

REPORT OF THE BOARD OF DIRECTORS ON THE SOLE ITEM ON THE AGENDA OF THE EXTRAORDINARY SESSION

Change to the BancoPosta's Ring-Fenced Capital following the removal of the limitation of purpose with respect to the activities, assets and legally binding agreements constituting the debit cards business branch. Consequent and inherent resolutions.

Shareholders,

This Extraordinary Shareholders' Meeting has been convened to decide on the change to Ring-Fenced Capital named "BancoPosta" (hereinafter "BancoPosta's Ring-Fenced Capital" or "BancoPosta") consisting of the removal of the limitation of purpose from the same BancoPosta's Ring-Fenced Capital with regard to the activities, liabilities, assets and legal relationships constituting the business branch related to the portfolio of approximately no. 7.2 million debit cards currently issued by BancoPosta and to the connected contractual relationships (hereinafter the "Business Branch"). Said activities, assets and legal relationships are set out in the list named "Assets and legal relationships of the Business Branch" (annex 1 thereto, which reflects the consistency of the Business Branch as of 30 September 2020).

Following the above removal of the limitation of purpose from the BancoPosta's Ring-Fenced Capital, the Business Branch is to be transferred by Poste Italiane – for a non-cash consideration, as subscription of a capital increase just resolved on this purpose by the receiving company – to PostePay S.p.A. (hereinafter "PostePay" or the "Receiving Company"), wholly owned by Poste Italiane (hereinafter the "Conferral"), and therefore the list of the activities, liabilities, assets and legal relationships constituting the Business Branch will be updated in view of the Conferral in order to reflect the consistency of the same Business Branch as of a date closer to the same Conferral, also with the purpose of assuring the compliance with the term established by art. 2343-ter, second paragraph, letter b, of the

Civil Code; the Receiving Company will in turn provide to make the Business Branch merge in, and increase, its ring-fenced capital dedicated to the monetics and payment services (“ELMI Ring-Fenced Capital”).

In this respect, we remind you that the ELMI Ring-Fenced Capital was set up within the Receiving Company as of 1 October 2018 – following the conferral in its favour executed at that time by Poste Italiane of the business branch relating to the monetics and payment services – and through the same ELMI Ring-Fenced Capital the Receiving Company operates as a “hybrid” electronic money institution (ELMI) as of the same time, in accordance with the relevant regulatory provisions.

At 30 September 2020 the Business Branch – which is proposed to be removed from BancoPosta’s Ring-Fenced Capital and to which the Conferral refers – was valued by an evaluation referring to that date (based upon the financial situation of the Business Branch at 30 September 2020) released by an expert (the consultancy company “Partners Consulenti e Specialisti Associati S.p.A.” or “Partners S.p.A.”), who stated his independence and professionalism. In the light of the Conferral, the information on the financial situation of the Business Branch will be updated at 30 April 2021 and, on the basis of this updated financial situation, Partners S.p.A. will issue a specific appraisal pursuant to point (b) of second paragraph of Art. 2343-ter of the Civil Code (the “Appraisal”), in view of the execution of the Conferral deed (to which the Appraisal will be attached). No significant deviation of the value of the Business Branch as stated in the evaluation referred to at 30 September 2020 is foreseen. The financial situation of the Business Branch, as updated at 30 April 2021, will then be used in the run-up to the Conferral, which is planned to take place on 1 October 2021, or other date which will be resolved by the Board of Directors of Poste Italiane.

The following should be noted:

- the BancoPosta’s Ring-Fenced Capital was set up – for the conduct by Poste Italiane solely of BancoPosta activities as governed by Presidential Decree no. 144 of 14 March 2001 as supplemented and amended – by a decision of the Extraordinary Shareholders’ Meeting of Poste Italiane on 14 April 2011;

- the competence to change the BancoPosta's Ring-Fenced Capital lies with the Extraordinary Shareholder's Meeting of Poste Italiane.

The grounds for the proposed change to the BancoPosta's Ring-Fenced Capital as illustrated above (and the subsequent Conferral by Poste Italiane to PostePay of the Business Branch, destined to be merged into the ELMI Ring-Fenced Capital) are attributable to the intention of making the debit cards connected to the BancoPosta current accounts a product issued and managed by PostePay, in order to allow BancoPosta account holders to benefit – in addition to the standard features of a debit card – from further and advanced features connected to the payment activities, without changes to the economic conditions of the debit card and the current account as a whole.

Thereby, it is also understood to realize the conclusion of the program of centralizing and specialization into the ELMI Ring-Fenced Capital of the payment services offer by Poste Italiane, through the integration of the monetics and payment services activities that, as mentioned above, were removed from the BancoPosta's Ring-Fenced Capital and then conferred by Poste Italiane to PostePay in 2018.

If approved by the Meeting, the change to the BancoPosta's Ring-Fenced Capital illustrated above will take effect as follows once the period referred to in Article 2447-*quarter*, second paragraph, of the Civil Code has profitably ended, at the time of the subsequent effective date of the Conferral of the Business Branch which is planned to take place, as indicated above, on 1 October 2021, or other date which will be resolved by the Board of Directors of Poste Italiane.

Due to the Conferral, as to all the contractual relationships which are directly connected to the Business Branch – and, particularly, with regard to those ones related to the debit cards – PostePay will succeed to BancoPosta as contractual part pursuant to art. 2558 of the Civil Code.

The market value of the Business Branch as determined in the above mentioned evaluation executed by Partners S.p.A. is lower than the relevance threshold of 10% established by the Supervisory Provisions applicable to BancoPosta and, therefore, the latter has not been

requested to start the authorization process with Banca d'Italia in order to the removal of the limitation of purpose from the BancoPosta's Ring-Fenced Capital.

As envisaged by the "Supervisory provisions for payment and electronic money institutions" the above described project of Conferral of the Business Branch to PostePay was instead subject to preventive communication to Banca d'Italia which – as communicated on 23 April 2021 – did not make any comment with respect to the project.

Taking the above into account, we therefore submit to you the following

Proposal

The Shareholders' Meeting of Poste Italiane S.p.A., having examined the explanatory report by the Board of Directors and having acknowledged the issuing of the authorization by Banca d'Italia:

hereby resolve

- 1) that it approves the proposed change to the BancoPosta's Ring-Fenced Capital regarding the removal of the limitation of purpose from the BancoPosta's Ring-Fenced Capital with regard to the activities, liabilities, assets and legal relationships constituting the business branch related to the portfolio of approximately no. 7.2 million debit cards currently issued by BancoPosta and to the connected contractual relationships – set out briefly and in aggregate form in a list named "Assets and legal relationships of the Business Branch", attached to the illustrative report of the Board of Directors which will be attached to the minutes of this Extraordinary Shareholders' Meeting of Poste Italiane – with this change scheduled to take effect once the period referred to in Article 2447-*quarter*, second paragraph, of the Civil Code has profitably ended, at the time of the subsequent effective date of the Conferral of the Business Branch by Poste Italiane S.p.A. to PostePay S.p.A., which is planned to take place on 1 October 2021, or other date which will be resolved by the Board of Directors of Poste Italiane S.p.A.;
- 2) to confer a mandate on the Chief Executive Officer, with powers of sub-delegation, to approve and introduce to this resolution any amendments, additions or deletions that

may prove to be necessary or appropriate for the purposes of recording it in the Companies Register or upon request of Banca d'Italia, conferring also, again with powers of sub-delegation, all the powers necessary for the practical implementation of this resolution.

Debit Card Company Branch at 30/09/2020

Annex 1 to the Report of the Board of Directors on the sole item on the agenda of the Extraordinary Meeting

POSTE ITALIANE - BANCOPOSTA RFC*
"DEBIT" COMPANY BRANCH
BALANCE SHEET AS AT 30.09.2020

ASSETS	(figures in €)	TABS
Non-current Assets		
Deferred tax assets	84.601	Tab 1
Current Assets		
Financial Assets	3.590.555	Tab 2
TOTAL ASSETS	3.675.156	

* (Ring Fenced Capital)

POSTE ITALIANE - BANCOPOSTA RFC
"DEBIT" COMPANY BRANCH
BALANCE SHEET AS AT 30.09.2020

LIABILITIES AND EQUITY	(figures in €)	TABS
Equity	500.000	Tab 3
Non-current Liabilities		
Provisions for Personnel Expenses	3.584	Tab 4
Employee Termination Benefit	12.226	Tab 5
Provisions for Litigation	293.366	Tab 6
Total	309.176	
Current Liabilities		
Payables to Employees	15.099	Tab 7
Deferred income	2.850.881	Tab 8
Total	2.865.980	
TOTAL EQUITY AND LIABILITIES	3.675.156	

Debit Company Branch**Deferred Tax Assets**

Deferred Tax Assets refer to the temporary differences between the taxable income and actual income for fiscal purposes, respectively:

- Provisions for Litigation
- Provisions for Personnel Expenses

The rates for the calculation of the taxes are:

- 24% Corporate Tax
- 4,49% Regional Business Tax

Debit Company Branch**Financial Assets**

Financial Assets refer to the Debit Company Branch assets that are financial receivables, claimed by PostePay RFC IMEL from Poste Italiane and used to mitigate liabilities.

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Debit Company Branch

Equity of the Company Branch

Equity of the Company Branch refer equity amount addressed to mitigate further emerging risks in charge to Postepay RFC IMEL assets, following the transfer of the Company Branch.

Debit Company Branch**Provisions for Personnel Expenses**

The provision is set up to cover predictable liabilities related to the labor cost of the period, likely or certain to happen in the future but subject to the amount changes.

Debit Company Branch**Employee Termination Benefit (TFR)**

Employee Termination Benefit refers to the accumulated portions of the salary of the employees related to the Debit Company Branch until December 31st 2006 (from 1 January 2007 vesting Employee Termination Benefits must be paid into a supplementary pension fund or into a Treasury Fund set up by INPS). For more detail see the attachment C – **List of executive workers and employees.**

Debit Company Branch**Provisions for Litigation**

The provision's amount is of €293.366,48 and refers to cover the predictable liabilities deriving from disputes with third parties (legal and extra-judicial litigation), the related legal costs, eventual indemnities, and compensation to customers. For more details see Attachment B – **List of civil litigation**.

Debit Company Branch

Payables to Employees

Payables to Employees refer to employees of the Debit Company Branch (for more details, see the Attachment C – **List of executive workers and employees**)

Debit Company Branch**Deferred Income**

Deferred Income of the Debit Company Branch refers to income card's fees collected in advance and reported in the profit & loss account; their amount is equal to €2.850.881.

Attachment A – List of debit cards*

DEBIT CARD TYPE FOR COMMERCIAL OFFER*	N° LEGAL RELATIONS
BANCOPOSTA IMPRESA MICRO V. 1	602
CCBP-AFFARI	6
CCBP-IMPRESA	371
CCBP-PA	62
CCBP-PMI	20
CCBP-SOHO	143
BANCOPOSTA IMPRESA MICRO V. 2	233
BASE	3
CCBP-AFFARI	3
CCBP-IMPRESA	166
CCBP-PA	8
CCBP-PMI	19
CCBP-SOHO	34
BANCOPOSTA IMPRESA MICRO V. 3	23.138
BASE	30
CCBP-AFFARI	223
CCBP-IMPRESA	10.211
CCBP-OFFICE	3
CCBP-PA	1.429
CCBP-PMI	2.605
CCBP-SOHO	8.601
CC-CURATELE	16
NULL	20
BANCOPOSTA IMPRESA MICRO V.4	24.910
BASE	4.369
CCBP-AFFARI	9
CCBP-IMPRESA	12.293
CCBP-PA	1.920
CCBP-PMI	109
CCBP-SOHO	6.210
CARTA BANCOPOSTA	6.042.493
CC-BASE-BP	3.722
CCBP-AFFARI	1
CCBP-CLICK	721.830
CCBP-CONSNEW	387.035
CCBP-CONSUMER	960.065
CCBP-IMPRESA	2
CCBP-OFFICE	2
CCBP-PMI	5
CCBP-RETAIL	3.969.065
CCBP-SOHO	16
NULL	750
POSTAMAT CLICK PAYPASS	76.418
CCBP-CLICK	76.386
CCBP-CONSNEW	2
NULL	30
POSTAMAT OFFICE MICRO-IN PROPR	252.835
CCBP-AFFARI	109.910
CCBP-IMPRESA	39
CCBP-OFFICE	7.364
CCBP-PA	6
CCBP-PMI	135.068
CCBP-RETAIL	1
CCBP-SOHO	39
CC-SERVIZIO	1
NULL	407
POSTAMAT OFFICE V.4 EMV-IN PRO	18.655
CCBP-AFFARI	6.062
CCBP-IMPRESA	13
CCBP-OFFICE	1.253
CCBP-PA	2
CCBP-PMI	11.315
CCBP-SOHO	6
NULL	4
POSTAMAT PAYPASS	832.503
CC-BASE-BP	296
CCBP-CONSNEW	54
CCBP-CONSUMER	115
CCBP-RETAIL	831.483
CCBP-SOHO	1
NULL	554
TOTAL	7.271.787

*The list represents all the debit cards, divided in classes depending on the type of the issued debit card and on the associated bank account.

Attachment B - List of civil litigation

LEGAL PRACTICE POSITION	LEGAL AUTHORITY	AUTHORITY HEADQUARTERS
2020/7866	GIUDICE DI PACE	CASSINO
2020/6020	GIUDICE DI PACE	ROCCADASPIDE
2019/16342	GIUDICE DI PACE	AGROPOLI
2019/21351	GIUDICE DI PACE	NAPOLI
2019/16964	GIUDICE DI PACE	PALERMO
2019/9843	GIUDICE DI PACE	NAPOLI
2014/5159	GIUDICE DI PACE	NAPOLI
2013/11307	GIUDICE DI PACE	AVELLINO
2019/4505	GIUDICE DI PACE	TORRE ANNUNZIATA
2019/17439	GIUDICE DI PACE	NAPOLI
2019/16585	GIUDICE DI PACE	SALERNO
2019/12780	GIUDICE DI PACE	NOLA
2017/20112	GIUDICE DI PACE	SAN SEVERO
2019/4467	GIUDICE DI PACE	CASTELNUOVO DI GARFAGNANA
2019/15966	GIUDICE DI PACE	REGGIO CALABRIA
2019/7378	GIUDICE DI PACE	AFRAGOLA
2016/17576	TRIBUNALE	ROMA
2019/2577	GIUDICE DI PACE	SANTA MARIA CAPUA VETERE
2019/20126	GIUDICE DI PACE	MARIGLIANO
2020/3901	GIUDICE DI PACE	PIEDIMONTE MATESE
2020/11614	GIUDICE DI PACE	IMOLA
2019/15926	GIUDICE DI PACE	MISTRETTA
2020/7398	GIUDICE DI PACE	PISA
2016/18623	GIUDICE DI PACE	ISCHIA

LEGAL PRACTICE POSITION	LEGAL AUTHORITY	AUTHORITY HEADQUARTERS
2020/11753	GIUDICE DI PACE	BARI
2020/6242	GIUDICE DI PACE	CASERTA
2019/9909	GIUDICE DI PACE	ROMA
2019/22059	GIUDICE DI PACE	BARRA (RIONE DI NAPOLI)
2018/14440	GIUDICE DI PACE	ROCCADASPIDE
2019/15232	GIUDICE DI PACE	LECCE
2019/5041	GIUDICE DI PACE	NAPOLI
2019/16785	GIUDICE DI PACE	SANTA MARIA CAPUA VETERE
2018/3137	GIUDICE DI PACE	SANT'ANASTASIA
2019/8410	GIUDICE DI PACE	MARANO DI NAPOLI
2019/20498	GIUDICE DI PACE	ARIENZO
2020/3559	GIUDICE DI PACE	SARNO
2016/8704	GIUDICE DI PACE	TRINITAPOLI
2019/7474	GIUDICE DI PACE	ROMA
2020/14570	GIUDICE DI PACE	VELLETRI
2020/9642	GIUDICE DI PACE	VELLETRI
2019/20950	GIUDICE DI PACE	COSENZA
2019/3855	GIUDICE DI PACE	POMIGLIANO D'ARCO
2019/10107	GIUDICE DI PACE	BUCCINO
2020/10864	GIUDICE DI PACE	NAPOLI
2019/13392	GIUDICE DI PACE	MARANO DI NAPOLI
2019/17199	TRIBUNALE	PESARO
2019/21319	TRIBUNALE	SALERNO
2009/2296	TRIBUNALE	SALERNO
2019/17616	TRIBUNALE	VELLETRI
2018/13405	TRIBUNALE	ROMA

LEGAL PRACTICE POSITION	LEGAL AUTHORITY	AUTHORITY HEADQUARTERS
2019/7491	TRIBUNALE	LECCE
2019/21308	TRIBUNALE	PALMI
2020/7130	TRIBUNALE	NAPOLI
2019/16138	TRIBUNALE	CATANIA
2019/3631	TRIBUNALE	NAPOLI
2013/32480	TRIBUNALE	NAPOLI NORD
2019/2870	TRIBUNALE	CASTROVILLARI
2019/9111	GIUDICE DI PACE	NAPOLI
2018/29820	GIUDICE DI PACE	BARRA (RIONE DI NAPOLI)
2014/12594	GIUDICE DI PACE	NAPOLI
2017/4302	GIUDICE DI PACE	VALLO DELLA LUCANIA
2018/29259	GIUDICE DI PACE	NAPOLI
2015/15602	GIUDICE DI PACE	BRINDISI
2015/6523	TRIBUNALE	TORINO
2020/14481	GIUDICE DI PACE	LECCE
2019/15742	GIUDICE DI PACE	AGROPOLI
2020/8185	GIUDICE DI PACE	ROMA
2019/5749	GIUDICE DI PACE	VELLETRI
2018/3150	GIUDICE DI PACE	NAPOLI
2017/11830	GIUDICE DI PACE	SALERNO
2017/7293	GIUDICE DI PACE	MARANO DI NAPOLI
2016/2778	GIUDICE DI PACE	NAPOLI
2016/12850	GIUDICE DI PACE	NAPOLI
2020/8195	GIUDICE DI PACE	BARI
2015/8400	GIUDICE DI PACE	BRINDISI
2016/8667	TRIBUNALE	NAPOLI

LEGAL PRACTICE POSITION	LEGAL AUTHORITY	AUTHORITY HEADQUARTERS
2016/12850	GIUDICE DI PACE	NAPOLI
2019/4742	GIUDICE DI PACE	RODI GARGANICO
2020/12694	GIUDICE DI PACE	ACERRA
2015/2419	GIUDICE DI PACE	NAPOLI
2014/23451	GIUDICE DI PACE	POZZUOLI
2017/3787	GIUDICE DI PACE	CAVA DE TIRRENI
2019/9833	GIUDICE DI PACE	VITERBO
2018/4116	GIUDICE DI PACE	NAPOLI
2014/14816	TRIBUNALE	ROMA
2017/13421	GIUDICE DI PACE	NAPOLI
2018/24919	GIUDICE DI PACE	MARANO DI NAPOLI
2018/29916	GIUDICE DI PACE	MARIGLIANO
2018/11773	GIUDICE DI PACE	NAPOLI
2016/8667	TRIBUNALE	NAPOLI
2015/17206	TRIBUNALE	NAPOLI NORD
2013/7837	GIUDICE DI PACE	CASERTA
2019/10558	GIUDICE DI PACE	MARSALA
2015/2837	TRIBUNALE	ROMA
2020/2417	GIUDICE DI PACE	GENOVA
2012/7156	TRIBUNALE	NAPOLI
2010/6744	CORTE DI APPELLO	NAPOLI
2019/7018	GIUDICE DI PACE	FIRENZE
2018/21570	GIUDICE DI PACE	BRINDISI
2020/59	TRIBUNALE	NOCERA INFERIORE
2017/9453	TRIBUNALE	CASSINO
2012/22080	CORTE DI APPELLO	ROMA

LEGAL PRACTICE POSITION	LEGAL AUTHORITY	AUTHORITY HEADQUARTERS
2016/18026	TRIBUNALE	ENNA
2017/15064	TRIBUNALE	BARI
2017/15012	GIUDICE DI PACE	TRANI
2018/11763	CORTE DI APPELLO	TORINO

Attachment C – List of executive workers and employees

N°	Serial Number
1	0246398
2	0279375