

# POSTE ITALIANE GROUP POLICY ON ENVIRONMENTAL SUSTAINABILITY

Approved by the Board of Directors on 28 February 2019

## The commitment of Poste Italiane Group to the environment and climate

Poste Italiane is one of today's most important companies in the logistics sector in Italy and is a leading player in the financial, insurance and mobile and digital payment sectors. In consideration of its size, the Company is aware that its direction can contribute to determining sustainable growth that also respects the natural environment.

This Policy, reinforcing what has already been stated in the Group's Code of Ethics, confirms Poste Italiane's commitment to promote environmental protection throughout its value chain. Firstly, Poste Italiane commits to preventing, managing and, where possible, reducing the environmental impact generated directly by its operations, in particular, from the use of buildings and from logistics and transport activities, whether carried out directly or through suppliers and partners. Secondly, the Company has also integrated environmental sustainability principles into its investment and insurance activities, encouraging virtuous behaviour throughout Italy.

### General principles

In addition to ensuring full and substantial compliance with environmental legislation, the Group intends to apply the principles issued by national and international organizations of reference. In particular, Poste Italiane undertakes to participate in significant initiatives promoted within the framework of:

- 2030 Agenda for sustainable development and its 17 goals (*Sustainable Development Goal - SDGs*), with a particular focus on SDG 7 "Ensure access to affordable, reliable, sustainable and modern energy for all" and SDG 13 "Take urgent action to combat climate change and its impacts";
- *United Nations Environment Programme-UNEP*;
- *Principles for Responsible Investment-PRI* and *Principles for Sustainable Insurance-PSI*;
- programmes developed by the main international organisations in the sector, such as the Universal Postal Union (UPU), the International Post Corporation (IPC) and the Association of European Public Postal Operators (PostEurop).

The approach adopted by the Company is inspired by the principles of:

- **efficient use of resources** necessary to carry out business activities, whether they are carried out by the company itself or through suppliers and business partners;
- **innovation** in support of a low-carbon *economy*, through the dematerialisation of processes, products and services;
- **prevention and reduction of the impact on the environment**, both through the analysis of potential environmental risks important for Poste Italiane, and through the reduction and disposal of waste produced, with a view of adopting a circular economy approach;
- **promotion of a culture of the environment**, both through its own corporate volunteering network, encouraging employees, partners and, in general, all counterparts to adopt virtuous behaviours and collaborating with nationally recognised environmental associations by supporting targeted projects that may constitute reference practices.

In a perspective of extended accountability required by globalisation, the Company firmly believes that it promotes the same principles both internally and externally to those who work on its behalf (such as suppliers or, in general, business partners).

In order to implement the Policy, Poste Italiane has identified three main areas of action to which specific actions are associated:

— **Reduction of the environmental impact of its operations:**

- optimisation of energy consumption and reduction of atmospheric emissions from buildings, through procurement from renewable sources and investment in energy-efficient solutions, such as consumption monitoring systems, use of efficient eco-lighting systems, and other energy-efficient electrical/electronic equipment;
- reduction of emissions into the atmosphere by providing incentives for green transport modes for logistics activities and staff mobility, also by providing employees with a company fleet composed of hybrid and electric vehicles;
- reduction in the consumption of materials and proper management of waste, in particular by curbing paper consumption also through document dematerialisation and by maximising the amount of waste that can be sent for recycling/reuse;
- reduction of water consumption.

— **Integration of environmental aspects into the products and services offered:**

- implementation of digitalisation processes for goods and services offered, in the awareness that digital innovation can potentially generate shared value between the Company and stakeholders, helping to reduce pressure on the environment and support the Company's profitability;
- assessment of environmental risks and opportunities in investment decisions and in the management of insurance activities to make an important contribution to Italy's sustainable development.

— **Building an environmental culture among employees and third parties**

- involvement of employees in programmes and initiatives aimed at protecting the natural environment and ecology, in particular also through support and active participation of Poste's corporate volunteering network;
- support for initiatives for the protection and recovery of environmental heritage, training and information on environmental issues;
- dialogue and collaboration with national and international bodies and associations in developing and adopting models, policies and strategies aimed at combating climate change and inefficient consumption of resources;
- risk assessment and environmental management methods adopted by the counterparties (suppliers, business partners, other companies) in the procurement processes and in any extraordinary finance operations.

## **Management and monitoring**

Poste Italiane verifies the effectiveness of the adopted approach through dedicated tools, which consist of procedures for the periodic risk identification and assessment within and outside the Group, a system for reporting violations, a system of sanctions and dialogue activities with stakeholders. These tools are also used in a systemic manner within environmental management systems aligned with the most widespread international standards (such as UNI EN ISO 14001:2015).

In addition, the Group's risk management model also takes into account environmental issues that are relevant to the Company, providing for:

— the identification of company activities and organisational areas in which a risk of environmental violation could occur, applying risk assessment procedures;

— the identification of suppliers and partners that may present risks related to environmental protection, also through a multidimensional analysis of their profile 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 (CAM);

— the assessment of the risks identified in terms of impact and probability through specific metrics and the assessment of the adequacy of mitigation and restoration measures adopted for the risks identified, with a specific focus on climate change;

— performance of checks in the areas identified as at greatest risk within the Group and externally with suppliers and partners;

— the development of prevention and mitigation action plans, also shared with suppliers and partners, including activities to extend, revise and strengthen company procedures and controls and specific training and awareness actions on environmental protection.

The permanent listening and dialogue activities with stakeholders also constitute a valid system for monitoring and managing the environment. As required by the Code of Ethics, in order to identify anomalous or alleged unlawful cases, Poste Italiane makes available systems suitable for receiving reports from stakeholders on the dedicated pages of the Group's institutional websites, always and anyhow protecting the anonymity of whistleblowers in line with current legislation. The management of reports is entrusted to an Ethics Committee which, having verified whether these are relevant and based on specific and corroborating facts, submits such cases to the attention of the competent corporate function or bodies, which assess whether to take legal action or adopt measures in accordance with the provisions of the law and with contracts provided for. Finally, the Company undertakes to periodically (at least once a year) organise specific stakeholder engagement activities to identify any problems and find solutions in a shared manner.

## **Reporting**

Poste Italiane undertakes to report on the performance achieved in managing its environmental impact (in terms of management and monitoring methods, identified risks, results of evaluation activities and management and mitigation actions) in public company documents made available to stakeholders on the company's website.

## **Dissemination and Updating**

The Policy is communicated to all employees, also through specific training sessions depending on the areas of operation, roles and responsibilities, and is made available on the corporate website of Poste Italiane to all stakeholders, including employees, suppliers and partners, so that there is full awareness and further resolve in advancing environmental management as an integral part of the Company's "System of Values."

The heads of corporate functions are responsible for integrating the environmental commitments set out by the Policy into business decisions and operations, aimed at encouraging continuous improvement of environmental performance within their structure. Poste Italiane also encourages all its employees to promote innovations and improvements to processes, tools, products and services that encourage the reduction of direct environmental impacts, associated with its operations, and indirect impacts.

This Policy will be evaluated for updating at least once a year in the light of the findings emerging from the assessments and monitoring of national and international trends in environmental protection.

