

POSTE ITALIANE COMPANY PROFILE

A PLATFORM COMPANY AT WORK

November 2023

A STRATEGIC PILLAR FOR ITALY



Poste Italiane is **the largest service distribution network in Italy**, covering activities that range from logistics, letter and parcel delivery and financial and insurance services to payment systems and telco services and the retail sale of gas and power



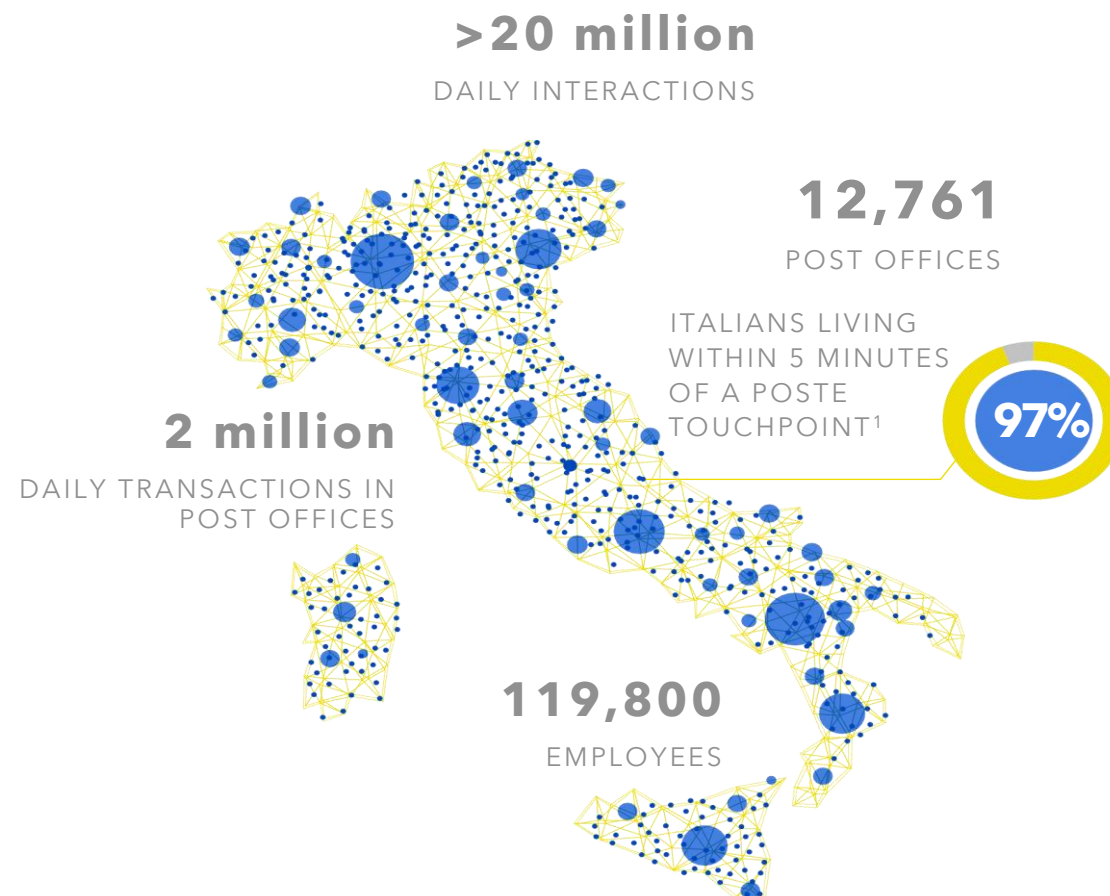
An **integrated omnichannel platform**, actively contributing to Italy's socio-economic development, innovation and modernization with over 20 million daily interactions



Italy's country's largest employer with 120,000 employees, over 50% are women in management and leadership roles

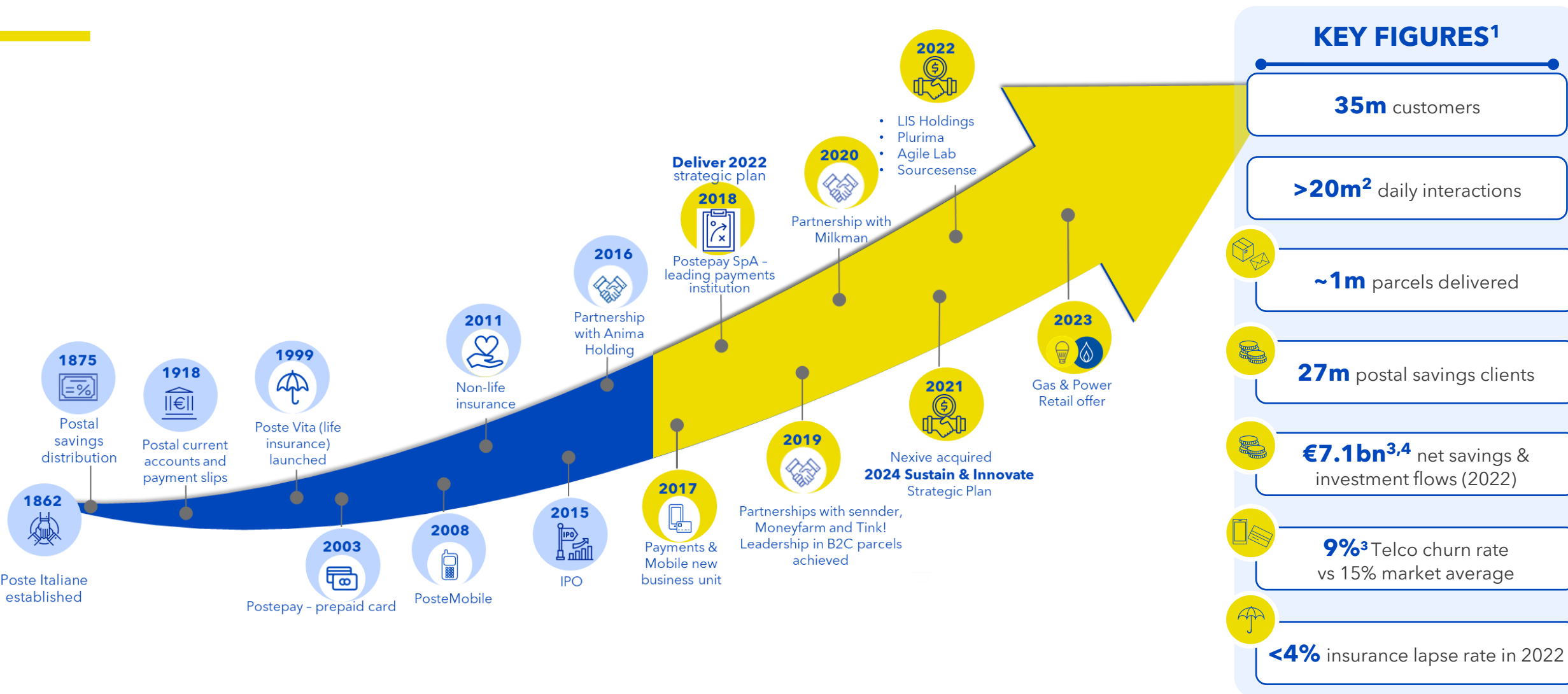


Purpose: "Grow responsibly thanks to the decisive contribution of our people to the sustainable success, innovation, digitisation and social cohesion of the country."



1. Post Offices and Punto Poste network including LIS (was 94.5% in 2020).
As of 30/12/22.

CONTINUED TRANSFORMATION TO MEET EVOLVING CUSTOMERS' NEEDS



1. As of 30/12/2022; 2. Based on digital daily visits on App/Web, Post Offices, third party network, contact centre, including daily visits related to Mail & Parcel deliveries; 3. As of 2022; 4. Includes net flows into Mutual Funds, Moneyfarm, Postal Bonds, Net Technical Reserves, and Assets under Custody

UNMATCHED OMNICHANNEL SERVICE MODEL

DATA DRIVEN CAPABILITIES TO BOOST TRANSACTIONS AND SALES

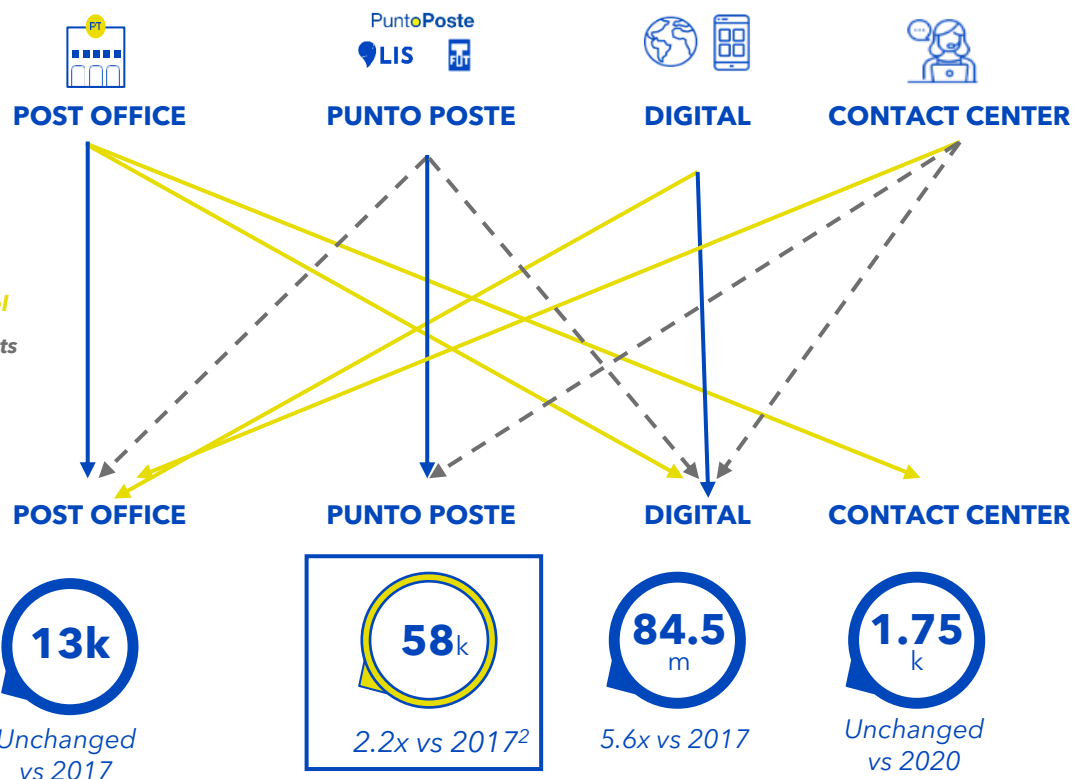
>20
m daily

Interactions¹ with Poste Italiane in 2022

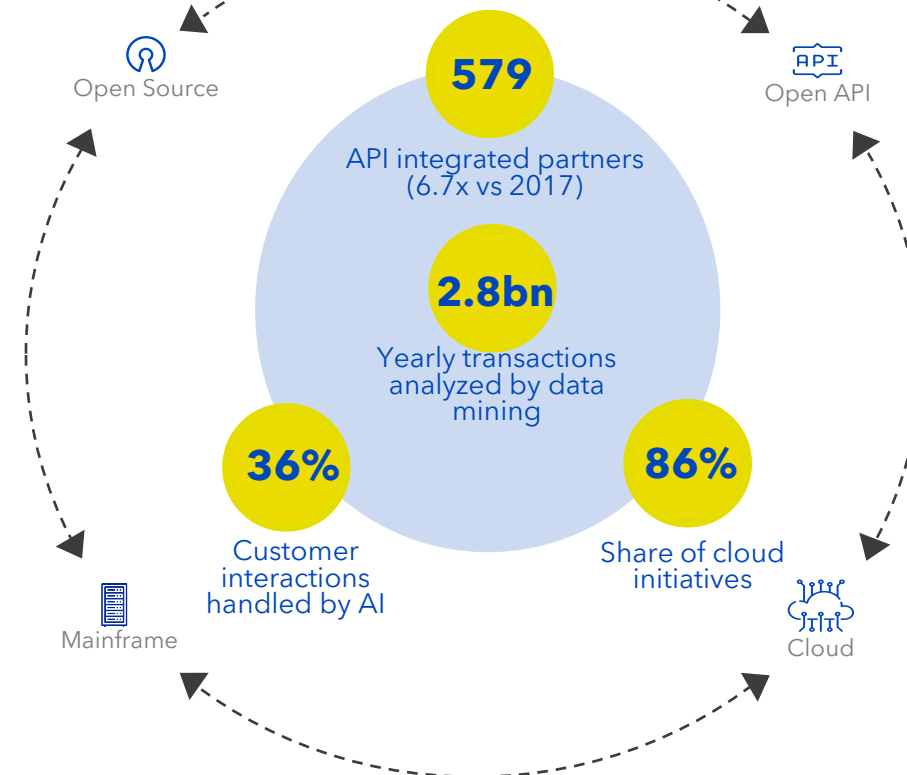
2.3x
vs 2017

ENGAGEMENT

→ Legacy model
→ Omnichannel model
→ Future developments



TECH OPS LIQUID ENGINE ENABLER

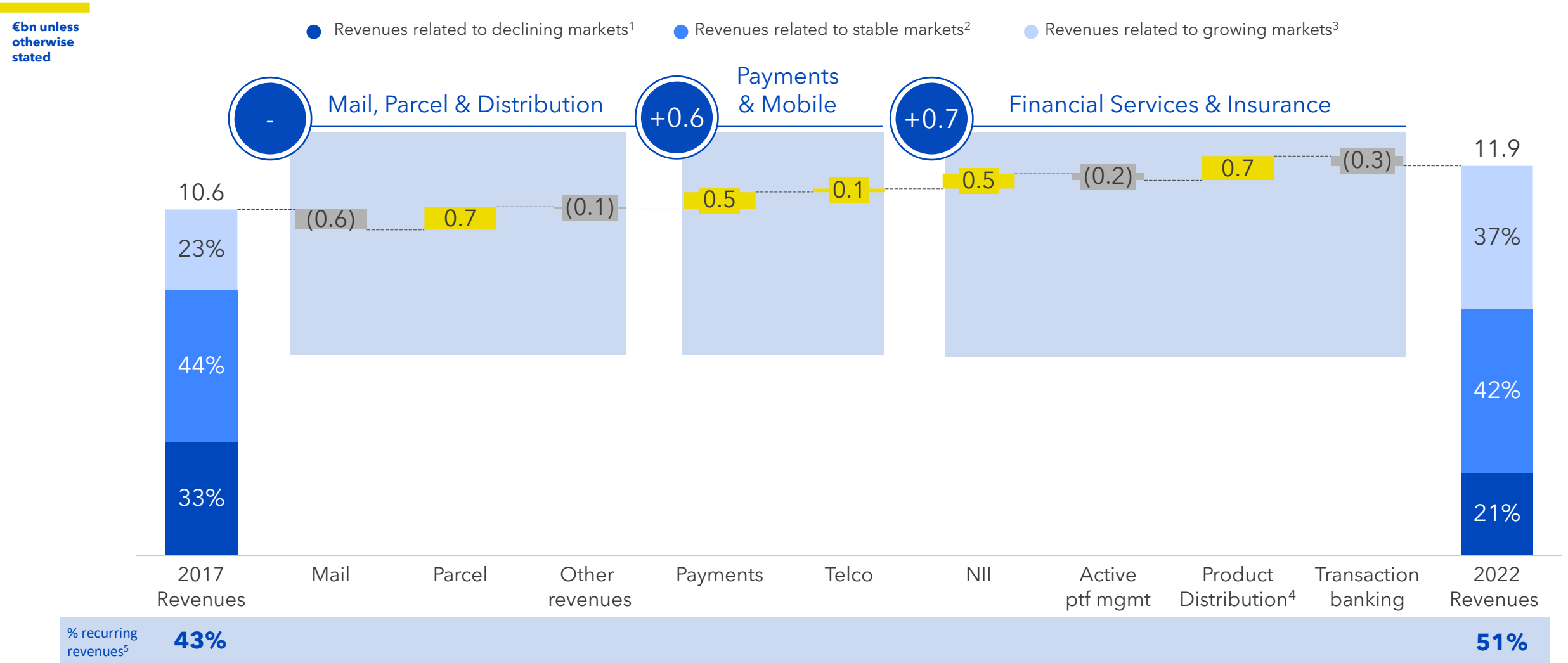


1. Interactions defined as any contact the customer has with Poste Italiane (e.g., entry into Post Office, ATM transactions, entry into a physical third-party network point, APP login, access to website etc.);

2. Excludes expired agreements

2017-2022 REVENUES *R*EVOLUTION

BUSINESS SUCCESSFULLY REPOSITIONED TOWARDS GROWING MARKETS AND RECURRING REVENUES

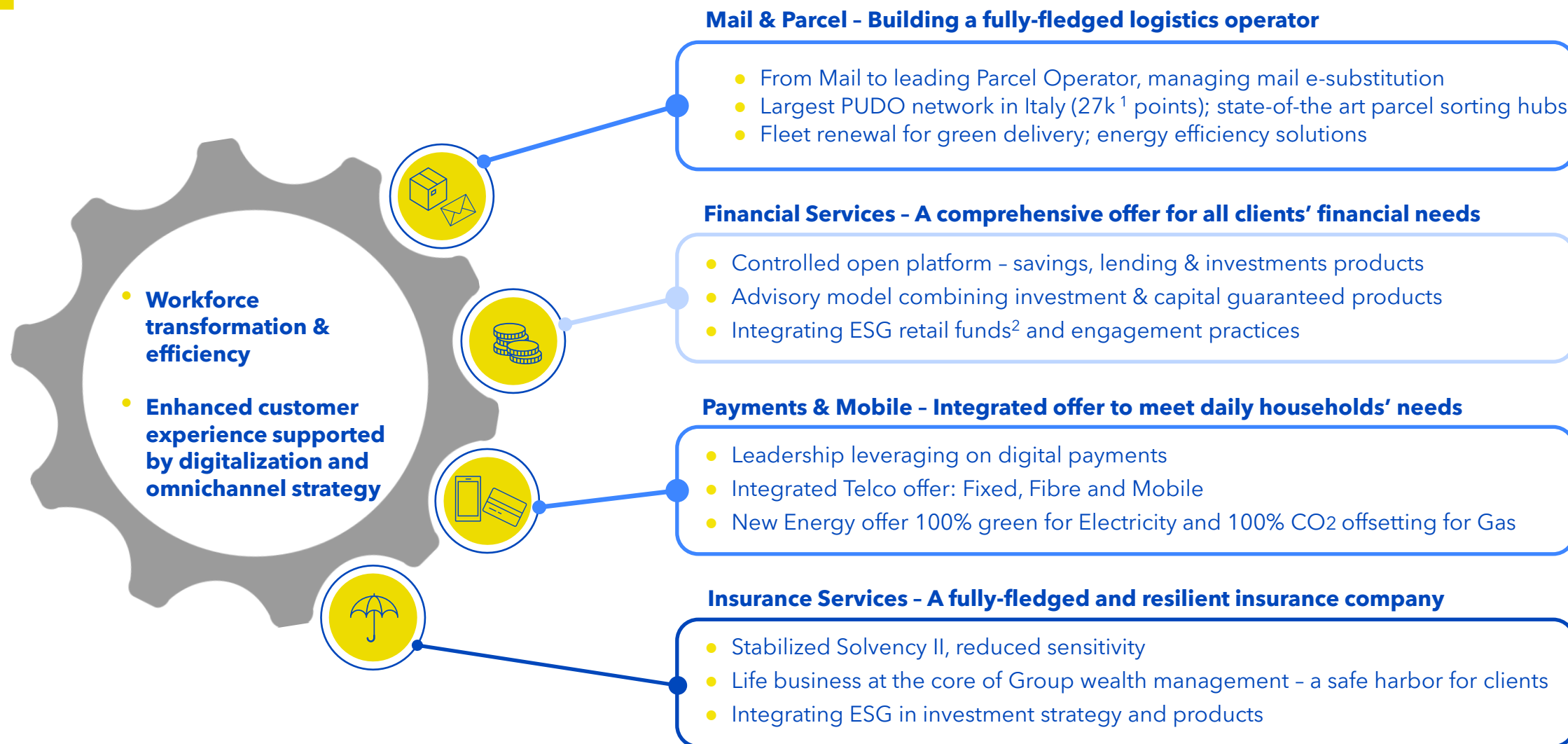


1. Declining markets: mainly mail and payment slips; 2. Stable markets: telco, postal savings and asset management; 3. Growing markets: parcels, life insurance, P&C and payments;

4. Investment products loans & mortgages and P&C; 5. Recurring revenues not directly related to commercial activity

KEY ACHIEVEMENTS SINCE 2017

INTEGRATED DISTRIBUTION PLATFORM MEETING DAILY NEEDS OF ITALIANS



1. Includes Postal Offices, lockers, Punto Poste (LIS) and other Collection Points; 2. Open-ended retail funds

PROVEN TRACK RECORD – A NEW PLATFORM COMPANY IN PLACE

CONSISTENTLY OVERDELIVERING TARGETS WHILE DRIVING SUSTAINABLE RETURNS

€bn unless
otherwise
stated

Impacted by COVID-19

	2017	2018	2019	2020	2021	2022	
REVENUES	10.57	10.82	10.96	10.53	11.22	11.89	
EBIT	1.12	1.50	1.77	1.52	1.85	2.29	
NET PROFIT ¹	0.69	1.40	1.34	1.21	1.58	1.51	
DPS (€)	0.42	0.44	0.46	0.49	0.59	0.65	

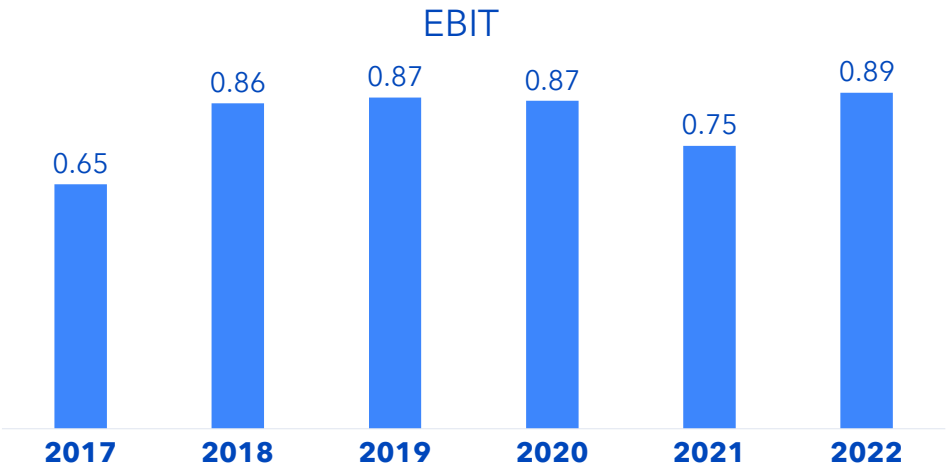
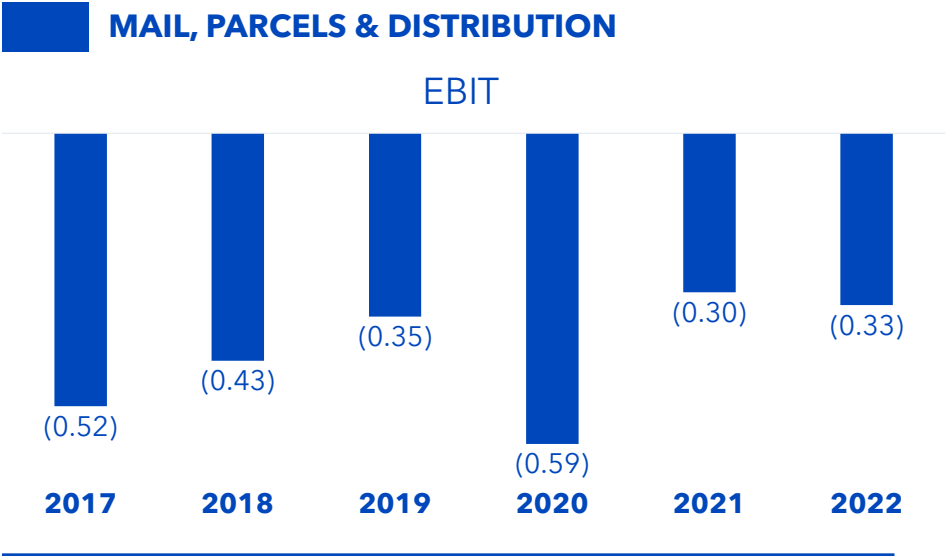
Achieved Overachieved

2017-19 revenues are restated net of interest expenses and capital losses on investment portfolio; **1.** 0.76bn excluding write-off of 0.07bn for 2017; 1.01bn excluding positive tax one-offs of 0.39bn for 2018; 1.23bn excluding SIA stake revaluation and positive tax one-offs of 0.11bn for 2019; 1.11bn excluding positive tax one-offs of 0.1bn for 2020; 1.33bn excluding Nexi stake revaluation and positive tax one-offs of 0.25bn for 2021

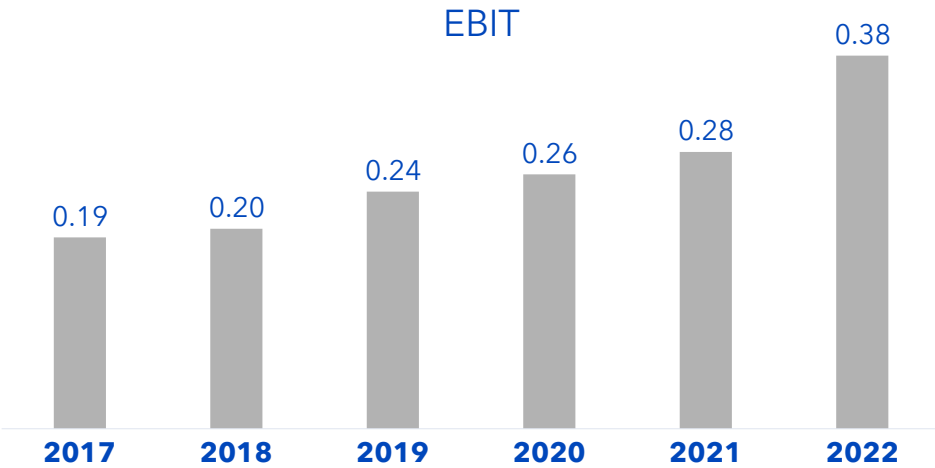
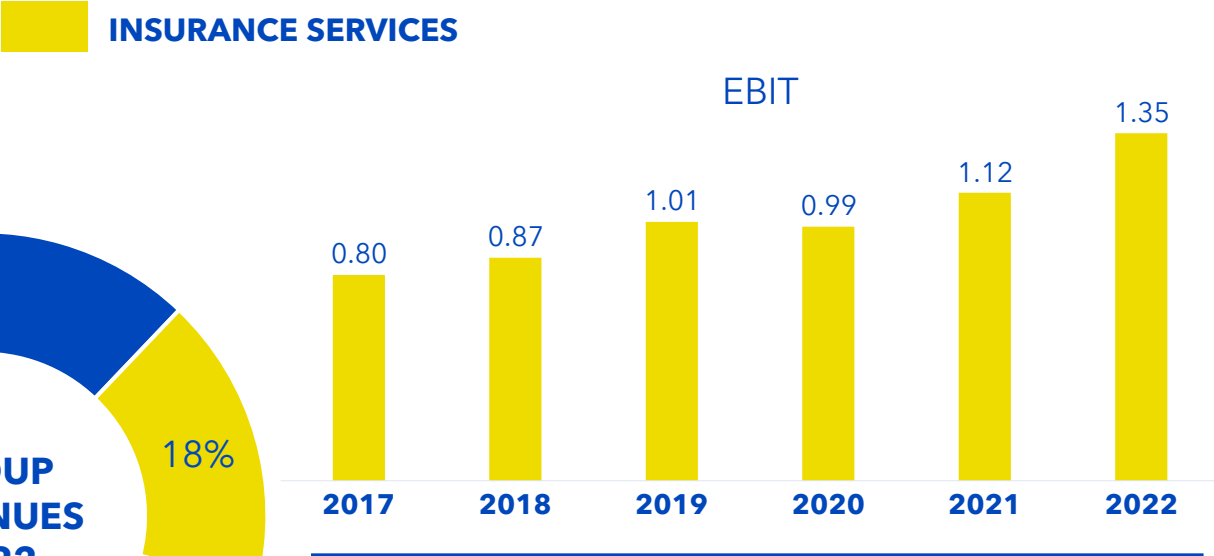
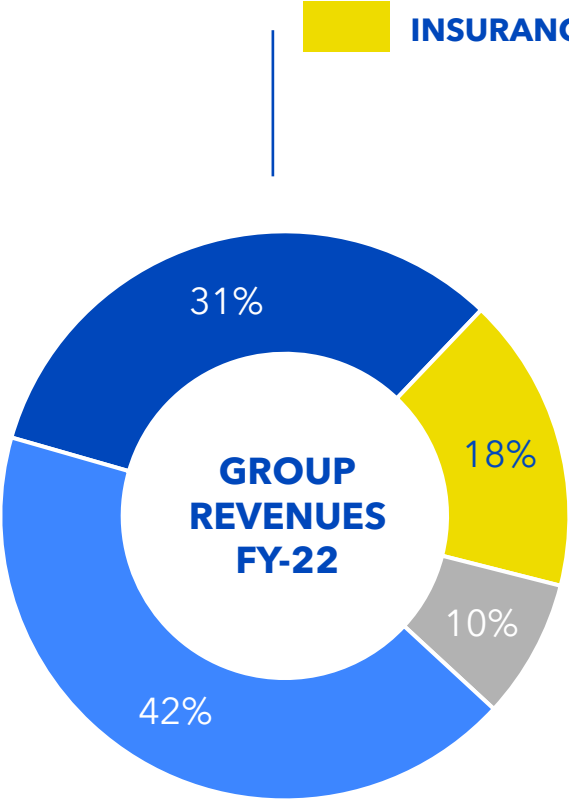
SEGMENT BREAKDOWN

SIGNIFICANT BUSINESS DIVERSIFICATION

€bn unless otherwise stated



FINANCIAL SERVICES



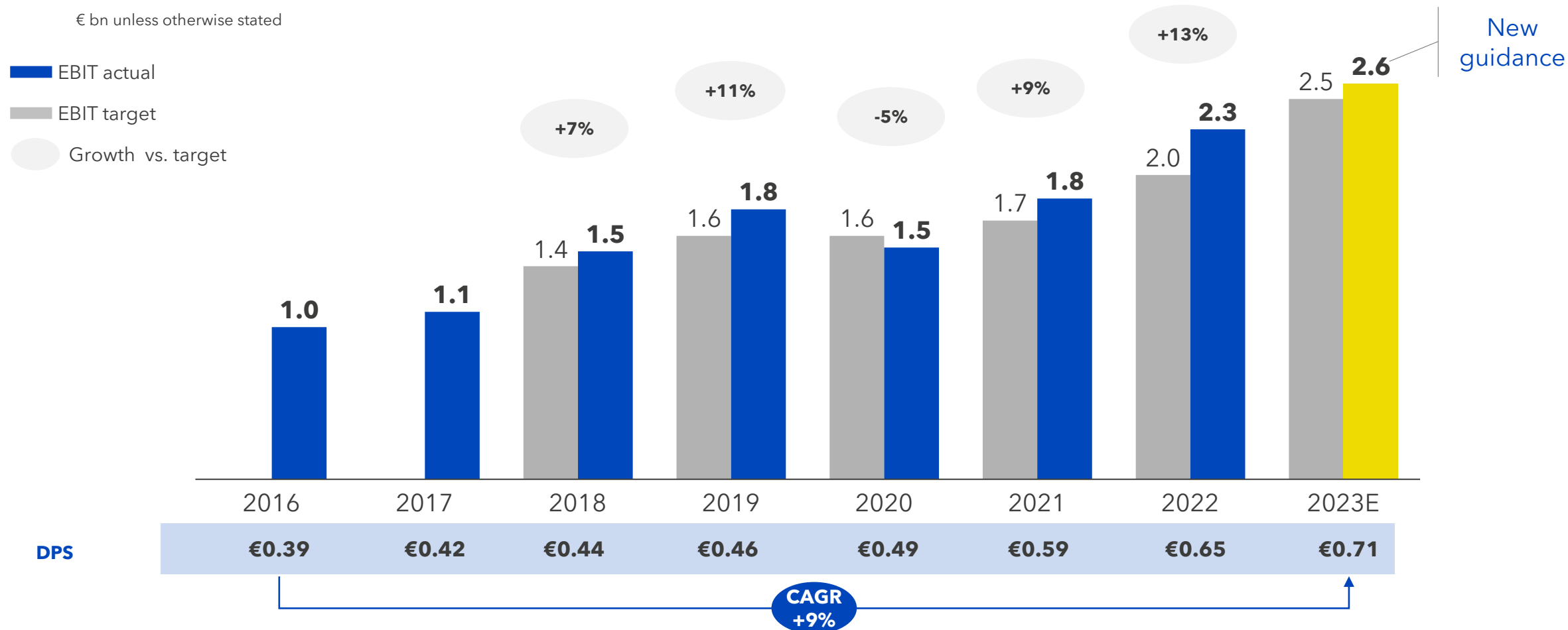
PAYMENTS & MOBILE

2023 EBIT GUIDANCE REVISED UPWARDS

DIVERSIFIED BUSINESS MODEL CONSTANTLY DELIVERING – c.€5BN¹ DIVIDENDS DISTRIBUTED SINCE 2016

STEADY DELIVERY OF A DIVERSIFIED BUSINESS MODEL – EBIT EVOLUTION 2016 – 2023²

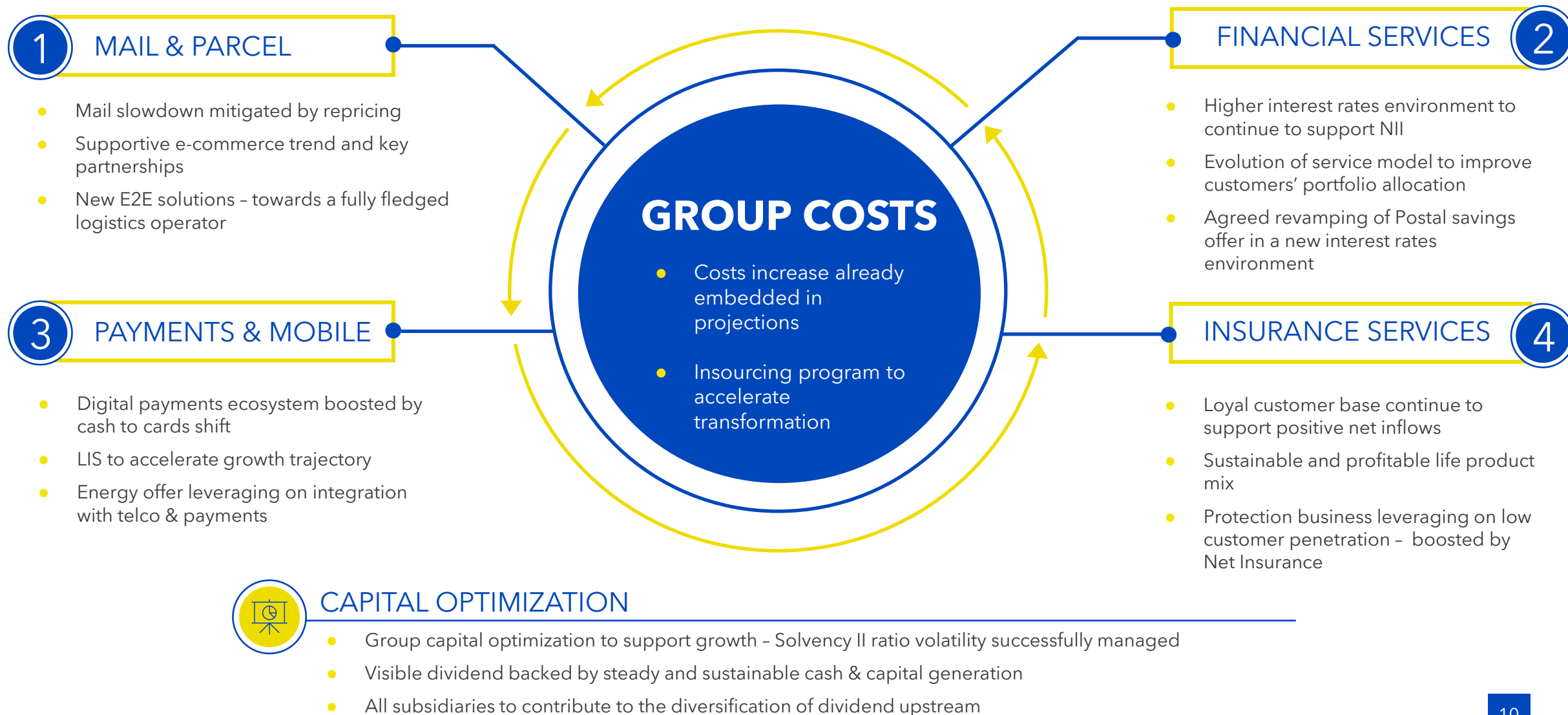
€ bn unless otherwise stated



¹. Includes dividend payment of €307m to be paid in November 2023; ². 2018 and 2020 targets: Deliver 2022 – Feb 2018; 2019 target: 2019 Guidance – Mar 2019; 2021 target: 24 SI – Mar 2021; 2022 target: 24SI Plus – Mar 2022; 2023 target CMD 2023 – Mar 2023

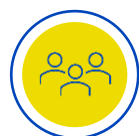
2023 EXPECTED GROWTH DRIVERS

SUPPORTIVE BUSINESS TRENDS AND VISIBILITY ON COST BASE



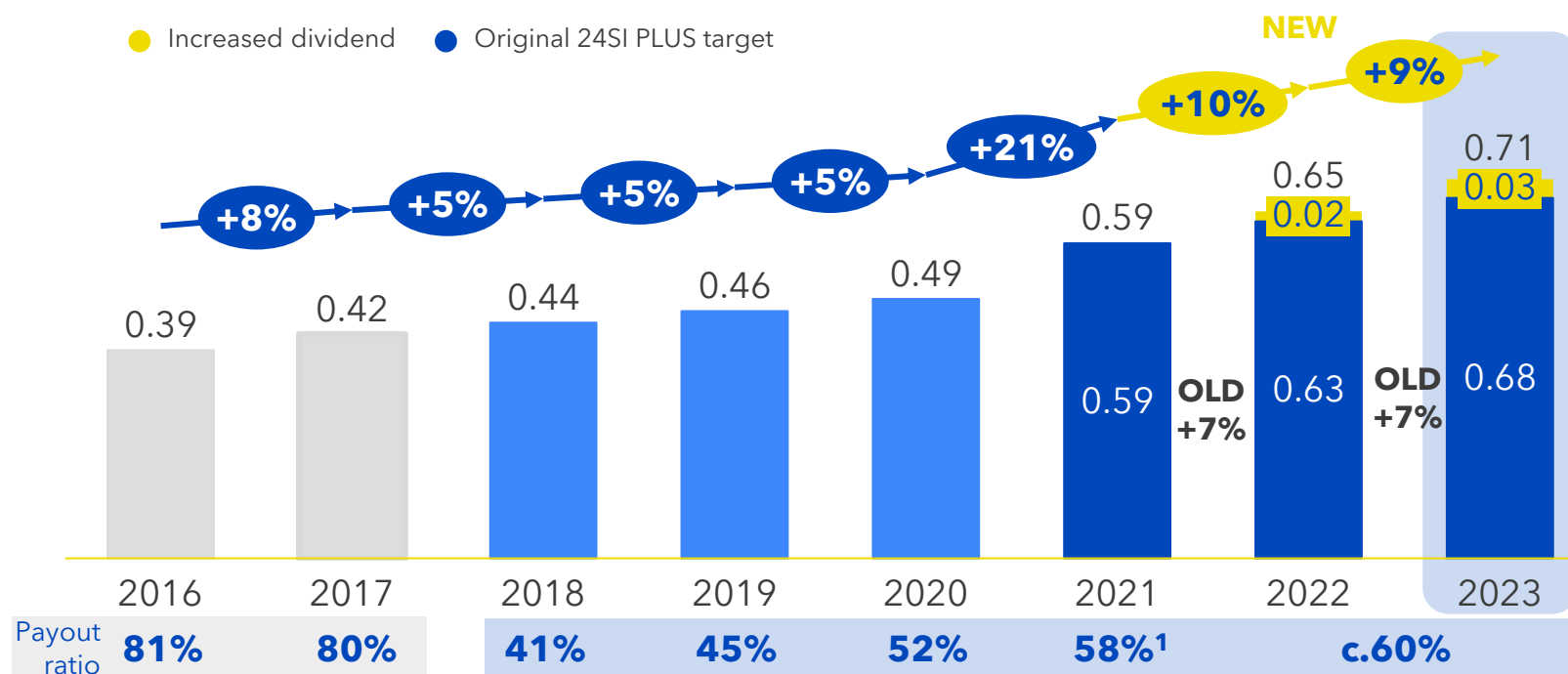
SHAREHOLDERS' REMUNERATION

DIVIDEND INCREASED THANKS TO OUTPERFORMANCE, BOTH IN 2022 AND 2023



Dividend

(€)



Dividend increased vs Plan:

- 2022 DPS up to 0.65 (+10% y/y)
- 2023 DPS up to 0.71 (+9% y/y)

2022 and 2023 upgrade driven by:

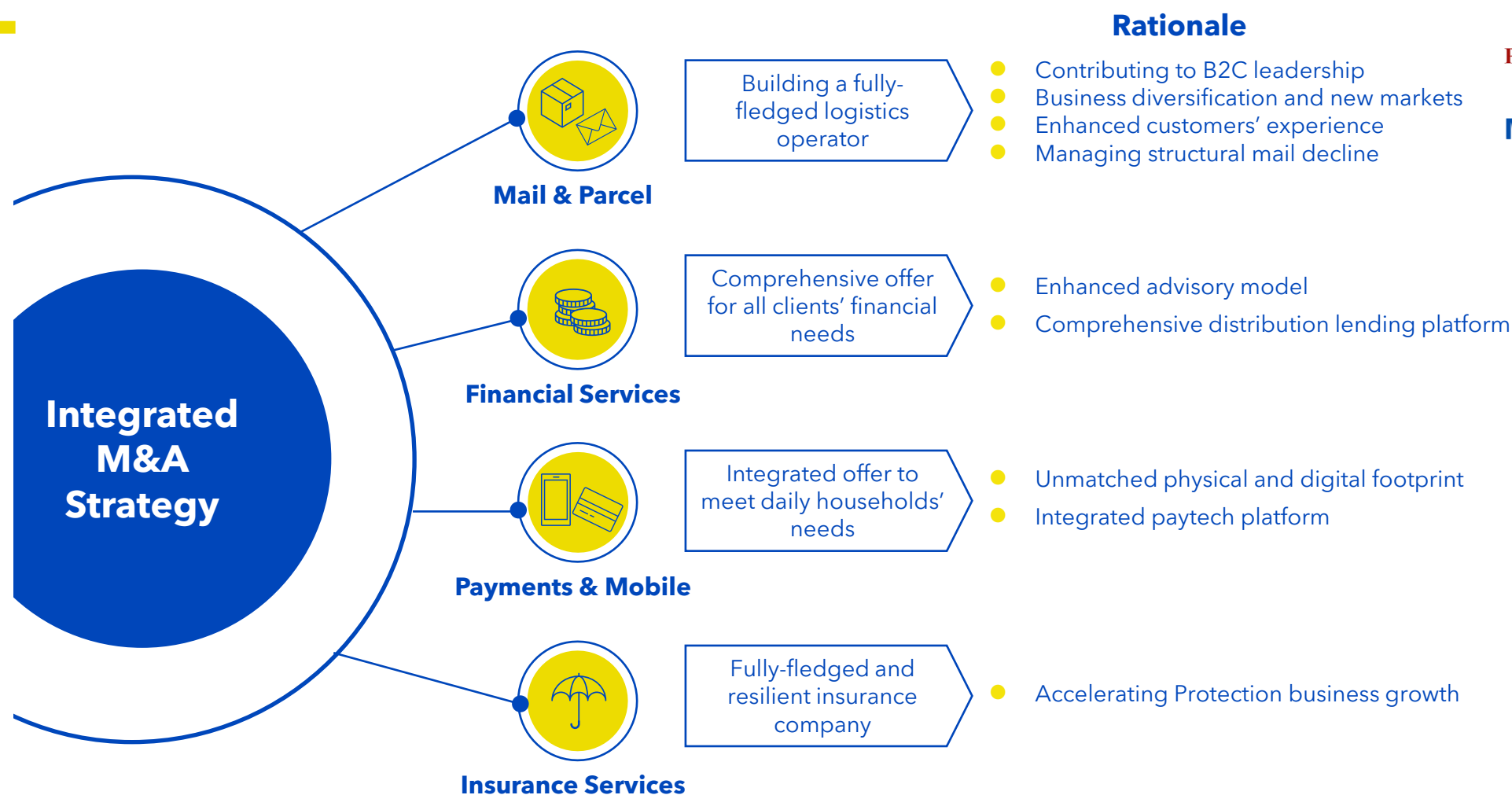
- Strong financial performance - payout at c.60% on average
- Increased visibility and sustainability of cash & capital generation

Commitment to a competitive dividend

1. 2021 payout calculated on underlying net profit of 1.33bn (excluding the revaluation in Nexi's stake of 0.2bn - closing price of €13.99 per share as of 30/12/2021 - and positive tax-offs)

M&A ACTIVITIES

KEY PARTNERS TO ACCELERATE GROUP STRATEGY IMPLEMENTATION



MLKDeliveries sender Italia



FINANCIT
BNL GRUPPO BNP PARIBAS E POSTE ITALIANE



POSTE ITALIANE'S SUSTAINABILITY PATH

SUCCESSFULLY PROGRESSING ON OUR INTEGRATED STRATEGY

SINCE 2017 INCLUDED IN 16 ESG INDICES, 19 AWARDS RECEIVED, >2X BRAND VALUE

POLIS PROJECT CONTRIBUTING TO SOCIAL COHESION

16

Indices & Ratings

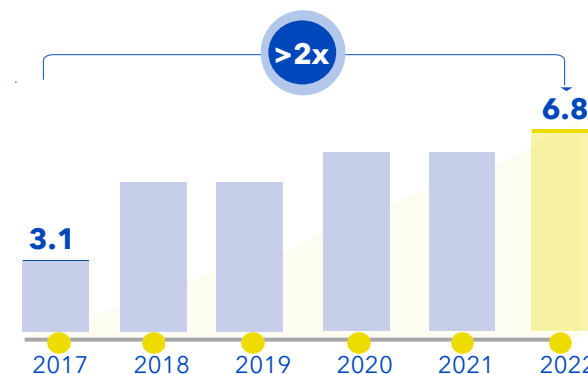


Posteitaliane



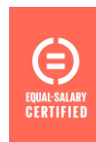
Brand Value¹ (€bn)

6.8



19

Awards



Polis project investment (€bn)

>1.1²

>1.1

0.8

Financing
granted

Selected indices, ratings and awards; ¹. Source: Brand Finance Italy 100 2022;

². Polis project was approved by Decree Law 59/2021 and funded with €0.8bn from the Complementary Fund of the National Recovery and Resilience Plan

GOVERNANCE - THE VALUE OF TRANSPARENCY

ENSURING INDEPENDENT DECISION MAKING

Silvia Maria ROVERE¹
Chairwoman

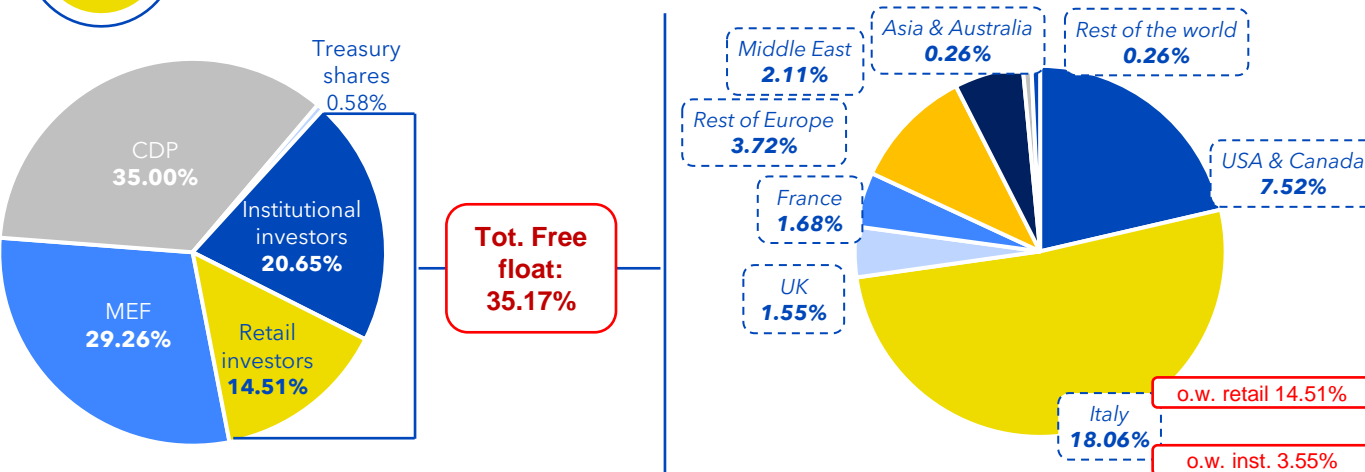


Matteo DEL FANTE
Chief Executive Officer



- Government and CDP² controlling entities with 64.29% of social capital - dividends reinvested to support country's development and infrastructure
- Slate system adopted to ensure institutional investors are strongly represented (Independent Directors)
- Management incentives fully aligned to shareholders' interests:
 - Self-financing mechanisms of all plans
 - LTI horizon up to 9 years with no pay-for-failure
 - ESG priorities key to short and long-term Plans
 - Strong commitment to promote gender diversity, starting with succession plans³
- Sustainability Committee set up in May 2020 to support the Board of Directors on ESG strategy

Shareholding composition⁴



¹. The qualification of independent director is in line with the definition in the Corporate Governance Code; ². Cassa Depositi e Prestiti SpA (CDP) is the major Italian promotional institution for economic development through long-term investments at local, regional and national level; ³. Included for the first time in 2022-2024 Long Term Incentives Plan (LTIP); ⁴. Data as of January 2023

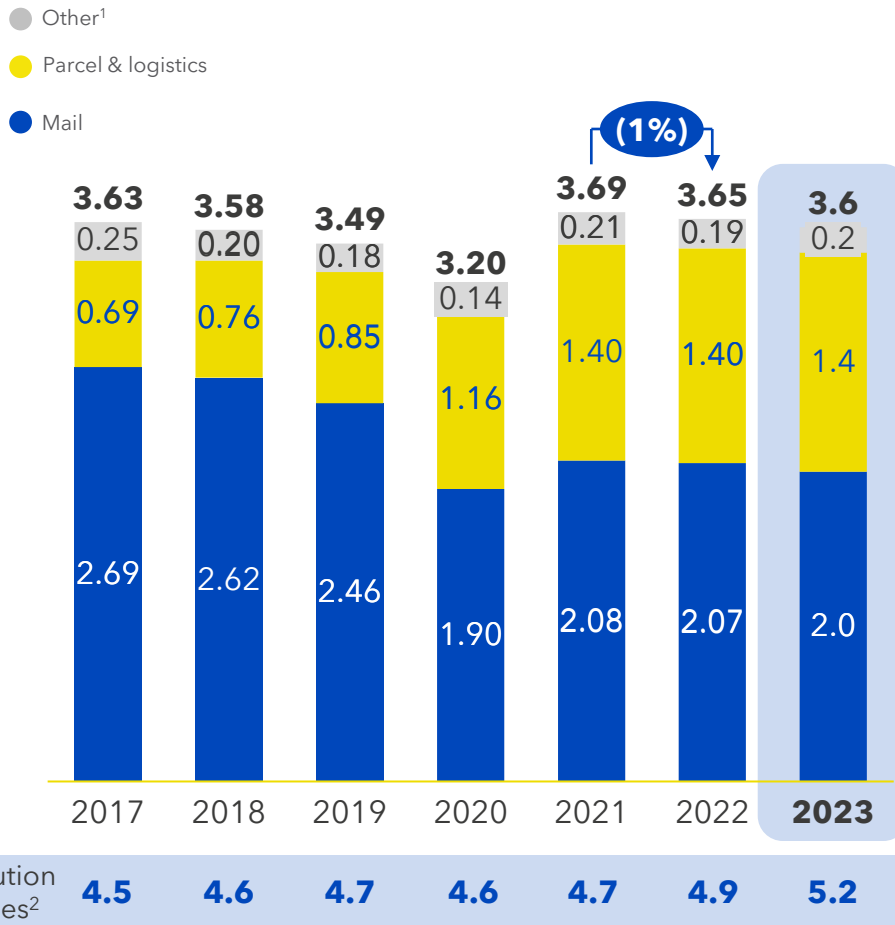
Appendix

MAIL, PARCEL & DISTRIBUTION

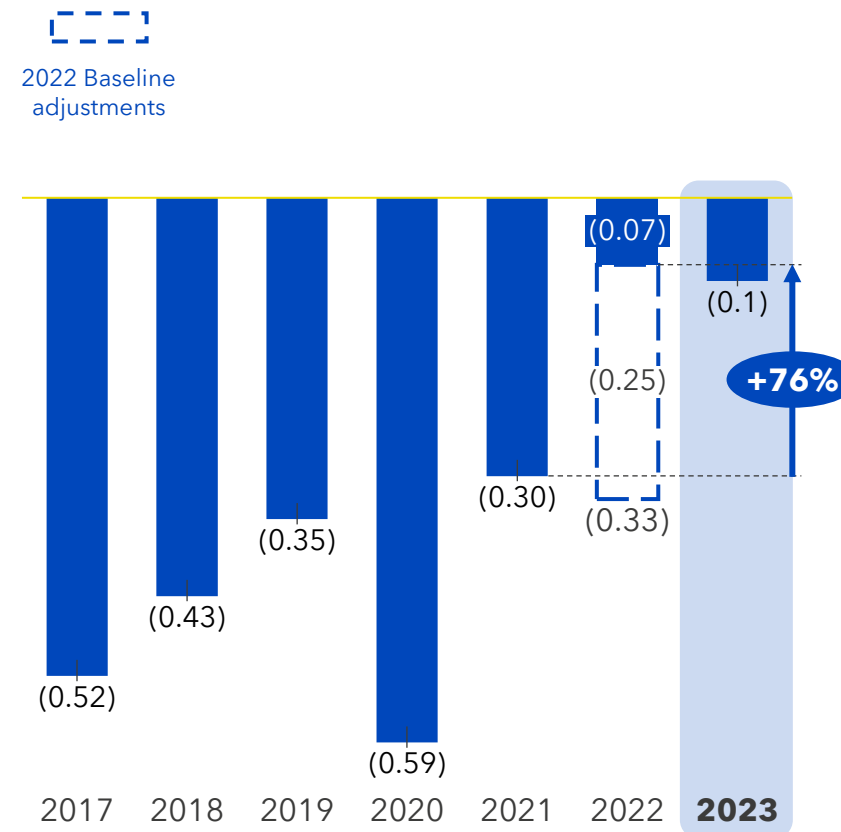
STABLE REVENUES – PARCELS BACK TO GROWTH AND MAIL DECLINE MITIGATED BY REPRICING ACTIONS

€bn unless
otherwise
stated

SEGMENT REVENUES



EBIT



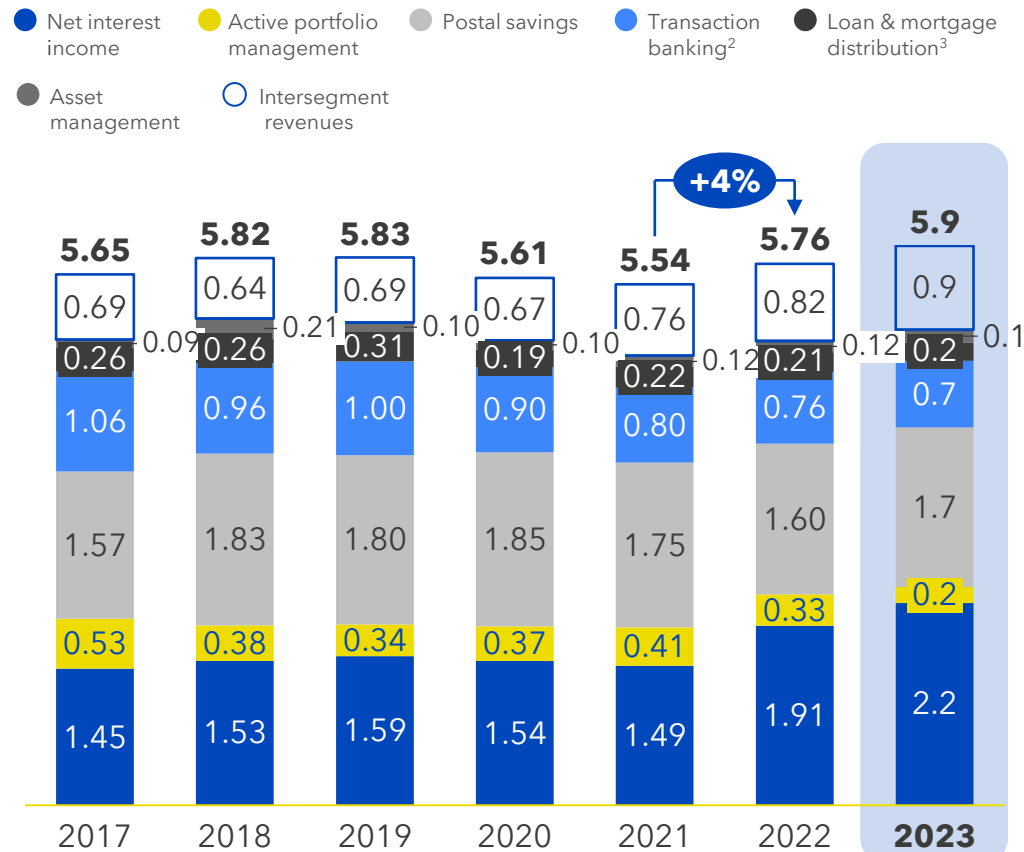
2023 HIGHLIGHTS

- Mail volumes decline partially mitigated by repricing actions
- Underlying Parcel business back to growth
- Distribution revenues supported by rebates to enhanced distribution network
- Industrial transformation and cost discipline to mitigate headwinds

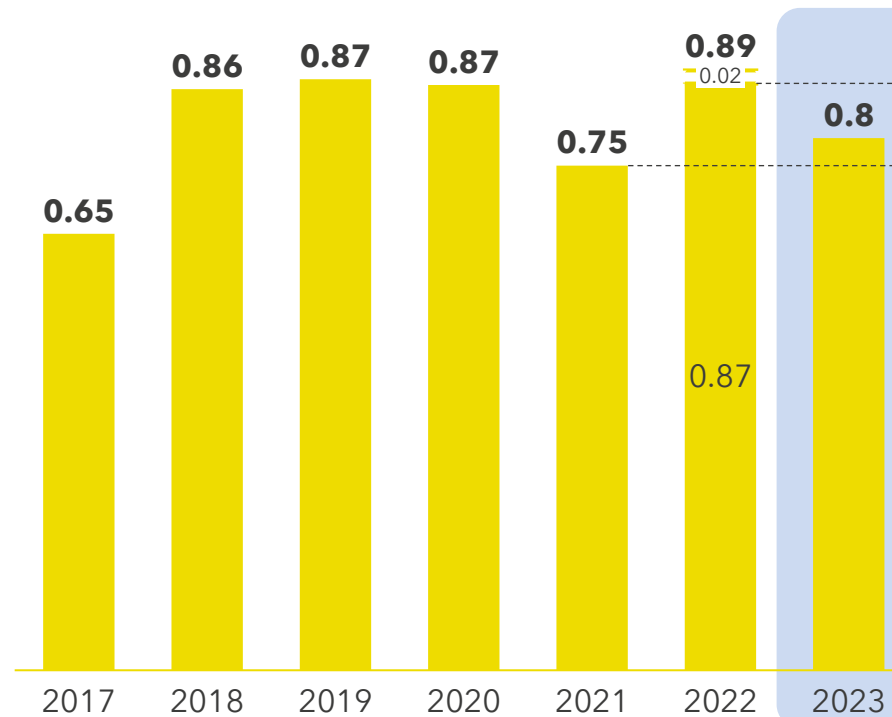
1. Includes Philately, Patenti Via Poste, Poste Motori, Poste Air Cargo, Poste Welfare Service, Agile, Sourcesense, tax credit contribution and national vaccination plan related expense recovery; 2. Includes income received by Other Segments in return for use of the distribution network and Corporate Services

FINANCIAL SERVICES

HIGHER RATES TO DELIVER RECURRING CONTRIBUTION FROM INVESTMENT PORTFOLIO

€bn unless
otherwise
statedGROSS REVENUES¹

EBIT

 2022 Baseline
adjustments


2023 HIGHLIGHTS

- NII up in new interest rate environment, embedding higher cost of funding
- Active portfolio management of 0.2bn already secured
- Postal savings back at the core of the commercial offer
- Transaction banking fees decline mitigated by repricing actions
- 2023 EBIT reflecting higher rebates to the network

Net Profit	0.50	0.62	0.64	0.65	0.56	0.62	0.6
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1. Including intersegment distribution revenues 2. Including revenues from payment slips (*bollettino*), banking accounts related revenues, fees from INPS and money transfers, Postamat (until oct 2021); 3. Including revenues from custody accounts, credit cards, other revenues from third party products distribution.

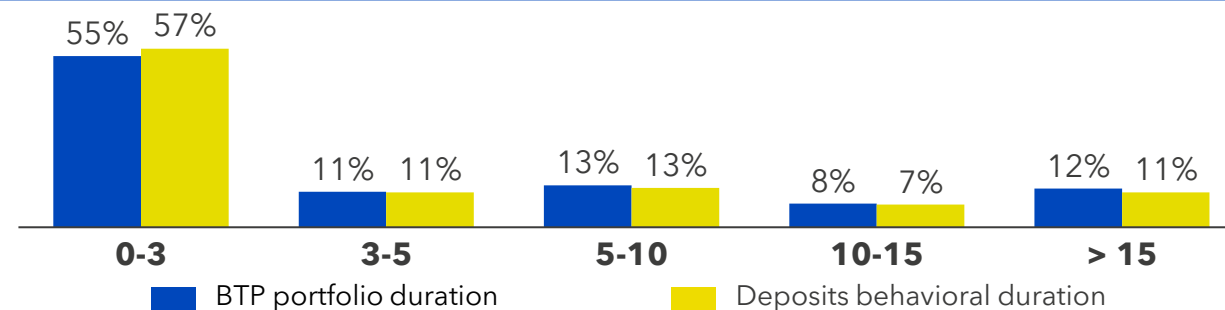
FINANCIAL SERVICES – ASSETS LIABILITIES STRUCTURE

STICKY AND WELL DIVERSIFIED DEPOSITS BASE

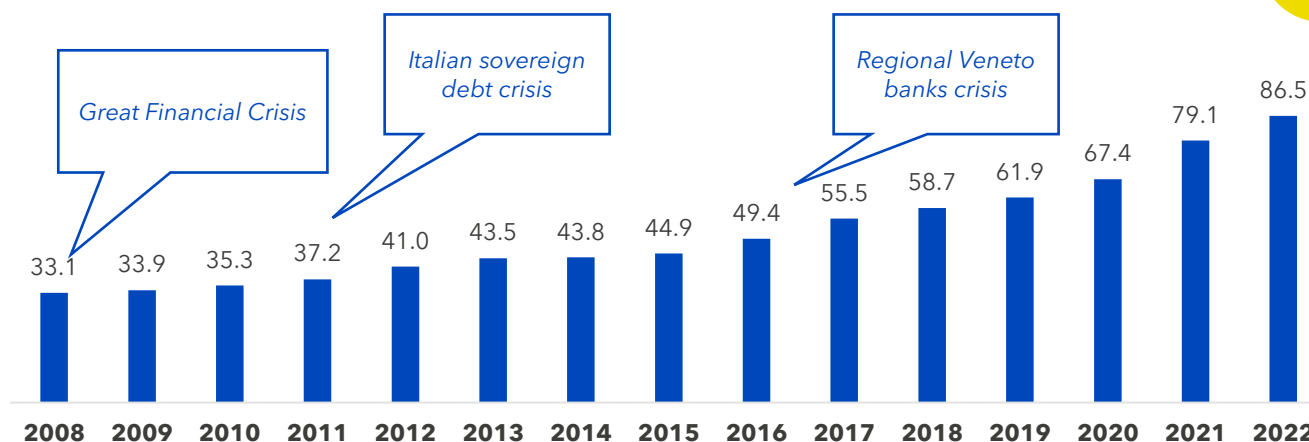
HIGHLIGHTS

- Persistent deposits thanks to sticky and well diversified customer base (68% retail with average balance of c.€6k per account) across savings and investment products
- BTP portfolio duration closely replicates the behavioural profile of deposits
- Customers acknowledge Poste Italiane's solidity with increasing inflows in times of financial turbulence

ASSETS LIABILITIES STRUCTURE



AVERAGE CURRENT ACCOUNTS TREND¹ (€bn)



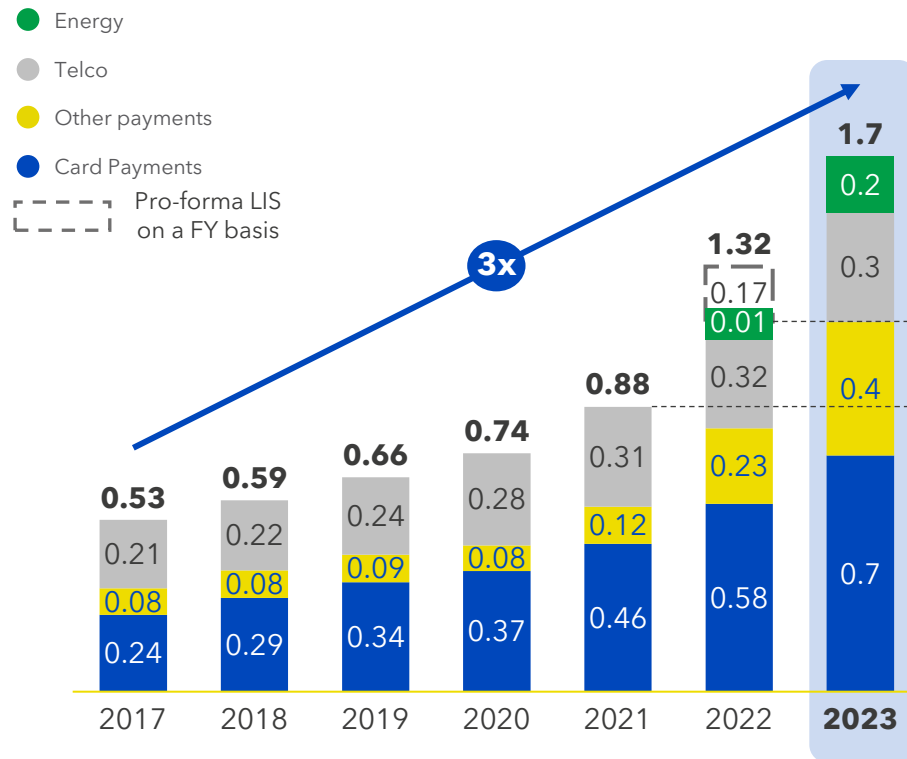
1. Excluding Treasury and Poste Italiane liquidity

PAYMENTS & MOBILE

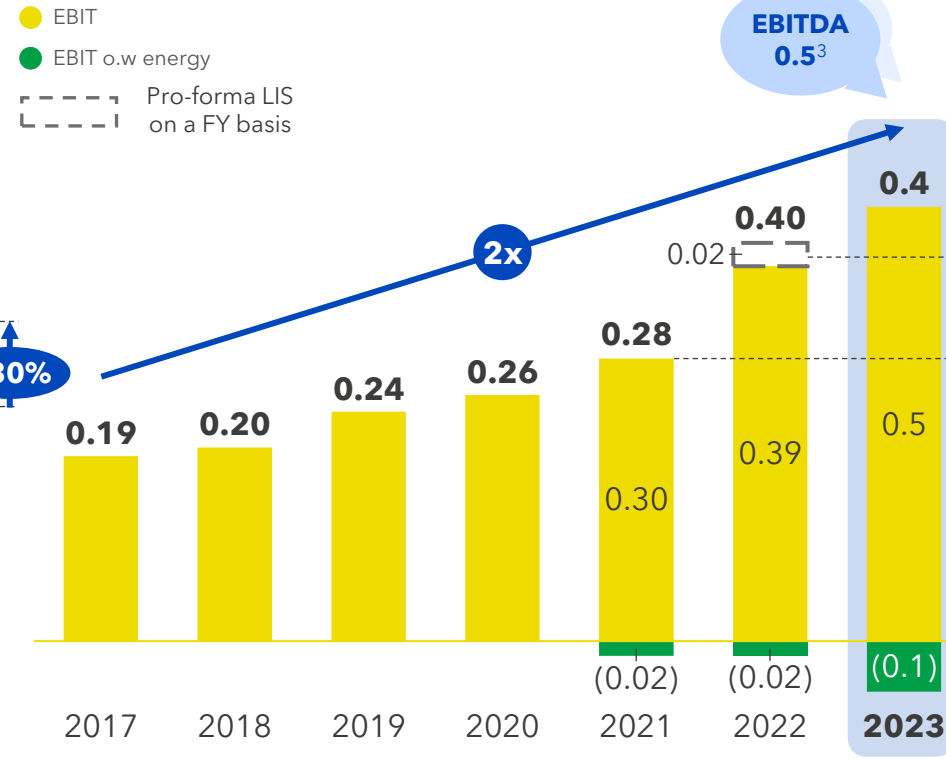
REVENUES AND OPERATING PROFIT DOUBLING SINCE 2017

€bn unless
otherwise
stated

SEGMENT REVENUES²



EBIT²



2023 HIGHLIGHTS

- Leadership in payments expected to further support growth - LIS growth in line with the rest of the business
- Telco loyal customer base to continue to drive revenues resilience
- Energy business visible contribution to P&L
- EBIT further up, more than offsetting traditional payments decline and energy business start-up costs

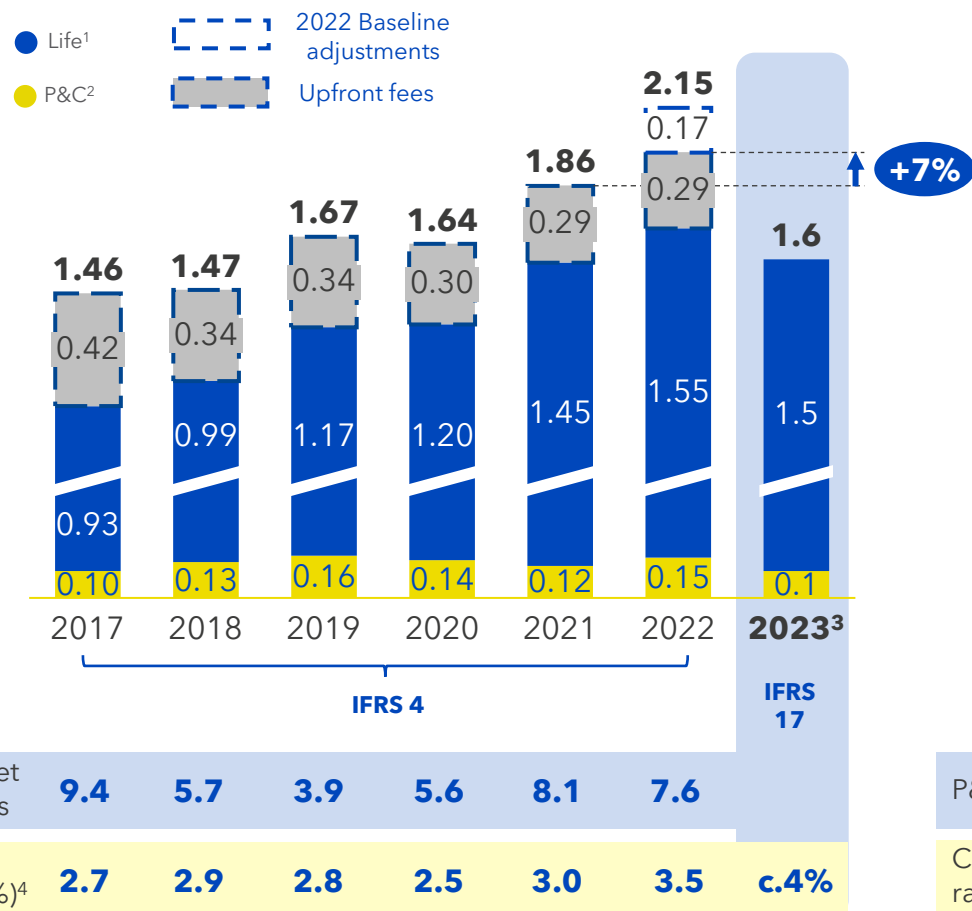
Intersegment Revenues	0.36	0.36	0.38	0.34	0.32	0.26	0.3
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Net Profit	0.15	0.15	0.27	0.19	0.21 ¹	0.27	0.3
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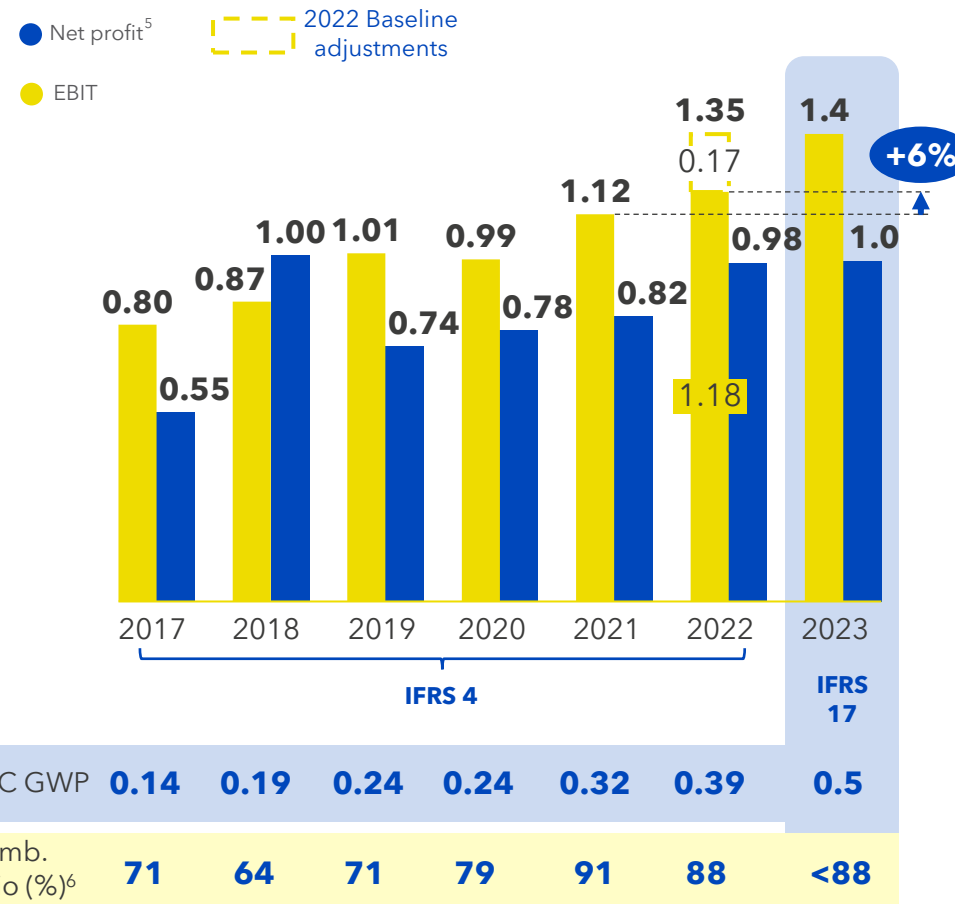
1. Excludes 219m from Nexi revaluation. Nexi closing price of €13.99 per share as of 30/12/2021; 2. 2022 includes 93m incremental revenues and 13m EBIT from LIS (o.w. +17m EBIT and -3m PPA amortization); 3. Pro-forma EBITDA including intercompany D&A expenses

INSURANCE SERVICES

FULLY FLEDGED PRODUCT OFFERING CONFIRMING AMBITIOUS TOP LINE GROWTH

€bn unless
otherwise
statedSEGMENT REVENUES^{1,2}

EBIT & NET PROFIT



2023 HIGHLIGHTS

- IFRS17 transition impact on P&L expected neutral / slightly positive
- Under IFRS17 upfront fees will not be booked as Insurance Services revenues with no impact on EBIT and net income
- Higher volumes and margins to drive 2023 underlying profitability
- Continued profitable growth of P&C business
- Proposed Net Insurance acquisition to further boost Protection business

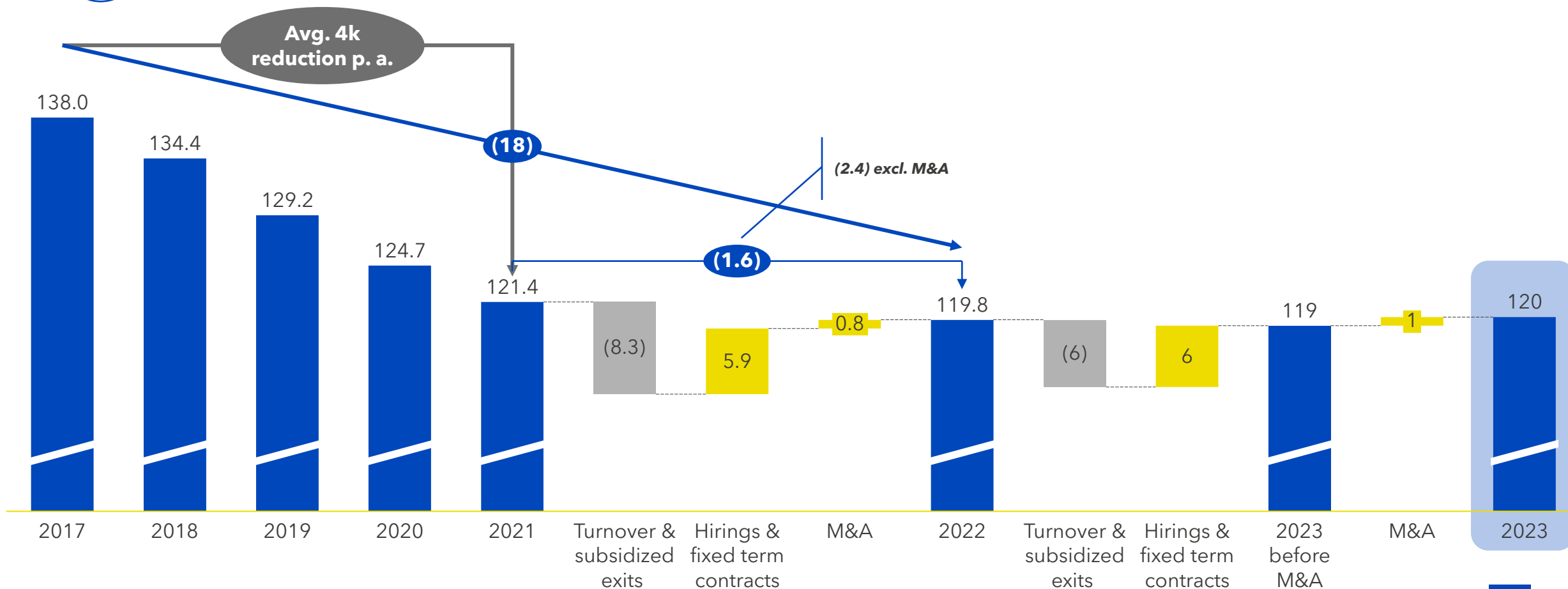
1. Includes Private Pension Plan (PPP); 2. Includes Poste Insurance Broker (PIB) net of claims, Poste Welfare Servizi (PWS) restated since 2021; 3. Net revenues defined as CSM release, Time Value of Minimum Guarantees (TVOG) and risk adjustment, net of release of expected expenses and claims; 4. Since 2022 lapse rate is calculated as surrenders divided by average reserves. 2017-2021 data have been restated accordingly in line with market practice; 5. Net Profit 2018 includes 385m DTAs; 6. Net of reinsurance. 2023 COR defined as insurance expenses, net reinsurance expenses, other technical income and expenses, not directly attributable expenses divided by gross insurance revenues.

HUMAN CAPITAL – VIRTUOUS PROGRESSION

ASSESSMENT OF FURTHER EFFICIENCIES TO COME WITH THE NEW STRATEGIC PLAN



AVERAGE WORKFORCE EVOLUTION (#, k)



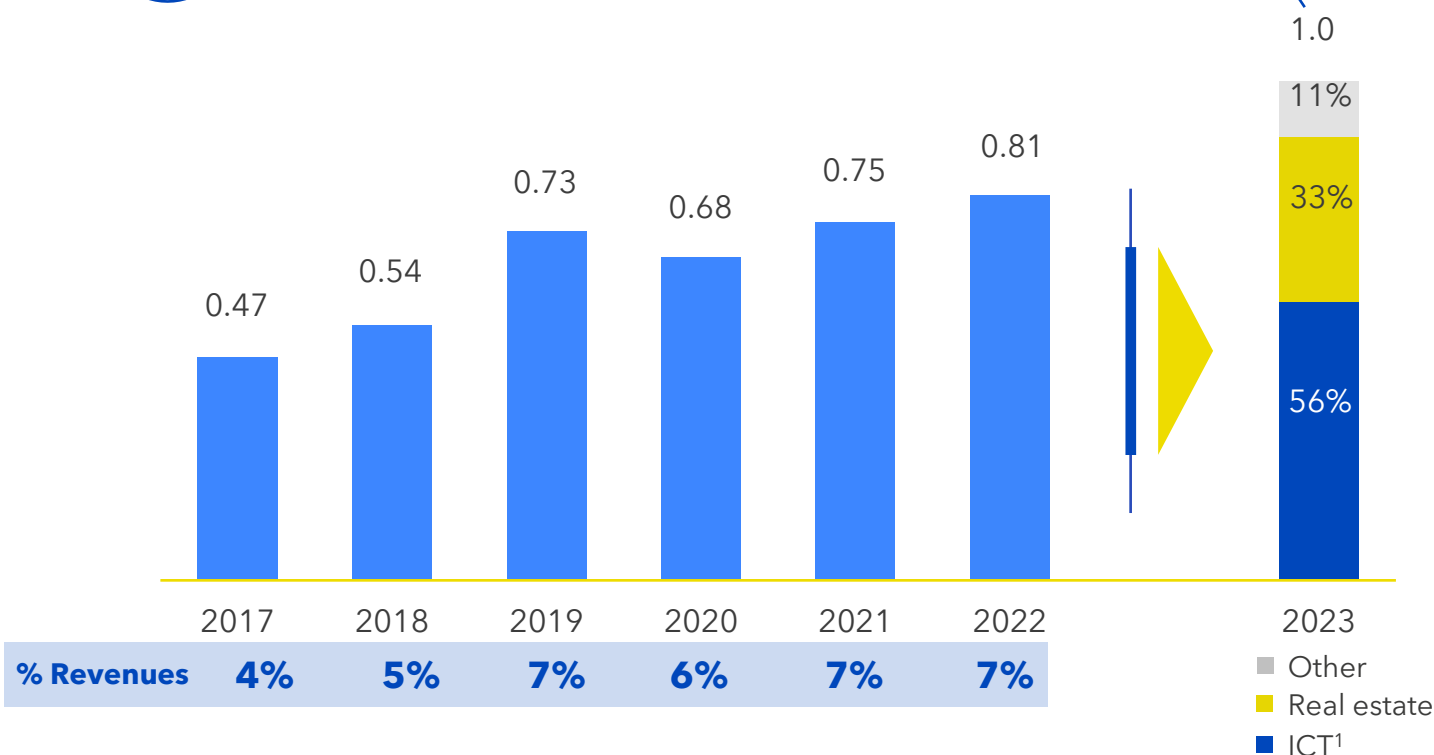
RECORD HIGH CAPEX IN 2023

CONTINUED TRANSFORMATION SUPPORTED



Capex evolution

(€bn)



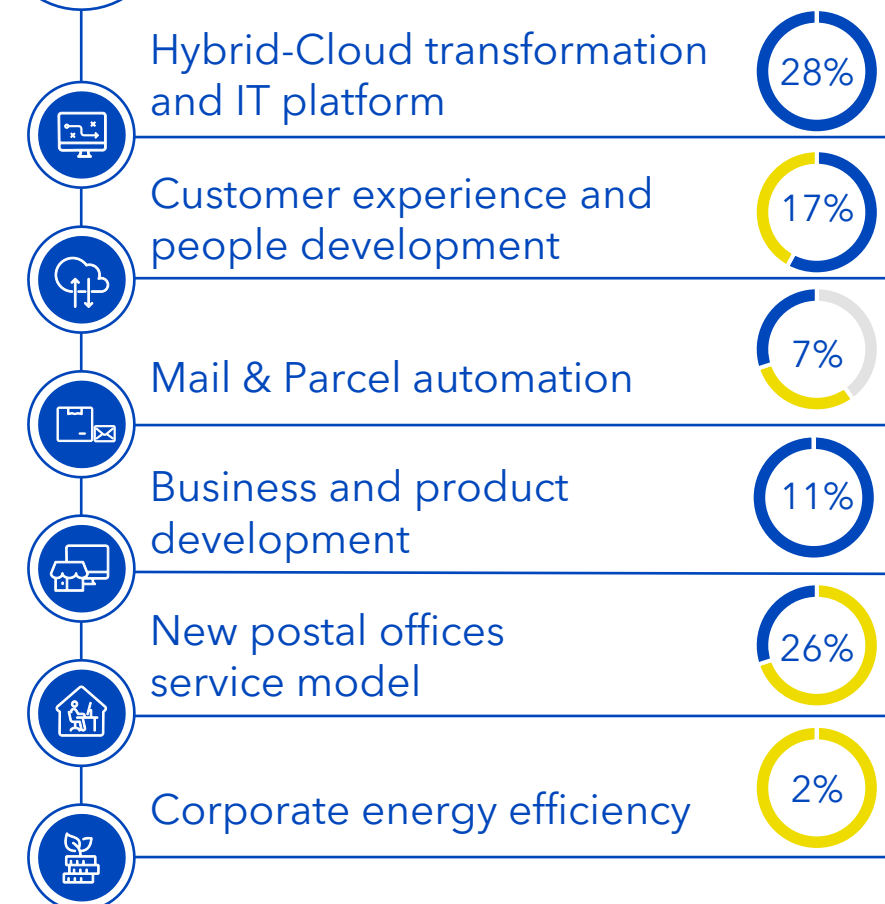
1. Information & Communication Technology related projects



Key initiatives 2023

(c. 90% of total capex)

c.70%
ESG



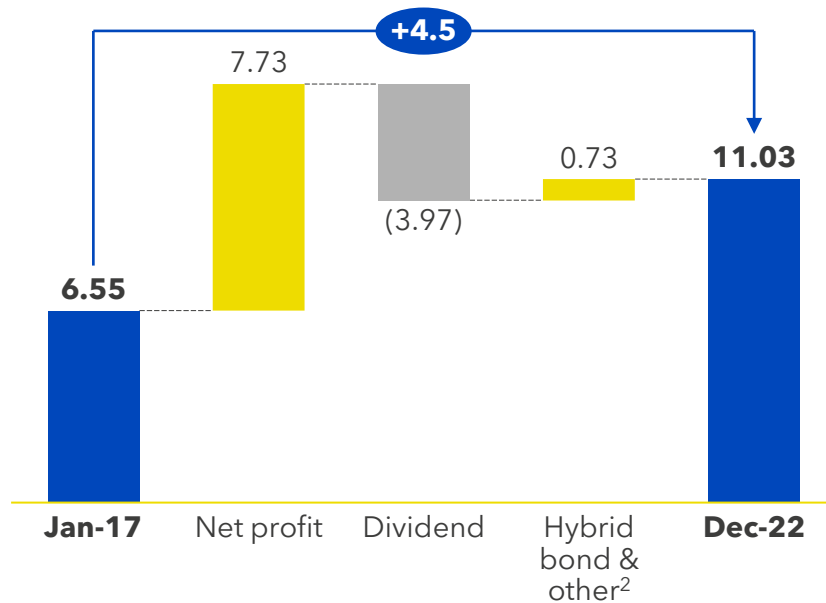
GROUP SHAREHOLDERS' EQUITY EVOLUTION

POSITIVE AND SUSTAINABLE CAPITAL GENERATION TO SUPPORT GROWTH AND DIVIDEND DISTRIBUTION

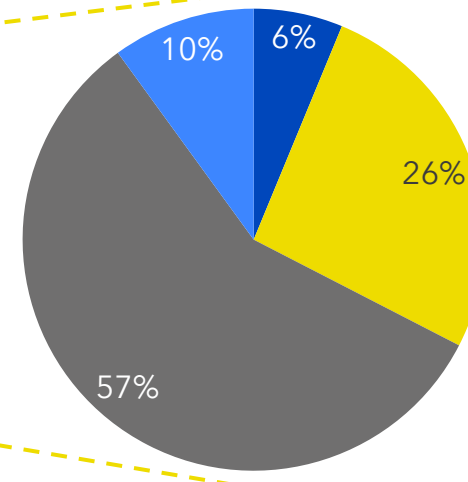
€bn unless
otherwise
stated



GROUP SHAREHOLDERS' EQUITY¹



CAPITAL ALLOCATION



HIGHLIGHTS

- Capital generation between Jan-17 and Dec-22 of 4.5 (incl. 0.8bn hybrid bond) in addition to c.4bn dividends distributed
- Throughout the period the group financed:
- Capex plan: c.4bn
- M&A³: c.1.1bn
- Group shareholders' equity above 11bn as of Dec-22 - ready to support growth opportunities across Business Units

¹. Shareholders equity net of revaluation reserves and taking into consideration the dividend proposed for 2022; ². Other includes the coupon on the hybrid bond, the purchase of options for minority acquisitions, gains/losses on TFR, reserve variation related to incentive schemes and buyback; ³. Net of capital gains, excluding Net Insurance

MANAGEMENT TEAM WITH PROVEN TRACK RECORD IN EXECUTION

OUR MANAGERS



Matteo DEL FANTE

CEO & General Manager

CEO of Poste Italiane since 2017
Previously CEO of Terna, General
Manager of CDP and Head of EMEA
Public Sector at JPMorgan



Giuseppe LASCO

Co-General manager

Co-General Manager of Poste
Italiane and Head of Corporate
Affairs
Previously Head of Corporate Affairs
at Terna and CEO of Tamini



Camillo GRECO

CFO

Previously Poste Italiane
Group Deputy CFO, Global
Head Consumer Investment
Banking, Head of
Consumer & Retail
Investment Banking EMEA
and co-Senior Country
Officer at JPMorgan Italy



Guido Maria NOLA

Financial Services

Previously Poste Italiane
Group CFO, Senior Country
Officer and Head of
Investment Banking at
JPMorgan Italy



Andrea NOVELLI

Insurance Services

CEO of Poste Vita (May
2020), Previously Head of
Retail Network, Head of
BancoPosta,, CEO at
SIMEST, General Manager
at Cassa Depositi e Prestiti
and Director at SNAM



Marco SIRACUSANO

Payments & Mobile

CEO of PostePay
Previously Head of
BancoPosta, Country
Manager Italy at UniCredit
Consumer Financing Bank
and Chairman of Fineco
Prestiti



Massimo ROSINI

Mail & Parcel

Head of Mail & Parcel,
Chairman of SDA Board of
Directors
Previously Chief Technical
Officer at Indesit and CEO
of Ilva Group

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