

POSTE ITALIANE COMPANY PROFILE

A PLATFORM COMPANY AT WORK

April 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



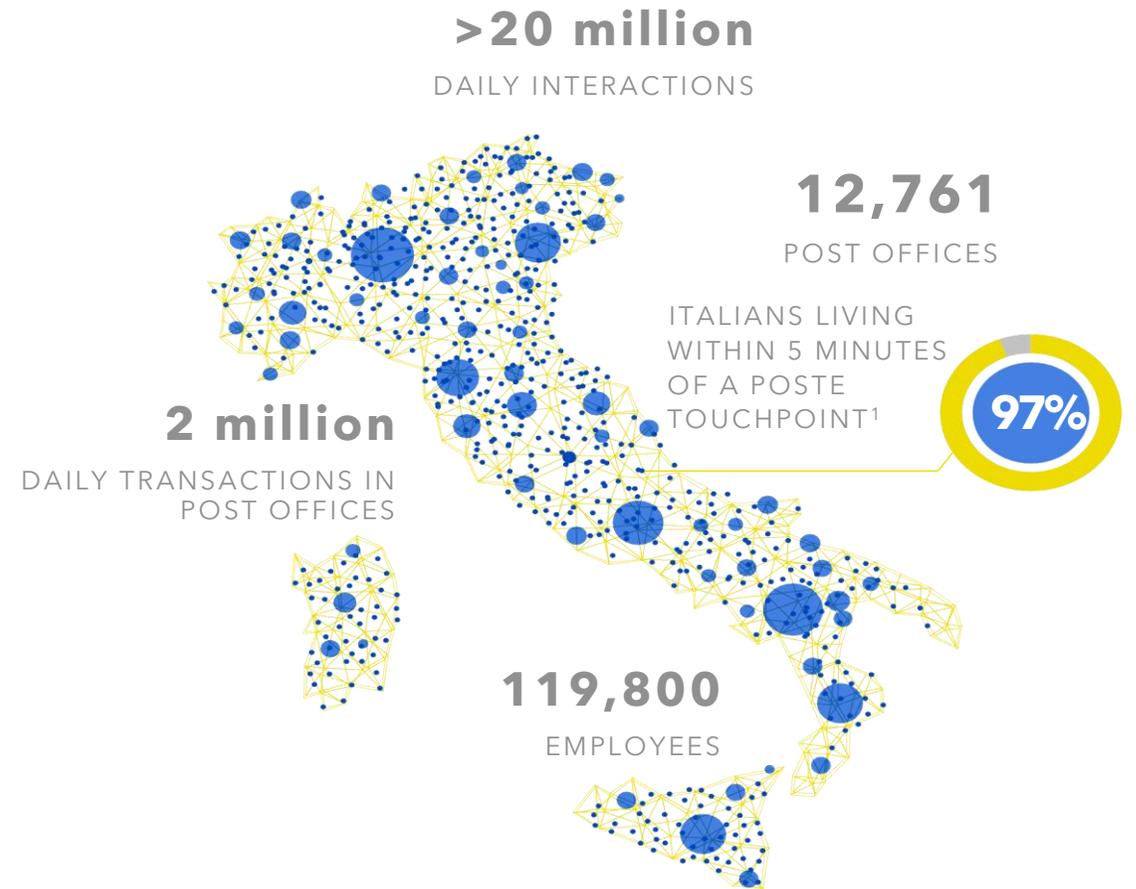
An **integrated omnichannel platform**, actively contributing to Italy's socio-economic development, innovation and modernization with over 20 million daily interactions



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

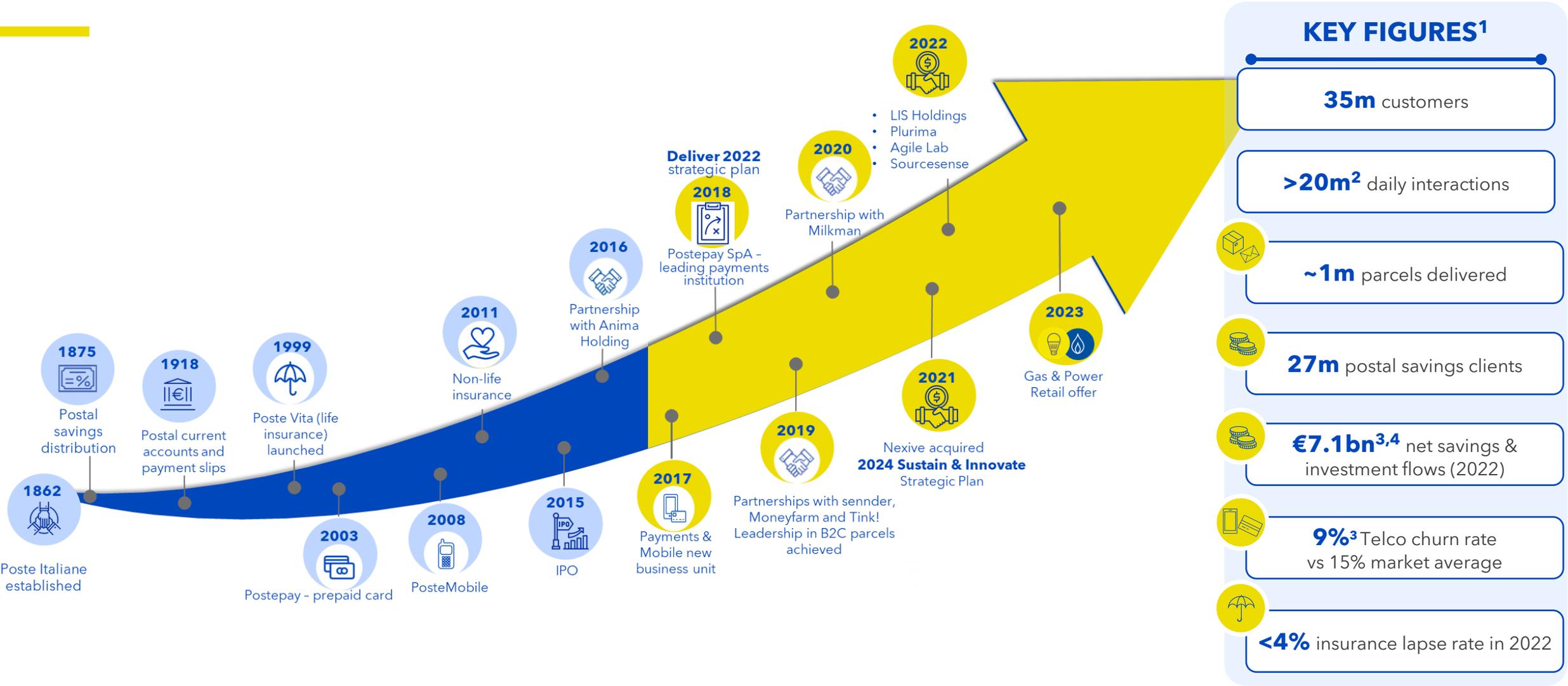


Purpose: "Grow responsibly thanks to the decisive contribution of our people to the sustainable success, innovation, digitisation and social cohesion of the country."



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



KEY FIGURES¹

- 35m** customers
- >20m²** daily interactions
- ~1m** parcels delivered
- 27m** postal savings clients
- €7.1bn^{3,4}** net savings & investment flows (2022)
- 9%³** Telco churn rate vs 15% market average
- <4%** insurance lapse rate in 2022

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

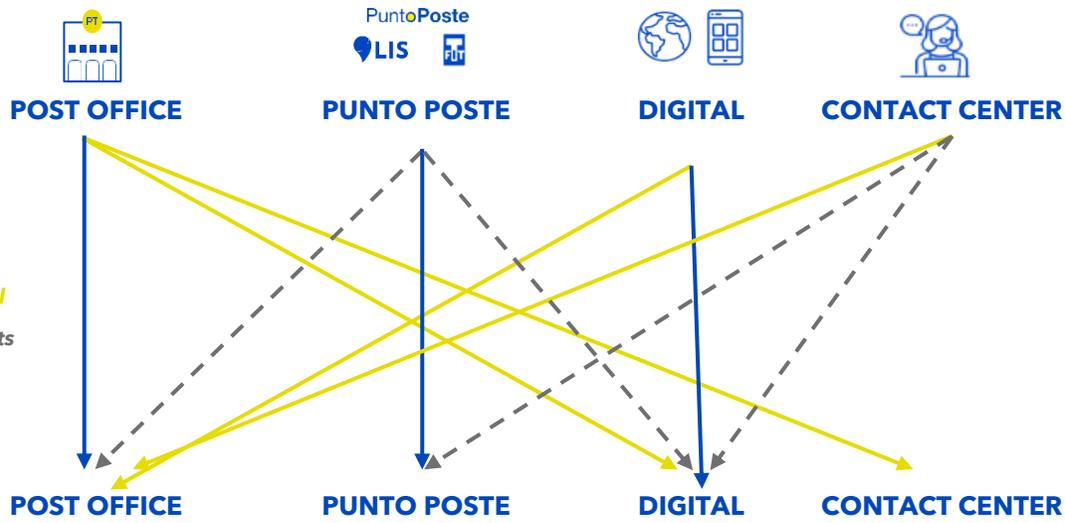
Interactions¹ with Poste Italiane in 2022

2.3x
vs 2017

ENGAGEMENT



- Legacy model
- Omnichannel model
- - - Future developments



TRANSACTIONS & SALES

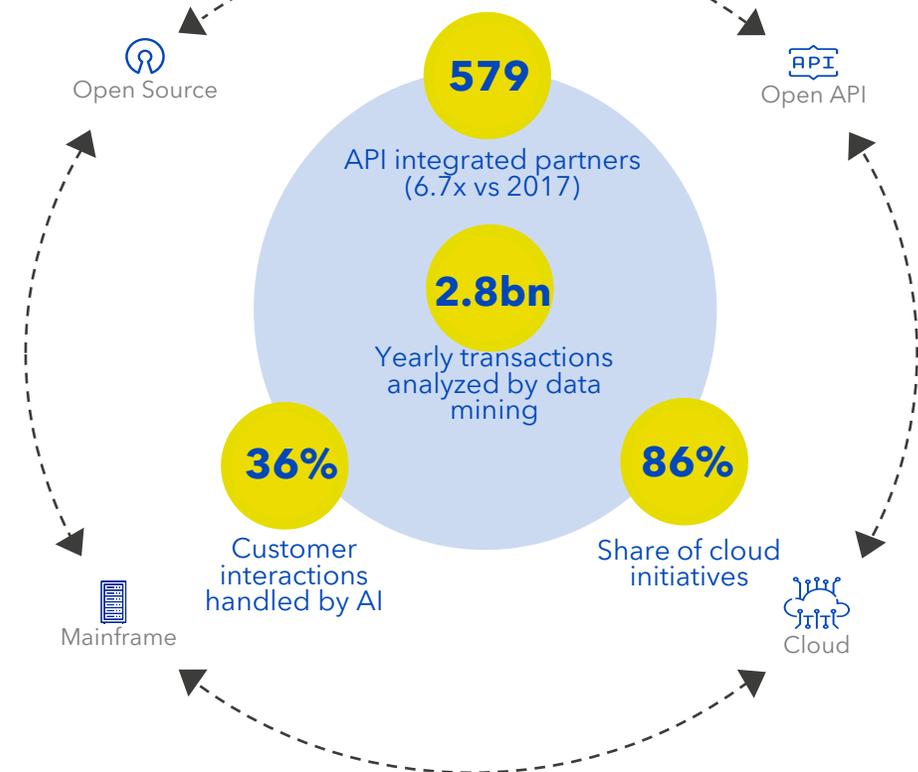
13k
Unchanged vs 2017

58k
2.2x vs 2017²

84.5
m
5.6x vs 2017

1.75
k
Unchanged vs 2020

TECH OPS LIQUID ENGINE ENABLER



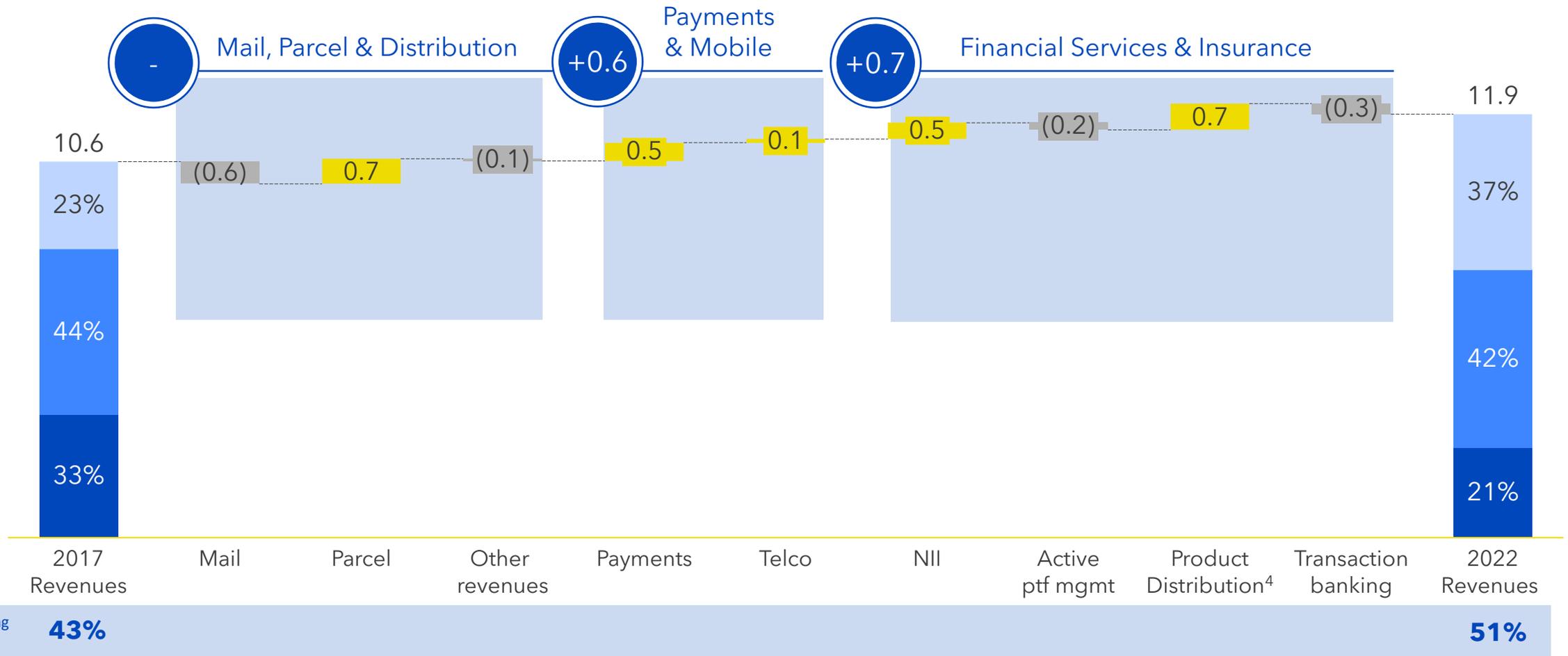
1. Interactions defined as any contact the customer has with Poste Italiane (e.g., entry into Post Office, ATM transactions, entry into a physical third-party network point, APP login, access to website etc.);
 2. Excludes expired agreements

2017-2022 REVENUES *R*EVOLUTION

BUSINESS SUCCESSFULLY REPOSITIONED TOWARDS GROWING MARKETS AND RECURRING REVENUES

€bn unless otherwise stated

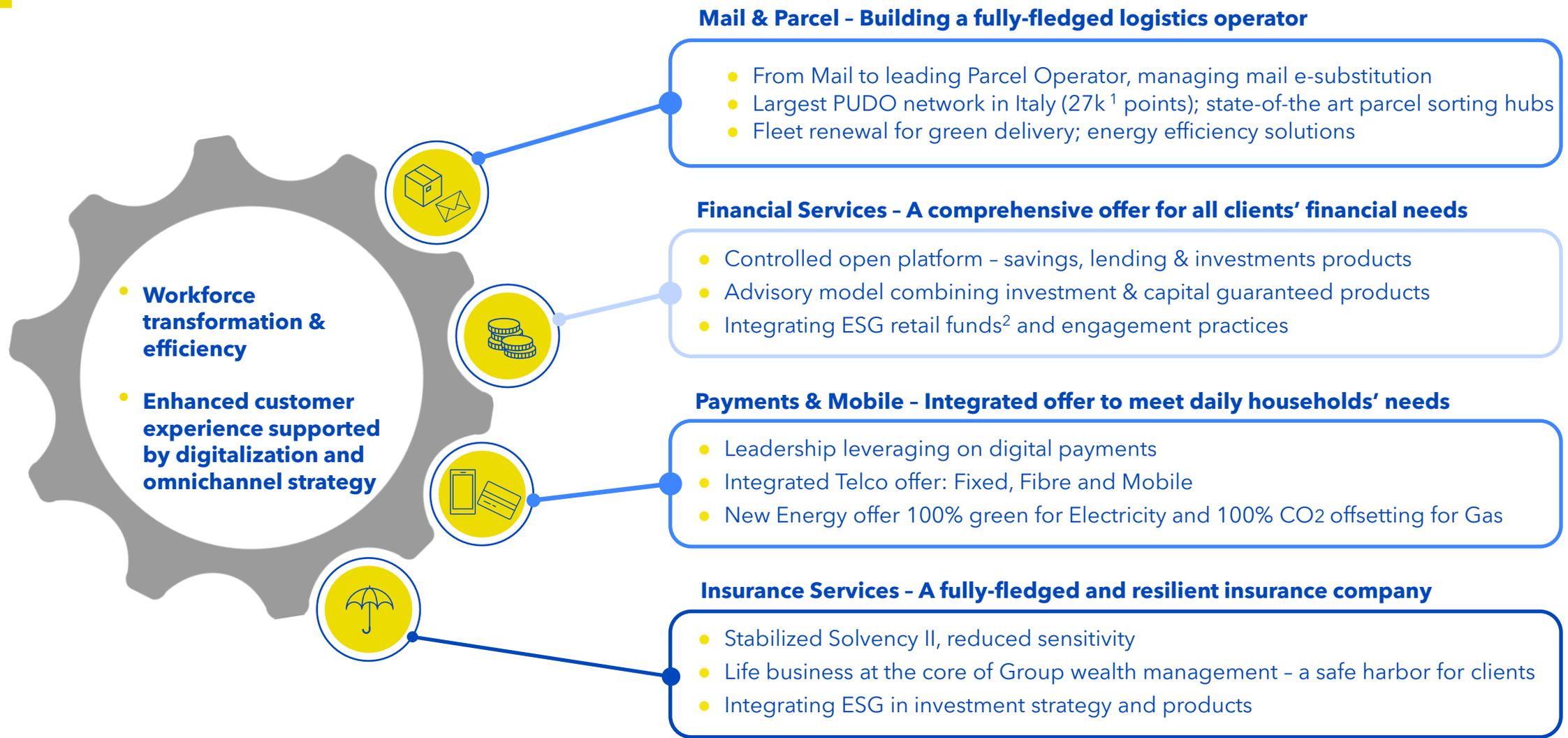
● Revenues related to declining markets¹ ● Revenues related to stable markets² ● Revenues related to growing markets³



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

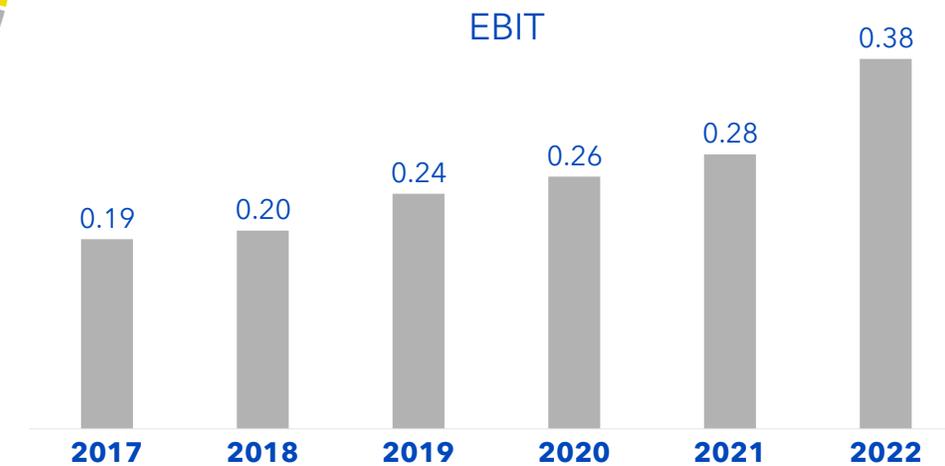
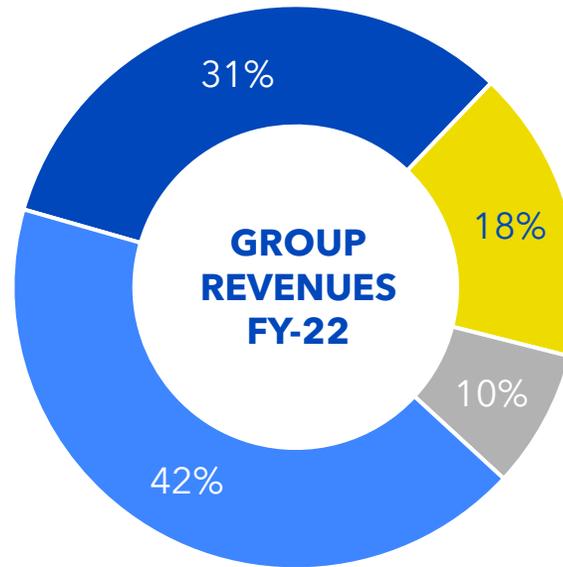
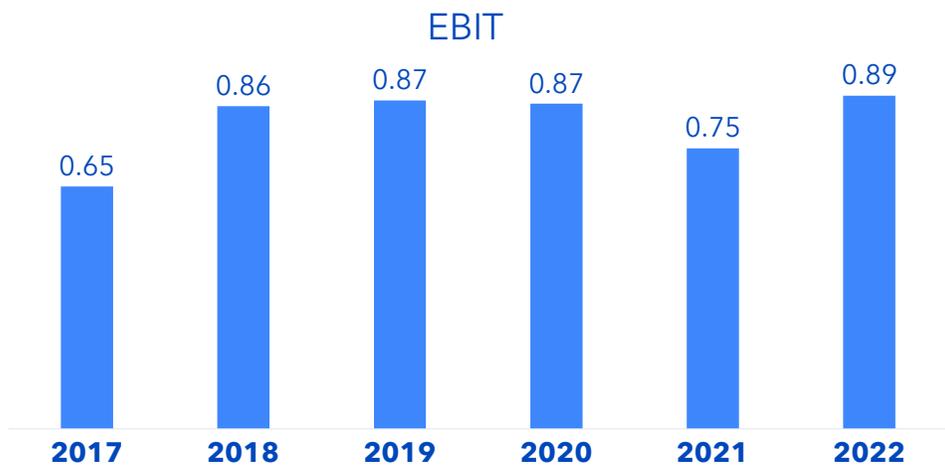
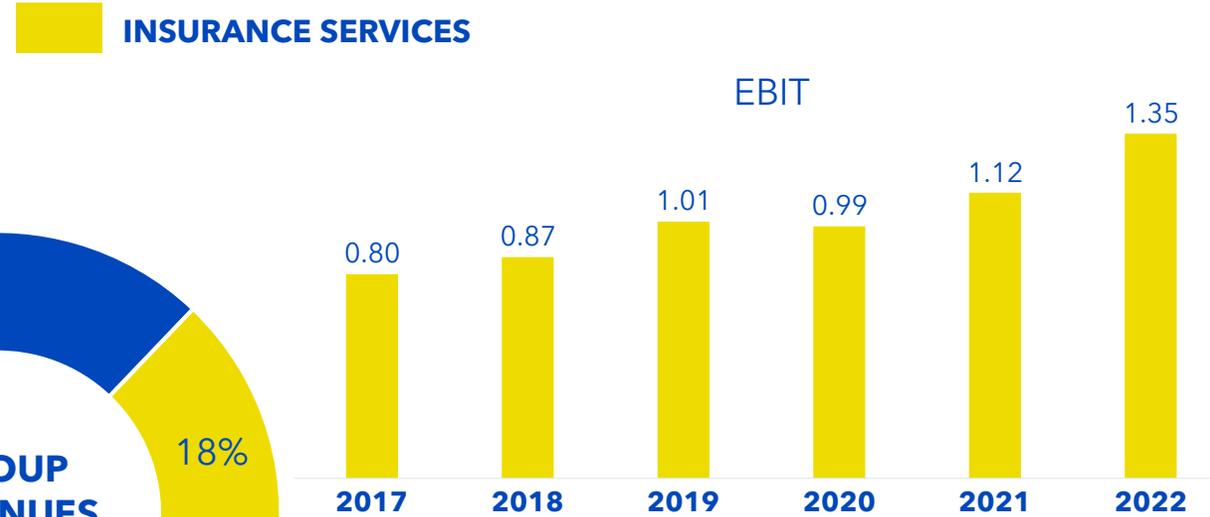
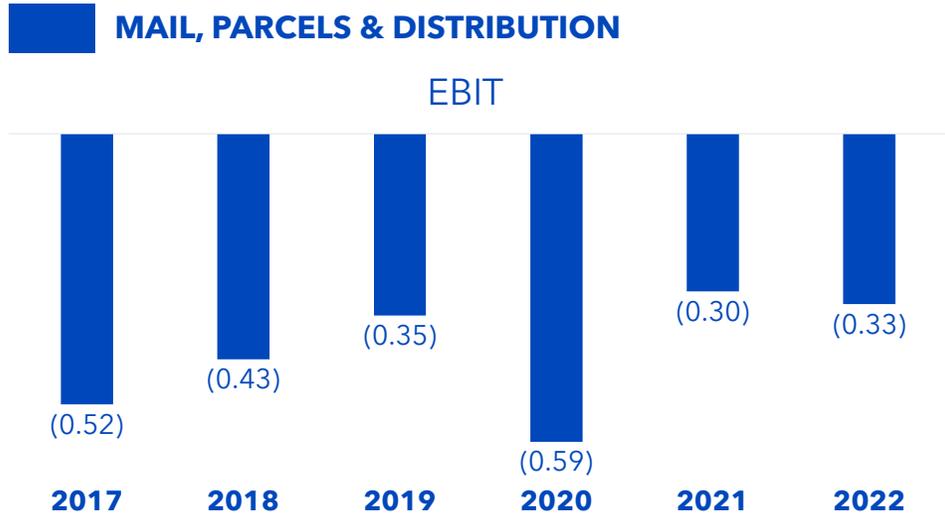
✓ Achieved ✓✓ Overachieved

2017-19 revenues are restated net of interest expenses and capital losses on investment portfolio; 1.076bn 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

A VISIBLE GUIDANCE: 2023 EBIT AT €2.5BN

GROWTH PATH CONFIRMED IN A CHALLENGING ENVIRONMENT - DPS INCREASED FOR 2022 AND 2023

€bn unless
otherwise
stated

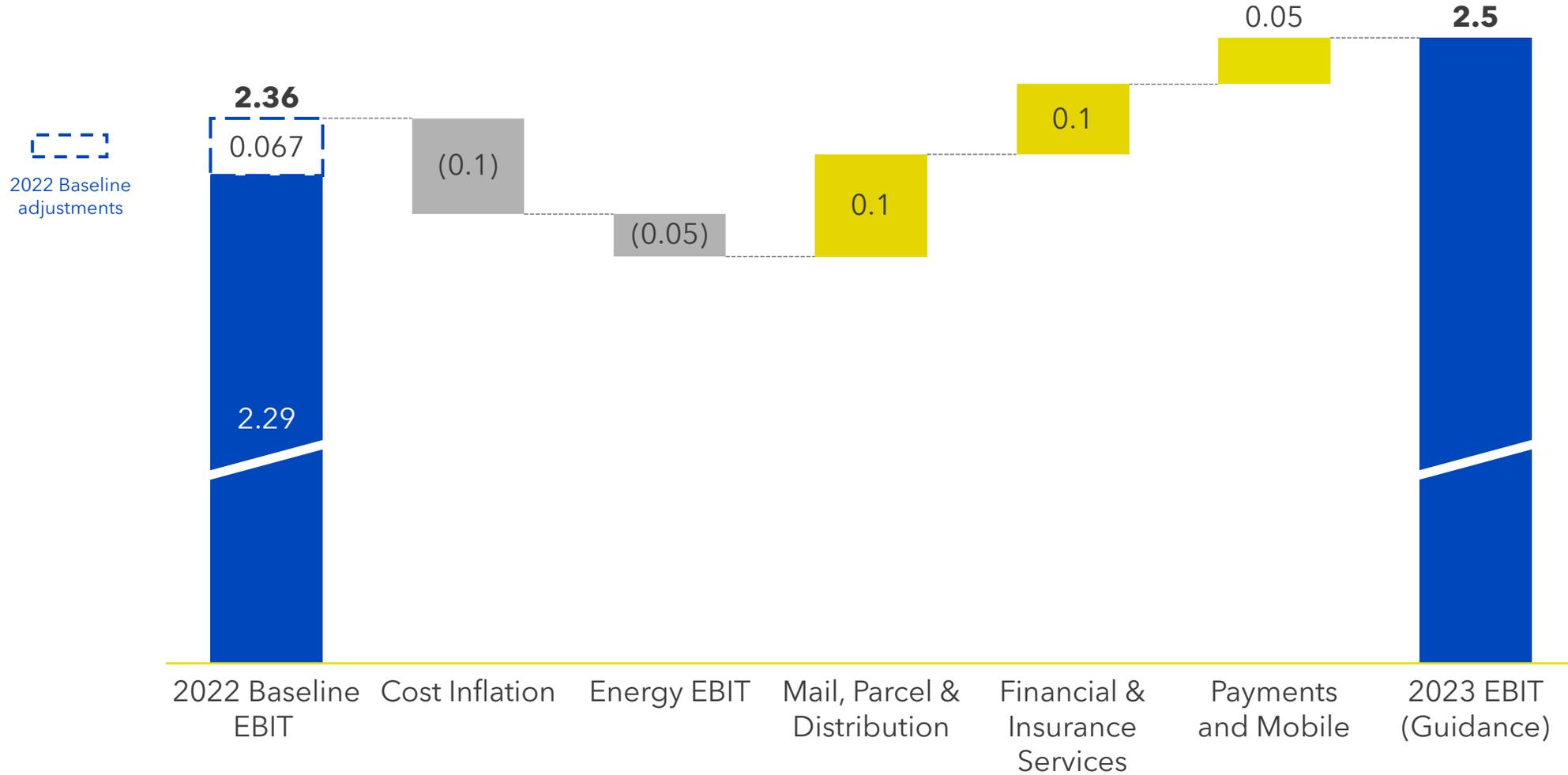
	2017	2022	2023 GUIDANCE
REVENUES	10.57 ¹	Net of upfront fees ² (11.89 stated) 11.60	11.9
EBIT	1.12	2.29	2.5
NET PROFIT ³	0.69	1.51	1.7
DPS, €	0.42	0.65	0.71

1. 2017 revenues are restated net of interest expenses and capital losses on investment portfolio; **2.** Under IFRS17 costs directly attributable to insurance policies (such as upfront fees) will be netting off revenues within the CSM release; **3.** Net Profit of 0.76bn excluding write-off of 0.07bn for 2017

2023 EBIT WALK

STEADY GROWTH CONFIRMED - MORE THAN OFFSETTING HEADWINDS

€bn unless otherwise stated



2023 EXPECTED GROWTH DRIVERS

SUPPORTIVE BUSINESS TRENDS AND VISIBILITY ON COST BASE



CAPITAL OPTIMIZATION

- Group capital optimization to support growth - Solvency II ratio volatility successfully managed
- Visible dividend backed by steady and sustainable cash & capital generation
- All subsidiaries to contribute to the diversification of dividend upstream

SHAREHOLDERS' REMUNERATION

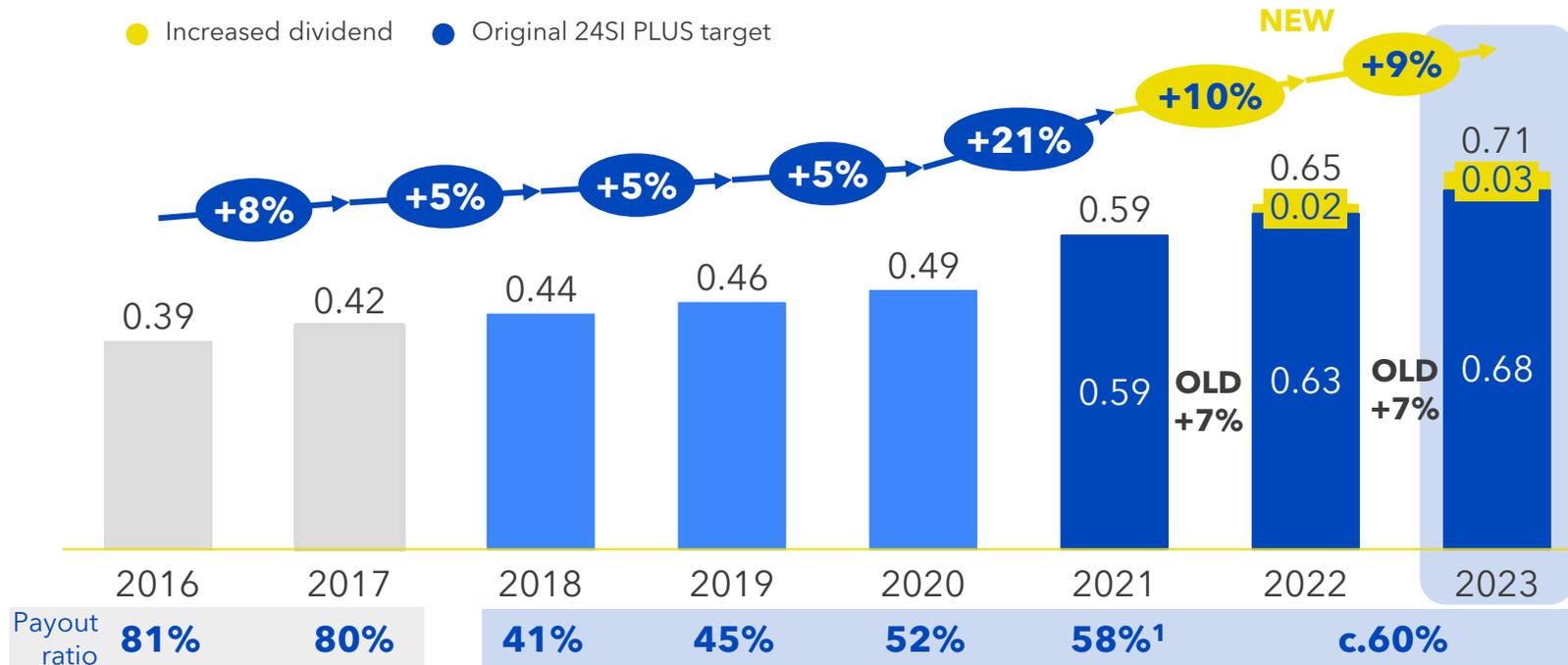
DIVIDEND INCREASED THANKS TO OUTPERFORMANCE, BOTH IN 2022 AND 2023



Dividend

(€)

● Increased dividend ● Original 24SI PLUS target

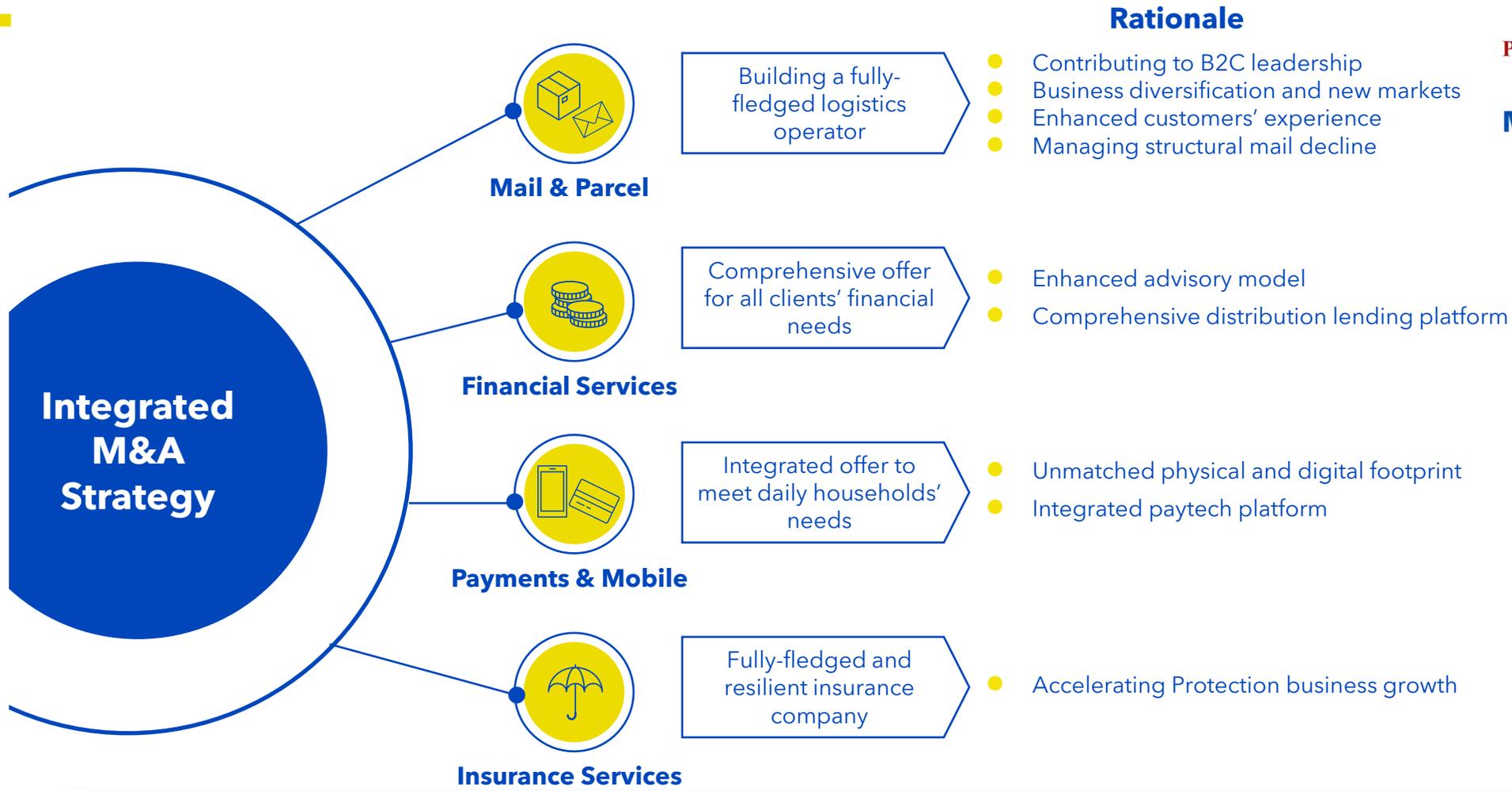


- Dividend increased vs Plan:
 - 2022 DPS up to 0.65 (+10% y/y)
 - 2023 DPS up to 0.71 (+9% y/y)
- 2022 and 2023 upgrade driven by:
 - Strong financial performance - payout at c.60% on average
 - Increased visibility and sustainability of cash & capital generation
- Dividend policy under assessment in line with new strategic plan to be released in H2-23
- 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



Rationale



Technology insourcing to ensure a flawless execution



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

Member of Dow Jones Sustainability Indices
Powered by the S&P Global CSA

FTSE4Good

CDP DISCLOSURE INSIGHT ACTION

EURONEXT

Bloomberg Gender-Equality Index 2022

SUSTAINALYTICS

Poste Italiane Top 100 Globally for gender equality in 2022 EQUILEAP

MSCI

STOXX Indices by Qontigo

S&P Global

Sustainable1

Brand Value¹ (€bn)

6.8



19

Awards

Global 500 2023

ASSOCHANGE

EQUAL-SALARY CERTIFIED

top EMPLOYER ITALIA ITALY 2023 CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

ESG INDUSTRY TOP RATED

Polis project investment (€bn)

>1.1²



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

Maria Bianca FARINA¹
Chairwoman



Maria Bianca Farina
Chairwoman

Matteo DEL FANTE
Chief Executive Officer

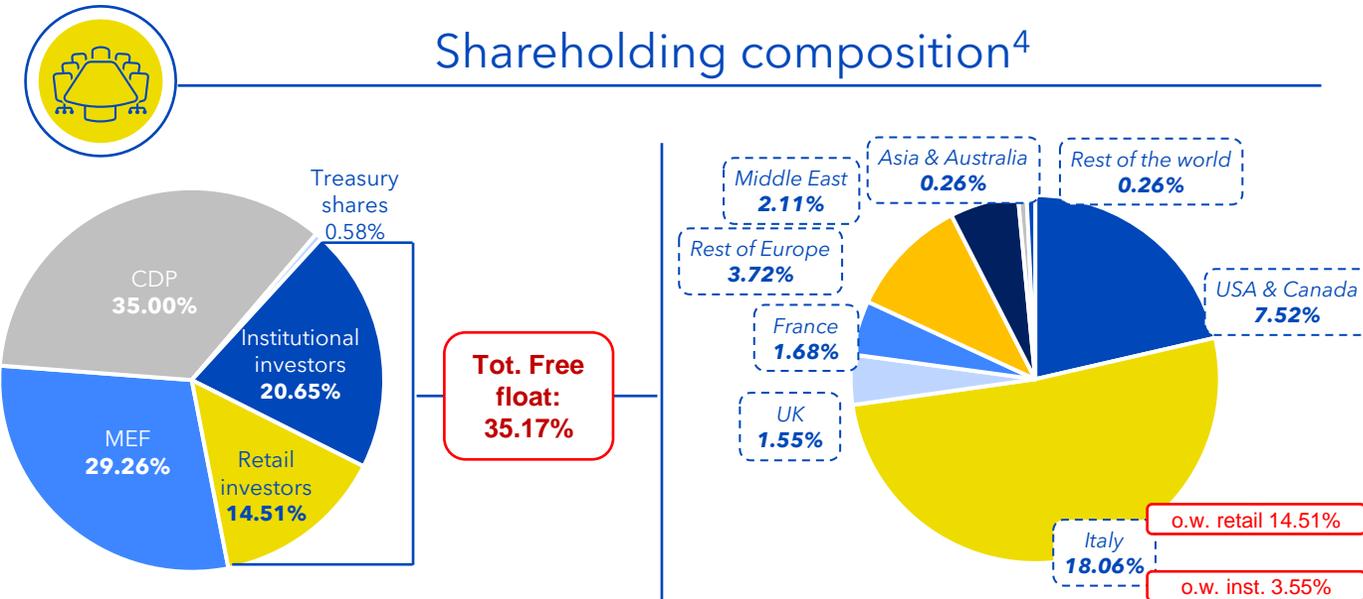


Matteo Del Fante
Chief Executive Officer and Managing Director

- 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

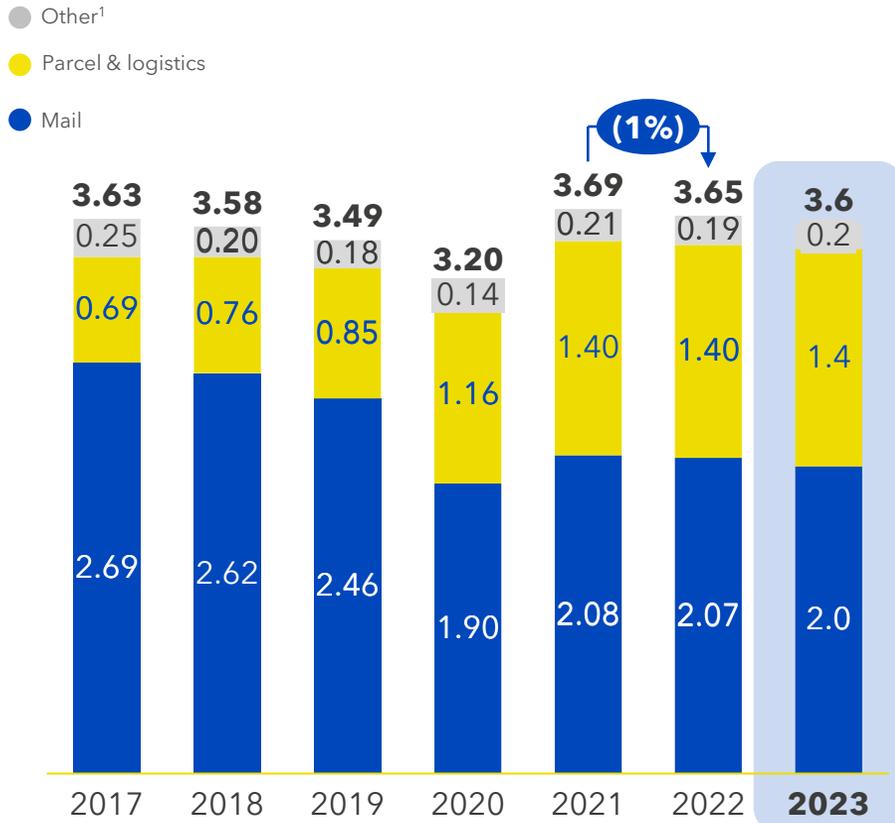
Appendix

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

Distribution Revenues ²	2017	2018	2019	2020	2021	2022	2023
	4.5	4.6	4.7	4.6	4.7	4.9	5.2

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

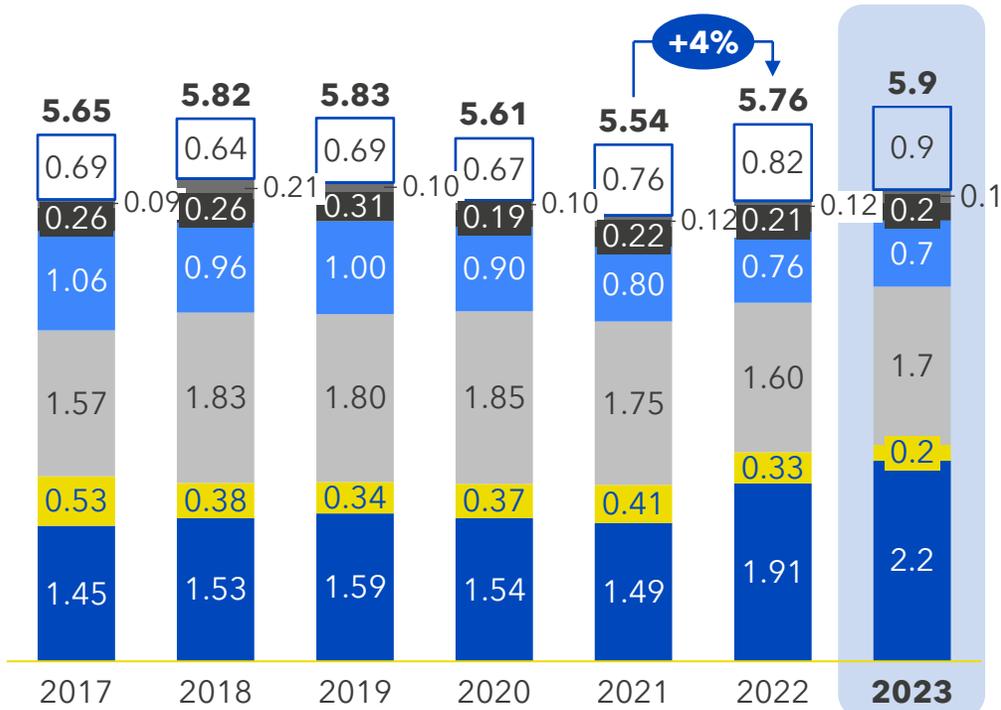
FINANCIAL SERVICES

HIGHER RATES TO DELIVER RECURRING CONTRIBUTION FROM INVESTMENT PORTFOLIO

€bn unless otherwise stated

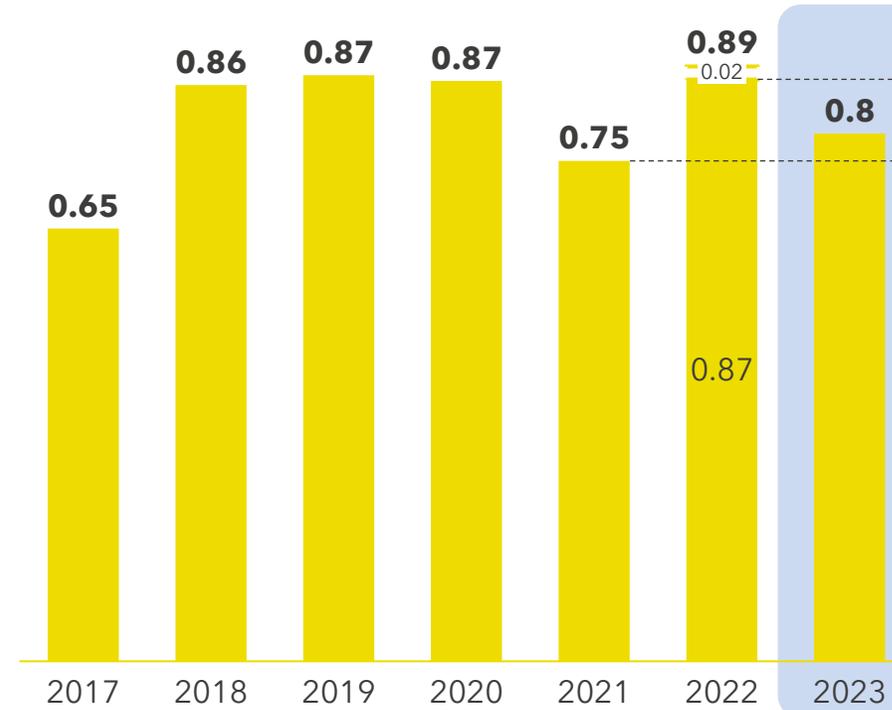
GROSS REVENUES¹

- Net interest income
- Active portfolio management
- Postal savings
- Transaction banking²
- Loan & mortgage distribution³
- Asset management
- Intersegment revenues



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

Year	Net Profit
2017	0.50
2018	0.62
2019	0.64
2020	0.65
2021	0.56
2022	0.62
2023	0.6

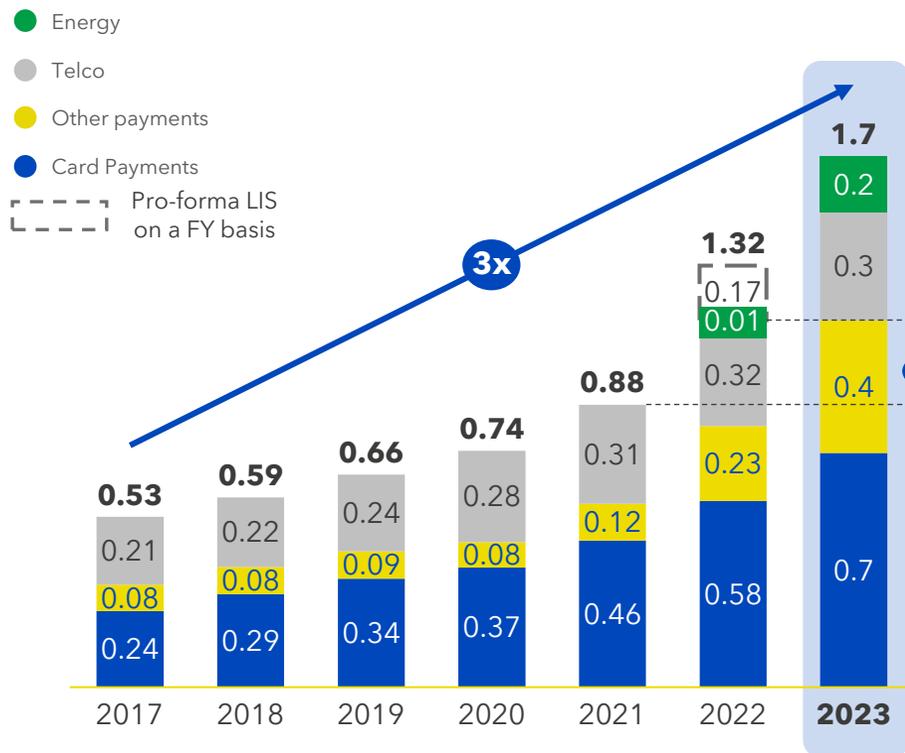
1. Including intersegment distribution revenues 2. Including revenues from payment slips (*bollettino*), banking accounts related revenues, fees from INPS and money transfers, Postamat (until oct 2021); 3. Including revenues from custody accounts, credit cards, other revenues from third party products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

PAYMENTS & MOBILE

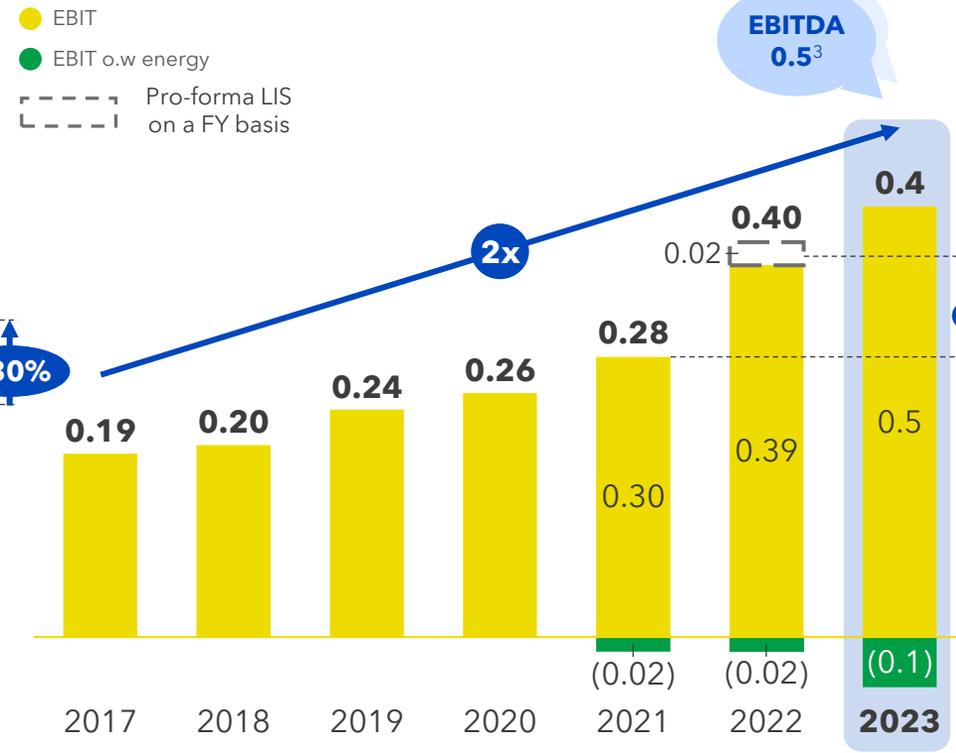
REVENUES AND OPERATING PROFIT DOUBLING SINCE 2017

€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	2017	2018	2019	2020	2021	2022	2023
	0.36	0.36	0.38	0.34	0.32	0.26	0.3

Net Profit	2017	2018	2019	2020	2021	2022	2023
	0.15	0.15	0.27	0.19	0.21 ¹	0.27	0.3

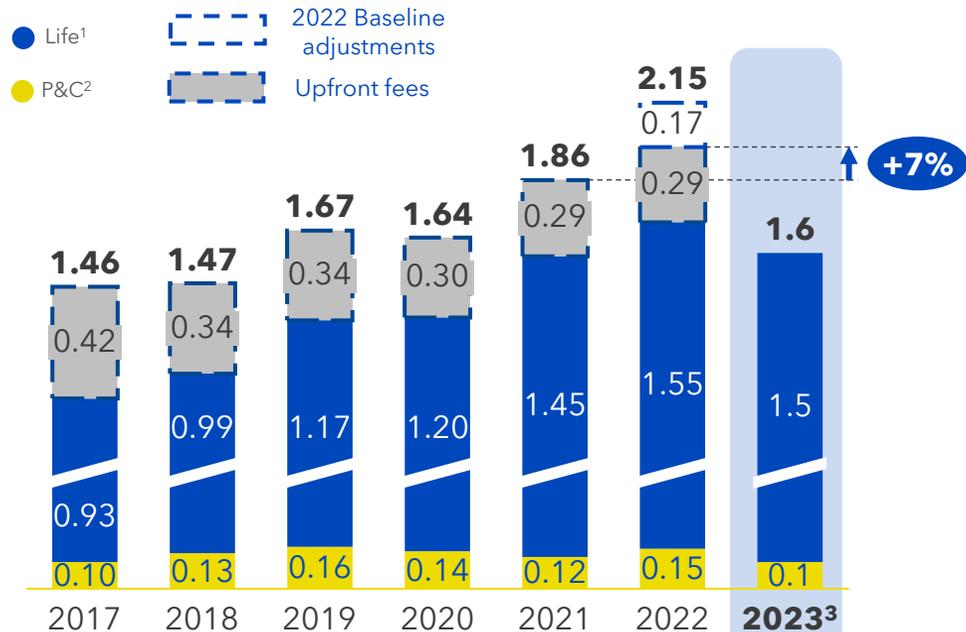
1. Excludes 219m from Nexi revaluation. Nexi closing price of €13.99 per share as of 30/12/2021; 2. 2022 includes 93m incremental revenues and 13m EBIT from LIS (o.w. +17m EBIT and -3m PPA amortization); 3. Pro-forma EBITDA including intercompany D&A expenses

INSURANCE SERVICES

FULLY FLEDGED PRODUCT OFFERING CONFIRMING AMBITIOUS TOP LINE GROWTH

€bn unless otherwise stated

SEGMENT REVENUES^{1,2}

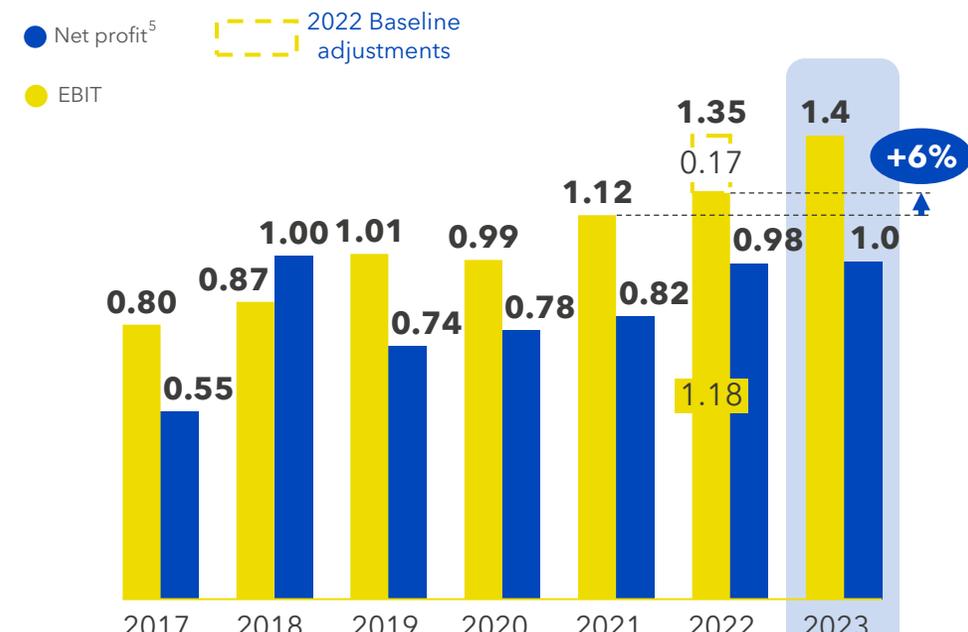


IFRS 4

IFRS 17

Life Net inflows	9.4	5.7	3.9	5.6	8.1	7.6	
Lapse rate (%) ⁴	2.7	2.9	2.8	2.5	3.0	3.5	c.4%

EBIT & NET PROFIT



IFRS 4

IFRS 17

P&C GWP	0.14	0.19	0.24	0.24	0.32	0.39	0.5
Comb. ratio (%) ⁶	71	64	71	79	91	88	<88

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

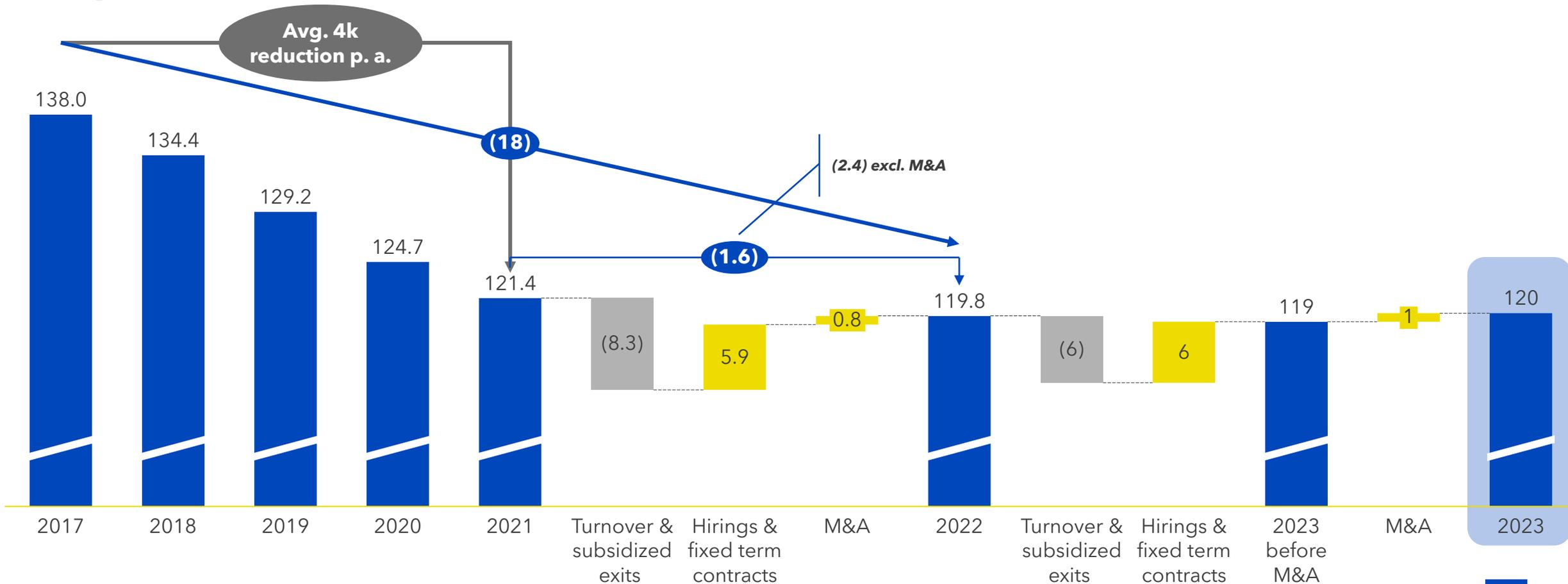
1. Includes Private Pension Plan (PPP); 2. Includes Poste Insurance Broker (PIB) net of claims, Poste Welfare Servizi (PWS) restated since 2021; 3. Net revenues defined as CSM release, Time Value of Minimum Guarantees (TVOG) and risk adjustment, net of release of expected expenses and claims; 4. Since 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)



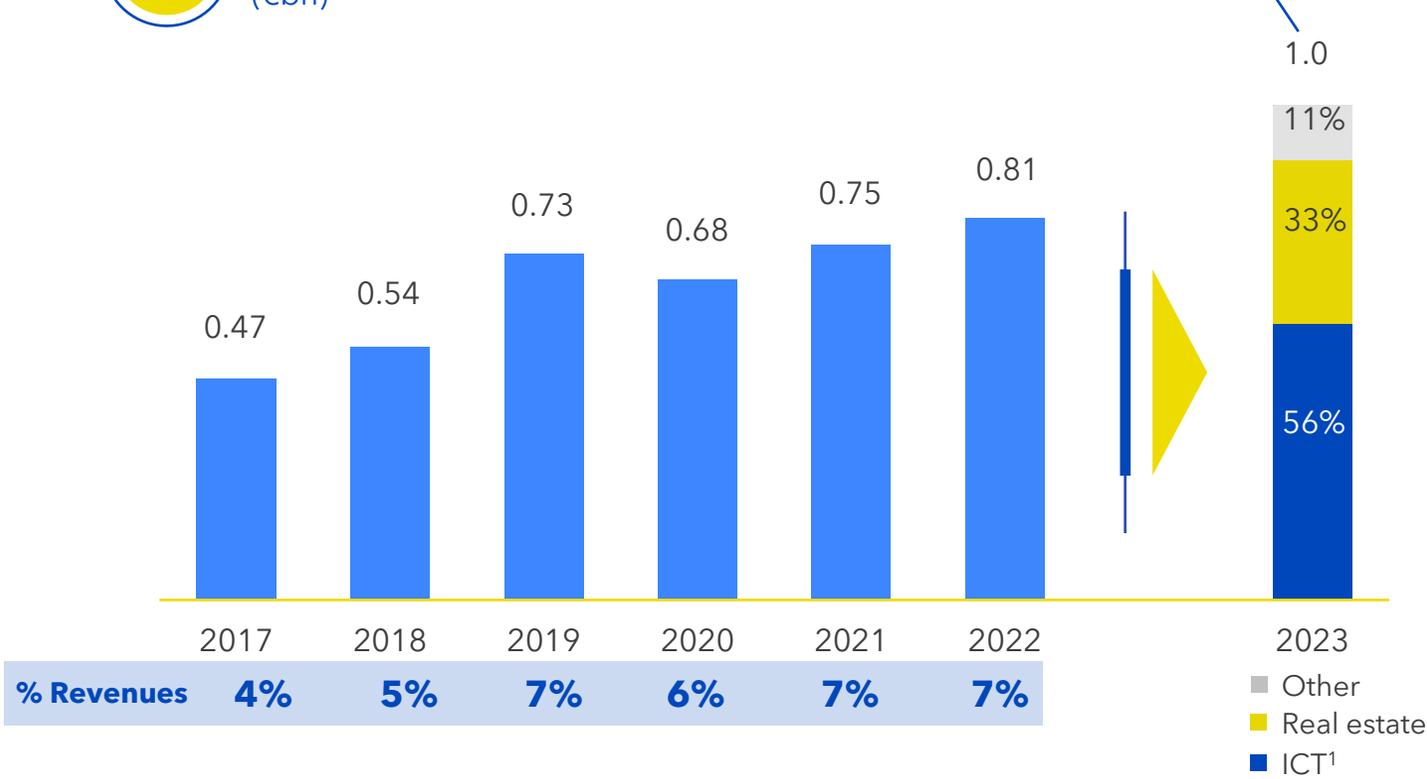
RECORD HIGH CAPEX IN 2023

CONTINUED TRANSFORMATION SUPPORTED



Capex evolution

(€bn)



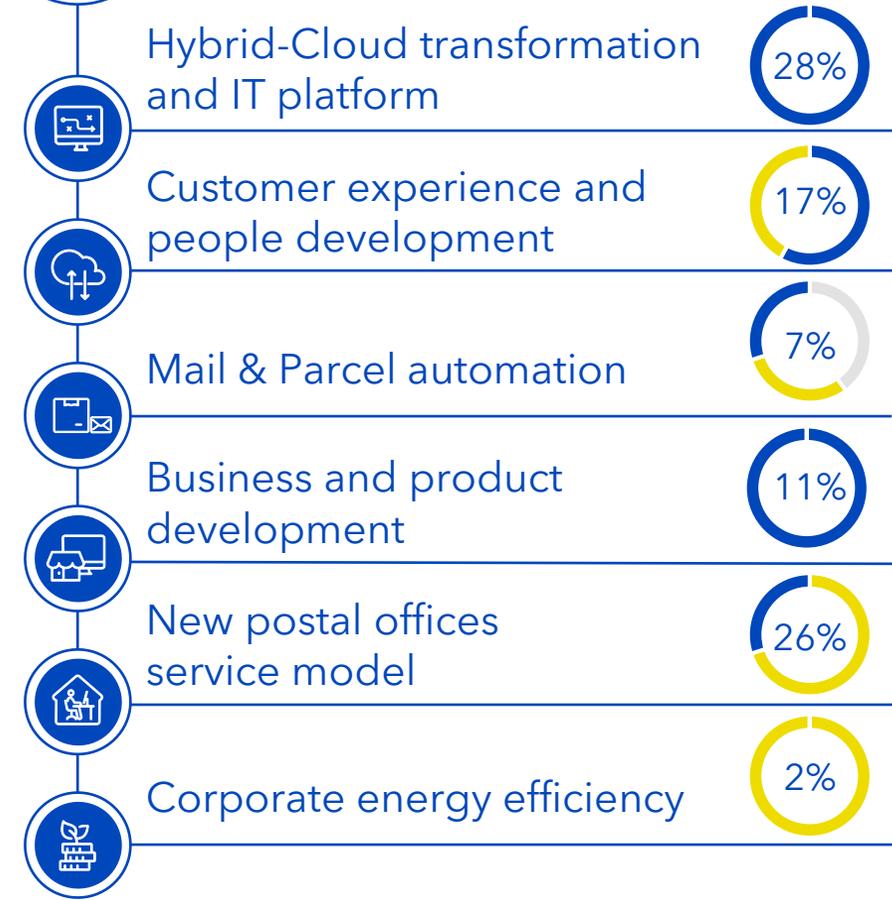
1. Information & Communication Technology related projects



Key initiatives 2023

(c.90% of total capex)

c.70%
ESG



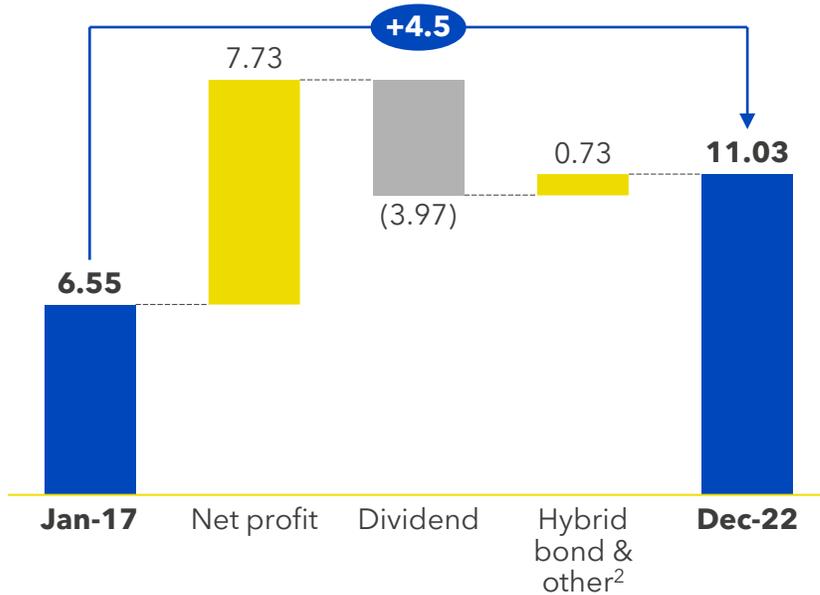
GROUP SHAREHOLDERS' EQUITY EVOLUTION

POSITIVE AND SUSTAINABLE CAPITAL GENERATION TO SUPPORT GROWTH AND DIVIDEND DISTRIBUTION

€bn unless otherwise stated



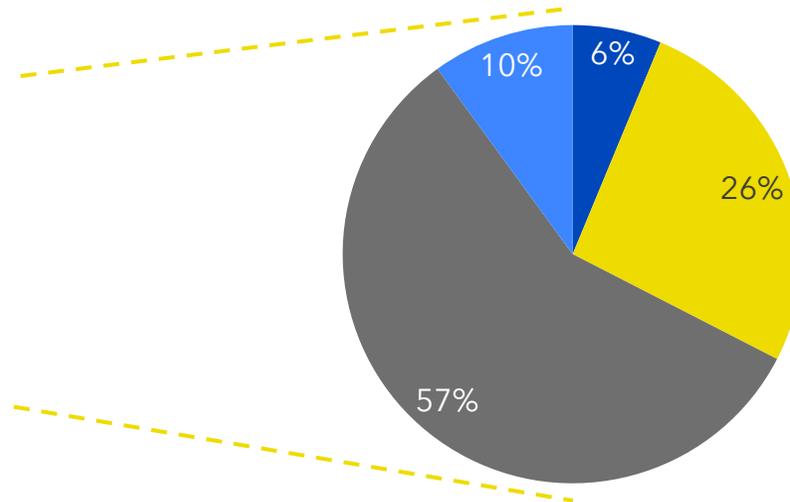
GROUP SHAREHOLDERS' EQUITY¹



CAPITAL ALLOCATION



- MP&D
- Insurance Services
- Financial Services
- Payments & Mobile



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



Bianca Maria FARINA
Chairwoman

Previously CEO of Poste Vita and Poste Assicura. Chairwoman of ANIA, the association of Italian insurance companies
Vice President of the FEBAF Board of Directors (Italian Federation of Banks, Insurance and Finance)



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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