous years.



## Innovation

### Number of digital services (figures in millions)

	2019	2020	2021
Customers registered on Poste Italiane's digital channels (websites and apps)	20.8	27.1	34.2
Digital identities issued	4.1	12.2	21.2
Postepay apps downloaded	11.2	14.4	18.4
BancoPosta apps downloaded	6.1	8.3	10.8
Post Office apps downloaded	4.6	6.8	12.2
PostelD apps downloaded	4.8	13.8	24.1
PosteMobile apps downloaded	4.1	4.8	4.8
Transactions carried out via consumer digital channels (websites and apps)	57.1	90.3	124.7

### Dematerialisation of procedures and corresponding transactions

Type of procedure*	2019		2020		2021	
	No. of procedures	%	No. of procedures	%	No. of procedures	%
Certificates	1,958	94	1,828	96	1,584	94
Current accounts	327	93	376	94	586	96
Savings Books	746	94	629	95	746	92
Postepay Evolution	1,519	98	2,129	97	2,137	98
Full Acquiring	13	4	17	4	11	9
Life insurance policies	739	82	592	93	520	97
Non-life policies	149	76	147	88	250	93
MiFID	3,320	87	1,909	92	2,175	94
PosteMobile	1,123	82	857	82	832	87
Guided consultation	1,436	79	1,214	89	1,512	94
Loans	177	78	391	88	417	91
Funds	-	-	119	85	262	94
<b>Total Procedures **</b>	<b>11,507</b>	<b>88</b>	<b>10,209</b>	<b>92</b>	<b>11,030</b>	<b>94</b>

\* Figures in thousands.

\*\* Total volumes of procedures in absolute terms increased by 8% compared to the previous year. Specifically, we note the significant increase in dematerialised procedures for the Fondi, Postemobile and non-life policies

Corresponding transactions	2019	2020	2021
Total transactions (€m)	33.1	29.9	27.7
Total electronic transactions (€m)	32.0	29.1	26.9
Dematerialised transactions (%)	96.8	97.4	96.9



## Sustainable finance

### ESG products and services related to Asset Management\*

Categories of sustainable investment products and services offered (€)	2021
Products/services integrating ESG criteria*	73,853,542.92
Products/services applying best-in-class criteria**	3,373,416,622.23
Products/services with theme-based investments***	81,007,675.68
Products/services related to impact investing activities****	-
Other*****	1,028,285,424.05
<b>Total AuM of sustainable investment products</b>	<b>4,556,563,264.88</b>

\* The category includes products where ESG-related information is structurally integrated, together with financial considerations in the decision-making process for investing activities. In 2021, the products "BP UNIVERSO 60" and "BP UNIVERSO 40" were included in the category.

\*\* The category includes products with investments targeting the best ESG performing companies in their respective operating segment. The following products were included in the category in 2021: "BP Orizzonte Reddito", "BP Azionario Flessibile", "BP Azionario Internazionale", "BP Azionario Euro", "BP Selezione Attiva e Poste Investo Sostenibile".

\*\*\* The category includes products with investments focusing on companies making a positive contribution to specific social or environmental problems (e.g. climate change, advancing underdeveloped countries, etc.). In 2021, the product "BP Focus Ambiente 2027" was included in the category.

\*\*\*\* The category includes products with investments that are made in companies offering products and/or services creating a positive social or environmental impact, and which meet the dual objective of creating social-environmental value and economic returns.

\*\*\*\*\* The category "Other" includes the mandates with ESG benchmarks.

	2021*
Total AuM in the Asset Management segment**	114,962,750,522.64
Percentage of sustainable investment products out of the total AuM in the asset management segment (%)	4

\* Performance in 2021 was in line with the Group objective of increasing BancoPosta Fondi SGR investments involving the integration of ESG criteria. The percentage of funds with ESG characteristic was 42% at 30/12/21, considering the scope of open retail fund placements.

\*\* The figure refers to the sum of NAVs for the managed funds.

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## 7. Outlook

During 2021, the Group accelerated the planned recovery trend, achieving better-than-expected results at the pre-pandemic levels of 2019.

The trend in inflation recorded mainly towards the end of 2021, the pressure on raw material prices and the recent international political events involving Russia and Ukraine introduce uncertainty and turbulence on the markets.

The Group procures supplies and competes mainly in the domestic market, does not have production units in the countries affected by the conflict or bordering countries, and has limited commercial relationships with the countries affected by the conflict. Therefore, it does not have direct repercussions that could significantly affect the various businesses or lead to significant repercussions on its profitability. The volatility of the financial markets could change customers' investment decisions, guiding them towards more liquid products or products that are at least less exposed to the trends of the financial markets. The Group has historically demonstrated resilience in times of financial turbulence, establishing itself as a 'safe harbour' for savers, thanks to a portfolio of financial offers that will continue to keep Postal Savings at the centre of the strategy, also in the future. The Group's cost structure includes limited exposure to sectors with high pressure on prices, and the price rises seen up to now have not generated significant economic effects or significant critical issues in operating processes.

On 23 March 2022, Poste Italiane updated the financial community with the "2024 Sustain & Innovate Plus" Business Plan, in which the Group confirms its goal of accompanying the country in responsible, inclusive and sustainable growth, also through a process of digital transformation that leverages the significant investments in technology planned aimed at helping to close the country's geographical and generational digital divide.

The development of the insurance saving and Postal Saving segments will remain strategic, thanks also to the new agreement with Cassa Depositi e Prestiti. Investments are planned to support the growth of parcels, digital payments and protection, with offers aimed at reducing the country's underinsurance.

The acquisition of LIS will accelerate the implementation of the Group's omni-channel strategy, facilitating the transition to digital payments and strengthening the growth of proximity payment in the business.

In support of the economic recovery and in agreement with the Institutions, Poste Italiane will continue to purchase **tax credits**, which will enable the Group to increase its flexibility in managing the investment portfolio, in a persistent low-interest-rate market.

In line with the Strategic Plan, the Group intends to enter the **energy** market by the end of 2022, depending on the market scenario and the business opportunities, by proposing a fair, competitive and easily-understood offer and supply from 'green' sources.

The commitment to the ecological transformation includes important initiatives and investments, such as making properties more efficient, lowering emissions from the company fleet and photovoltaics. These actions will lead the Group towards carbon neutrality, expected by the end of 2030.

## 8. Summary of the resolutions of the ordinary Shareholders' Meeting and other information

### Summary of the resolutions of the ordinary Shareholders' Meeting

The ordinary Shareholders' Meeting of Poste Italiane S.p.A. held in Rome in single call on 27 May 2022 at the premises of the Company located in viale Europa n. 175, adopted the following resolutions:

1. approved the financial statements of Poste Italiane S.p.A. for the year ended 31 December 2021; and took note of the results of the consolidated financial statements of the Poste Italiane Group, also for the year ended 31 December 2021, which closed with net income for the year of euro 1,580 million;
2. resolved:
  - i. to allocate the net income of BancoPosta's Ring-fenced Capital, amounting to 508,354,242 euro, as follows:
    - to the reserve named "Retained Earnings" for 200,000,000 euro;
    - to the disposal of the Company for the possible distribution for 308,354,242 euro;
  - ii. to allocate Poste Italiane SpA's net income for 2021, amounting to 797,191,544 euro, as follows:
    - to the aforementioned reserve named "Retained Earnings" of BancoPosta's Ring-fenced Capital for 200,000,000 euro;
    - to the reserve named "Results carried forward", not available for distribution, for 4,941,966<sup>88</sup> euro;
    - to the distribution to the Shareholders for the remaining amount of 592,249,578 euro;
  - iii. in light of the above, to distribute a total dividend of 0.590 euro per share, using (i) Poste Italiane SpA's net income for 2021, available for distribution, equal to 592,249,578 euro, and (ii) for the remaining part, whose exact amount will be determined at the time of the payment of the balance of the dividend on the base of the shares in circulation on the ex-dividend date, an amount deriving from the partial distribution of the available reserves (amounting to 676,459,407 euro as of 31 December 2021);
  - iv. to distribute the aforementioned dividend of 0.590 euro per share as follows:
    - the amount of 0.185 euro for each ordinary shares in circulation on the ex-dividend date, excluding treasury shares on that date to cover the interim dividend payable from 24 November 2021, with the ex-dividend date of coupon no. 9 having fallen on 22 November 2021 and the "record date" (i.e. the date of the title to the payment of the dividend, pursuant to Article 83-terdecies of the Legislative Decree no. 58 of February 24, 1998 and to Article 2.6.6, paragraph 2, of the Rules of the Markets organized and managed by Borsa Italiana SpA) falling on 23 November 2021, for an overall amount of 240,662,260 euro;
    - the amount of 0.405 euro for each ordinary shares in circulation on 20 June 2022, the day scheduled as the ex-dividend date, excluding treasury shares on that date, as the balance of the dividend;
  - v. to pay the aforesaid balance of the dividend for 2021 of 0.405 euro per ordinary share – before withholding tax, if any – from 22 June 2022, with the "ex-dividend" date of coupon n. 10 falling on 20 June 2022 and the record date (i.e., the date of entitlement to the payment of the aforesaid dividend pursuant to article 83-terdecies of Legislative Decree n. 58 of 24 February 1998 and article 2.6.6, paragraph 2, of the Regulations of the markets organized and managed by Borsa Italiana SpA) falling on 21 June 2022;
3. appointed the new board of statutory auditors, which will remain in office until the approval of the financial statements for 2024, in the persons of:
  - Mauro Lonardo – Chairman of the board of statutory auditors;
  - Gianluigi Fiorendi – Effective auditor;
  - Serena Gatteschi – Effective auditor;
  - Francesco Fallacara – Alternate auditor;
  - Sonia Ferrero – Alternate auditor;
  - Antonio Santi – Alternate auditor;

setting the related gross annual compensation at euro 80,000 for the Chairman and euro 70,000 for the other effective auditors, in addition to reimbursement of the travel and living expenses incurred because of their duties, due documented;

88. The amount of 4,941,966 euro refers to the income not available for distribution recognised in profit or loss for the fair value measurement of the Visa Preferred Stock shares which – in application of Legislative Decree no.38/2005 – cannot be distributed until actually realized.

4. approved the Report on the policy regarding remuneration for the year 2022 – including the guidelines on the policies of remuneration and incentive plans of BancoPosta's Ring-Fenced Capital, which are attached to the Report on the policy regarding remuneration – which explains (i) the Company's policy regarding the remuneration for members of the Board of Directors, the general manager and other executives with strategic responsibilities, and the members of control body, as well as (ii) the procedures used for the adoption and implementation of such policy;
5. resolved in favor of the Report on amounts paid in the year 2021, which are provided (i) by name, for the members of the administrative and auditing bodies, and the general manager, and (ii) in aggregate form, for executives with strategic responsibilities;
6. approved the equity-based Incentive Plans, whose features are described in a document prepared pursuant to article 84-bis, paragraph 1, of CONSOB Resolution n. 11971 of May 14, 1999, attributing to the board of directors all the powers necessary to concretely implement such Incentive plans;
7. granted the Board of Directors authorisation for the acquisition and subsequent disposal of up to a maximum of 2.6 million of Poste Italiane's shares, representing about 0.20% of the share capital, for a total outlay of up to 40 million euros. The acquisition of the company's own shares has been authorised for 18 months from today's shareholders' meeting resolution. On the other hand, no time limit has been set for the disposal of the shares purchased. The Shareholders' Meeting also defined purposes, terms and conditions of the acquisition and disposal of the company's own shares.

## Other information

### Events after 31 December 2021

Events after the end of the reporting period to which the 2021 Annual Report refers are described in other sections of this document. Further information is provided in Poste Italiane Financial Statements for the year ended 31 December 2021.

### Related Party Transactions

Details of the impact of related party transactions on the financial position and profit or loss are provided in Poste Italiane Financial Statements for the year ended 31 December 2021.

### Transactions of Greater Importance

At its meeting of December 16, 2021, after obtaining the opinion in favour of the Related Parties and Connected Persons Committee issued on 15 December 2021, the Board of Directors authorized the signing of the agreement with Cassa Depositi e Prestiti governing, the collection and placement of postal savings products carried out exclusively, pursuant to the 2004 Decree, by Poste Italiane through BancoPosta on behalf of CDP, for the four-year period 2021-2024.

Given the value of the agreement, which over the reference time horizon (4 years) will be between 6.4 and 7.4 billion euros, and the fact that Poste Italiane and CDP are both controlled by the Ministry of the Economy and Finance, the transaction qualifies as a "highly significant related party transaction" within the meaning of CONSOB regulations and for purposes of Bank of Italy regulations applicable to BancoPosta's assets.

The Agreement was signed on 24 December 2021 and subsequently the related Information Document was made available to the public at the Company's registered office, at Borsa Italiana SpA, on the Company's website, and on the website of the authorized storage mechanism "eMarket Storage".

Within the scope of the transactions with Monte dei Paschi di Siena Capital Services Banca per le Imprese SpA authorised by the Board of Directors on 27 December 2019, having obtained the consent of the Related and Connected Parties Committee, nine Interest Rate Swaps for interest rate risk hedging purposes, eighteen trades in government securities and a repurchase transaction were carried out from 1 January to 31 June 2021.



## Statement of Reconciliation of Profit and Equity

The statement of reconciliation of the Parent Company's profit/(loss) for the period and Equity with the consolidated amounts at 31 December 2021, compared with the statement at 31 December 2020, is included in Poste Italiane Financial Statements for the year ended 31 December 2021 (Notes to the Poste Italiane Group's financial statements – Equity).

## Exceptional and/or Unusual Transactions

Under the definition provided by the Consob ruling of 28 July 2006, the Poste Italiane Group did not conduct any exceptional and/or unusual transactions in 2021<sup>89</sup>.

## Alternative Performance Indicators

In keeping with the guidelines published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), in addition to the financial disclosures required by the International Financial Reporting Standards (IFRS), Poste Italiane has included a number of indicators in this Report that have been derived from them. These provide management with a further tool for measuring the Group's performance.

In relation to the ESMA indications on how to represent the Alternative Performance Indicators in light of the impacts of the pandemic, defined in the updated document "Questions and answers – ESMA Guidelines on Alternative Performance Measures" published by ESMA in April 2020 and recalled in the Document of October 29, 2021 (ESMA 32-63-1186- "**European common enforcement priorities for 2021 annual financial reports**"), reference is made to the sections of this Report on Operations in which disclosure is provided on the impact of Covid-19 on operations and business performance, how it has affected the assumptions and estimates used in determining indicator inputs, the level of uncertainty and the measures taken or that will continue to be taken to address the outbreak.

The following alternative performance indicators are used:

**NET WORKING CAPITAL:** this indicator represents the sum of inventories, trade receivables and other receivables and assets, current tax assets, trade payables and other liabilities, and current tax liabilities.

This indicator is also shown separately for each Strategic Business Unit.

**NON-CURRENT ASSETS:** this indicator represents the sum of property, plant and equipment, intangible assets and investments measured using the equity method. This indicator is also shown separately for each Strategic Business Unit.

**NET INVESTED CAPITAL:** this indicator represents the sum of non-current assets and net working capital, deferred tax assets, deferred tax liabilities, provisions for risks and charges and employee termination benefits.

This indicator is also shown separately for each Strategic Business Unit.

**CET 1 CAPITAL:** refers to Tier 1 capital, as defined in Regulation EU 575/2013, and includes the capitalised profit reserve created at the time ring-fenced capital was created and non-distributed profit reserves, taking the transitional regime into account.

**CET 1 RATIO:** this ratio measures the adequacy of Tier 1 capital with respect to weighted exposure to Pillar 1 risks (operational, credit, counterparty and foreign exchange). It is the ratio of CET1 Capital to total Risk Weighted Assets (RWA).

**COMBINED RATIO (net reinsurance):** technical P&C business indicator, determined as the incidence of claims and operating expenses (acquisition, collection and administrative expenses and reinsurance balance) on **earned premiums** [🔗](#), i.e. equal to the sum of the loss ratio and expense ratio.

**UNIT DIVIDEND:** represents the amount of dividends paid by the company for each outstanding share. It is calculated as Dividends paid/Number of shares outstanding.

89. Such transactions are defined as transactions that due to their significance/materiality, the nature of the counterparties, the purpose of the transaction, the manner of determining the transfer price and timing of the transaction may give rise to doubts over the correctness and/or completeness of the disclosures in the financial statements, over a conflict of interest, safeguards for the Company's financial position and protections for non-controlling shareholders.

**EBIT (*Earning before interest and taxes*):** this is an indicator of operating profit before financial expenses and taxation.

**EBIT margin:** this is an indicator of the operating performance and is calculated as the ratio of operating profit (EBIT) to total revenue. This indicator is also shown separately for each Strategic Business Unit.

**EBITDA (*Earnings Before Interest, Taxes, Depreciation and Amortisation*):** this is an indicator of operating profit before financial expenses and taxation, and depreciation, amortisation and impairments of non-current assets.

**EXPENSE RATIO:** technical P&C business indicator, determined by the ratio of operating expenses (acquisition, collection, administrative expenses and reinsurance balance) to earned premiums.

**LAPSE RATE:** Indirect measurement of the degree of customer loyalty. It is based on surrenders during the period as a percentage of mathematical provisions at the beginning of the period.

It is calculated as Surrenders/Mathematical Provisions (on a linear basis over 12 months).

**LEVERAGE RATIO:** this is the ratio of Total Capital (Own Funds) to total assets, the latter after adjustments for derivative financial instruments and off-balance sheet exposures.

**LOSS RATIO:** P&C business technical indicator, which measures the percentage of the amounts paid and reserved for claims occurred in the year and in previous years, including the related direct expenses and settlement expenses, compared to earned premiums.

**GROUP NET DEBT/(FUNDS):** the sum of financial assets, tax credits under Law no. 77/2020, cash and deposits attributable to BancoPosta, cash and cash equivalents, technical provisions for the insurance business (shown net of technical provisions attributable to reinsurers) and financial liabilities.

This indicator is also shown separately for each Strategic Business Unit.

**NET DEBT/(FUNDS) OF THE MAIL, PARCELS AND DISTRIBUTION STRATEGIC BUSINESS UNIT:** this is the financial debt calculated according to the scheme recommended by ESMA European Securities and Markets Authority (ESMA32-3821138 of 4 March 2021) net of trade payables and other non-current payables with a significant implicit or explicit financing component and including the following items: non-current financial assets, tax credits under Law no. 77/2020, current hedging derivatives assets, inter-segment financial receivables and payables.

**NET DEBT/(FUNDS) OF THE MAIL, PARCELS AND DISTRIBUTION SBU PURSUANT TO EX IFRS 16:** calculated as the net debt/funds of the Mail, Parcel and Distribution Services Strategic Business Unit excluding financial lease liabilities (IFRS 16).

**AVERAGE PORTFOLIO YIELD EXCLUDING PROACTIVE PORTFOLIO MANAGEMENT (%):** the average portfolio yield calculated as the ratio of interest income to average current account balances (excluding the value of proactive portfolio management).

**RWA (*Risk Weighted Assets*):** this indicator measures the risk exposure of assets in accordance with Basel III regulations. Risk-Weighted Assets, or RWA, are calculated by applying a weighting to assets that takes into account the level of exposure to credit, counterparty, market and operational risks.

**LAPSE RATE:** life business technical indicator calculated as the ratio between amounts paid for surrenders (partial and/or total) and the amount of technical reserves at the beginning of the period.

**TOTAL ASSETS:** total assets in the Statement of Financial Position of BancoPosta Ring-Fenced Capital - RFC.

**TOTAL CAPITAL (OWN FUNDS):** as defined by Regulation EU no. 575/2013, this consists of the sum of Tier 1 capital, consisting of CET 1 Capital and additional Tier 1 Capital (AT, which for Bancoposta includes the hybrid instrument coming from Poste Italiane), and Tier 2 capital (not relevant for Bancoposta).

**TOTAL CAPITAL RATIO:** this ratio measures the adequacy of Total Capital (Own Funds) with respect to weighted exposure to Pillar 1 risks (operational, credit, counterparty and foreign exchange). It is the ratio of Total Capital (Own Funds) and total Risk Weighted Assets (RWA).

**TSR (*Total Shareholder Return*):** it measures the total annual return for an investor and is calculated by adding the increase in the share price over a determinate period of time to the impact of dividends per share paid in the same period.

**EARNINGS PER SHARE:** it is the portion of a listed company's net income granted to each of its outstanding common shares. It is calculated as the ratio of the Group's net profit to the number of outstanding shares.

# Appendix

## Consolidated Statement of Profit or Loss

### Reclassified consolidated statement of profit or loss

(€ m)	2021	2020	Changes		4Q 2021	4Q 2020	Changes	
<b>Revenue</b>	<b>11,220</b>	<b>10,526</b>	<b>694</b>	<b>6.6%</b>	<b>2,775</b>	<b>2,964</b>	<b>(189)</b>	<b>-6.4%</b>
<i>of which:</i>								
Mail, Parcels and Distribution Services	3,685	3,201	484	15.1%	1,010	950	60	6.3%
Financial Services	4,783	4,945	(162)	-3.3%	1,088	1,349	(261)	-19.4%
<i>of which active securities portfolio management</i>	<i>407</i>	<i>365</i>	<i>42</i>	<i>11.4%</i>	<i>2</i>	<i>131</i>	<i>(130)</i>	<i>-98.8%</i>
Insurance Services	1,870	1,643	228	13.9%	415	451	(35)	-7.9%
Payments and Mobile Services	882	737	144	19.6%	263	215	47	22.0%
<b>Costs</b>	<b>8,584</b>	<b>8,302</b>	<b>282</b>	<b>3.4%</b>	<b>2,352</b>	<b>2,502</b>	<b>(150)</b>	<b>-6.0%</b>
<i>of which:</i>								
Total personnel expenses	5,467	5,638	(171)	-3.0%	1,533	1,760	(227)	-12.9%
<i>of which ordinary personnel expenses</i>	<i>5,236</i>	<i>5,204</i>	<i>32</i>	<i>0.6%</i>	<i>1,322</i>	<i>1,341</i>	<i>(19)</i>	<i>-1.4%</i>
<i>of which early retirement incentives</i>	<i>235</i>	<i>434</i>	<i>(200)</i>	<i>-46.0%</i>	<i>210</i>	<i>423</i>	<i>(213)</i>	<i>-50.4%</i>
<i>of which disputes and other extraordinary items</i>	<i>(3)</i>	<i>(1)</i>	<i>(2)</i>	<i>n/s</i>	<i>1</i>	<i>(3)</i>	<i>5</i>	<i>n/s</i>
Other operating expenses	3,117	2,664	452	17.0%	819	741	77	10.4%
<b>EBITDA</b>	<b>2,636</b>	<b>2,224</b>	<b>413</b>	<b>18.6%</b>	<b>424</b>	<b>463</b>	<b>(39)</b>	<b>-8.4%</b>
Depreciation, amortisation and impairments	790	700	91	13.0%	193	183	10	5.7%
<b>EBIT</b>	<b>1,846</b>	<b>1,524</b>	<b>322</b>	<b>21.1%</b>	<b>230</b>	<b>280</b>	<b>(49)</b>	<b>-17.6%</b>
<b>EBIT margin %</b>	<b>16.5%</b>	<b>14.5%</b>			<b>8.3%</b>	<b>9.4%</b>		
Finance income/(costs)	322	52	270	n/s	263	25	238	n/s
<b>Gross profit</b>	<b>2,168</b>	<b>1,576</b>	<b>591</b>	<b>37.5%</b>	<b>493</b>	<b>305</b>	<b>188</b>	<b>61.8%</b>
Taxes	588	370	218	58.9%	88	(3)	91	n/s
<b>Net profit</b>	<b>1,580</b>	<b>1,206</b>	<b>373</b>	<b>31.0%</b>	<b>405</b>	<b>308</b>	<b>97</b>	<b>31.7%</b>
<b>Net earnings per share (€)</b>	<b>1.21</b>	<b>0.93</b>	<b>0.29</b>	<b>31.0%</b>	<b>0.31</b>	<b>0.24</b>	<b>0.07</b>	<b>31.7%</b>

n/s: not significant

## Contribution of Strategic Business Units to the Consolidated Statement of Profit or Loss

2021 (€ m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Adjustments and eliminations	Total
<b>Total revenue</b>	<b>8,380</b>	<b>5,542</b>	<b>1,873</b>	<b>1,201</b>	<b>(5,776)</b>	<b>11,220</b>
Revenue from third parties	3,685	4,783	1,870	882	0	11,220
Intersegment revenue	4,694	759	3	319	(5,776)	-
<b>Total costs</b>	<b>8,685</b>	<b>4,796</b>	<b>750</b>	<b>920</b>	<b>(5,775)</b>	<b>9,374</b>
Total personnel expenses	5,363	42	37	25		5,467
<i>of which ordinary personnel expenses</i>	5,133	41	36	25		5,236
<i>of which early retirement incentives</i>	233	0	1	0		235
<i>of which disputes and other extraordinary items</i>	(3)	0	0	0		(3)
Other operating expenses	2,473	119	105	420		3,117
Depreciation, amortisation and impairments	770	0	4	16	(1)	790
Intersegment costs	78	4,634	604	458	(5,775)	-
<b>EBIT</b>	<b>(305)</b>	<b>747</b>	<b>1,123</b>	<b>282</b>		<b>1,846</b>
<b>EBIT Margin %</b>	<b>-3.6%</b>	<b>13.5%</b>	<b>60.0%</b>	<b>23.4%</b>		<b>16.5%</b>
Finance income/(Costs)	29	10	54	229		322
<b>Gross profit</b>	<b>(276)</b>	<b>757</b>	<b>1,177</b>	<b>510</b>		<b>2,168</b>
Taxes	(46)	200	349	85		588
<b>Net profit</b>	<b>(230)</b>	<b>556</b>	<b>828</b>	<b>425</b>		<b>1,580</b>

## Statement of Profit or Loss by Strategic Business Units

### Mail, Parcels and Distribution Strategic Business Unit

(€ m)	2021	2020	Changes		4Q 2021	4Q 2020	Changes	
<b>Revenue</b>	<b>8,380</b>	<b>7,833</b>	<b>546</b>	<b>7.0%</b>	<b>2,121</b>	<b>2,203</b>	<b>(81)</b>	<b>-3.7%</b>
Mail	2,082	1,897	185	9.7%	564	520	44	8.4%
Parcels	1,403	1,159	243	21.0%	384	395	(10)	-2.6%
Other revenue	200	144	56	38.9%	62	35	27	76.1%
Intersegment revenue	4,694	4,633	62	1.3%	1,111	1,253	(141)	-11.3%
<b>Costs</b>	<b>7,914</b>	<b>7,755</b>	<b>159</b>	<b>2.1%</b>	<b>2,214</b>	<b>2,370</b>	<b>(156)</b>	<b>-6.6%</b>
<i>of which:</i>								
Total personnel expenses	5,363	5,539	(176)	-3.2%	1,507	1,736	(228)	-13.1%
<i>of which ordinary personnel expenses</i>	5,133	5,108	26	0.5%	1,297	1,317	(20)	-1.5%
<i>of which early retirement incentives</i>	233	432	(199)	-46.1%	210	422	(213)	-50.4%
<i>of which disputes and other extraordinary items</i>	(3)	(1)	(2)	n/s	1	(3)	5	140.8%
Other operating expenses	2,473	2,143	330	15.4%	688	615	73	11.9%
Intersegment costs	78	73	5	6.7%	18	19	(1)	-4.2%
<b>EBITDA</b>	<b>465</b>	<b>78</b>	<b>387</b>	<b>n/s</b>	<b>(92)</b>	<b>(167)</b>	<b>74</b>	<b>44.7%</b>
Depreciation, amortisation and impairments	770	667	104	15.6%	189	178	11	6.1%
<b>EBIT</b>	<b>(305)</b>	<b>(588)</b>	<b>283</b>	<b>48.1%</b>	<b>(281)</b>	<b>(344)</b>	<b>64</b>	<b>18.4%</b>
<b>EBIT margin %</b>	<b>-3.6%</b>	<b>-7.5%</b>			<b>-13.2%</b>	<b>-15.6%</b>		
Finance income/(costs)	29	12	17	n/s	22	6	16	n/s
<b>Gross profit</b>	<b>(276)</b>	<b>(577)</b>	<b>301</b>	<b>52.1%</b>	<b>(259)</b>	<b>(338)</b>	<b>80</b>	<b>23.5%</b>
Taxes	(46)	(158)	112	70.9%	(53)	(96)	43	45.0%
<b>Net profit</b>	<b>(230)</b>	<b>(419)</b>	<b>189</b>	<b>45.1%</b>	<b>(206)</b>	<b>(242)</b>	<b>36</b>	<b>15.0%</b>

n/s: not significant

### Financial Services Strategic Business Unit

(€ m)	2021	2020	Changes		4Q 2021	4Q 2020	Changes	
<b>Revenue</b>	<b>5,542</b>	<b>5,610</b>	<b>(68)</b>	<b>-1.2%</b>	<b>1,287</b>	<b>1,535</b>	<b>(248)</b>	<b>-16.1%</b>
Active portfolio management	407	365	42	11.4%	2	131	(130)	-98.8%
Net interest income	1,485	1,537	(52)	-3.4%	375	374	1	0.2%
Postal savings deposits	1,753	1,851	(97)	-5.3%	441	474	(33)	-6.9%
Collection and payment services	797	904	(108)	-11.9%	205	296	(91)	-30.9%
Distribution of third-party products	221	191	30	15.5%	33	48	(16)	-32.5%
Asset management	120	97	24	24.4%	32	25	8	30.5%
Intersegment revenue	759	665	94	14.1%	199	186	13	7.1%
<b>Costs</b>	<b>4,795</b>	<b>4,744</b>	<b>51</b>	<b>1.1%</b>	<b>1,082</b>	<b>1,248</b>	<b>(166)</b>	<b>-13.3%</b>
<i>of which:</i>								
Total personnel expenses	42	40	1	3.5%	10	11	(1)	-6.3%
<i>of which ordinary personnel expenses</i>	<i>41</i>	<i>38</i>	<i>3</i>	<i>8.4%</i>	<i>10</i>	<i>10</i>	<i>(0)</i>	<i>-3.4%</i>
<i>of which early retirement incentives</i>	<i>0</i>	<i>1</i>	<i>(1)</i>	<i>-70.4%</i>	<i>0</i>	<i>0</i>	<i>(0)</i>	<i>-75.0%</i>
<i>of which disputes and other extraordinary items</i>	<i>0</i>	<i>1</i>	<i>(1)</i>	<i>-80.0%</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-76.6%</i>
Other operating expenses	119	46	73	n/s	(6)	(13)	7	55.8%
Intersegment costs	4,634	4,658	(24)	-0.5%	1,078	1,251	(172)	-13.8%
<b>EBITDA</b>	<b>747</b>	<b>866</b>	<b>(119)</b>	<b>-13.8%</b>	<b>205</b>	<b>287</b>	<b>(82)</b>	<b>-28.6%</b>
Depreciation, amortisation and impairments	0.5	0.5	0.0	-0.2%	0.1	0.1	0	16.9%
<b>EBIT</b>	<b>747</b>	<b>866</b>	<b>(119)</b>	<b>-13.8%</b>	<b>205</b>	<b>287</b>	<b>(82)</b>	<b>-28.6%</b>
<b>EBIT margin %</b>	<b>13.5%</b>	<b>15.4%</b>			<b>15.9%</b>	<b>18.7%</b>		
Finance income/(costs)	10	(9)	19	n/s	1	3	(1)	-57.8%
<b>Gross profit</b>	<b>757</b>	<b>857</b>	<b>(100)</b>	<b>-11.7%</b>	<b>206</b>	<b>289</b>	<b>(83)</b>	<b>-28.9%</b>
Taxes	200	210	(10)	-4.7%	43	49	(6)	-12.7%
<b>Net profit</b>	<b>556</b>	<b>647</b>	<b>(91)</b>	<b>-14.0%</b>	<b>163</b>	<b>240</b>	<b>(77)</b>	<b>-32.2%</b>

n/s: not significant

## Insurance Services Strategic Business Unit

(€ m)	2021	2020	Changes		4Q 2021	4Q 2020	Changes	
<b>Revenue</b>	<b>1,873</b>	<b>1,644</b>	<b>229</b>	<b>13.9%</b>	<b>416</b>	<b>452</b>	<b>(36)</b>	<b>-7.9%</b>
Up Front - Life	289	302	(14)	-4.5%	62	81	(19)	-23.7%
Financial margin - Life	1,455	1,144	312	27.3%	357	314	43	13.7%
Protection margin - Life	17	28	(11)	-39.4%	5	6	(1)	-13.5%
Change to other technical provisions and other technical income/expenses	(21)	26	(48)	n/s	(34)	18	(53)	n/s
<b>Life net revenue</b>	<b>1,740</b>	<b>1,500</b>	<b>240</b>	<b>16.0%</b>	<b>389</b>	<b>419</b>	<b>(30)</b>	<b>-7.1%</b>
Insurance premium revenue	295	235	59	25.2%	77	59	18	30.8%
Change in technical provisions and other claim expenses	(169)	(102)	(67)	-65.5%	(51)	(34)	(17)	-50.1%
Reinsurance results	(11)	(4)	(7)	n/s	(7)	1	(8)	n/s
P&C net income	4	3	1	41.2%	3	1	2	143.7%
<b>P&amp;C net revenue</b>	<b>119</b>	<b>132</b>	<b>(13)</b>	<b>-10.2%</b>	<b>22</b>	<b>28</b>	<b>(5)</b>	<b>-19.0%</b>
Other operating income	12	10	2	15.1%	3	4	(0)	-9.0%
Intersegment revenue	3	1	1	87.6%	1	1	(1)	-41.7%
<b>Costs</b>	<b>746</b>	<b>648</b>	<b>98</b>	<b>15.1%</b>	<b>185</b>	<b>176</b>	<b>9</b>	<b>4.9%</b>
<i>of which:</i>								
Total personnel expenses	37	33	4	11.8%	9	8	1	17.1%
<i>of which ordinary personnel expenses</i>	36	32	4	11.1%	9	8	1	17.1%
<i>of which early retirement incentives</i>	1	1	0	37.9%	0	0	0	n/s
Other operating expenses	105	92	13	14.3%	28	25	3	12.0%
Intersegment costs	604	523	81	15.4%	148	143	4	2.9%
<i>of which commissions</i>	520	463	57	12.4%	124	126	(2)	-1.4%
<b>EBITDA</b>	<b>1,127</b>	<b>996</b>	<b>131</b>	<b>13.2%</b>	<b>231</b>	<b>276</b>	<b>(44)</b>	<b>-16.1%</b>
Depreciation, amortisation and impairments	4	8	(4)	-47.0%	1	1	(0)	-5.5%
<b>EBIT</b>	<b>1,123</b>	<b>988</b>	<b>135</b>	<b>13.7%</b>	<b>230</b>	<b>274</b>	<b>(44)</b>	<b>-16.2%</b>
<b>EBIT margin %</b>	<b>60.0%</b>	<b>60.1%</b>			<b>55.3%</b>	<b>60.7%</b>		
Finance income/(costs)	54	41	13	30.7%	14	14	(0)	-2.9%
<b>Gross profit</b>	<b>1,177</b>	<b>1,029</b>	<b>148</b>	<b>14.3%</b>	<b>244</b>	<b>289</b>	<b>(45)</b>	<b>-15.5%</b>
Taxes	349	245	104	42.4%	70	27	43	n/s
<b>Net profit</b>	<b>828</b>	<b>784</b>	<b>44</b>	<b>5.6%</b>	<b>174</b>	<b>262</b>	<b>(88)</b>	<b>-33.6%</b>

n/s: not significant

## Payments and Mobile Strategic Business Unit

(€ m)	2021	2020	Changes		4Q 2021	4Q 2020	Changes	
<b>Revenue</b>	<b>1,201</b>	<b>1,079</b>	<b>123</b>	<b>11.4%</b>	<b>336</b>	<b>296</b>	<b>40</b>	<b>13.4%</b>
E-money	457	374	84	22.4%	136	110	26	24.0%
Other payments	115	79	36	45.3%	48	32	17	52.9%
Mobile	309	284	25	8.8%	78	74	4	5.9%
Intersegment revenue	319	341	(22)	-6.4%	73	81	(8)	-9.4%
<b>Costs</b>	<b>904</b>	<b>795</b>	<b>109</b>	<b>13.7%</b>	<b>255</b>	<b>229</b>	<b>27</b>	<b>11.6%</b>
<i>of which:</i>								
Total personnel expenses	25	25	(0)	-0.3%	6	6	0	0.8%
<i>of which ordinary personnel expenses</i>	25	25	(0)	-0.3%	6	6	0	0.8%
Other operating expenses	420	384	36	9.3%	109	115	(6)	-5.4%
Intersegment costs	459	385	73	19.0%	141	108	33	30.5%
<b>EBITDA</b>	<b>298</b>	<b>284</b>	<b>14</b>	<b>4.8%</b>	<b>80</b>	<b>67</b>	<b>13</b>	<b>19.5%</b>
Depreciation, amortisation and impairments	16	25	(9)	-36.4%	4	4	(0)	-10.3%
<b>EBIT</b>	<b>282</b>	<b>259</b>	<b>23</b>	<b>8.8%</b>	<b>77</b>	<b>63</b>	<b>14</b>	<b>21.4%</b>
<b>EBIT margin %</b>	<b>23.4%</b>	<b>24.0%</b>			<b>22.8%</b>	<b>21.3%</b>		
Finance income/(costs)	229	8	221	n/s	226	2	224	n/s
<b>Gross profit</b>	<b>510</b>	<b>267</b>	<b>244</b>	<b>91.4%</b>	<b>303</b>	<b>66</b>	<b>237</b>	<b>n/s</b>
Taxes	85	73	12	17.0%	28	17	11	63.8%
<b>Net profit</b>	<b>425</b>	<b>194</b>	<b>231</b>	<b>119.2%</b>	<b>275</b>	<b>49</b>	<b>226</b>	<b>n/s</b>

n/s: not significant



# Financial Position

## Net Invested Capital and Related Funding

(€ m)	31 December 2021	31 December 2020	Changes	
Tangible fixed assets	2,299	2,165	134	+6.2%
Intangible fixed assets	873	755	118	+15.6%
Right-of-use assets	1,116	1,200	(84)	-7.0%
Investments	277	615	(338)	-55.0%
<b>Non-current assets</b>	<b>4,565</b>	<b>4,735</b>	<b>(170)</b>	<b>-3.6%</b>
Trade receivables, Other receivables and assets and Inventories	7,824	7,433	391	+5.3%
Trade payables and Other liabilities	(5,638)	(5,158)	(480)	-9.3%
Current tax assets/(liabilities)	99	174	(75)	-43.1%
<b>Net working capital</b>	<b>2,285</b>	<b>2,449</b>	<b>(164)</b>	<b>-6.7%</b>
<b>Gross invested capital</b>	<b>6,850</b>	<b>7,184</b>	<b>(334)</b>	<b>-4.6%</b>
Provisions for risks and charges	(1,268)	(1,396)	128	+9.2%
Employee termination benefits	(922)	(1,030)	108	+10.5%
Prepaid/deferred tax assets/(liabilities)	292	(106)	398	n/s
<b>Net invested capital</b>	<b>4,952</b>	<b>4,652</b>	<b>300</b>	<b>+6.4%</b>
<b>Equity</b>	<b>12,110</b>	<b>11,507</b>	<b>603</b>	<b>+5.2%</b>
<i>of which profit for the period</i>	1,580	1,207	373	+30.9%
<i>of which fair value reserve</i>	1,307	2,294	(987)	-43.0%
Financial liabilities	104,732	98,230	6,502	+6.6%
Net technical provisions for insurance business	159,039	153,740	5,299	+3.4%
Financial assets	(248,856)	(247,883)	(973)	-0.4%
Tax credits Italian Law no. 77/2020	(6,456)	(35)	(6,421)	n/s
Cash and deposits attributable to BancoPosta	(7,659)	(6,391)	(1,268)	-19.8%
Cash and cash equivalents	(7,958)	(4,516)	(3,442)	-76.2%
<b>Net debt/(funds)</b>	<b>(7,158)</b>	<b>(6,855)</b>	<b>(303)</b>	<b>-4.4%</b>

n/s: not significant

31 December 2021 (€ m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Adjustments and eliminations	Consolidated
Tangible fixed assets	2,275	1	1	22	0	2,299
Intangible fixed assets	854	0	18	1	0	873
Right-of-use assets	1,113	2	2	6	(7)	1,116
Investments	1,736	274	157	0	(1,890)	277
<b>Non-current assets</b>	<b>5,978</b>	<b>277</b>	<b>178</b>	<b>29</b>	<b>(1,897)</b>	<b>4,565</b>
Trade receivables, Other receivables and assets and Inventories	2,782	3,167	2,495	332	(952)	7,824
Trade payables and Other liabilities	(3,307)	(1,895)	(826)	(562)	952	(5,638)
Current tax assets/(liabilities)	103	(1)	(2)	(1)	0	99
<b>Net working capital</b>	<b>(422)</b>	<b>1,271</b>	<b>1,667</b>	<b>(231)</b>	<b>0</b>	<b>2,285</b>
<b>Gross invested capital</b>	<b>5,556</b>	<b>1,548</b>	<b>1,845</b>	<b>(202)</b>	<b>(1,897)</b>	<b>6,850</b>
Provisions for risks and charges	(1,004)	(229)	(20)	(15)	0	(1,268)
Employee termination benefits	(913)	(3)	(3)	(3)	0	(922)
Prepaid/deferred tax assets/(liabilities)	404	(387)	264	11	0	292
<b>Net invested capital</b>	<b>4,043</b>	<b>929</b>	<b>2,086</b>	<b>(209)</b>	<b>(1,897)</b>	<b>4,952</b>
<b>Equity</b>	<b>2,740</b>	<b>4,414</b>	<b>5,953</b>	<b>890</b>	<b>(1,887)</b>	<b>12,110</b>
<i>of which profit for the period</i>	(230)	556	828	425	0	1,580
<i>of which fair value reserve</i>	35	1,157	58	57	0	1,307
Financial liabilities	4,814	102,198	284	8,716	(11,279)	104,732
Net technical provisions for insurance business	0	0	159,039	0	0	159,039
Financial assets	(942)	(89,995)	(158,606)	(9,783)	10,470	(248,856)
Tax credits Italian Law no. 77/2020	(448)	(6,008)	0	0	0	(6,456)
Cash and deposits attributable to BancoPosta	0	(7,659)	0	0	0	(7,659)
Cash and cash equivalents	(2,121)	(2,021)	(4,584)	(32)	800	(7,958)
<b>Net debt/(funds)</b>	<b>1,303</b>	<b>(3,485)</b>	<b>(3,867)</b>	<b>(1,099)</b>	<b>(10)</b>	<b>(7,158)</b>

31 December 2020 (€ m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Adjustments and eliminations	Consolidated
Tangible fixed assets	2,140	1	2	22	0	2,165
Intangible fixed assets	736	0	18	1	0	755
Right-of-use assets	1,176	2	24	7	(9)	1,200
Investments	1,434	210	157	402	(1,588)	615
<b>Non-current assets</b>	<b>5,486</b>	<b>213</b>	<b>201</b>	<b>432</b>	<b>(1,597)</b>	<b>4,735</b>
Trade receivables, Other receivables and assets and Inventories	3,108	3,089	2,582	518	(1,864)	7,433
Trade payables and Other liabilities	(3,202)	(2,455)	(644)	(719)	1,862	(5,158)
Current tax assets/(liabilities)	137	(1)	39	(1)	0	174
<b>Net working capital</b>	<b>43</b>	<b>633</b>	<b>1,977</b>	<b>(202)</b>	<b>(2)</b>	<b>2,449</b>
<b>Gross invested capital</b>	<b>5,529</b>	<b>846</b>	<b>2,178</b>	<b>230</b>	<b>(1,599)</b>	<b>7,184</b>
Provisions for risks and charges	(1,156)	(214)	(17)	(9)	0	(1,396)
Employee termination benefits	(1,022)	(3)	(3)	(2)	0	(1,030)
Prepaid/deferred tax assets/(liabilities)	470	(849)	259	14	0	(106)
<b>Net invested capital</b>	<b>3,821</b>	<b>(220)</b>	<b>2,417</b>	<b>233</b>	<b>(1,599)</b>	<b>4,652</b>
<b>Equity</b>	<b>1,982</b>	<b>5,281</b>	<b>5,290</b>	<b>543</b>	<b>(1,589)</b>	<b>11,507</b>
<i>of which profit for the period</i>	(418)	647	784	194	0	1,207
<i>of which fair value reserve</i>	9	2,183	92	10	0	2,294
Financial liabilities	5,438	95,295	302	7,460	(10,265)	98,230
Net technical provisions for insurance business	0	0	153,740	0	0	153,740
Financial assets	(1,310)	(92,385)	(155,952)	(7,753)	9,517	(247,883)
Tax credits Italian Law no. 77/2020	(35)	0	0	0	0	(35)
Cash and deposits attributable to BancoPosta	0	(6,391)	0	0	0	(6,391)
Cash and cash equivalents	(2,254)	(2,020)	(963)	(17)	738	(4,516)
<b>Net debt/(funds)</b>	<b>1,839</b>	<b>(5,501)</b>	<b>(2,873)</b>	<b>(310)</b>	<b>(10)</b>	<b>(6,855)</b>

Changes 31.12.2021 vs 31.12.2020 (€m)	Mail, Parcels and Distribution	Financial Services	Insurance Services	Payments and Mobile	Adjustments and eliminations	Consolidated
Tangible fixed assets	135	0	(1)	0	0	134
Intangible fixed assets	118	0	0	0	0	118
Right-of-use assets	(63)	0	(22)	(1)	2	(84)
Investments	302	64	0	(402)	(302)	(338)
<b>Non-current assets</b>	<b>492</b>	<b>64</b>	<b>(23)</b>	<b>(403)</b>	<b>(300)</b>	<b>(170)</b>
Trade receivables, Other receivables and assets and Inventories	(326)	78	(87)	(186)	912	391
Trade payables and Other liabilities	(105)	560	(182)	157	(910)	(480)
Current tax assets/(liabilities)	(34)	0	(41)	0	0	(75)
<b>Net working capital</b>	<b>(465)</b>	<b>638</b>	<b>(310)</b>	<b>(29)</b>	<b>2</b>	<b>(164)</b>
<b>Gross invested capital</b>	<b>27</b>	<b>702</b>	<b>(333)</b>	<b>(432)</b>	<b>(298)</b>	<b>(334)</b>
Provisions for risks and charges	152	(15)	(3)	(6)	0	128
Employee termination benefits	109	0	0	(1)	0	108
Prepaid/deferred tax assets/(liabilities)	(66)	462	5	(3)	0	398
<b>Net invested capital</b>	<b>222</b>	<b>1,149</b>	<b>(331)</b>	<b>(442)</b>	<b>(298)</b>	<b>300</b>
<b>Equity</b>	<b>759</b>	<b>(867)</b>	<b>663</b>	<b>347</b>	<b>(299)</b>	<b>603</b>
<i>of which fair value reserve</i>	26	(1,026)	(34)	47	0	(987)
Financial liabilities	(625)	6,903	(18)	1,256	(1,014)	6,502
Net technical provisions for insurance business	0	0	5,299	0	0	5,299
Financial assets	368	2,390	(2,654)	(2,030)	953	(973)
Tax credits Italian Law no. 77/2020	(413)	(6,008)	0	0	0	(6,421)
Cash and deposits attributable to BancoPosta	0	(1,268)	0	0	0	(1,268)
Cash and cash equivalents	133	(1)	(3,621)	(15)	62	(3,442)
<b>Net debt/(funds)</b>	<b>(537)</b>	<b>2,016</b>	<b>(994)</b>	<b>(789)</b>	<b>1</b>	<b>(303)</b>

## Key Performance Indicators for Principal Poste Italiane Group Companies

### Poste Italiane SpA

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	9,691,810	9,041,446	650,364	7.2
Operating income	885,093	330,332	554,761	n/s
Net result	797,613	324,755	472,858	n/s
Capital expenditure	707,984	612,270	95,714	15.6
Equity	7,034,793	7,239,105	(204,312)	(2.8)
Permanent workforce - average	110,173	115,010	(4,837)	(4.2)
Flexible workforce - average	7,216	6,520	696	10.7

n/s: not significant

### Postel SpA

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	184,385	181,509	2,876	1.6
Operating income	4,800	3,196	1,604	50.2
Net result	3,012	1,926	1,086	56.4
Capital expenditure	5,084	7,802	(2,718)	(34.8)
Equity	87,250	85,507	1,743	2.0
Permanent workforce - average	855	971	(116)	(11.9)
Flexible workforce - average	45	46	(1)	(2.2)

At 31 December 2021, the company declared dividends totalling € 2 million.

### SDA Express Courier SpA

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	1,126,452	935,410	191,042	20.4
Operating income	129,496	68,655	60,841	88.6
Net result	90,916	45,457	45,459	n/s
Capital expenditure	23,228	37,307	(14,079)	(37.7)
Equity	114,397	59,488	54,909	92.3
Permanent workforce - average	1,065	1,036	29	2.8
Flexible workforce - average	80	51	29	56.9

n/s: not significant

At 31 December 2021, the company declared dividends totalling € 36 million.

## Europa Gestioni Immobiliari SpA

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	29,175	82,223	(53,048)	(64.5)
Operating income	6,071	2,188	3,883	n/s
Net result	3,135	262	2,873	n/s
Capital expenditure	592	97	495	n/s
Equity	241,796	238,669	3,127	1.3
Permanent workforce - average	25	31	(6)	(19.4)
Flexible workforce - average	-	-	-	-

n/s: not significant

## Poste Air Cargo Srl

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	74,574	64,137	10,437	16.3
Operating income	5,483	2,574	2,909	n/s
Net result	3,300	1,880	1,420	75.5
Capital expenditure	-	79	(79)	(100.0)
Equity	6,242	3,023	3,219	n/s
Permanent workforce - average	97	91	6	6.6
Flexible workforce - average	6	4	2	50.0

n/s: not significant

## BancoPosta Fondi SpA SGR

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Fee and commission income	143,626	116,446	27,180	23.3
Net fee and commission income	60,431	50,581	9,850	19.5
Net result	26,057	20,477	5,580	27.3
Financial assets (liquidity and securities)	77,523	71,125	6,398	9.0
Equity	57,074	51,785	5,289	10.2
Permanent workforce - average	69	61	8	13.7
Flexible workforce - average	-	-	-	-

At 31 December 2021, the company declared dividends totalling € 20 million.

**Poste Vita SpA\***

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Insurance premium revenue**	17,574,114	16,661,052	913,062	5.5
Net result	794,679	740,158	54,521	7.4
Financial assets	158,087,053	155,528,546	2,558,507	1.6
Technical provisions for insurance business	158,794,616	153,557,571	5,237,045	3.4
Equity	5,718,521	5,083,885	634,636	12.5
Permanent workforce - average	341	355	(14)	(3.9)
Flexible workforce - average	2	2	0	0.0

\* The figures shown have been prepared in accordance with IFRS and therefore may not coincide with those in the financial statements prepared in accordance with the Italian Civil Code and under Italian GAAP.

\*\* Premium revenue is reported gross of outward reinsurance premiums.

At 31 December 2021, the company declared dividends totalling € 397 million.

**Poste Assicura SpA\***

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Insurance premium revenue**	304,614	236,535	(69,079)	29.3
Net result	25,033	38,942	(13,909)	(35.7)
Financial assets	499,875	424,018	75,857	17.9
Technical provisions for insurance business	294,106	236,014	58,092	24.6
Equity	259,536	237,467	22,069	9.3
Permanent workforce - average	73	66	7	10.6
Flexible workforce - average	-	-	-	-

\* The figures shown have been prepared in accordance with IFRS and therefore may not coincide with those in the financial statements prepared in accordance with the Italian Civil Code and under Italian GAAP.

\*\* Premium revenue is reported gross of outward reinsurance premiums.

**PostePay SpA**

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	1,201,695	1,078,109	123,586	11.5
Operating income	281,682	257,267	24,415	9.5
Net result	201,987	184,560	17,427	9.4
Capital expenditure	17,343	22,158	(4,815)	(21.7)
Equity	560,275	436,915	123,360	28.2
Permanent workforce - average	285	310	(25)	(8.1)
Flexible workforce - average	-	-	-	-

At 31 December 2021, the company declared dividends totalling € 126 million.

### sennder Italia Srl

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	202,540	120,607	81,933	67.9
Operating income	2,859	1,346	1,513	n/s
Net result	2,006	929	1,077	n/s
Capital expenditure	434	55	379	n/s
Equity	7,159	5,266	1,893	35.9
Permanent workforce - average	66	32	34	n/s
Flexible workforce - average	20	19	1	5.3

n/s: not significant

### MLK Deliveries SpA

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	32,774	14,037	18,737	n/s
Operating income	(1,507)	(3,671)	2,164	(58.9)
Net result	(1,235)	(2,787)	1,552	(55.7)
Capital expenditure	981	635	346	54.5
Equity	11,964	12,564	(600)	(4.8)
Permanent workforce - average	35	20	15	75.0
Flexible workforce - average	-	1	(1)	(100.0)

n/s: not significant

### Nexive Network Srl

(€ k)	FY 2021	FY 2020	Changes	
			Values	%
Revenue from sales and services	123,529	-	123,529	-
Operating income	(12,144)	-	(12,144)	-
Net result	(9,576)	-	(9,576)	-
Capital expenditure	10	-	10	-
Equity	7,917	-	7,917	-
Permanent workforce - average	742	-	742	-
Flexible workforce - average	16	-	16	-



# 9. Consolidated non-financial statement

## MAIN RELATED TYPES OF CAPITAL



## Introduction **NFS**

Poste Italiane's Consolidated Non-Financial Statement (NFS or "Statement") for 2021 has been drafted on the basis of the 8 key Sustainability Pillars of the Group's ESG Strategic Plan which covers environment, social and governance issues (ESG) and has been designed with the aim of generating long-term value for stakeholders.

Compliance with the provisions of Legislative Decree no. 254/2016 ("Decree") through the information contained in this chapter, conformity with the requirements of the law is also ensured by providing references to other sections of the Annual Report and to other company documents, when the information is already contained therein or to which reference is made for additional clarifications. In particular:

- the company's organisational and management model is illustrated within the Annual Report in the chapter "Business model" and in the following paragraphs: "Integrating Sustainability within Poste Italiane's strategy", and "Poste Italiane's Integrated Internal Control and Risk Management System". Such paragraphs describe the way in which the organisation, thanks to its business activities, generates results enabling it to deliver on its strategic objectives and create value over the short, medium and long term;
- risk management, implemented through the Group Risk Management (GRM) model, based on the Enterprise Risk Management (ERM) framework, is described in the paragraph "Sustainability themes relevant to Poste Italiane" and "Poste Italiane's Integrated Internal Control and Risk Management System", where the main non-financial risks, their potential impacts related to material topics and treatment actions are described in greater detail;
- company policies are described in the paragraph "The Group's sustainability Policies" which sets out the general rules of conduct on which all of Poste Italiane's activities must be based. In addition, the chapter "Value Creation" provides the strategic objectives and the operating processes used to deliver each material topic;
- performances are illustrated in the paragraphs of the chapter "Value Creation", which describes the main initiatives for the year, and in the paragraph "Indicator Tables", which shows the results achieved in the last three years.

The following connecting table shows the information disclosure required by the Decree and the corresponding sections within the Annual Report and other company documents required by law.

In addition, content related to the NFS, as previously mentioned, is also indicated to make it easily identifiable, by this infographic:

**NFS**

# Reporting standards and Policies

NFS

The Consolidated Non-Financial Statement (hereafter NFS) of Poste Italiane has been prepared in accordance with Legislative Decree. 254/2016 and in accordance with the most widely used international standards: the GRI Standards of the Global Reporting Initiative according to the “in accordance – Core” option, published by the Global Reporting Initiative (GRI). In addition, within the NFS 2021, for purposes other than compliance with the requirements of Legislative Decree 254/2016, additional KPIs specific to the sector in which the Group operates have been integrated, taking into consideration the indicators published by GRI - Financial Services and the Sustainability Accounting Standards Board (SASB).

These indicators are clearly identified in the table on pages 470-471 and are to be considered additional to the disclosures prepared in accordance with the GRI Standards to meet the requirements of Legislative Decree 254/2016 is not established. Poste Italiane has also reported the Covid-19 disclosures that ESMA has required issuers to provide in their Annual Financial Reports and Non-Financial Statement for 2021.

The Statement is included in the Report on Operations, which in turn is contained in the 2021 Annual Report and constitutes Poste Italiane's Integrated Report, prepared in accordance with the principles included in the “International Framework”, published by the International Integrated Reporting Council (IIRC).

The NFS was approved by Poste Italiane SpA's Board of Directors on 22 March 2022, pursuant to art. 3, paragraph 10 of the Decree. The NFS, with the exception of disclosures relating to SASB, WEF, TCFD and SDGs requirements, has been subjected to a limited assurance engagement in accordance with the criteria indicated in the “International Standard on Assurance Engagements ISAE 3000 Revised - Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board (IAASB) by Deloitte & Touche SpA, which expresses its opinion in a special “Report of the Independent Auditors” contained in the document.

In order to define the contents of the NFS, the accounting principles of the GRI Standards were observed, among which the principle of materiality to identify the significant aspects to be disclosed (for further information refer to paragraph “Sustainability themes relevant to Poste Italiane”). In particular, in relation to the materiality principle, the degree of detail regarding the various topics covered by the reporting process was defined according to the importance assigned to them in Poste Italiane Group's business objectives and strategies and their relevance for the stakeholders, established via a structured process of materiality analysis, which involved top management and the Group's stakeholders through specific engagement activities.

For each material topic, information has been provided on the relevant management and organisational model, policies, including due diligence policies, the results achieved through their application, as well as certain non-financial performance indicators.

Key Performance Indicators are collected on an annual basis, indicators reported refer to 2021, and where available to the 2019–2021 period as well. The qualitative and quantitative information comes from the Group's corporate information systems and from a non-financial reporting system specifically implemented to meet the requirements of the Decree. The data is based on punctual calculations and, where specifically indicated, on estimates. In particular, the estimated data regard certain items relating to energy consumption inside and outside the organisation - in particular, data regarding electricity consumption (for security purposes and relating to outsourced Data Centres), natural gas, diesel, LPG and district heating for the Group's real estate facilities - and water consumption, which was calculated on the basis of the costs incurred and the average tariff payable. Consumption linked to logistics is estimated in terms of distance travelled and/or average consumption of the means and the transported load, except for motor vehicles used in last mile logistics. In addition, it should be pointed out that in this document the figures in millions of euro have been rounded up or down, so the sum of the rounded amounts may not add up to the rounded total. During the period, the targets and ESG objectives were updated following the update of Poste Italiane's Business Plan, details of which are shown in the sections dedicated to the pillars of Poste Italiane's sustainability strategy, contained in Chapter 6 “Value Creation”. In addition, with regard to updates to the Group's operating and financial objectives, please refer to the section “Integrating Sustainability within Poste Italiane's Strategy” in Chapter 4 “Strategy”.

All GRI Standards indicators reported are shown in the GRI Content Index of this section starting from page 459.

The scope of reporting refers exclusively to companies consolidated on a line-by-line basis for financial report, as indicated in the table “Scope of consolidation and highlights of investments” (Note 13 - p.773-774). Exceptions to this scope are explicitly indicated within the document. In addition, each reported indicator always has coverage equal to the total information request, not including explicit specifications. The terms Poste Italiane, Group or Company are used in the NFS to refer to Poste Italiane Group.

## MAIN RELATED TYPES OF CAPITAL



# European Taxonomy Regulation

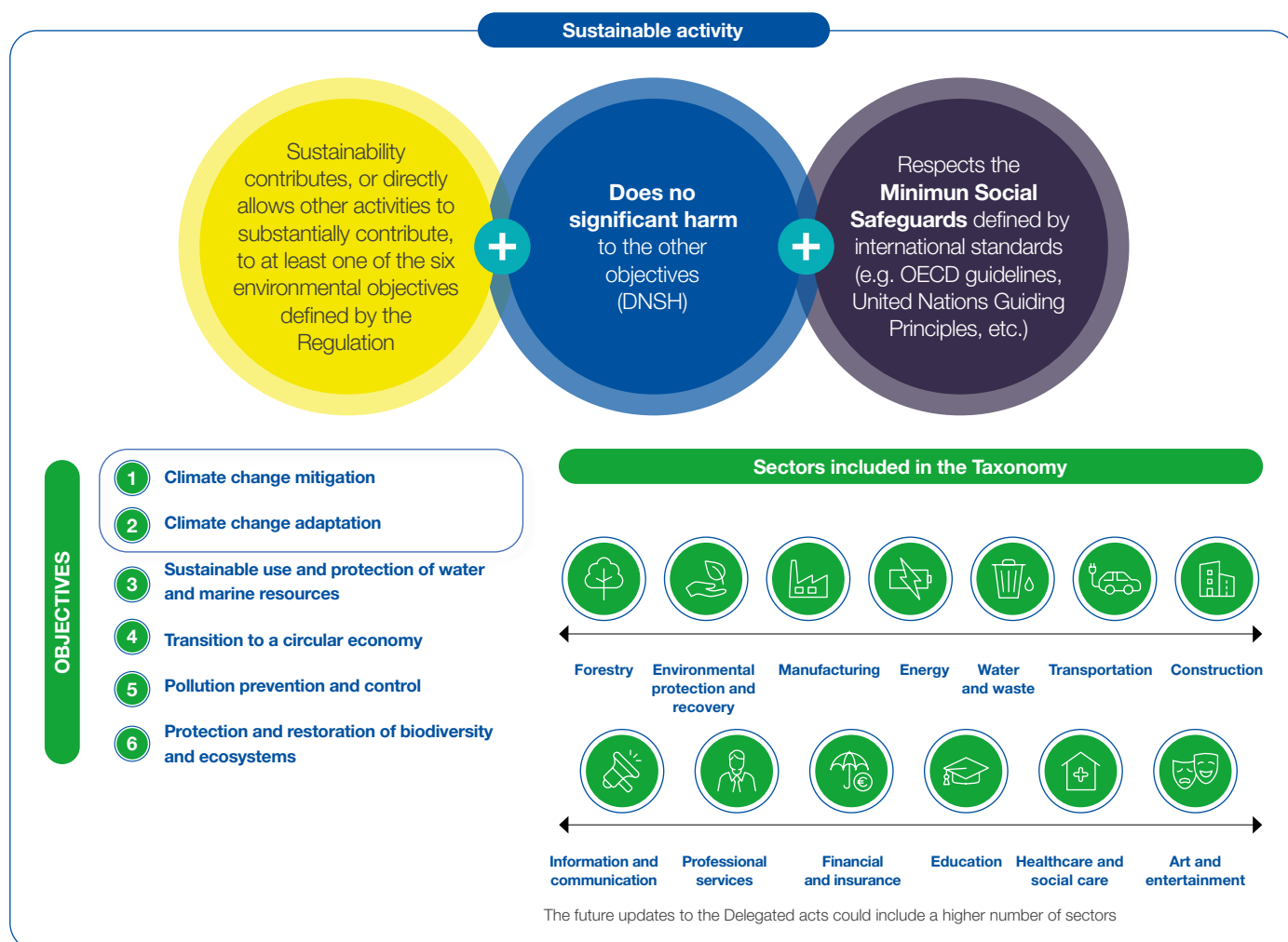
NFS

In recent years, the European Union has paid increasing attention to environmental and social Sustainability issues, renewing its commitment to a rapid transition to a competitive modern economy that is resilient to climate change and efficient with resources, in line with the United Nations' Sustainable Development Goals (SDGs) and the indications of the European Green Deal.

To achieve its own sustainable development goals and make Europe the first carbon neutral continent by 2050, the European Commission introduced a classification system recognised in all European countries to evaluate the environmental sustainability of an economic activity, the so-called **EU Taxonomy**. Specifically, the EU Taxonomy is a dictionary of economic activities that helps:

- companies evaluate their own activities, adopt corporate policies aimed at greater environmental sustainability and report in a more complete and comparable manner to its stakeholders;
- investors incorporate Sustainability issues into their investment policies and understand the environmental impact of the economic activities in which they invest or wish to invest;
- public institutions to define and improve their own ecological transition policies.

For this purpose, on 22 June 2020, Regulation EU 852/2020 (the so-called Taxonomy Regulation) was published in the Official Journal of the European Union. This regulation establishes the criteria that an economic activity must meet in order to be classified as environmentally "sustainable". The general conditions establish that an economic activity may be defined as eco-friendly if it contributes substantially to the achievement of one or more of the six environmental objectives defined in the regulation; does not cause significant harm to the other environmental objectives (Do No Significant Harm - DNSH); and is conducted in compliance with the minimum safeguard guarantees. In this regard, the European Commission has defined six environmental objectives to identify sustainable economic activities:



In accordance with the obligations established by the new Regulation, companies subject to the Non-Financial Disclosure (NFD) obligation must provide information on how and to what extent their business activities are “environmentally sustainable” pursuant to the criteria defined by the EU Taxonomy.

The procedures governing the presentation of the environmental sustainability information that financial and non-financial undertakings are required to provide were established by a delegated act that incorporates the provisions of the Regulation and specifies the content and determination procedures of the so-called key performance indicators (KPIs) that must be reported and the qualitative information that must accompany them. In particular, the delegated act specifies that:

- Non-Financial Undertakings are required to communicate the percentage of their turnover, CAPEX and OPEX associated with economic activities that are “aligned” with the EU Taxonomy;
- Financial Undertakings must report the share of their investments/financing associated with economic activities that are “aligned” with the EU Taxonomy<sup>90</sup>.

For this first reporting year, the regulation has provided for reduced informational content, requiring the aforesaid KPIs be reported exclusively for “eligible” economic activities (i.e. those included on the list of activities currently considered by the Taxonomy as potentially environmentally friendly) for the first two objectives defined by the Commission (climate change mitigation and adaptation), postponing to subsequent financial years reporting on “aligned” economic activities (i.e. those included on the list of activities that meet all general conditions defined by the Taxonomy), with different timelines for Non-Financial Undertakings and Financial Undertakings.

## The European Taxonomy: a Methodological Approach to the Reporting Process

In order to enhance transparency regarding its contribution to the European Union’s sustainable development goals and operate in accordance with regulatory requirements, Poste Italiane has undertaken careful analysis of its activities and the regulatory framework imposed by the European institutions and has developed a methodological approach intended to provide adequate and representative disclosure of its business profile, including in light of the stakeholders’ perspective on the fundamental nature of the Group.

The methodological approach chosen by Poste Italiane, in line with the principle of market transparency it has always followed, provides for reporting that represents both its industrial operations (Non-Financial Undertakings) and financial operations (Financial Undertakings). In particular, this document provides the consolidated KPI reporting required from Non-Financial Undertakings<sup>91</sup>, and each KPI required from Financial Undertakings by the regulations which are deemed most representative of the financial and insurance businesses will be reported. This choice was guided by the belief that this disclosure procedure can supplement the information framework both for Poste Italiane’s investors and its stakeholders more generally, allowing them to obtain preliminary information that is consistent with current regulatory requirements, which are still evolving and being expanded.

The reporting process of the disclosure requirements imposed by the new EU Taxonomy Regulation entails an initial phase during which the regulation is analysed and the relevant KPIs for the group are selected, followed by a comprehensive process of collecting qualitative information and the managerial and accounting data necessary for their calculation. This process involved many functions of the Group, requiring the participation of the main business structures to identify “eligible” activities under the taxonomy and manage the data collection process. As described in more detail in subsequent paragraphs, it was also deemed appropriate to obtain support from an external provider, Moody’s, to prepare some of the data needed to calculate the KPIs of the Financial Undertakings. Finally, it should be noted that the Administration, Finance and Control function presided over the primary reporting phase in order to guarantee that it is consistent with the economic/financial metrics set out in the financial reporting, as required by the regulation.

90. It should be noted that the regulation’s classification of financial undertakings distinguishes between credit institutions, financial managers, investment companies and insurance/reinsurance companies, providing different metrics and reporting rules for each category.

91. This approach is consistent with the indications of the European Commission’s FAQs published in December 2021 regarding the reporting procedures of mixed groups with industrial and financial operations.

## Poste Italiane's Eligible Economic Activities

The indicators required by the regulation for Non-Financial Undertakings are reported below. They were calculated on a consolidated basis, net of intragroup entries, to avoid any risk of double counting. It should be noted that the same full consolidation scope was used as for the Consolidated Financial Statements.

In this first reporting year, the “eligibility” assessments of the Group's economic activities reflect the current state of ongoing development of the EU Taxonomy. Currently, they exclusively relate to the environmental objectives of climate change mitigation and climate change adaptation.

### Turnover KPI

The portion of the turnover derived from economic activities that are currently “eligible” under the Taxonomy is equal to 22%, with reference to services performed by the Strategic Business Unit “Mail, Parcels and Distribution”,<sup>92</sup> primarily attributable to the economic activity “6.6 - Freight transport services by road”.

Considering the total “Net revenue from ordinary activities” of financial year 2021, as reported in the “Statement of profit/(loss) for the year” of the Consolidated Financial Statements, to which reference is made, the portion of the turnover derived from economic activities currently “eligible” under the Taxonomy is equal to 7%. This last indicator represents the portion of the turnover derived from “eligible” economic activities carried out by Poste Italiane, which primarily concern:

- revenue from services performed by the Strategic Business Unit “Mail, Parcels and Distribution”, attributable to the economic activity “6.6 - Freight transport services by road”; and
- premiums on non-life policies for coverage of the climate-related risks of the Strategic Business Unit “Insurance Services”, attributable to economic activity “10.1 - Non-life insurance: coverage of climate-related risks” under the EU Taxonomy.

It should be noted that the aforesaid economic activities can potentially contribute, respectively, to the environmental objectives of climate change mitigation (economic activity 6.6) and climate change adaptation (economic activity 10.1).

### CAPEX KPIs

The portion of CAPEX derived from “eligible” economic activities under the current Taxonomy is equal to 5%.

This indicator represents the portion of CAPEX derived from “eligible” economic activities and relates primarily to investments in the company fleet directly linked to the “eligible” revenue of the Strategic Business Unit “Mail, Parcels and Distribution”.

Also considered in this indicator are investments in the energy efficiency of the Group's properties, which could potentially contribute to the environmental objective of climate change mitigation: this is particularly applicable to CAPEX attributable to the economic activities included in sector “7. Construction and Real Estate Activities” of the Technical Delegated Acts of the Taxonomy Regulation, which refer to the installation of energy efficiency systems and smart metering instruments, regulation and control of the energy performance of buildings and renewable energy technologies.

The denominator of the CAPEX KPI consists of the sum of the gross increases recognised in 2021 on tangible and intangible fixed assets pursuant to IAS 16, 38, 40 and IFRS16, as reported in notes A1 “Property, plant and machinery”, A2 “Investment property”, A3 “Intangible assets” and A4 “Right-of-use assets” of the Consolidated Financial Statements, to which reference is made.

92. Data calculated exclusively on delivery and transport activities.

## OPEX KPIs

The portion of OPEX derived from “eligible” economic activities under the current Taxonomy is equal to 3%.

The indicator represents the portion of OPEX derived from “eligible” economic activities and primarily concerns direct costs closely linked to the “eligible” economic activities considered in the calculation of the turnover KPI and the CAPEX KPI.

The denominator of the OPEX KPI, pursuant to the regulation, is comprised of uncapitalised direct costs related to research and development, renovation of buildings, rentals, maintenance, repairs and other expenses directly related to the day-to-day operation of the assets incurred in financial year 2021.

## Poste Italiane Group's Green Investments

As anticipated, for the sake of utmost market transparency, the Group has decided to also report the indicators provided for by the Taxonomy Regulation for Financial Undertakings with reference to BancoPosta Fondi SGR and Poste Vita, which are respectively classified under the regulation as an Asset Manager and Insurance Company. In 2021, Poste Italiane launched the working groups necessary to prepare this disclosure, considering the value of the Taxonomy as well as the scope of the development activities of the financial products in order to guarantee consistency with the broader regulatory framework on sustainable investment.

For financial undertakings, it was also determined that the disclosure requirements would be reduced for the first two reporting years and would consist of an indication of the portion of “eligible” and “ineligible” exposures under the Taxonomy and other metrics intended to provide a brief outline of the exposures, which, pursuant to the same regulation, should be excluded from the calculation of the numerator of the previous portions, being:

- exposure to government authorities, central banks and supranational issuers (also to be excluded from the denominator of all indicators);
- exposure to derivatives;
- exposure to companies not subject to the non-financial information disclosure obligation pursuant to Articles 19a or 29a of Directive 2013/34/EU.

Because the regulation requires that the reporting of these indicators be based on accurate data and, in the first reporting year, some of this data have not yet been made publicly available by the non-financial counterparties, the Group has decided to proceed with voluntary reporting<sup>93</sup> based on estimates and proxies in order to obtain an overall view of the portion of investments that may potentially contribute to the objectives of climate change mitigation and adaptation and prepare itself for the reporting expected for next year. For this purpose, in order to prepare methodologically robust estimates, it was deemed appropriate to involve a provider who specialises in ESG solutions and offers issuer mapping in accordance with the criteria provided for by the Taxonomy, in this case, Moody's (formerly Vigeo Eiris).

**MOODY'S** | **ESG Solutions** With the provider's help, it was possible to carry out the screenings necessary to report on the various indicators with coverage, respectively, of 93% and 98% of the corporate assets held directly and indirectly by Poste Vita and BancoPosta Fondi<sup>94</sup>. Assets falling within the scope of coverage were analysed according to Moody's ESG Solutions (MESG) methodology based on the Technical Delegated Acts relating to the first two environmental objectives of climate change mitigation and climate change adaptation. The analysis conducted by MESG made it possible to identify, for each counterparty, the various activities that generate revenue and verify the “eligibility” percentage under the Taxonomy; in the absence of accurate data or information on turnover, the methodology considered “eligible” revenue to be equal to zero, for prudential purposes.

With reference to the indicators represented below, it is noted that “Total Assets” was used as the denominator, which, pursuant to the regulation, corresponds to the Assets under Management net of investments in government authorities, central banks and supranational issuers, with the exception of the “Share of exposure to government authorities, central banks and supranational issuers”, which was calculated in relationship to the total Assets under Management.

“Total Assets” represents, respectively, 26% and 34% of the total Assets under Management of BancoPosta Fondi SGR and Poste Vita.

93. Approach in line with the indications of the European Commission's FAQs published in December 2021.

94. The small quantity of assets that were not covered are primarily invested in small and mid caps, which to date have not yet communicated the data necessary for the Taxonomy. It is also noted that a part of the assets that underwent screening are shared between the portfolios of Poste Vita and BancoPosta Fondi SGR in light of the interrelationships between the two entities in terms of management mandates.

## Asset Management KPI

The share of BancoPosta Fondi SGR's investments in "eligible" economic activities under the current Taxonomy is equal to 15% of its total assets, and its share of investments in "ineligible" economic activities is equal to 85%.

In order to represent the results of the analyses in as complete a manner as possible and provide the broadest view of BancoPosta Fondi SGR's investments that contribute to the environmental objectives of climate change mitigation and climate change adaptation, it was deemed appropriate to report the share of investments in "eligible" and "ineligible" economic activities, also including investments in companies that are not subject to non-financial disclosure obligations.

Conversely, if only investments in companies subject to non-financial disclosure obligations were considered, the "Share of investments in 'eligible' economic activities" would be equal to 8%.

## Insurance KPI

Poste Vita Group's share of investments in "eligible" economic activities under the current Taxonomy is equal to 15% of its total assets, and its share of investments in "ineligible" economic activities is equal to 85%.

In order to represent the results of the analyses in as complete a manner as possible and provide the broadest view of Poste Vita's investments that contribute to the environmental objectives of climate change mitigation and climate change adaptation, it was deemed appropriate to report the share of investments in "eligible" and "ineligible" economic activities, also including investments in companies that are not subject to non-financial disclosure obligations. Conversely, if only investments in companies subject to non-financial disclosure obligations were considered, the "Share of investments in 'eligible' economic activities" would be equal to 7%.

In the context of the insurance business, the regulation requires an additional indicator representing "eligible" economic activities linked to non-life policies covering the climate-related risks specified in the Technical Delegated Acts. For the purposes of this reporting, an analysis was carried out of the contractual terms and/or conditions of current policies, with particular reference to the business lines related to insurance against fires and other damage to property. The share of "eligible" non-life insurance economic activities is equal to 3%.

## Other KPIs

Finally, the additional indicators required by the regulation for Financial Undertakings are reported:

- the "Share of exposure to government authorities, central banks and supranational issuers" of BancoPosta Fondi SGR and Poste Vita is equal to 74% and 66%, respectively;
- the "Share of derivatives"<sup>95</sup> of BancoPosta Fondi SGR and Poste Vita is 0.1% and 0.2%, respectively;
- the "Share of exposure to companies not subject to non-financial disclosure obligations" of BancoPosta Fondi SGR and Poste Vita is equal to 42% and 47%, respectively.

95. For exposure purposes, the absolute value of exposure to derivatives is reported; it is noted that as at 31/12/2021, derivatives presented a negative mark-to-market for both BancoPosta Fondi SGR and Poste Vita.



The following table outlines the information content required by the Decree and its placement within the Integrated Report or in other company documents.

In addition, NFS-related content, as previously indicated, is also flagged to make it easily identifiable, by this infographic:

NFS

AREAS OF LEGISLATIVE DECREE 254/2016	CHAPTERS/PARAGRAPHS INCLUDED IN THE NFS	TOPICS AND ADDITIONAL INFORMATION INCLUDED IN OTHER 2021 DOCUMENTS	
Company organisational and management model [Art. 3, paragraph 1, letter a]	<ul style="list-style-type: none"> <li>• Business model Sustainability themes relevant to Poste Italiane</li> <li>• Poste Italiane's Integrated Internal Control and Risk Management System</li> </ul>	<b>Corporate Governance Report</b>	<ul style="list-style-type: none"> <li>• 3. Corporate governance model - Company Structure</li> <li>• 6. Board of Directors; 6.1 Current composition and term of office</li> <li>• 7. Committees</li> <li>• 8. Board of Statutory Auditors</li> <li>• 9. Internal Control and Risk Management System; 9.2 Organisational, management and control model (former Legislative Decree 231/2001)</li> </ul>
Policies implemented by the company [Art. 3, paragraph 1, letter b]	<ul style="list-style-type: none"> <li>• 2021 outcome of Poste Italiane's Value Creation Process</li> <li>• The Group's sustainability Policies</li> <li>• Value Creation</li> </ul>		
Main risks and related management methods [Art. 3, paragraph 1, letter c]	<ul style="list-style-type: none"> <li>• Sustainability themes relevant to Poste Italiane</li> <li>• Poste Italiane's Integrated Internal Control and Risk Management System</li> </ul>	<b>Corporate Governance Report</b>	<ul style="list-style-type: none"> <li>• 9. Internal Control and Risk Management System</li> </ul>
Efforts to combat active and passive corruption [Art. 3, paragraph 1]	<ul style="list-style-type: none"> <li>• Work with transparency and integrity</li> <li>• Legality and incorporation of ESG criteria within procurement processes</li> <li>• Integration of ESG factors into investment policies</li> <li>• Integration of ESG factors into insurance policies</li> </ul>	<b>Corporate Governance Report</b>	<ul style="list-style-type: none"> <li>• 9. Internal Control and Risk Management System</li> </ul>
Personnel [Art. 3, paragraph 1]	<ul style="list-style-type: none"> <li>• Staff training and development</li> <li>• Staff welfare and well-being</li> <li>• Relations with social partners</li> <li>• Occupational health and safety</li> <li>• Protection of human rights in the Company</li> <li>• Equal career development opportunities</li> </ul>		
Respect for human rights [Art. 3, paragraph 1]	<ul style="list-style-type: none"> <li>• Legality and incorporation of ESG criteria within procurement processes</li> <li>• Protection of human rights</li> <li>• Equal career development opportunities</li> <li>• Integration of ESG factors into investment policies</li> <li>• Integration of ESG factors into insurance policies</li> </ul>		
Environment [Art. 3, paragraph 1]	<ul style="list-style-type: none"> <li>• Legality and incorporation of ESG criteria within procurement processes</li> <li>• Environmental impacts of real estate facilities</li> <li>• Environmental impacts of logistics</li> <li>• Integration of ESG factors into investment policies</li> <li>• Integration of ESG factors into insurance policies</li> </ul>		
Social [Art. 3, paragraph 1]	<ul style="list-style-type: none"> <li>• The economic value generated and distributed by Poste Italiane Group</li> <li>• Legality and incorporation of ESG criteria within procurement processes</li> <li>• Support for the socio-economic development of local communities</li> <li>• Dialogue and transparency in relations with the authorities</li> <li>• Financial inclusion</li> <li>• Quality and Customer Experience</li> <li>• Innovation and digitisation of products, services and processes</li> <li>• Cybersecurity, IT Security and Privacy</li> <li>• Integration of ESG factors into investment policies</li> <li>• Integration of ESG factors into insurance policies</li> </ul>		

The following table outlines the relations among the scope of the Decree, Poste Italiane's material topics and the corresponding GRI Standards and describes, for each material topic, the related impact generated both inside and outside of the organisation.

**Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards**

Areas of Legislatives Decree 254/2016	Material topics	GRI Specific Standards	Internal scope	External scope	Type of impact
<b>Efforts to combat active and passive corruption</b>	Work with transparency and integrity	<ul style="list-style-type: none"> <li>• GRI 205 Anti-corruption</li> <li>• GRI 207 Taxes</li> <li>• GRI 415 Public Policy</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Suppliers and Business partners</li> <li>• Entities and Institutions</li> <li>• Customers</li> <li>• Shareholders and Investors</li> </ul>	Generated by the Group
<b>Personnel</b>	Equal career development opportunities	<ul style="list-style-type: none"> <li>• GRI 404 Training and Education</li> <li>• GRI 405 Diversity and Equal Opportunity</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Entities and Institutions</li> <li>• Shareholders and Investors</li> </ul>	Generated by the Group
	Staff training and development	<ul style="list-style-type: none"> <li>• GRI 404 Training and Education</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Customers</li> <li>• Entities and Institutions</li> <li>• Shareholders and Investors</li> </ul>	Generated by the Group
	Staff welfare and well-being	<ul style="list-style-type: none"> <li>• GRI 401 Employment</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Entities and Institutions</li> <li>• Shareholders and Investors</li> </ul>	Generated by the Group
	Relations with social partners	<ul style="list-style-type: none"> <li>• GRI 402 Labor-Management relation</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Entities and Institutions</li> </ul>	Generated by the Group
	Occupational health and safety	<ul style="list-style-type: none"> <li>• GRI 403 Occupational Health and Safety</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Suppliers and Business partners</li> <li>• Entities and Institutions</li> <li>• Shareholders and Investors</li> </ul>	Generated by the Group
<b>Respect for human rights</b>	Protection of human rights	<ul style="list-style-type: none"> <li>• GRI 405 Diversity and Equal Opportunity</li> <li>• GRI 412 Human Rights Assessment</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Suppliers and Business partners</li> <li>• Communities and Territory</li> <li>• Entities and Institutions</li> <li>• Shareholders and Investors</li> <li>• Customers</li> </ul>	Generated by the Group
<b>Environment</b>	Legality and incorporation of ESG criteria within procurement processes	<ul style="list-style-type: none"> <li>• GRI 301 Materials</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Suppliers and Business partners</li> </ul>	Generated by the Group and directly connected through a business relationship
	Environmental impacts of real estate facilities	<ul style="list-style-type: none"> <li>• GRI 302 Energy</li> <li>• GRI 303 Water and Effluents</li> <li>• GRI 305 Emissions</li> <li>• GRI 306 Waste</li> <li>• GRI 307 Environmental Compliance</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Environment</li> <li>• Entities and Institutions</li> <li>• Communities and Territory</li> </ul>	Generated by the Group and related to the Group through its commercial relationships
	Environmental impacts of logistics	<ul style="list-style-type: none"> <li>• GRI 302 Energy</li> <li>• GRI 305 Emissions</li> <li>• GRI 307 Environmental Compliance</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>• Environment</li> <li>• Suppliers and Business partners</li> <li>• Entities and Institutions</li> <li>• Communities and Territory</li> </ul>	Generated by the Group

Areas of Legislative Decree 254/2016	Material topics	GRI Specific Standards	Internal scope	External scope	Type of impact
Social	Support for the socio-economic development of local communities	<ul style="list-style-type: none"> <li>GRI 203 Indirect economic impacts</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>Entities and Institutions</li> <li>Communities and Territory</li> </ul>	Generated by the Group
	Dialogue and transparency in relations with the authorities	-	Poste Italiane Group	<ul style="list-style-type: none"> <li>Entities and Institutions</li> <li>Communities and Territory</li> </ul>	Generated by the Group
	Financial inclusion	<ul style="list-style-type: none"> <li>FS 14 Initiatives to improve access to financial services for disadvantaged people</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>Entities and Institutions</li> <li>Communities and Territory</li> </ul>	Generated by the Group and to which the Group contributes
	Quality and Customer experience	-	Poste Italiane Group	<ul style="list-style-type: none"> <li>Customers</li> </ul>	Generated by the Group
	Innovation and digitisation of products, services and processes	-	Poste Italiane Group	<ul style="list-style-type: none"> <li>Customers</li> <li>Communities and Territory</li> <li>Suppliers and Business partners</li> <li>Shareholders and Investors</li> </ul>	Generated by the Group and to which the Group contributes
	Cybersecurity, IT Security and Privacy	<ul style="list-style-type: none"> <li>GRI 418 Customer Privacy</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>Customers</li> <li>Suppliers and Business partners</li> <li>Entities and Institutions</li> <li>Shareholders and Investors</li> </ul>	Generated by the Group
	Integration of ESG factors into investment policies	<ul style="list-style-type: none"> <li>FS 11 Percentage of asset subject to positive and negative environmental/social screening</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Communities and Territory</li> <li>Environment</li> </ul>	Generated by the Group
	Integration of ESG factors into insurance policies	<ul style="list-style-type: none"> <li>FS 11 Percentage of asset subject to positive and negative environmental/social screening</li> </ul>	Poste Italiane Group	<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Communities and Territory</li> <li>Environment</li> </ul>	Generated by the Group

# GRI-Standards Content Index

## MAIN RELATED TYPES OF CAPITAL



GRI Standard	Number and description of indicator	Section
<b>GRI 101: Foundation 2016</b>		
<b>GRI 102: GENERAL DISCLOSURES</b>		
<b>GRI 102: General disclosure</b>	<b>Organisational profile</b>	
	102-1 Name of the organisation	Report on Operations: Statement from the Chairwoman and the Chief Executive Officer (p.9-11)
	102-2 Activities, brands, products and services	Report on Operations: Group structure (p.48-59); Omni-channel approach and Group operating segments (p.60-103)
	102-3 Location of headquarters	Annual Report: Introduction (p.490-491)
	102-4 Location of operations	Report on Operations: Omni-channel Strategy (p.60-69)
	102-5 Ownership and legal form	Report on Operations: Business model (p.33-41)
	102-6 Markets served	Report on Operations: Omni-channel approach and Group operating segments (p.60-103); Omni-channel Strategy (p.60-69)
	102-7 Scale of the organization	Report on Operations: Performance of Poste Italiane SpA and Report on Operations of BancoPosta RFC (p.246-259); Tables of indicators (p.396) Report on Corporate Governance and the Ownership Structure: Section I: Governance and Ownership Structure (p.1-9)
	102-8 Information on employees and other workers	Chapter 6. Value Creation - Tables of indicators (p.400)
	102-9 Supply chain	Report on Operations: Legality and incorporation of ESG criteria within procurement processes (p.273-277)
	102-10 Significant changes to the organisation	Report on Operations: Principal corporate actions (p.53-59); Poste Italiane's ownership and organisational structure (p.33-34) Report on Corporate Governance and the Ownership Structure: Section I: Governance and Ownership Structure (p.1-9)
	102-11 Precautionary Principle or approach	The precautionary approach required by principle 15 of the United Nations Rio Declaration is applied by Poste Italiane to protect the environment in the development, introduction of new products and services and in planning new operating activities Report on Operations: Managing climate change related risks and opportunities (p.157-167)
	102-12 External initiatives	Report on Operations: The Group's Environmental, Social and Governance (ESG) Strategic Plan (p.118-121)
	102-13 Membership of associations	Report on Operations: The Group's Environmental Social and Governance (ESG) Strategic Plan (p.118-121); Dialogue and transparency in relations with the authorities (p.331-334)
	<b>Strategy</b>	
	102-14 Statement from senior decision-maker	Report on Operations: Statement from the Chairwoman and the Chief Executive Officer (p.9-11)
	102-15 Key impacts, risks and opportunities	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p.134-140); Sustainability themes relevant to Poste Italiane (p.106-115); Risks associated with material topics and management methods (p.141-144); Managing climate change related risks and opportunities (p.157-167); Managing emerging risks and the related opportunities (p.168-185).
	<b>Ethics and integrity</b>	
	102-16 Values, principles, standards and norms	Report on Operations: Risk Management and Risk Assessment model (p.136-140); Work with transparency and integrity (p.265-272)

GRI Standard	Number and description of Indicator	Section
	<b>Corporate Governance</b>	
	102-18 Governance structure	Report on Operations: Management and Supervisory Bodies (p.130-133); Managing climate change-related risks and opportunities (p.157-167) Report on Corporate Governance and the Ownership Structure: 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-33)
	102-19 Delegating authority	
	102-20 Executive-level responsibility for economic, environmental, and social topics	Report on Operations: Poste Italiane's Corporate Governance (p.130-133); Risk Management and Risk Assessment model (p.136-140); The 2021 Multi-stakeholder Forum (p.108-109)
	102-21 Consulting stakeholders on economic, environmental, and social topics	
	102-22 Composition of the highest governance body and its committees	Report on Operations: Management and Supervisory Bodies (p.130-133); Chapter 6. Table of indicators (p.411); Link: <a href="https://www.posteitaliane.it/it/consiglio-di-amministrazione.html">https://www.posteitaliane.it/it/consiglio-di-amministrazione.html</a> Report on Corporate Governance and the Ownership Structure: 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-33)
	102-23 Chairman of the highest governance body	Report on Operations: Management and Supervisory Bodies (p.130) Report on Corporate Governance and the Ownership Structure: 6.6 Chief Executive Officer (p.16-17)
	102-24 Nominating and selecting the highest governance body	Report on Operations: Management and Supervisory Bodies (p.130) Report on Corporate Governance and the Ownership Structure: 6. Board of Directors, 6.1 Current composition and term of office (pursuant to art. 123-bis, par 2, d), TUF (p.10); 6.8 Independent Directors (p.18-20); 6.10 Assessment of workings of the Board of Directors and Board Committees (p.21-22); 6.11 Diversity Policies (pursuant to art. 123-bis, par. 2, Id) -bis, TUF (p.23-24)
	102-25 Conflicts of interest	Report on Operations: Work with transparency and integrity (p.265-272) Report on Corporate Governance and the Ownership Structure: 14. Other corporate governance procedures (former art. 123-bis, par. 2.a), Consolidated Law on Finance (p.58-63)
	102-26 Role of highest governing body in setting purpose, values, and strategy	Report on Operations: Management and Supervisory Bodies (p.130); Managing climate change related risks and opportunities (p.157-167) Report on Corporate Governance and the Ownership Structure: 6.6 Chief Executive Officer (p.16-17); 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-33)
	102-27 Collective knowledge of highest governance body	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p.134-140) Report on Corporate Governance and the Ownership Structure: 6.3 Role and functions (former art. 123-bis, par. 2.d), Consolidated Law on Finance (p.13-15); 6.8 Independent Directors (p.18-20); 6.10 Assessment of workings of the Board of Directors and Board Committees (p.21-22)
	102-28 Assessment of the performance of the highest governance body	Report on Corporate Governance and the Ownership Structure: 6.10 Assessment of workings of the Board of Directors and Board Committees (p.21-22)
	102-29 Identifying and managing economic, environmental, and social impacts	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p.134-140) Report on Corporate Governance and the Ownership Structure: 6.3 Role and functions (former art. 123-bis, par. 2.d), Consolidated Law on Finance (p.13-15)

GRI Standard	Number and description of indicator	Section
	102-30 Effectiveness of risk management processes	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p.134-140)
	102-31 Review of economic, environmental, and social topics	Report on Corporate Governance and the Ownership Structure: 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-33)
	102-33 Communicating critical concern	Report on Operations: Poste Italiane's Integrated Internal Control and Risk Management System (p.134-140) Report on Corporate Governance and the Ownership Structure: 5.5 Equity participation by employees: rights mechanisms (pursuant to art. 123-bis, par 1.e), TUF (p.6); 7.2 Control and Risk Committee (p.26-32); 7.3 Sustainability Committee (p.32-33)
	102-36 Process for determining remuneration	Report on Corporate Governance and the Ownership Structure: 6.12 remuneration (p.24)
	<b>Stakeholder Engagement</b>	
	102-40 List of Stakeholder Groups	Report on Operations: Stakeholder Engagement (p.107-109)
	102-41 Collective bargaining agreements	Report on Operations: Relations with the social partners (p.299-303)
	102-42 Identifying and selecting stakeholders	Report on Operations: Stakeholder Engagement (p.107-109)
	102-43 Approach to stakeholder engagement	Report on Operations: Stakeholder Engagement (p.107-109)
	102-44 Key topics and concerns raised	Report on Operations: the Multistakeholder Forum 2021 (p.108-109)
	<b>Reporting practice</b>	
	102-45 Entities included in the consolidated financial statements	Report on Operations: Chapter 9. Consolidated non-financial statement (p.449-474)
	102-46 Defining report content and topic Boundaries	Report on Operations: Sustainability themes relevant to Poste Italiane (p.106-115); Risks associated with material topics and management methods (p.141-144); Chapter 9. Consolidated non-financial statement (p.449-474)
	102-47 List of material topics	Report on Operations: Sustainability themes relevant to Poste Italiane (p.106-115)
	102-48 Restatements of information	Report on Operations: Reporting standards and Policies (p.450). No restatements have been made with respect to the previous year's figures, except where expressly stated.
	102-49 Changes in reporting	Report on Operations: Reporting standards and Policies (p.450). No restatements have been made with respect to the previous year's figures, except where expressly stated
	102-50 Reporting period	Report on Operations: Reporting standards and Policies (p.450)
	102-51 Date of most recent report	2020 Integrated Report (May 2021)
	102-52 Reporting cycle	Report on Operations: Reporting standards and Policies (p.450)
	102-53 Contact point for questions regarding the report	For further information and details regarding the topics and indicators covered in this Report, contact: Poste Italiane SpA Corporate Affairs – Group Sustainable Development, Risk and Compliance Viale Europa, 190 00144 Rome – Italy
	102-54 Claims of reporting in accordance with GRI Standards	Report on Operations: Reporting standards and Policies (p.450)
	102-55 GRI content index	Report on Operations: GRI Standards Content Index (p.459-467)
	102-56 External assurance	Report on Operations: Reporting standards and Policies (p.450)

GRI Standard	Number and description of indicator	Section	Notes/omissions
<b>Material topics</b>			
<b>GRI 200: ECONOMIC PERFORMANCE INDICATORS</b>			
<b>Economic performance</b>			
<b>GRI 103: Management approach</b>	103-1 Explanation of the material topic and its boundary	Report on Operations: The economic value generated and distributed by the Poste Italiane Group (p.24-25); Poste Italiane's Sustainability Strategy (p.104-121); The materiality matrix (p.109-113); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 201: Economic performance</b>	201-1 Direct economic value generated and distributed	Chapter 6. Tables of indicators (p.396)	
<b>Indirect economic impacts</b>			
<b>GRI 103: Management approach</b>	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Support for the socio-economic development of local communities (p.327-331); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 203: Indirect economic impacts</b>	203-1 Infrastructure investments and services supported	Chapter 6. Tables of indicators (p.414)	
<b>Anti-corruption</b>			
<b>GRI 103: Management approach</b>	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Integrity and transparency (p.265-272); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 205: Anti-corruption</b>	205-1 Operations assessed for risks related to corruption	Chapter 6. Tables of indicators (p.397)	
	205-3 Confirmed incidents of corruption and actions taken	Chapter 6. Tables of indicators (p.397)	
<b>GRI 207 (2019): Taxes</b>	207-1 Approach to tax	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Fiscal transparency policies (p.270-272)	
	207-2 Tax governance, control and risk management		
	207-3 Stakeholder engagement and management of concerns related to tax		
	207-4 Country-by-country Reporting	Chapter 6. Tables of indicators (p.399)	
<b>GRI 415: Public Policy</b>	415-1 Political contributions	In line with the provisions of the Group's Integrated Policy, in 2021, Poste Italiane made no contributions of any kind, either directly or indirectly, to political parties, movements, committees and political and labour union organisations, or to their representatives or candidates, either in Italy or abroad	



GRI Standard	Number and description of indicator	Section	Notes/omissions
GRI 300: ECONOMIC PERFORMANCE INDICATORS			
Materials			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Legality and incorporation of ESG criteria within procurement processes (p.273-277); Environmental impacts of real estate facilities (p.343-349); Environmental impacts of logistics (p.349-352); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 301: Materials	301-1 Materials used by weight or volume	Chapter 6. Tables of indicators (p.398)	
Energy			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Environmental impacts of real estate facilities (p.343-349); Environmental impacts of logistics (p.349-352); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 302: Energy	302-1 Energy consumption within the organisation	Chapter 6. Tables of indicators (p.416; 420; 422-423)	
	302-2 Energy consumption outside of the organisation	Chapter 6. Tables of indicators (p.416; 420; 422-423)	
Water			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Environmental impacts of real estate facilities (p.343-349); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 303 (2018): Water and Effluents	303-1 Interactions with water as a shared resource	Chapter 6. Tables of indicators (p.417)	Currently, there is no evidence that Poste Italiane withdraws water from water-stressed areas. Therefore, this value is zero.
	303-2 Management of water discharge-related impacts		
	303-3 Water withdrawal		

GRI Standard	Number and description of indicator	Section	Notes/omissions
Emissions			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Environmental impacts of real estate facilities (p.343-349); Environmental impacts of logistics (p.349-352); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Chapter 6. Tables of indicators (p.418; 420; 422-423)	
	305-2 Energy Indirect (Scope 2) GHG emissions	Chapter 6. Tables of indicators (p.418; 420; 422-423)	
	305-3 Other indirect (Scope 3) GHG emissions	Chapter 6. Tables of indicators (p.418; 420; 422-423)	
	305-4 GHG Emissions intensity	Chapter 6. Tables of indicators (p.421)	
Waste			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Environmental impacts of real estate facilities (p.343-349); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 306 (2020): Waste	306-1 Waste generation and significant waste-related impacts	Chapter 6. Tables of indicators (p.418-419)	
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated		
	306-4 Waste diverted from disposal		
	306-5 Waste directed to disposal		
Environmental Compliance			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Legality and incorporation of ESG criteria within procurement processes (p.273-277); Environmental impacts of real estate facilities (p.343-349); Environmental impacts of logistics (p.349-352); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 103: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	Environmental impacts of real estate facilities (p.343)	

GRI Standard	Number and description of indicator	Section	Notes/omissions
Environmental assessment of suppliers			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Legality and incorporation of ESG criteria within procurement processes (p.273-277); Chapter 6. Table of indicators (p.398); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 400: SOCIAL PERFORMANCE INDICATORS			
Employment			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Staff welfare and well-being (p.292-299); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 401: Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter 6. Tables of indicators (p.403)	
Labour/Management relations			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Relations with social partners (p.299-303); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 402: Labour/Management Relations	402-1 Minimum notice periods regarding operational changes	<p>For Poste Italiane and Group companies signatories of Poste Italiane National Collective Labour Contract:</p> <p>four weeks (25 working days from the date of the first meeting with the Labour Unions, including Saturday) for talks at national level; a further 2 weeks (13 working days, including Saturday) is provided for in order to endorse any agreement reached by trade union representation (RSU) Coordination; an additional week (7 working days, including Saturday) for talks at local level.</p> <p>SDA: the National Collective Labour Contract provides, in art. 44, in case of transfer, transformation or termination of the Company, the procedure provided for by art. 47 of Law no. 428 of 29 December 1990 raising the deadline for communication to the Labour Unions to 40 days if the transfer of business concerns more than 60 employees.</p>	

GRI Standard	Number and description of indicator	Section	Notes/omissions
Health and safety			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Occupational health and safety (p.304-309); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 403 (2018): Occupational health and safety	403-1 Occupational health and safety management system		
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system	Chapter 6. Tables of indicators (p.404-406)	
	403-9 Work-related injuries	Chapter 6. Tables of indicators (p.406-410)	
Training and education			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Staff training and development (p.281-292); Equal opportunities in career paths (p.318-322); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 404: Training and education	404-1 Average hours of training per year per employee	Chapter 6. Chapter 6. Tables of indicators (p.401)	
	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter 6. Tables of indicators (p.412)	
Diversity and equal opportunity			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Protection of human rights (p.313-317); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 405: Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	Chapter 6. Tables of indicators (p.411)	

GRI Standard	Number and description of indicator	Section	Notes/omissions
Human rights assessment			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Work with transparency and integrity (p.265-272); Legality and incorporation of ESG criteria within procurement processes (p.273-277); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	Chapter 6. Tables of indicators (p.413)	
Supplier social assessment			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Legality and incorporation of ESG criteria within procurement processes (p.273-277); Chapter 6. Table of indicators (p.398); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
Customer privacy			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Cybersecurity, IT Security and Privacy (p.363-367); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 418: Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 6. Tables of indicators (p.427)	
Active ownership			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Relazione sulla Gestione: La matrice di materialità (p.109-113); La Strategia di Sostenibilità di Poste Italiane (p.104-121); Integrazione ESG nelle politiche di investimento (p.387-392); Integrazione ESG nelle politiche di assicurazione (p.392-394); Tabella di correlazione tra ambiti del Decreto, temi materiali di Sostenibilità per Poste Italiane e GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
	FS11 Percentage of assets subject to positive and negative environmental or social screening	In 2021, Poste Vita and BancoPosta Fondi SGR - Poste Italiane Group companies operating in the investment sector - subjected their portfolios to social and environmental screening by an external body. This assessment concerned 98.9% of Poste Vita's total AuM, whilst for BancoPosta Fondi SGR 96% of corporate AuM and 100% of AuM in government bonds were subject to valuation.	
Local communities			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Report on Operations: The materiality matrix (p.109-113); Poste Italiane's Sustainability Strategy (p.104-121); Financial inclusion (p.335-338); Table showing the link with the scope of the Decree, Poste Italiane's material topics and the GRI Standards (p.456-458)	
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
	FS14 Initiatives to improve access to financial services for disadvantaged people	Chapter 6. Tables of indicators (p.415)	

# TCFD Content Index

In 2021, the Company became an official Supporter of the Task Force on Climate Related Disclosures (TCFD), further underwriting its commitment to creating a more resilient financial system through climate-related disclosures. The following Content Index provides a more intuitive understanding of how Poste Italiane's climate strategy is aligned with the organization's recommendations.

## MAIN RELATED TYPES OF CAPITAL



## RECOMMENDATIONS

## REFERENCES

### Governance

#### Governance Disclosure

Board oversight of climate-related risks and opportunities

Poste Italiane's Corporate Governance (p.130-133); Managing climate change related risks and opportunities (p.157-160)

Management's role in assessing and managing climate-related risks and opportunities

### Strategy

#### Disclosure of the impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning

Actual and potential impacts of climate-related risks and opportunities identified to date on the organization's business, strategy, and financial planning over the short, medium, and long term

Managing climate change related risks and opportunities (p.157-167); Managing emerging risks and the related opportunities (p.177-178); Green transition (p.341-352); European Taxonomy Regulation (p.451-455)

Describe the climate-related risks and opportunities that the organization has identified

Describe the resilience of the organization's strategy, considering different climate scenarios, including scenarios of temperatures at or below 2°C

### Risk management

#### Disclosure of how the organization identifies, assesses, and manages climate-related risks

Describe the organization's processes for identifying and assessing climate-related risks

Materiality matrix (p.109-113); The Group's Sustainability Policies (p.116-117); The Group's Environmental, Social and Governance (ESG) Strategic Plan (p.118-121); Managing climate change related risks and opportunities (p.157-167); Managing emerging risks and the related opportunities (p.177-178)

Describe the organization's processes for managing climate-related risks

Climate-related risks and opportunities are integrated into current decision making and strategy formulation

### Metrics and targets

#### Disclosure of metrics and targets used to manage climate-related risks and opportunities

Disclosure of metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

Poste Italiane's Integrated Control and Risk Management System (p.134-140); Risks associated with material topics and management methods (p.141-144); Managing climate change-related risks and opportunities (p.157-167); Managing emerging risks and the related opportunities (p.177-178); Green transition (p.341-352); Tables of indicators (p.416-425); European Taxonomy Regulation (p.451-455)

Disclosure of greenhouse gas (GHG) emissions

Describe the plans the organization uses to manage climate-related risks and opportunities and performance against goals

## Other Reference Standards and Guidelines for the Preparation of the Integrated Financial Statement

The correlation tables provided in this section: “Towards common metrics and consistent reporting of sustainable value creation” of the World Economic Forum and GRI indicators in the Integrated Report, SASB Indicators and Indicators of the Integrated Report of Poste Italiane and SDGs and GRI Standards Indicators are not subject to compliance judgments (“limited assurance engagement”).

### MAIN RELATED TYPES OF CAPITAL



## Tabel showing links between “Towards Common Metrics and Consistent Reporting of Sustainable Value Creation” of the World Economic Forum and GRI indicators in the Integrated Report

September 2020 saw the publication of the updated version of the document “Towards Common Metrics and Consistent Reporting of Sustainable Value Creation”, presented in January 2020 during the World Economic Forum in Davos, which defines a set of universal indicators for ESG performance applicable by all companies, regardless of business area, with the aim of making non-financial disclosures more easily comparable. The indicators are organized into four pillars: *Governance*, *Planet*, *People* and *Prosperity*.

Taking into consideration the indications provided by the document, the table below shows the “material ESG metrics” outlined in this Integrated Report.

Pillar	Topic	Description	GRI indicators in the Sections of the Report
Governance	Governing Purpose	Definition of the purpose	GRI 102-26
	Quality of Governing Body	Composition of the Board	GRI 102-22 GRI 405-1
	Stakeholder engagement	Impact of material problems on stakeholders	GRI 102-21 GRI 102-43 GRI 102-47
	Ethical behavior	Anti-corruption Public Policy	GRI 205-3 GRI 415-1
	Risk and opportunity oversight	Integrate risks and opportunities in the business process	GRI 102-15
Planet	Climate change	Greenhouse Gas Emissions (GHG)	GRI 305-1 GRI 305-2 GRI 305-3
People	Dignity and equality	Diversity and inclusion (%) Assessment on respect for human rights, complaint impact and modern slavery (#,%)	GRI 405-1 GRI 412-1
	Health and Well Being	Health and safety (%)	GRI 403-6 GRI 403-9
	Skills for the Future	Training provided (#)	GRI 404-1
Prosperity	Employment and wealth generation	Economic contribution	GRI 201-1 GRI 203-1
	Community and social vitality	Total taxes paid	GRI 201-1



## Table showing links between SASB indicators and indicators of the Integrated Report of Poste Italiane

GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) are the most internationally recognised standards for the definition of sustainability reporting strategies and systems. In view of the growing importance of SASB reporting for investors, the following table shows the correspondence with the indicators used in the 2021 Integrated Report.







SASB		2021 INTEGRATED REPORT
Topic	Indicator	References to paragraphs/indicators
<b>Sector – INSURANCE</b>		
Transparent Information & Fair Advice for Customers	FN-IN-270a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Quality and Customer Experience</li> <li>• Monthly complaints</li> <li>• Customer complaints by type</li> </ul>
Incorporation of ESG Factors in Investment Management	FN-IN-410a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Integration of ESG factors into investment policies</li> <li>• Integration of ESG factors into insurance policies</li> <li>• Percentage of assets subject to positive and negative environmental or social screening regarding social/environmental aspects</li> </ul>
Policies Designed to Incentivize Responsible Behavior	FN-IN-410b	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Offering investment products with social and environmental value</li> <li>• Insurance products with social and environmental value</li> </ul>
Environmental Risk exposure	FN-IN-450a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Managing climate change-related risks and opportunities</li> </ul>
Systemic Risk Management	FN-IN-550a	<ul style="list-style-type: none"> <li>• <i>Managing emerging risks and the related opportunities</i></li> </ul>
<b>Sector – ASSET MANAGEMENT</b>		
Transparent Information & Fair Advice for Customers	FN-AC-270a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Quality and Customer experience</li> <li>• Monthly complaints</li> <li>• Customer complaints by type</li> </ul>
Employee Diversity & Inclusion	FN-AC-330a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Diversity and inclusion</li> <li>• Classification of employee by category, gender and age group</li> <li>• Number of personnel by other diversity indicators</li> <li>• Number of personnel by type of employment and gender, by Strategic Business Unit</li> <li>• Number of personnel by type of contract and gender, by Strategic Business Unit</li> </ul>
Incorporation of ESG Factors in Investment Management & Advisory	FN-AC-410a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Integration of ESG factors into investment policies</li> <li>• Integration of ESG factors into insurance policies</li> <li>• Percentage of assets subject to positive and negative environmental or social screening</li> </ul>
Business Ethics	FN-AC-510a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Work with transparency and integrity</li> <li>• Poste Italiane's commitment to managing human rights risks</li> <li>• Companies assessed for risks related to corruption and percentage of operations audited for risks related to corruption</li> <li>• Reports managed by the Whistleblowing Committee</li> <li>• Anti-competitive practices</li> <li>• Specific training on procedures and policies of anti-corruption</li> <li>• Cases of bribery and corruption and corrective actions</li> <li>• Political contributions</li> <li>• Tax approach</li> </ul>

SASB		2021 INTEGRATED REPORT
Topic	Indicator	References to paragraphs/indicators
<b>Sector – AIR FREIGHT &amp; LOGISTICS</b>		
Greenhouse Gas Emissions	TR-AF-110a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Green transition</li> <li>• Total direct GHG emissions (Scope 1)</li> <li>• Total indirect GHG emissions (Scope 2)</li> <li>• Intensity of GHG emissions related to real estate facilities</li> <li>• Energy consumption within the organization</li> <li>• Energy consumption outside the organization</li> </ul>
Air Quality	TR-AF-120a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Other direct emissions from logistics activities</li> <li>• Other indirect emissions from logistics activities</li> </ul>
Labor Practices	TR-AF-310a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Relations with social partners</li> <li>• Protection of human rights</li> <li>• Disputes</li> </ul>
Employee Health & Safety	TR-AF-320a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Occupational health and safety</li> <li>• Type of injury, rate of occupational accidents that can be registered, rate of occupational accidents with severe consequences, absentee rate and work-related fatalities at the Group</li> </ul>
Supply Chain Management	TR-AF-430a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Environmental impacts of logistics</li> <li>• Other total indirect GHG emissions (Scope 3)</li> </ul>
<b>Sector – COMMERCIAL BANKS</b>		
Data Security	FN-CB-230a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Risk Management and Risk Assessment model</li> <li>• Cybersecurity, IT Security and Privacy</li> <li>• Privacy violations and data leaks</li> <li>• IT security and cybersecurity breaches</li> <li>• Number of customers involved in IT security breaches</li> </ul>
Financial Inclusion & Capacity Building	FN-CB-240a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Financial inclusion</li> <li>• New customers in the categories most at risk of financial exclusion as a percentage of total new acquisitions</li> <li>• ATMs for inclusion</li> <li>• Post Offices for cultural integration</li> </ul>
Business Ethics	FN-CB-510a	<ul style="list-style-type: none"> <li>• Poste Italiane's Sustainability Strategy</li> <li>• Work with transparency and integrity</li> <li>• Companies assessed for risks related to corruption and percentage of operations audited for risks related to corruption</li> <li>• Reports managed by the Whistleblowing Committee</li> <li>• Anti-competitive practices</li> <li>• Specific training on procedures and policies of anti-corruption</li> <li>• Cases of bribery and corruption and corrective actions</li> <li>• Political contributions</li> <li>• Tax approach</li> </ul>
Systemic Risk Management	FN-CB-550a	<ul style="list-style-type: none"> <li>• Risk Management and Risk Assessment model</li> </ul>

## Table Showing Links Between the SDGs and the GRI Standards Indicators

### MAIN RELATED TYPES OF CAPITAL



SDG	Topic	GRI Indicator
 <b>Goal 1 – No Poverty</b> End poverty in all its forms everywhere.	<ul style="list-style-type: none"> <li>• Access to financial services</li> <li>• Taxation</li> </ul>	<ul style="list-style-type: none"> <li>• FS14</li> <li>• 207-1</li> <li>• 207-2</li> <li>• 207-3</li> <li>• 207-4</li> </ul>
 <b>Goal 3 – Good health and well-being</b> Ensure healthy lives and promote well-being for all at all ages.	<ul style="list-style-type: none"> <li>• Air quality</li> <li>• Waste management</li> <li>• Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• 305-1</li> <li>• 305-2</li> <li>• 305-3</li> <li>• 306-1</li> <li>• 306-2</li> <li>• 306-3</li> <li>• 306-4</li> <li>• 306-5</li> <li>• 403-2</li> <li>• 403-3</li> <li>• 403-6</li> <li>• 403-9</li> </ul>
 <b>Goal 4 – Quality education</b> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	<ul style="list-style-type: none"> <li>• Employee training and education</li> </ul>	<ul style="list-style-type: none"> <li>• 404-1</li> </ul>
 <b>Goal 5 – Gender equality</b> Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none"> <li>• Gender equality in governance bodies</li> <li>• Infrastructure investment</li> <li>• Gender equality in employee training</li> <li>• Gender equality</li> </ul>	<ul style="list-style-type: none"> <li>• 102-22</li> <li>• 102-24</li> <li>• 203-1</li> <li>• 401-2</li> <li>• 404-1</li> <li>• 404-3</li> <li>• 405-1</li> </ul>
 <b>Goal 6 – Clean water and sanitation</b> Ensure availability and sustainable management of water and sanitation for all.	<ul style="list-style-type: none"> <li>• Sustainable water withdrawals</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• 303-1</li> <li>• 303-2</li> <li>• 303-3</li> <li>• 306-1</li> <li>• 306-2</li> <li>• 306-3</li> <li>• 306-5</li> </ul>
 <b>Goal 7 – Affordable and clean energy</b> Ensure access to affordable, reliable, sustainable and modern energy for all.	<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>• 302-1</li> <li>• 302-2</li> <li>• 302-1</li> <li>• 302-2</li> </ul>

SDG	Topic	GRI Indicator
 <b>Goal 8 – Decent work and economic growth</b> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	<ul style="list-style-type: none"> <li>• Access to financial services</li> <li>• Information on employees</li> <li>• National bargaining agreements</li> <li>• Infrastructure investment</li> <li>• Materials efficiency</li> <li>• Energy efficiency</li> <li>• Waste management</li> <li>• Earnings, wages and benefits</li> <li>• Labour/Management Relations</li> <li>• Occupational health and safety</li> <li>• Employee training and education</li> <li>• Diversity and equal opportunity</li> </ul>	<ul style="list-style-type: none"> <li>• FS14</li> <li>• 102-8</li> <li>• 102-41</li> <li>• 201-1</li> <li>• 301-1</li> <li>• 302-1</li> <li>• 302-2</li> <li>• 306-2</li> <li>• 401-2</li> <li>• 402-1</li> <li>• 403-1</li> <li>• 403-2</li> <li>• 403-3</li> <li>• 403-4</li> <li>• 403-5</li> <li>• 403-7</li> <li>• 403-8</li> <li>• 403-9</li> <li>• 404-1</li> <li>• 404-3</li> <li>• 405-1</li> </ul>
 <b>Goal 9 – Industry, innovation and infrastructure</b> Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	<ul style="list-style-type: none"> <li>• Infrastructure investment</li> </ul>	<ul style="list-style-type: none"> <li>• 201-1</li> <li>• 203-1</li> </ul>
 <b>Goal 10 – Reduced inequalities</b> Reduce inequalities within and among countries.	<ul style="list-style-type: none"> <li>• Information on employees</li> <li>• Taxation</li> <li>• Equal employee training</li> </ul>	<ul style="list-style-type: none"> <li>• 102-8</li> <li>• 207-1</li> <li>• 207-2</li> <li>• 207-3</li> <li>• 207-4</li> <li>• 404-1</li> <li>• 404-3</li> </ul>
 <b>Goal 11 – Sustainable cities and communities</b> Make cities and human settlements inclusive, safe, resilient and sustainable.	<ul style="list-style-type: none"> <li>• Infrastructure investment</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• 203-1</li> <li>• 306-1</li> <li>• 306-2</li> <li>• 306-3</li> <li>• 306-4</li> <li>• 306-5</li> </ul>
 <b>Goal 12 – Responsible consumption and production</b> Ensure sustainable consumption and production patterns.	<ul style="list-style-type: none"> <li>• Materials efficiency/recycling</li> <li>• Energy efficiency</li> <li>• Water withdrawals by source</li> <li>• Air quality</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• 301-1</li> <li>• 302-1</li> <li>• 302-2</li> <li>• 303-1</li> <li>• 303-3</li> <li>• 305-1</li> <li>• 305-2</li> <li>• 305-3</li> <li>• 306-1</li> <li>• 306-2</li> <li>• 306-3</li> <li>• 306-4</li> <li>• 306-5</li> </ul>

SDG	Topic	GRI Indicator
 <b>Goal 13 – Climate action</b>  Take urgent action to combat climate change and its impacts.	<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• GHG emissions</li> </ul>	<ul style="list-style-type: none"> <li>• 302-1</li> <li>• 302-2</li> <li>• 305-1</li> <li>• 305-2</li> <li>• 305-3</li> <li>• 305-4</li> </ul>
 <b>Goal 14 – Life below water</b>  Conserve and sustainably use the oceans, seas and marine resources.	<ul style="list-style-type: none"> <li>• Ocean acidification</li> </ul>	<ul style="list-style-type: none"> <li>• 305-1</li> <li>• 305-2</li> <li>• 305-3</li> <li>• 305-4</li> </ul>
 <b>Goal 15 – Life on land</b>  Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	<ul style="list-style-type: none"> <li>• Forest degradation</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• 305-1</li> <li>• 305-2</li> <li>• 305-3</li> <li>• 305-4</li> <li>• 306-3</li> <li>• 306-5</li> </ul>
 <b>Goal 16 – Peace, justice and strong institutions</b>  Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	<ul style="list-style-type: none"> <li>• Ethics and Integrity</li> <li>• Gender equality in governance bodies</li> <li>• Anti-corruption</li> <li>• Occupational health and safety</li> <li>• Public Policy</li> <li>• Protection of privacy</li> </ul>	<ul style="list-style-type: none"> <li>• 102-16</li> <li>• 102-24</li> <li>• 102-21</li> <li>• 102-22</li> <li>• 102-23</li> <li>• 102-24</li> <li>• 102-25</li> <li>• 102-26</li> <li>• 205-1</li> <li>• 205-3</li> <li>• 403-4</li> <li>• 403-9</li> <li>• 415-1</li> <li>• 418-1</li> </ul>
 <b>Goal 17 - Partnerships for the goals</b>  Strengthening implementation methods and relaunching global partnership for sustainable development.	<ul style="list-style-type: none"> <li>• Taxation</li> </ul>	<ul style="list-style-type: none"> <li>• 207-1</li> <li>• 207-2</li> <li>• 207-3</li> <li>• 207-4</li> </ul>

# 10. Glossary

## **ACCOUNT INFORMATION SERVICE (AIS)**

Service that allows users, holders of accounts accessible online, to obtain complete information about payment services for their accounts.

## **ACQUIRING**

All services provided by an independent entity (Acquirer) with the aim of managing authorisations of payments made with cards on national and international circuits, based on an affiliation contract with the merchant.

## **OPEN API (APPLICATION PROGRAM INTERFACES)**

Procedures and interfaces which allow two applications to communicate and exchange data. An API which does not require the payment of rights to access and use it is referred to as “open”.

## **ASSET ALLOCATION**

A strategy implemented by an investor with the aim of diversifying their portfolio to include various asset classes, based on their investment schedule and expected returns.

## **ASSET CLASS**

Category of investments, that is all financial instruments with similar features and similar behaviour on markets. For example: bonds (short term, medium/long term, government, corporate, high yield, etc.), shares (Europe, America, emerging countries, etc.), real estate. The selection of Asset Classes is fundamental in the construction of a portfolio because these are the individual components evaluated during the Asset Allocation process.

## **ATM (AUTOMATED TELLER MACHINE)**

An automatic bank counter, activated directly by the user by inserting their card and PIN (personal identification number), allowing them to both carry out transactions and obtain information (e.g. balance or a list of movements).

## **BILL PAYMENTS**

It is a payment service that allows paying bills, MAV, RAV and PagoPA through a third party that manages the financial and transactional aspects.

## **BTP (BUONI DEL TESORO POLIENNALI - MULTI-YEAR TREASURY BONDS)**

Medium/long term Italian government bonds. The yield is determined by the half-yearly fixed rate interest coupon and the difference between the refund price, equal to the nominal value (100) and the issue or subscription price on the secondary market.

## **BUFFER**

The Agreement with the Ministry of the Economy and Finance (MEF) establishes that a portion of private funding must be established in a specific deposit made with the MEF, known as the “Buffer” Account, in order to allow for flexible management of loans as a function of daily oscillations in private funding.

## **CAPITALISATION**

With reference to a company, this represents the product of the number of shares outstanding and their unit price. With reference to a market it represents the total value of all listed shares at market prices.

## CREDIT CARD

A payment tool that enables its holder, based on the contractual relationship established with the issuer, to make purchases (using POS or online) of goods and services at any merchant affiliated with the relevant international circuit or to withdraw cash (at an ATM). Amounts spent are repaid by the holder based on a pre-established schedule (generally monthly), after the fact, in a single amount ("classic" credit card), or on an instalment basis (rotating or revolving credit card).

## DEBIT CARD

A card that allows the holder, based on a contract signed with their bank or with Poste, to acquire (through POS) goods and services at any merchant affiliated with the circuit on which the card operates, or to withdraw cash (at an ATM), with immediate debiting from the current account linked to the card. The most well-known circuit is Bancomat, which led to the name commonly used to refer to these cards. If the card is connected to international circuits, it can be used abroad to withdraw the local currency and to make payments, after inserting the same secret code (PIN) used domestically, both for ATM withdrawals and payments at merchant POS.

## PREPAID CARD

A payment tool, issued against the advance payment of funds to the issuer. Its value decreases each time it is used to make payments or withdraw funds. A prepaid card makes it possible, without using cash, to purchase (via POS or online) goods and services, or to withdraw cash at an automatic teller machine (ATM), using a PIN, within the limits of the amount previously paid to the institution which issued the card. Prepaid cards are issued by banks, electronic money institutions (EMI), and Poste Italiane. Rechargeable prepaid cards have a maximum value that differs by issuers and can be recharged multiple times. A prepaid card may also be assigned an IBAN (International Bank Account Number) which allows it to be used for the main current account transactions, including bank transfers or direct debit. For example, it can be used to receive wages or a pension, or to establish residency for utility payments. A prepaid card makes it possible to make purchases without using cash and to make withdrawals and carry out other transactions at ATMs affiliated with the payment circuit indicated on the card.

## SALARY BACKED

This is a special type of guaranteed loan, intended for pensioners and employees. Instalments are paid through the transfer of a portion of the pension or salary to the financing entity. This portion, withheld directly from the pension or pay, cannot exceed one-fifth of the net monthly payment. This type of loan requires a life insurance policy (for pensioners) or a life and job loss policy (for employees). The policies are taken out directly from the bank/lending institution (which serves as the contracting entity and beneficiary) which incurs the costs. The client is not required to pay any insurance premium.

## CHATBOT

The word is a combination of the word chat and an abbreviation of the word robot. It refers to a virtual assistant able to respond to a number of questions, by interpreting the customer's intentions. This type of application is frequently used by large companies for customer service. By typing in the question, one has the impression of talking to a person.

## CLOUD

The "IT cloud" refers to technology that makes it possible to process and archive data on the network and allows access to applications and data saved on remote hardware instead of on a local workstation. **HYBRID CLOUD** is a solution that combines a private cloud with one or more public cloud services, using proprietary software that allows communication between all of the services. A hybrid cloud strategy offers companies greater flexibility, moving workloads between cloud solutions based on requirements and cost.

## POSTEPAY CODE

An innovative acceptance service that allows affiliated merchants to collect payments ordered by customers directly from their Postepay app, via the QR code displayed by the merchant.

## MANAGEMENT COMMISSIONS

Fees paid to the manager, directly debited from the fund assets, as compensation for management activities in the limited sense. They are calculated daily on the net assets of the fund and withdrawn at longer intervals (monthly, quarterly, etc.). They are generally indicated on an annual basis.



**CONTACTLESS**

An innovative payment method that makes it possible to make purchases simply by placing a card near a reader (POS) with the Contactless symbol. The transaction occurs in just a few seconds.

**CYBER SECURITY**

This term refers to tools and processes needed to guarantee the security of computers, networks, commonly used devices (e.g. smartphones and tablets), applications and databases, protecting them from potential attacks that may arrive internal or external to the organisation. Cyber security is increasingly important because protecting digital technology also means protecting processes and, above all, information, which are the true assets of people and organisations.

**DEFERRED POLICYHOLDER LIABILITIES (DPL)**

Accounting item resulting from the application of *shadow accounting* , as defined below.

**DIGITAL PAYMENTS**

The term refers to all payments made using electronic tools, such as credit, debit and prepaid cards, digital wallets, telephone credit and direct debit from current accounts, to purchase goods and services.

**DIGITAL PROPERTIES**

Digital properties (website, BancoPosta app, PostePay app, Post Office app, PostelD app) represent one of 3 channels which serve customers, supporting the Group's omni-channel strategy.

**DIGITAL WALLET**

A virtual wallet that can be used to load credit or combined with one or more payment tools such as credit, debit or prepaid cards or current accounts, to make transactions without sharing private information about the payment method with the seller.

**PORTFOLIO FINANCIAL DURATION**

Average *duration*  of the securities in the portfolio.

**DURATION**

Average maturity for payments for bonds. This is generally expressed in years and refers to the weighted average of the cash flow payment dates relative to the security, in which the weights assigned to each date are equal to the current value of the cash flows associated with the same (the coupons and, for maturity dates, capital). It is an approximate measure of the sensitivity of the price of a bond to changes in interest rates.

**ETF (EXCHANGE TRADED FUNDS)**

These are special investment funds (or SICAVs) which are passively managed and traded on regulated markets, part of the wider family of Exchange Traded Products (ETP), which replicate the performance of an underlying index (e.g. the FTSE MIB).

**MUTUAL FUNDS**

These are collective investment entities, managed by asset management companies (SGR/AMC), that combine liquidity provided by customers and invest the combined funds in securities (shares, bonds, government securities, etc.) or, for some funds, in real estate, in compliance with rules intended to reduce risks. Each investor is the owner of a number of units. The value of these varies over time as a function of the performance of the securities acquired by the management company with the fund's assets. There are various types of funds, which can be classified based on the type of financial instruments in which they invest (e.g. European stocks or US bonds) or based on the manner in which investors share in the profits. Funds can be either "closed" (allowing units to be subscribed only during an offer period, with units redeemed, as a rule, only upon the closing of the Fund) or "open" (allowing units to be subscribed or redeemed at any time).

**PENSION FUNDS**

These are collective investment entities that collect contributions from workers and/or employers and invest them in financial instruments, to provide a pension service (annuity or capital) at the end of the working life of the worker, which supplements the obligatory public system. There are various types of pension funds: Contracted (or closed) funds, open funds, individual pension funds (PIP or FIP), pre-existing pension forms.

## **FTSE MIB (FINANCIAL TIMES STOCK EXCHANGE MILANO INDICE DI BORSA)**

This is the most important index for the Milan stock market, which combines all the securities with the highest capitalisation and market liquidity. A total of 40 securities are listed on the FTSE MIB, with most companies falling in the banking, insurance or industrial sectors.

## **SEPARATE ACCOUNT**

With regards to life insurance, a fund specifically created by the insurance company and managed separately with respect to the totality of the company's assets. Separate accounts are used for Class I contracts and typically feature prudential investment structures. The returns achieved from the separate account and returned to the customers are used to revalue the benefits called for in the contract.

## **MANAGING AGENT**

An intermediary authorised to provide asset management services, who manages, also partially, the assets of an UCITS (Undertakings for Collective Investment in Transferable Securities) based on a specific proxy received from the asset management company in line with the criteria defined in the proxy itself.

## **HIGH YIELD**

These are high yield (and high risk) bonds issued by companies, sovereign countries or other entities suffering financial difficulty, to which a low rating is assigned (for Standard & Poor's, less than or equal to BB). High Yield bonds are also frequently referred to as Junk Bonds.


## **HOME BANKING (INTERNET BANKING)**

An online service that allows current account holders to carry out various transactions and obtain information with regards to their current account online (consulting the bank statement, ordering a bank transfer, postagiato, making an online payment, etc.) without the need to go in person to their own bank or Post Office.

## **HUB**

In the logistics sector, this refers to a major node for goods, where many lines of traffic converge and depart.

## **PRIVATE DIGITAL IDENTITY**

The Poste private digital identity is a set of technical credentials (user name, strong password, registered mobile phone) and contact details that, associated with a positive ID of the holder, are used to define the digital profile of a Poste Italiane customer. The digital identity allows the holder to access and make use of Poste Italiane online services, including remote sales funnels and app onboarding, in association with the **Strong Customer Authentication (SCA)** tools supplied by the Business Units. These **SCA** or **STRONG AUTHENTICATION** tools require all electronic payment operations and remote transactions involving a risk of fraud to be confirmed and authorised by combining two or more authentication factors, selected from among those which only the person carrying out the transaction has (an app on a mobile device or a key that generates **OTPs**  or one time passwords) or an inherent element of the person, that is something which unequivocally identifies the user (digital fingerprint, face shape or another biometric feature).

## **INFLATION LINKED**

These are government bonds that provide investors with protection against rising price levels: both the principal repaid at maturity and the coupons paid are, in fact, revalued on the basis of inflation.

## **INVESTMENT GRADE**

Definition which refers to securities issued by companies with their financial statements in order, well managed and have favourable business prospects. For investment grade securities, the rating is high and in any case exceeds triple B. Below this level securities fall in the category of high yield and high risk, with low ratings that reflect the dangers of default or insolvency.

## **MERCHANT**

An entity that provides a commercial business.

**MIFID (MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE)**

Directive 2004/39/EC, in effect since 1 November 2007, has the main objective of standardising rules for financial market participants at the European level, to protect investors, requiring intermediaries to act honestly, fairly and professionally to best serve the interests of their customers. The directive introduced a classification system for customers based on their level of financial experience: retail, professional and eligible counterparties. This is done so as to adopt protection measures in line with each investor category, respecting the different protection requirements deriving from information obtained regarding their knowledge and experience relative to investments, their financial situation and investment goals, in order to verify the adequacy and/or appropriateness of the investment service or financial instrument requested and/or proposed. Additionally, intermediaries must provide accurate, clear and non-misleading information, describing the financial services and instruments offered, with information on losses incurred, fees and costs linked to the services provided and the presence of any conflicts of interest. On 3 January 2018, replacing MiFID I, from which it took its principles and aims, the **MIFID II** Directive took effect, with the objective of increasing market efficiency and transparency, raising investor protection levels through safeguards intended to ensure customers are informed about the essential features of services provided, including the risks and costs of proposed transactions, as well as strengthening certain organisational requirements and behavioural standards in the development and offering of products to customers, as well as in the training of those providing investment consulting.

**TRANSITIONAL MEASURES**

The Transitional Measure on Technical Provisions (TMTP) was introduced by Directive 2014/51/EU (so-called Omnibus II) to allow for a gradual transition from the previous prudential regime (so-called Solvency I) to the Solvency II regime, avoiding the new requirements causing undesirable effects on companies and the market.

The regulations envisage that from 1 January 2016 and until 31 December 2031, subject to authorisation by the Institute, insurance companies may apply a transitional deduction to the technical provisions calculated at the end of each financial year, determined as a share of the (positive) difference between the amount of technical provisions calculated in accordance with Solvency II as at 1 January 2016 and those recorded in the financial statements as at 31 December 2015 (Solvency I).

**MOBILE HOST OPERATOR**

Reference operator for the provision of mobile network access services

**ONE CLICK TO BUY**

An approach to speed up the purchase funnel for digital products/services, minimising the classic steps required on the customer side, simplifying completion of the funnel. For example, through personalised campaigns for known customer types, it is possible to understand their purchasing habits and hence propose a process with the data already inserted (e.g. name and address, contact information, ID, IBAN): at this point, if the customer is interested, they simply need to accept and sign the contract using a “point&click” technique (or insert a one time password [OTP] received via text message).

**OPEN BANKING**

The sharing of information between various actors in the banking ecosystem. Since European payment services directive (PSD2) took effect, European banks must open their own Application Program Interfaces (API) to fintech companies (finance + technology) and to other companies in the financial products and services sectors. This allows external companies (referred to as third parties) access to payment data, increasing competition within the system.

**OTP (ONE TIME PASSWORD)**

A disposable or one-time passwords is an alphanumeric security code generated by an algorithm, when requested by the user, to access a system or authorise specific transactions, for example those done through home banking. It is a very secure authentication system because the code is sent directly to a device in the holder's possession (text message, token, etc.) and is no longer valid once used.

**PAD**

A device with a screen that allows digital acquisition of signatures (including registration of non-visible biometric data such as pressure, movement and speed) and can display QR codes.

### **PISP (PAYMENT INITIATION SERVICE PROVIDERS)**

Entities that provide payments disposition services on behalf of the user on the express authorization of the client; they act as intermediaries between the Bank and the holder of the payment account, which is accessible online and initiate the payment in favour of a third party that is the beneficiary of the disposition.

### **HYBRID POLICY – MULTI-CLASS**

With multi-class products, a portion of the premium is invested in a separate account, determining the portion of capital which is guaranteed, while another portion is invested in unit-linked funds, with diversified asset allocation intended to take advantage of opportunities for profit by investing in funds linked to financial market performance.

### **UNIT LINKED POLICY**

Life insurance policy in which the insured party bears the investment risk and the benefits are directly linked to units of collective investment schemes or to the value of assets contained in an internal fund.

### **POS (POINT OF SALE)**

A digital location (consisting of a device that allows automatic payment for purchases) where payment transactions are made, using a debit or credit card with a chip or magnetic strip. They are connected to the banking system and allow a merchant to have the sum accredited to their current account while the purchaser can pay for their items without using physical money.

### **PSP (PAYMENT SERVICES PROVIDER)**

Entities authorised to offer payment services: Banks, Poste Italiane (BancoPosta), payment institutions and electronic money institutions (PostePay SpA).

### **GROSS PREMIUM REVENUE**

Amount accrued during the reporting period for insurance contracts, regardless of whether the all or part of the amount was collected in or relates to subsequent periods.

### **EARNED PREMIUMS**

Gross premium recognised net of the change in the premium reserve.

### **QR CODE (QUICK RESPONSE CODE)**

A special type of barcode in a square shape, made up of dots and lines of various size. A user can access multi-media content through various apps simply by scanning the QR Code with the camera on their smartphone.

### **INSURANCE CLASS**

An insurance class is a category used to classify policies with the same or similar type of risk. There are two main classes:

- P&C: policies that compensate customers in the case of material and physical damages, to personal goods, assets or people;

Non-life contracts are divided into the following lines of business:

1. Accidents (including work-related injuries and occupational diseases); lump sum benefits; temporary benefits; mixed forms; transported persons;
2. Illness: lump sum benefits; temporary benefits; mixed forms
3. Land vehicle hulls (excluding rail vehicles): any damage sustained by: self-propelled land vehicles; non-self-propelled land vehicles;
4. Rail vehicle hulls: any damage sustained by rail vehicles;
5. Airplane hulls: any damage sustained by airplanes;
6. The hulls sea, lake and river craft: any damage suffered by: river craft; lake craft; sea craft;

7. Transported goods (including goods, luggage and any other property): any damage suffered by transported goods or luggage, regardless of the nature of the means of transport;
  8. Fire and natural elements: any damage to property (other than property included in classes 3, 4, 5, 6 and 7) caused by: fire; explosion; storm; natural elements other than storm; nuclear energy; land subsidence;
  9. Other damage to property: any damage suffered by property (other than property included in classes 3, 4, 5, 6 and 7) caused by hail or frost, as well as any other event, such as theft, other than those included in no. 8;
  10. Land motor vehicle liability: any liability caused by the use of land motor vehicles (including carrier liability);
  11. Aircraft liability: any liability caused by the use of aircraft (including carrier liability);
  12. Sea, lake and river craft liability: any liability caused by the use of sea, lake or river craft (including carrier liability);
  13. General Liability: any liability other than those mentioned in numbers 10, 11 and 12;
  14. Credit: asset losses from defaults; export credit; instalment sales; mortgage credit; agricultural credit;
  15. Guarantees: direct guarantee; indirect guarantee;
  16. Monetary losses of various kinds: risks relating to employment; insufficient income (general); inclement weather; loss of profits; persistent overhead; unforeseen business expenses; loss of market value; loss of rents or income; indirect business losses other than those mentioned above; non-business pecuniary losses; other pecuniary losses;
  17. Legal expenses: legal expenses;
  18. Assistance: assistance to persons in distress.
- Life: this includes policies stipulated to guarantee capital to pre-selected beneficiaries indicated in the insurance contract, if the event covered by the policy occurs (e.g. the death of the insured in the case of a life policy).

Life insurance policies are further divided into six classes:

Class I - Life insurance;

Class II - Marriage and birth insurance;

Class III - Insurance, referred to in classes I and II, for which the main benefits are linked to the value of units of mutual or internal funds or to indexes or other reference values;

Class IV - Health insurance and disability insurance guaranteed by long-term contracts, which cannot be withdrawn, for the risk of long-term disability due to disease or injury or longevity;

Class V - Tontines;

Class VI - Management of group funds to provide benefits in the case of death, life or termination or reduction of employment.

### **RE.PO. (REPURCHASE AGREEMENT)**

Repurchase agreements consist of a spot sale of securities and a simultaneous forward repurchase commitment (for the counterparty, in a symmetrical commitment of spot purchase and forward sale).

### **REINSURANCE**

An operation whereby against consideration, an insurer (the reinsured) reduces its economic exposure, either to a single risk (facultative reinsurance), or to a large number of risks (obligatory or treaty reinsurance), by assigning to another insurance company (the reinsurer) a part of its commitments arising from insurance contracts.

### **REDEMPTION**

The contracting party's right to terminate the contract early by requesting settlement of the resulting benefit at the time of the request as this is determined in accordance with the terms of the contract.

## PREMIUM RESERVE

This is equal to the sum of the reserve for unearned premiums, which includes amounts of gross premiums recognised pertaining to future years, and the reserve for ongoing risks, which consists of provisions to cover claims and expenses that exceed the reserve for unearned premiums.

## SCT (SEPA CREDIT TRANSFER)

Payment tool that allows a debtor to order, through their Bank, a payment in euros in favour of a creditor if the credit entity or branch in which the Payer and Beneficiary of the bank transfer have their accounts (Payer's Bank and Beneficiary's Bank) are both located in a SEPA country and have adhered to the service.

## SDD (SEPA DIRECT DEBIT CORE)

SEPA direct debits are a payment service offered by Payment Services Providers that can be used to automatically pay companies or private individuals that supply supplies or services on the basis of contracts that call for repetitive payments at pre-determined due dates (e.g. utility payments). To make payments with SEPA direct debit, the customer must authorise the company that provides the utility or service, signing an authorisation contract. At each due date, the bank carries out the payment by withdrawing the amounts from the customer accounts without the need to ask for consent each time.

## SHADOW ACCOUNTING

Accounting practice (IFRS 4), for mitigating the valuation asymmetries that exist between financial assets included in segregated accounts, measured in accordance with IFRS 9 and mathematical reserves measured in accordance with local accounting standards. Through shadow accounting, the accounting policies applied to insurance liabilities (i.e., statutory technical reserves) can be modified to account for the effect of recognised but unrealized gains or losses on assets that have a direct effect on the measurement of insurance liabilities.

## SIM M2M (MACHINE TO MACHINE)

SIM M2M make use of technology that allows for the integration of and communication between various types of equipment installed at any distance, through sensors which send (or acquire) data which is then sent to a central server through a network. They are used solely for data traffic and the voice area is entirely disabled. In its place is a module that allows both control and remote control.

## SPID - PUBLIC DIGITAL IDENTITY SYSTEM

The Public Digital Identity System (SPID) is the Italian digital identity solution, managed by AgID in line with national regulations and the European eIDAS regulation. The SPID system allows those with a digital identity (real and legal persons), issued by an accredited manager, to access services provided by participating public and private entities using a single set of credentials. Poste Italiane is an accredited Digital Identity manager.

## SOLVENCY RATIO

The Solvency Ratio is calculated as the ratio between the own funds eligible to cover the capital requirement and the regulatory minimum level calculated on the basis of Solvency II regulations.

## DIGITAL TOUCHPOINT

A touchpoint refers to a point for contact and communication between a Customer/Prospect and a Company. A touchpoint can be either physical (sales point, telephone, text message or fax) or digital (website, email, social network, chat).

## ULTRABROADBAND

Technology, equipment or telecommunication lines that allow Internet access at speeds exceeding 30 Bps per second, both in upload and download. The use of the term tends to refer to the maximum speed and not the average speed which is effectively available.

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